

IT IS IMPORTANT THAT YOU READ AND UNDERSTAND THIS INFORMATION PRIOR TO OPENING A MARGIN ACCOUNT.

Wells Fargo Clearing Services, LLC, and Wells Fargo Advisors Financial Network, LLC (hereinafter referred to as "Wells Fargo Advisors" or "WFA") are furnishing this document to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided by WFA. Please consult your Financial Advisor regarding any questions or concerns you may have with your margin accounts.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price through WFA. If you choose to borrow funds from WFA, you will open a WFA margin account. The securities purchased are the collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, WFA can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with WFA, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- **You can lose more funds than you deposit in the margin account.** A decline in the value of securities that are purchased on margin may require you to provide additional funds to WFA, which has made the loan(s), to avoid the forced sale of those securities or other securities or assets in your account(s).
- **WFA can force the sale of securities or other assets in your account(s).** If the equity in your account falls below the maintenance margin requirements or our higher "house" requirements, WFA can sell the securities or other assets in any of
- **WFA can sell your securities or other assets without contacting you.** Some investors mistakenly believe that firms such as WFA must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. While we will try to notify you of margin calls, we are not required to do so. However, even if we have notified you and provided a specific date by which you can meet a margin call, we can still take necessary steps to protect our financial interests, including immediately selling the securities without notice to you.
- **You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.** Because the securities are collateral for the margin loan, WFA has the right to decide which security to sell in order to protect our interests.
- **WFA can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.** These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause us to liquidate or sell securities in your account(s).
- **You are not entitled to an extension of time on a margin call.** While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

Securities in your margin account may be loaned to or by WFA. To the extent WFA determines, in accordance with Federal tax regulations, that your securities have been loaned, payments received by you with respect to such securities (including payments in lieu of dividends) may be reclassified as substitute payments. Substitute payments may be reported on different tax reporting forms than payments received on the underlying securities and may be subject to different tax consequences and rates. You are advised to contact your tax advisor to discuss the tax treatment of substitute payments.

Your Financial Advisor may receive compensation based on the amount of your margin loans, which may take the form of a percentage of your margin balances or the interest you pay on an ongoing basis.

Investment and Insurance Products are:

- **Not Insured by the FDIC or Any Federal Government Agency**
- **Not a Deposit or Other Obligation of, or Guaranteed by, the Bank or Any Bank Affiliate**
- **Subject to Investment Risks, Including Possible Loss of the Principal Amount Invested**

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC, separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company.

Statement of Interest Charges

Accounts on which Interest is Charged • Calculation of Interest • Lien and Collateral

To assist you in managing your borrowing needs and to familiarize you with the terms under which credit is extended on your account, we have developed this Statement of Interest Charges. Please review this Statement of Interest Charges prior to utilizing credit.

Accounts on which Interest is Charged

Interest may be charged on margin credit extended for the purpose of purchasing, carrying or trading in securities. Interest charges are calculated on a settlement date basis and details supporting such calculation will be displayed on your monthly statement.

Payments for purchases in cash accounts should be received on or before the settlement date shown on the trade confirmation. If your payment is received after that date, an interest charge may be posted to your cash account.

Proceeds from a sale in a cash account are not required to be disbursed prior to the settlement date shown on the trade confirmation. Occasionally, we may honor a request to disburse sale proceeds prior to settlement date. If this privilege is utilized, an interest charge may be posted to your account.

Calculation of Interest

Your annual rate of interest will vary depending on the size of your daily adjusted debit balance and your relationship (determined on a daily basis) with Wells Fargo Advisors. Your "relationship with Wells Fargo Advisors" is based on your household assets under management ("AUM") with Wells Fargo Advisors. In general, a "household" will contain all of your personal accounts as well as the accounts of your spouse or domestic partner, dependents, and wholly owned businesses. Household AUM is calculated at the market close of the previous business day and excludes any margin and/or loan debits. The daily adjusted debit balance is the net total of the settled balances in your account.

Short positions are "marked-to-market" daily. Since the security sold short must be borrowed in order to deliver it to the buying broker, the credit that results from the sale is not available to you. The market value of the short sale is debited against your margin balance to arrive at a daily adjusted debit balance for interest purposes. The daily closing price is used to determine any appreciation or depreciation of a security sold short, which will adjust your daily adjusted debit balance.

You may be charged additional fees in connection with establishing and maintaining a short position and such charges may be disclosed to you at the time a short position is established or may be imposed or increased from time to time in light of changing market conditions. When a security that you have sold short is no longer

easy-to-borrow, WFA may make an immediate change to any fees that may be paid by you or assessed to your account to reflect current market rates relating to the borrow with such fee accounted to you.

The Wall Street Journal (WSJ) Prime Rate, in combination with a variable rate based on debit balance, is the rate Wells Fargo Advisors charges investors to extend credit. Interest will be calculated based on the Wall Street Journal Prime Rate plus the Spread. The "Spread" is the number of percentage points stated in the table below unless you negotiated a different interest rate. There is an all-in floor rate of zero percent (0.0%) per annum, without regard to any fluctuations in the WSJ Prime Rate or your relationship with Wells Fargo Advisors that may cause the interest rate to be less than zero percent (0.0%). This means that the annual rate of interest, which is based on the daily adjusted debit balance and your relationship with Wells Fargo Advisors, will not be less than zero percent (0.0%) per annum. Your actual rate of interest may change in the future, however, without prior notice to you.

The interest rate charged to you may be individually negotiated instead of based on the standard table of interest rates (a "Negotiated Rate"). At the time any Negotiated Rate is established for your account, we will notify you of the expiration date, if any, to your Negotiated Rate. After the expiration date, if any, we may change your Negotiated Rate without giving you any prior notice of the change. We may charge a different (i.e., higher or lower) interest rate based on factors determined by us, at our sole discretion, including, but not limited to, account activity or your overall business relationship with us.

For the WSJ Prime Rate please visit:

<https://www.wsj.com/market-data/bonds/moneyrates>.

Margin Pricing

Debit Tier

<\$25k	WSJ Prime Rate + 5.75%
\$25K<\$50K	WSJ Prime Rate + 5.25%
\$50K<\$100K	WSJ Prime Rate + 4.75%
\$100K<\$250K	WSJ Prime Rate + 4.25%
\$250K<\$500K	WSJ Prime Rate + 3.75%
\$500K<\$1MM	WSJ Prime Rate + 3.25%
\$1MM<\$5MM	WSJ Prime Rate + 2.75%
\$5MM<\$10MM	WSJ Prime Rate + 2.25%
>\$10MM	WSJ Prime Rate + 1.75%
Cash Account	WSJ Prime Rate + 5.75%, regardless of debit size or household AUM

Household Assets Under Management	Adjuster
< \$250,000	0.00%
\$250,000 to \$499,999.99	- 0.50%
\$500,000 to \$999,999.99	- 1.00%
\$1,000,000 to \$2,499,999.99	- 1.50%
\$2,500,000 to \$4,999,999.99	- 2.00%
\$5,000,000 and up	- 2.50%

Lien and Collateral

We will maintain a first priority perfected security interest in the securities or other property (the "Securities Collateral") in your account when extending credit to you. You agree to promptly satisfy all margin and maintenance calls. Should your account fall below margin maintenance requirements, we may liquidate the Securities Collateral in your account, or any other account in which you have an interest held at WFA or our affiliates, without notice to you.