

Peregrine Capital Management to purchase itself from Wells Fargo & Co.

On April 11, 2016, Wells Fargo Asset Management announced that Peregrine Capital Management, Inc., a wholly owned subsidiary of Wells Fargo since 1984, recently reached an agreement wherein certain principals at Peregrine will purchase full ownership from Wells Fargo, and with Wells Fargo's support, Peregrine will become an independent asset management firm. This transaction is anticipated to close in the third quarter of 2016, pending Wells Fargo Funds Board of Trustees and shareholder approval, and will result in a subsidiary change of control from Wells Fargo to Peregrine.

The change comes following a recent review of firm policies in which Wells Fargo instituted specific operational requirements for all of its fully owned affiliates that would result in a change to how Peregrine approaches certain aspects of its business. This change will minimize any potential changes to its current operating model, which has supported the firm's ability to deliver strong, consistent, and risk-managed investment performance for its clients.

The change of control will not affect Peregrine's portfolio management process or philosophy. It also will not affect Wells Fargo's oversight of compliance, risk management, and operational reporting associated with the Peregrine-subadvised mutual funds.