

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND DERIVATIVE ACTION

A federal court authorized this Notice. This is not a solicitation from a lawyer.

Your legal rights are affected — Please read this Notice carefully.

To Members of the following groups:

Group 1 “Class Members” — All purchasers of shares (of any share class) bought between November 4, 2000, and June 8, 2005, in the *Wells Fargo Advantage Small Cap Growth Fund* or *Wells Fargo Diversified Equity Fund* and all purchasers of shares (of any share class) bought between June 9, 2003, and June 8, 2005, of the *Wells Fargo Montgomery Emerging Markets Focus Fund* (the “Three Wells Fargo Mutual Funds”).

Group 2 “Current Holders” — All holders of shares of the *Wells Fargo Advantage Small Cap Growth Fund* as of January 31, 2008.

SUMMARY OF SETTLEMENT FOR CLASS MEMBERS

The proposed Class Action Settlement provides the Class with \$1,098,500, and requires Defendants to amend the disclosures in their prospectuses and statements of additional information for the Three Wells Fargo Mutual Funds. If the \$1,098,500 were allocated in accordance with the relative proportion of revenue sharing payments attributable to each of the Three Wells Fargo Mutual Funds and distributed pro rata to Class Members based on all shares purchased during the Class Period (without regard to whether a shareholder submitted a Claim Form), the average distribution would be approximately \$0.039 per share for the *Wells Fargo Advantage Diversified Equity Fund*, \$0.013 per share for the *Wells Fargo Advantage Emerging Markets Focus Fund*, and \$0.008 per share for the *Wells Fargo Advantage Small Cap Growth Fund* (before deduction of any fees or expenses incurred by Class Counsel and awarded by the Court). However, the settlement will be distributed not pro rata by share, but rather according to the Plan of Allocation described below. Accordingly, Lead Plaintiff cannot determine or estimate with any degree of precision how much money each Class Member will actually receive in the settlement, until it is known how many Class Members make claims, the average dollar value of their holdings, administrative expenses, and any award of fees and expenses to Class Counsel. On the basis of the information available to him, Lead Plaintiff believes that each Class Member’s recovery in the settlement will be at least 35% of what he or she would receive in the best case scenario if the case went to trial and Lead Plaintiff prevailed.

Lead Plaintiff has estimated that his best case for dollar recovery on behalf of the Class is \$3,195,695. Defendants do not believe that Lead Plaintiff would recover any money on behalf of the Class if this case proceeded to trial. If the \$3,195,695 estimated by Lead Plaintiff to be his best case for a dollar recovery on behalf of the Class were allocated in accordance with the relative proportion of revenue sharing payments attributable to each of the

Three Wells Fargo Mutual Funds and distributed pro rata to Class Members based on all shares purchased during the Class Period (without regard to whether a shareholder submitted a Claim Form), the average distribution would be approximately \$0.114 per share for the *Wells Fargo Advantage Diversified Equity Fund*, \$0.038 per share for the *Wells Fargo Advantage Emerging Markets Focus Fund*, and \$0.024 per share for the *Wells Fargo Advantage Small Cap Growth Fund* (before deduction of any fees or expenses incurred by Class Counsel and awarded by the Court). Lead Plaintiff notes, however, that at trial he would seek distribution based on a number of other factors, such as the value of the shares and the length of time they were held. Lead Plaintiff also cannot guarantee that damages would be awarded as to all Three Wells Fargo Mutual Funds or all share classes in each fund even if he prevailed on his claim.

The Court ordered that the Class Members are represented by the following law firm: Gutride Safier Reese LLP, P.O. Box 460026, San Francisco, CA 94146. The telephone number for Gutride Safier Reese LLP is 415-946-7434. This law firm is called Plaintiff’s Lead Counsel or Class Counsel. Lead Plaintiff and Plaintiff’s Lead Counsel will submit an application for an award of compensation for time spent, attorneys’ fees and for reimbursement of expenses incurred in connection with the prosecution of this litigation from the Settlement Fund, in an amount not to exceed \$400,000 (approximately \$0.014 per share for the *Wells Fargo Advantage Diversified Equity Fund*, \$0.005 per share for the *Wells Fargo Advantage Emerging Markets Focus Fund*, and \$0.003 per share for the *Wells Fargo Advantage Small Cap Growth Fund*, assuming allocation in accordance with the relative proportion of revenue sharing payments attributable to each of the Three Wells Fargo Mutual Funds and a pro rata distribution by fund based on all shares purchased during the Class Period (without regard to whether a shareholder submitted a Claim Form)). Any award of compensation to Lead Plaintiff and Plaintiff’s Lead Counsel is subject to judicial review and approval.

IF YOU ARE A CLASS MEMBER, YOU HAVE THE FOLLOWING LEGAL RIGHTS AND OPTIONS:

SUBMIT A CLAIM FORM by going to www.mutualfundfeesettlement.com or by mail by March 31, 2008. See question 9 below.	This is the only way to get a payment. In doing so, you agree that the settlement releases any claims you may have concerning the Three Wells Fargo Mutual Funds and the facts giving rise to this case.
EXCLUDE YOURSELF FROM THE SETTLEMENT by going to www.mutualfundfeesettlement.com or by mail by January 7, 2008. See question 13 below.	Get no payment. This is the only option that allows you to ever be part of any other lawsuit concerning the Three Wells Fargo Mutual Funds and the facts giving rise to this case.
COMMENT ON OR OBJECT TO THE SETTLEMENT by filing papers with the Court by January 7, 2008. See questions 18-22 below.	Write to the Court about why you support or oppose the settlement and/or ask to appear at the hearing. The hearing will occur on January 31, 2008 at 8:00 a.m.
DO NOTHING. See question 23 below.	Get no payment. In doing so, you agree that the settlement releases any claims you may have concerning the Three Wells Fargo Mutual Funds and the facts giving rise to this case.

IF YOU ARE A “CURRENT HOLDER,” BUT YOU ARE NOT A CLASS MEMBER, YOU HAVE DIFFERENT LEGAL RIGHTS THAN CLASS MEMBERS:

As a Current Holder, you have the right to comment on or object to this settlement and appear at the Fairness Hearing by filing papers with the Court. See answers to Frequently Asked Questions 18-22, below. You do NOT have the right to make a claim, but if the Settlement is approved, money will be added to the *Wells Fargo Advantage Small Cap Growth Fund*. You are not subject to any personal Releases, but the approval of this settlement will bar any other derivative claims on behalf of the *Wells Fargo Advantage Small Cap Growth Fund* with respect to the allegations in this case.

SUMMARY OF THE LITIGATION

The settlement resolves class action and derivative litigation arising out of certain alleged business practices of Wells Fargo & Company, Wells Fargo Investments, LLC, H.D. Vest Investment Services, LLC, Wells Fargo Funds Trust, Wells Fargo Funds Management, LLC, Wells Capital Management Incorporated, Wells Fargo Funds Distributor, LLC, and Stephens Inc. (“Defendants”). Court-appointed lead plaintiff, Ronald Siemers (“Plaintiff”), is an individual who invested money with certain Defendants by buying the above-mentioned mutual funds.

The class action case concerns mutual funds that currently are named *Wells Fargo Advantage Small Cap Growth Fund*, *Wells Fargo Advantage Emerging Markets Focus Fund*, and *Wells Fargo Advantage Diversified Equity Fund*. The names of these funds have changed during the Class Period. For example, the *Wells Fargo*

Advantage Small Cap Growth Fund was formerly named the Wells Fargo Small Cap Growth Fund, the *Wells Fargo Advantage Emerging Markets Focus Fund* was formerly named the Wells Fargo Montgomery Emerging Markets Focus Fund, and the *Wells Fargo Advantage Diversified Equity Fund* was formerly named the Wells Fargo Diversified Equity Fund. Mutual funds that were series of entities other than Wells Fargo Funds Trust and were later acquired by or merged with the Three Wells Fargo Mutual Funds are not at issue in this case for the time prior to such acquisition or merger. Thus, the Class does not include purchasers of shares of the Montgomery Emerging Markets Focus Fund to the extent their purchases were made prior to June 9, 2003, because Wells Fargo Funds Trust did not have responsibility for the registration of that fund prior to June 9, 2003. The derivative case concerns only the *Wells Fargo Advantage Small Cap Growth Fund*.

The Court has made no factual findings in the case, and the Plaintiff must prove his allegations, which generally are as follows.

Plaintiff alleges that Wells Fargo had an undisclosed and continuing practice of extracting excessive advisory and other fees from its mutual funds. Plaintiff contends that alleged sham fees were imposed to satisfy ongoing revenue-sharing obligations to brokerage houses in exchange for promoting Wells Fargo mutual funds. Plaintiff alleges that the revenue-sharing payments benefited Wells Fargo, but not existing investors. Plaintiff claims that the alleged sham fees contributed to an alleged high fee structure imposed on investors and had grown so large as to generate a conflict of interest that should have been disclosed to investors. Plaintiff alleges that by using vague disclosures, Defendants intended to suppress the

fact that investors' money was allegedly being siphoned away for secret, unauthorized compensation to brokers to hype the funds. Plaintiff alleges that these payments reduced the value of the mutual funds for investors. Plaintiff claims that certain Defendants' conduct violated section 10(b) of the Securities Exchange Act of 1934 and Rule 10b 5. The settlement of these claims affects the rights of all Class Members.

In addition to his claims on behalf of the Class, Plaintiff is pursuing a derivative claim under section 36(b) of the Investment Company Act of 1940, on behalf of the *Wells Fargo Advantage Small Cap Growth Fund*. That claim (the "Derivative Claim") alleges that the investment advisor, a sub-adviser, and fund distributors received excessive fees from that fund during the period beginning November 4, 2004. It seeks to recover, for the *Wells Fargo Advantage Small Cap Growth Fund*, the amount of allegedly excessive fees paid plus interest. The settlement of the Derivative Claim affects the rights of all Current Holders.

Plaintiff also has claims against certain of the Defendants with regard to his purchases of mutual funds registered by companies other than Wells Fargo. Those claims were severed and stayed by the Court, and no motion has been brought to certify a class with respect to those claims. As part of the settlement, Plaintiff is personally releasing the Stayed Claims and any other claims he may have against Defendants with respect to his mutual funds purchases.

Defendants deny all claims made by Plaintiff and contend that all such claims were and are wholly without merit and have no value. Defendants further contend, among other things, that all fees received from these funds were fair and reasonable, consistent with fees paid by comparable funds, and were properly approved by independent fund trustees relying on independent data. Defendants further contend that their disclosures did not contain material omissions or misstatements, that the Class did not rely on any omissions or misstatements, that the payments made to parties selling these funds were entirely lawful and properly disclosed, and that the Class suffered no recoverable damages. Defendants deny that any registered representatives were biased or that unsuitable investments were recommended as a result of the alleged payments. Defendants also deny that the ultimate parent, Wells Fargo & Company, can be held responsible for the alleged conduct of its subsidiaries. Based on these contentions, among others, Defendants believe that Plaintiff is very unlikely to prevail on any claim in this litigation. However, Defendants have agreed to settle this case because they believe that the settlement amount is substantially less than the expected costs of litigation going forward.

SUMMARY OF THE SETTLEMENT

Under the terms of the proposed settlement, Defendants have paid \$1,150,000 into a cash Settlement Fund, which is accruing interest. Reasonable costs associated with giving Notice to the Class and administering the settlement will be paid by Defendants and/or deducted from the Settlement Fund, as set forth in the Stipulation. The Derivative Payment (of \$50,000) and the Lead Plaintiff settlement payment (of \$1,500) will also be deducted from the Settlement Fund. Attorneys' fees and costs and compensation to Lead Plaintiff awarded by the Court also will be deducted from the Settlement Fund, in an amount not to exceed \$400,000. The parties will distribute the remainder of the Settlement Fund, together with interest, to Class Members in accordance with the Plan of Allocation.

The settlement also requires Defendants to amend the disclosures in their prospectuses and statements of additional information for the Three Wells Fargo Mutual Funds. These amendments are set out in full as Exhibit 6 and 7 to the Stipulation of Settlement.

Participating in this settlement will have no effect on any rights or claims you may have with respect to any Wells Fargo mutual funds other than the *Wells Fargo Advantage Small Cap Growth Fund*, *Wells Fargo Montgomery Emerging Markets Focus Fund* and *Wells Fargo Diversified Equity Fund*.

The Court in charge of this case still has to decide whether to approve the settlement. Payments will only be made if the Court approves the settlement and after any appeals are resolved.

PROJECTED RECOVERY PER CLASS MEMBER

The Settlement Fund will be distributed among the Class Members who make claims in proportion to their average holdings of the Three Wells Fargo Mutual Funds during the Class Period, from purchases made during the Class Period. In other words, Class Members who made the largest purchases during the Class Period and/or held shares so purchased for the longest amount of time during the Class Period will receive greater recoveries. If you are a Class Member and make a claim, your recovery will depend on (1) the average dollar amount of your holdings of the Three Wells Fargo Mutual Funds purchased during the Class Period, (2) the number of claims submitted by Class Members, (3) the total average holdings of all Class Members who make claims, and (4) taxes, administration, attorneys' fees and other costs borne by the Settlement Fund. It cannot be determined at this time how much

each Class Member who makes a claim will obtain from the Settlement Fund. Lead Counsel estimates that there are at least 50,000 Class Members entitled to make a claim and there may be up to 150,000 or more such Class Members.

As set forth above, it is not possible to estimate how much money each Class Member will actually receive in the settlement, until it is known how many Class Members make claims, the average dollar value of their holdings, administrative expenses, and any award of fees and expenses to Class Counsel.

In order to receive a distribution from the Settlement Account, your share of the Settlement Fund as computed according to the Plan of Allocation must be at least \$20. No distributions of less than \$20 will be made. Nor will any distribution be made that exceeds ten percent of the average value of your holdings of the Three Wells Fargo Mutual Funds during the Class Period.

For further information, please see the Section entitled “Summary of Settlement for Class Members” on the first page of this Notice, the response to Question 10 below, and the Plan of Allocation available at www.mutualfundfeesettlement.com.

POTENTIAL OUTCOME OF CASE IN ABSENCE OF SETTLEMENT

The parties disagree on both liability and damages and do not agree on the average amount of damages per Class Member that would be recoverable if Plaintiff prevailed at trial. Defendants deny that they are liable to Plaintiff or the Class and deny that Plaintiff or the Class Members have suffered any damages. Lead Plaintiff believes that his claims have merit but also believes, however, that success is not assured on his Exchange Act claim, and that if he were to succeed, the best case for a dollar recovery on behalf of the Class is \$3,195,695. Defendants believe that even in the unlikely event that Lead Plaintiff did prevail on this claim, Lead Plaintiff would not recover the \$3,195,695 that he has estimated as his best case for dollar recovery on behalf of the class. In order to prevail, Lead Plaintiff would need to prove that excessive fees were charged to the Three Wells Fargo Mutual Funds. Defendants believe that Lead Plaintiff’s calculation does not account for the compelling evidence that the fees charged are not excessive, such as the fact that the fees charged were generally at or below the median of the fees charged by other comparable mutual funds.

Lead Plaintiff further believes that success is not assured on the Derivative Claim and that, if he was to succeed, it would most likely be with respect to the amounts paid by Defendants for the denominated purpose of “revenue

sharing” at least for the one-year period prior to the filing of this Action, which Plaintiff’s Lead Counsel has estimated to be approximately \$87,500. If he were successful on the Derivative Claim, this amount (or some portion thereof) would be paid by Defendants to the *Wells Fargo Advantage Small Cap Growth Fund*, which would benefit all persons who held the fund at the time of payment.

Defendants deny they are liable on the Derivative Claim and contend, among other things, that all fees received from the *Wells Fargo Advantage Small Cap Growth Fund* were fair and reasonable, consistent with fees paid by comparable funds, and were properly approved by independent fund trustees relying on independent data.

For further information, please see the Section entitled “Summary of Settlement for Class Members” on the first page of this Notice.

STATEMENT OF LEAD PLAINTIFF COMPENSATION, ATTORNEYS’ FEES AND COSTS SOUGHT

Lead Plaintiff and Plaintiff’s Lead Counsel will submit an application for an award of compensation for time spent, attorneys’ fees and for reimbursement of expenses incurred in connection with the prosecution of this litigation from the Settlement Fund, in an amount not to exceed \$400,000 (approximately \$0.014 per share for the *Wells Fargo Advantage Diversified Equity Fund*, \$0.005 per share for the *Wells Fargo Advantage Emerging Markets Focus Fund*, and \$0.003 per share for the *Wells Fargo Advantage Small Cap Growth Fund*, assuming allocation in accordance with the relative proportion of revenue sharing payments attributable to each of the Three Wells Fargo Mutual Funds and a pro rata distribution by fund based on all shares purchased during the Class Period (without regard to whether a shareholder submitted a Claim Form)). Plaintiff’s Lead Counsel have prosecuted this litigation on a contingent fee basis, and have advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation, counsel are often awarded a percentage of the common-fund recovery as their attorneys’ fees. In this case, the total request for fees, costs and award to the Lead Plaintiff will be slightly more than one-third of the settlement obtained.

REASONS FOR THE SETTLEMENT

Plaintiff’s Lead Counsel state the principal reason for the settlement is that it represents a favorable outcome for the Class, arrived at after comprehensive investigation and analysis of the factual and legal issues surrounding Class Members’ claims. Plaintiff’s Lead Counsel further

state that the proposed settlement is in the best interests of the Class as a whole given Defendants' willingness to settle now for a cash payment of \$1.15 million, including the Derivative Payment, and adoption of measures to address the alleged problems giving rise to the lawsuit, balanced against the risks presented by the unresolved issues that might have been decided in Defendants' favor, the expense and delay of continued litigation, the risks of taking the case to trial, and the risks and delay presented by an appeal in the event of a favorable outcome at trial.

INSTRUCTIONS AND FREQUENTLY ASKED QUESTIONS

BASIC QUESTIONS

1. Why did I get this Notice?

You or someone in your family may have purchased one or more of the Three Wells Fargo Mutual Funds. The Court directed that this Notice be sent to you because you have a right to know about a proposed settlement of a class action lawsuit that will resolve claims based on those mutual funds, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves the settlement, an administrator appointed by the Court will distribute the settlement money.

This Notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court overseeing the case is the United States District Court for the Northern District of California. The lawsuit, *Siemers v. Wells Fargo & Co., et al*, Case No. C 05-4518 WHA, is pending before the Honorable William Alsup of the Northern District of California, San Francisco Division. The person who sued is called "Plaintiff." The companies being sued, who are called "Defendants," are Wells Fargo & Company, Wells Fargo Investments, LLC, H.D. Vest Investment Services, LLC, Wells Fargo Funds Trust, Wells Fargo Funds Management, LLC, Wells Capital Management Incorporated, Wells Fargo Funds Distributor, LLC, and Stephens Inc.

2. What is this lawsuit about?

The following is a summary of Plaintiff's allegations.

Plaintiff alleges that Wells Fargo had an undisclosed and continuing practice of allegedly extracting excessive advisory and other fees from its mutual funds. Plaintiff alleges that the alleged sham fees were imposed to satisfy ongoing revenue-sharing obligations to brokerage houses in exchange for promoting Wells Fargo mutual funds. Plaintiff alleges that the revenue-sharing payments benefited Wells Fargo, but not existing investors. Plaintiff

claims that the alleged sham fees contributed to an alleged high fee structure imposed on investors and had grown so large as to generate a conflict of interest that should have been disclosed to investors. Plaintiff contends that by using vague disclosures, Defendants allegedly intended to suppress the fact that investors' money was being siphoned away for secret, unauthorized compensation to brokers to hype the funds. Plaintiff alleges that these payments reduced the value of the mutual funds for investors. Plaintiff claims that certain Defendants' conduct violated section 10(b) of the Securities Exchange Act of 1934 and Rule 10b 5, and Section 36(b) of the Investment Company Act of 1940.

The following is a summary of Defendants' defenses.

The Defendants deny all claims made by Plaintiff and contend, among other things, that all fees received from these funds were fair and reasonable, consistent with fees paid by comparable funds, and were properly approved by independent fund trustees relying on independent data. Defendants further contend that their disclosures did not contain material omissions or misstatements, that the Class did not rely on any omissions or misstatements, that the payments made to parties selling these funds were entirely lawful and properly disclosed, and that the Class suffered no recoverable damages. Defendants deny that any registered representatives were biased or that unsuitable investments were recommended as a result of the alleged payments. Defendants deny that the ultimate parent, Wells Fargo & Company, can be held responsible for the alleged conduct of its subsidiaries.

3. Why is this a class action? A derivative action?

In a class action, one or more people called class representative(s) (in this case, a Plaintiff) sues on behalf of people who have similar claims. All these people together constitute a plaintiff class. This is a class action because one court resolves all class-wide issues for all people who meet the class definition, except for those who exclude themselves from the class. This class action involves all purchasers of shares (of any share class) bought between November 4, 2000, and June 8, 2005, in the *Wells Fargo Advantage Small Cap Growth Fund* or *Wells Fargo Diversified Equity Fund* and all purchasers of shares (of any share class) bought between June 9, 2003 and June 8, 2005 of the *Wells Fargo Montgomery Emerging Markets Focus Fund*.

The derivative portion of the case is brought to benefit the *Wells Fargo Advantage Small Cap Growth Fund* by Lead Plaintiff, who is a current holder of that fund. The law allows a holder of a mutual fund to sue, on behalf of the fund, to recover any excessive fees paid by the fund.

4. Why is there a settlement?

The Court did not decide in favor of or against Plaintiff or Defendants. Instead, these parties agreed to a settlement. The settlement was reached through mediation after the parties litigated a number of motions including several motions to dismiss and a motion for class certification. Through the settlement, the parties avoid the risks, delay, and cost of preparing for and going to trial, and the affected Class Members will get compensation. Plaintiff and his attorneys think the settlement is in the best interests of the Class as a whole.

DETERMINING IF YOU ARE A CLASS MEMBER

5. How do I know if I am part of the Class?

The Class includes all purchasers of shares (of any share class) bought between November 4, 2000, and June 8, 2005, in the *Wells Fargo Advantage Small Cap Growth Fund* or *Wells Fargo Diversified Equity Fund* and all purchasers of shares (of any share class) bought between June 9, 2003 and June 8, 2005 of the *Wells Fargo Montgomery Emerging Markets Focus Fund*.

6. Who is not included in the Class?

Excluded from the Class are Judge Alsup; Released Persons (described in response to question 12 below); and any person or entity whose only purchases of shares in the Three Wells Fargo Mutual Funds during the Class Period were through dividend reinvestments. Also excluded from the Class are all persons and entities who timely and validly request exclusion from the Class in accordance with the requirements described in this Notice under question 13 below.

7. I am still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can call 1-888-271-6726 or visit www.mutualfundfeesettlement.com for more information.

SETTLEMENT BENEFITS

8. What does the settlement provide?

Defendants have paid \$1.15 million into an interest-bearing account. This amount plus interest makes up the Settlement Fund. After deducting the Derivative Payment (of \$50,000), payment to Lead Plaintiff to settle his individual claims (of \$1,500), Court-awarded attorneys' fees and expenses and compensation to the Lead Plaintiff (collectively capped at \$400,000), fees and costs of settlement notice and administration (not expected to exceed \$200,000), and taxes on income earned by the fund, the balance of this fund will be allocated among all

Class Members who send in a valid proof of claim. (See the next question for information on how to send in a proof of claim).

9. How can I get a payment?

To qualify for payment, you must be a member of the Class and timely submit a Claim Form. The online Claim Form is available at www.mutualfundfeesettlement.com. If you prefer to submit a printed Claim Form by mail, you may download one from www.mutualfundfeesettlement.com. If you do not have access to the internet, you may request that a printed Claim Form be mailed to you by calling the Claims Administrator at 1-888-271-6726. Read the instructions carefully, fill out the form as directed and submit it as directed on the form no later than 60 days after the Court enters an order granting final approval of the Settlement. The Court could enter an order granting final approval of the Settlement as early as January 31, 2008, in which case the deadline for submitting a claim would be March 31, 2008. If the claim deadline is extended beyond March 31, 2008, the new deadline will be posted at www.mutualfundfeesettlement.com. All information you enter on the Claim Form will be used only for the purpose of this case.

10. How will my payment be determined?

Plaintiff has proposed a Plan of Allocation for distributing settlement money among Class Members. At the Fairness Hearing, the Court will consider whether to approve this plan as well as the settlement. Under the settlement, the amount available for distribution will be the balance of the Settlement Fund remaining after deduction of Court-awarded attorneys' fees and litigation expenses, compensation to the Lead Plaintiff, taxes, and notice and settlement administration costs ("Net Settlement Fund"). The Net Settlement Fund will be distributed among those Class Members who timely submit valid claims. The preceding description of the Plan of Allocation is qualified in its entirety by reference to the Plan of Allocation itself, available at www.mutualfundfeesettlement.com.

Payment will be by check mailed to the address you provide. If you have an account with Wells Fargo Investments or Wells Fargo Funds Trust at the time the payments are distributed, the Claims Administrator may arrange in its discretion to have your payment electronically deposited into that account, if reasonably feasible.

11. When will I get my payment?

The Court will hold a hearing on January 31, 2008 at 8:00 a.m., to decide whether to approve the settlement. The hearing could be continued without further notice

to the class. Under the terms of the settlement, the money will not be distributed until the settlement is approved, the claims period ends, and there is no possibility of appeal. If the settlement is approved on or around January 31, 2008, then the parties will seek to distribute your share of the Settlement Fund in May 2008. An appeal by a Class Member would likely delay your payment. Updated information regarding the timing of the distribution will be available at www.mutualfundfeesettlement.com.

12. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you will continue to be a member of the Class, and that means that if the settlement is approved, you will release all “Released Claims” against the “Released Persons,” and you will be prohibited from bringing or participating in any other cases concerning the “Released Claims” against the “Released Persons.”

“Released Claims” means each and every of the Certified Class Claims and, in addition, any and all known and unknown claims, debts, demands, rights or causes of action or liabilities whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, at law or in equity, matured or unmatured, whether class or individual in nature, or direct or derivative, as against the Released Persons with respect to the Three Wells Fargo Mutual Funds, arising out of or based upon the allegations made in any of the complaints filed in the Action and/or related in any way to any payments by or to any of Defendants in connection with the Certified Wells Fargo Mutual Funds. “Released Claims” includes a waiver of any and all provisions, rights and benefits conferred by law of any state or territory of the United States, federal law, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code §1542, which provides

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR,

but only to the extent that any such claims were made or might have been made with respect to the Three Wells Fargo Mutual Funds, and arise out of or are based upon the allegations made in any of the complaints filed in the

Action and/or relate in any way to any payments by or to any of Defendants in connection with the Certified Wells Fargo Mutual Funds. The claims are released even if you later discover facts in addition to or different from those which you now know or believe to be true with respect to the subject matter of the Released Claims.

“Released Persons” means Defendants (including without limitations any other entities named as defendants in the Action at any time, including any defendants who were dismissed in the Action), and all of their present and former employees, officers, trustees and directors, and all of their respective past or present subsidiaries, parents, successors, affiliates, predecessors, agents, attorneys, advisors, insurers, investment advisors, distributors, auditors, accountants, assigns, spouses, any member of their immediate family, or any trust which is for the benefit of any of them and/or member(s) of their immediate family and the legal representatives, heirs or successors in interest of all of the foregoing, and any person, firm, trust, corporation, officer, director or other individual or entity in which any one of them has a controlling interest or which is related to or affiliated with any of the foregoing.

“Certified Class Claims” means the claims asserted in the Action on behalf and for the benefit of the Settlement Class Members alleging violations of Section 10(b) of the Securities Exchange Act and Rule 10b-5 enacted pursuant thereto with respect to the Three Wells Fargo Mutual Funds.

If you remain a Class Member, all of the Court’s orders will apply to you and legally bind you and each of your past or present agents, partners, members, affiliates, subsidiaries, issues, heirs, representatives, successors and assigns.

The above release applies only to Class Members.

EXCLUDING YOURSELF FROM THE CLASS

13. How do I exclude myself from (opt-out of) the Class and settlement?

If you are a member of the Class and do not want a payment from this settlement, but you want to retain any right to sue or continue to assert any of the Released Claims on your own against any Defendant or other Released Party, then you must take steps to get out of the Class. This is called excluding yourself from the Class, and is sometimes referred to as “opting out” of the Class.

To exclude yourself from the Class and settlement, you must either complete a request online at www.mutualfundfeesettlement.com or send a written request

by mail that clearly (1) states your name and address, (2) states that you request to be excluded from the Class and settlement in the Wells Fargo Securities Litigation, (3) specifies the approximate total value of any shares of the Three Wells Fargo Mutual Funds purchased during the Class Period, and (4) is signed by you. You must submit the request online, or postmark your mailed request, no later than January 7, 2008. Mailed requests should be addressed to: Siemers v. Wells Fargo Claims Administrator, c/o Rosenthal & Company LLC, P.O. Box 6168 Novato, CA, 94948-6168.

You cannot exclude yourself by phone or e-mail. If you exclude yourself from the Class, you will not be entitled to any payment under the settlement, and you will have no right to comment in support of, or in opposition to, the settlement. If you exclude yourself from the Class, you will not be legally bound by anything that happens in this lawsuit, and you may be able to sue (or continue to sue) Defendants and other Released Persons in the future with regard to the Released Claims.

If you are not a member of the Class as defined above (see answer to questions 5-6), you do not need to do anything to exclude yourself.

14. If I do not exclude myself (that is, if I stay in the Class), can I bring a lawsuit for the same thing later?

No. If you are a Class Member, then unless you exclude yourself, you give up any rights to bring a lawsuit asserting any of the Released Claims against any Defendant or other Released Person. If you have a pending lawsuit that you believe concerns the Released Claims or the same matters alleged in this case, speak to your lawyer in that lawsuit immediately. You will likely have to exclude yourself from this Class and settlement to continue your own lawsuit. Remember, the exclusion deadline is January 7, 2008.

If you are not a member of the Class as defined above (see answer to questions 5-6), you do not need to do anything to exclude yourself.

15. If I exclude myself, can I get money from this settlement?

No. You will, however, retain your right to bring a lawsuit, continue to pursue an existing lawsuit, or be part of a different lawsuit asserting a Released Claim against a Released Person. If you exclude yourself, do not send in a Claim Form.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

Yes. The Court ordered that the following law firm will represent you and the other Class Members: Gutride Safer Reese LLP, P.O. Box 460026, San Francisco, CA 94146. The telephone number for Gutride Safer Reese LLP is 415-946-7434. This law firm is called Plaintiff's Lead Counsel or Class Counsel. You can contact them at info@gutridesafer.com or www.gutridesafer.com. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid? Will the Lead Plaintiff be paid?

Plaintiff's Lead Counsel will submit an application for an award of attorneys' fees and for reimbursement of expenses, and compensation to the Lead Plaintiff, from the Settlement Fund in an amount not to exceed \$400,000, plus interest at the same rate as earned by the Settlement Fund. This payment is in addition to the payment of \$1,500 that Lead Plaintiff will receive for settling his individual claims against Defendants as to which no class was certified. Lead Counsel, without further notice to the Class, may subsequently apply to the Court for fees and expenses they incur in connection with any proceedings after the Fairness Hearing (described below).

COMMENTING ON OR OBJECTING TO THE SETTLEMENT

18. How can I comment in support of, or in opposition to, the settlement?

If you are a Class Member or a current holder of the *Wells Fargo Advantage Small Cap Growth Fund*, you may comment in support of, or in opposition to, the settlement and/or the application for attorneys' fees and expenses. You may also file an objection with the Court as set forth below and request an opportunity to be heard at the Fairness Hearing. The Court will consider your views and/or objections. To comment on or object to the settlement, you must send a signed statement saying how you support or oppose the proposed settlement or the application for attorneys' fees in *Siemers v. Wells Fargo & Co., et al*, Case No. C 05-4518 WHA. **You must include your name, address, telephone number, and your signature; and state the reasons why you support or oppose the proposed settlement or the application for attorneys' fees. Mail or deliver your comments and/or objections to the Court, Plaintiff's Attorneys and at least one of the Defendants' Attorneys at the following addresses, postmarked or delivered no later than January 7, 2008:**

COURT

Clerk of the Court
Siemers v. Wells Fargo & Co., et al,
Case No. C 05-4518 WHA
United States District Court
for the Northern District of California
450 Golden Gate Avenue
San Francisco, CA 94102

PLAINTIFF'S LEAD COUNSEL

Adam Gutride, Esq.
Gutride Safier Reese LLP
P.O. Box 460026
San Francisco, CA 94146

DEFENDANTS' ATTORNEYS

*Counsel for Wells Fargo Funds Management and
Wells Fargo Funds Trust:*
Gilbert R. Serota, Esq.
Howard Rice Nemerovski Canady
Falk & Rabkin
A Professional Corporation
3 Embarcadero Center, 7th Floor
San Francisco, CA 94111-4024

Counsel for Wells Fargo & Company:
Bruce A. Ericson, Esq.
Pillsbury Winthrop Shaw Pittman LLP
50 Fremont Street
P.O. Box 7880
San Francisco, CA 94105-7880

19. What is the difference between commenting on or objecting to the settlement and excluding myself?

Commenting on or objecting to the settlement is telling the Court that you support or oppose the settlement. If you are a Class Member, you may comment upon or object to the settlement only if you stay in the Class. This means that if the settlement is approved, you will give up your right to bring or participate in a separate lawsuit with respect to the Released Claims. Excluding yourself is telling the Court that you do not want to be part of the Class and the settlement at all, so that you can retain your right to bring or participate in a separate lawsuit with respect to the Released Claims.

THE COURT'S FAIRNESS HEARING

20. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing to decide whether to approve the settlement. You may come to the hearing and you may ask to speak, but you do not have to.

The Fairness Hearing will occur on January 31, 2008 at 8:00 a.m., at the United States District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, California 94102, in Courtroom 9, 19th Floor. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If written comments or objections in support or in opposition to the settlement have been submitted, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing (see question 22 below). The Court also may decide how much to award Plaintiff's Lead Counsel for attorneys' fees and reimbursement of expenses, and whether and in what amount an award should be given to the Lead Plaintiff. After the hearing, the Court will decide whether to approve the settlement.

21. Do I have to come to the Fairness Hearing?

No. Plaintiff's Lead Counsel will answer questions the Court may have. But you may attend at your own expense. If you send written comments in support of or in opposition to the settlement, you do not have to come to Court to talk about them. As long as you mailed your written comments or objections on time, the Court will consider them. You also may pay your own lawyer to attend, but it is not necessary.

22. May I speak at the Fairness Hearing?

You may ask the Court for permission to speak at the Fairness Hearing or to have an attorney who is retained and paid by you speak on your behalf. To ask the Court's permission to appear (or have your lawyer appear) at the Fairness Hearing, you must include with your written comments, described under question 18 above, a statement that you or your lawyer intend to appear at the Fairness Hearing. If you intend to have any witnesses testify or intend to introduce any evidence at the Fairness Hearing, you must list the witnesses and evidence in your written comments. Be sure to comply with all of the other listed requirements for submitting written comments, including the postmark deadline of January 7, 2008. You cannot speak at the hearing if you exclude yourself from the Class.

IF YOU DO NOTHING

23. What happens if I do nothing at all?

If you are a Class Member and you do nothing, you will get no money from this settlement. You also will not be able to bring, continue to pursue, or be part of any other separate lawsuit asserting any Released Claim against any Released Person.

If you are a Current Holder and you do nothing, you are not subject to any personal Releases, but the approval of this settlement will bar any other derivative claims on behalf of the *Wells Fargo Advantage Small Cap Growth Fund* with respect to the allegations in this case.

GETTING MORE INFORMATION

24. How do I get more information?

This Notice summarizes the proposed settlement. More details are in a Stipulation of Settlement dated July 5, 2007. You can get a copy of the Stipulation of Settlement by visiting the website at www.mutualfundfeesettlement.com. At the website, you will also find other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

If your questions are not answered by this Notice, you can also call the Claims Administrator at 1-888-271-6726. Any other questions should be directed to Plaintiff's Lead Counsel identified under question 16 above. ***Please do not call the Court.***

Special Notice to Brokerage Houses, Banks, Insurance Companies, Employee Benefit Plans, all holders of Institutional class or Administrator class shares, and all shareholder servicing agents for any class of shares: You may be obligated to forward copies of this Notice to all persons who are members of Group 1 or Group 2 for whose benefit you purchased, sold or held shares. For more information, please review the Order Preliminarily Approving Settlement, paragraph 8, which is available at www.mutualfundfeesettlement.com, and consult with your lawyers.

Date: August 13, 2007.

BY ORDER OF THE COURT

WILLIAM H. ALSUP

UNITED STATES DISTRICT JUDGE