

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Wells Fargo Multi-Sector Income Fund		2 Issuer's employer identification number (EIN) 56-2355707	
3 Name of contact for additional information Investor Services	4 Telephone No. of contact 1-800-222-8222	5 Email address of contact fundservice@wellsfargo.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact P.O. Box 8266		7 City, town, or post office, state, and ZIP code of contact Boston, MA 02266-8266	
8 Date of action See attached		9 Classification and description Common Stock - Regulated Investment Company	
10 CUSIP number See attached	11 Serial number(s) n/a	12 Ticker symbol See attached	13 Account number(s) n/a

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶

The Fund made distributions in excess of its current and accumulated earnings and profits during its fiscal year ended October 31, 2017. The return of capital affects shareholders that held shares during the period from January 1, 2017 through October 31, 2017.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The effects of returns of capital on basis for the period described in item 14 above are as follows:

See attached.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶

If a shareholder owned shares during the period described in item 14 above, the basis per share is decreased by utilizing the amounts described in item 15 above during the entire period over which the shares were held.

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

Section 301(c)(2), related to the portion of a distribution not characterized as a dividend to be applied as a reduction of the stock's adjusted basis. IRC Section 316, related to the definitions of a dividend.

18 Can any resulting loss be recognized? ▶ **Not applicable.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **The reduction in shareholder basis applies to shareholders that held shares in the Fund for any time during the period from January 1, 2017 through October 31, 2017. Please consult your tax advisor to determine any applicable reduction in basis for your individual circumstances.**

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ /s/ Heather Bonnell Date ▶ January 3, 2017

Print your name ▶ /s/ Heather Bonnell Title ▶ Assistant Treasurer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Wells Fargo Multi-Sector Income Fund

Form 8937

2017

Issuer's employer identification number: 56-2355707

Part I, Items 8 & 10, Part II, Items 15 & 16

<u>CUSIP</u>	<u>Ticker</u>	<u>Record Date</u>	<u>Return of Capital Per Share</u>
94987D101	XERCX	1/17/2017	0.047111
94987D101	XERCX	2/15/2017	0.052680
94987D101	XERCX	3/15/2017	0.053104
94987D101	XERCX	4/18/2017	0.053645
94987D101	XERCX	5/18/2017	0.054007
94987D101	XERCX	6/14/2017	0.054272
94987D101	XERCX	7/17/2017	0.054522
94987D101	XERCX	8/15/2017	0.054757
94987D101	XERCX	9/13/2017	0.054870
94987D101	XERCX	10/16/2017	0.054916