General information

Your Wells Fargo & Company 401(k) Plan (“401(k) Plan”) account is intended first and foremost to help you save for retirement. The 401(k) Plan’s loan feature allows you to borrow from your 401(k) Plan account while actively employed. However, to protect against improper use of your retirement nest egg, the process of lending money from a tax-qualified plan is strictly governed by federal statutes and regulations. These Loan Rules reflect restrictions and protections provided by federal law, as well as 401(k) Plan provisions and procedures.

You should be aware that any amount borrowed from your 401(k) Plan account may become immediately taxable, and you may also become liable for payment of penalty taxes. Furthermore, the 401(k) Plan administrator is not authorized to make exceptions to these rules.

Important Information: Please keep these Loan Rules with your other 401(k) Plan documentation. The Loan Rules, as amended from time to time, govern plan loans taken from the 401(k) Plan. You can confirm that you have the most up-to-date Loan Rules by signing on to your 401(k) Plan account or by calling 1-877-HRWELLS (1-877-479-3557), option 1. Representatives are available Monday through Friday, 8:00 a.m. – 9:00 p.m. Eastern time. Relay service calls are accepted.

Eligibility

Nondiscrimination — 401(k) Plan loans are available to participants without regard to race, color, religion, sex, age, or national origin, subject to the rules provided below.

General eligibility — To be eligible to receive a loan, you must be employed by Wells Fargo & Company or one of its affiliates or subsidiaries and have an account balance in the 401(k) Plan greater than $1,000. Terminated or retired participants, beneficiaries, and alternate payees under a qualified domestic relations order (QDRO) who have an account balance in the 401(k) Plan are not eligible to receive a loan.

Loan restrictions — You may have three loans outstanding at the same time — two general purpose loans and one principal residence loan or three general purpose loans (see the section titled “Types of loans” for a description of general purpose and principal residence loans). If you have defaulted on a prior loan, you will be prevented from taking a new loan until the prior defaulted loan balance is paid in full.

If you were a participant in a plan of an employer whose plan was merged into the 401(k) Plan and the prior plan held any assets that were transferred directly or indirectly from a defined benefit plan or a money purchase pension plan, your account is subject to joint and survivor annuity requirements. If you are subject to the joint and survivor annuity requirements and you are married, your spouse must consent to the receipt of a loan from the 401(k) Plan.

Coordination with QDROs — You will not be able to request a loan in any period during which the 401(k) Plan administrator is making a determination of whether or not a domestic relations order involving your account is a QDRO, as defined in Section 414(p) of the Internal Revenue Code. If the order is determined to be a QDRO, you will be prohibited from taking a loan until the portion of your account balance that is assigned to the alternate payee under the QDRO has been segregated into a separate account. To the extent possible, the loan will not be allocated to an alternate payee’s account but will remain part of your 401(k) Plan account.
**Types of loans**

There are two types of loans:

**General purpose loan** — A general purpose loan is available for any reason. The maximum term is five years.

**Principal residence loan** — A principal residence loan is available only for the purchase or construction of your principal residence. It cannot be used to remodel or refinance your existing home or to pay off an existing mortgage. The minimum term is 61 months and the maximum term is 20 years. When you request a principal residence loan from your 401(k) Plan account with a repayment period in excess of five years for the purchase or construction of your primary residence, the IRS requires that you provide documentation to the plan administrator verifying the home purchase or construction before the loan can be approved (see the “Requesting a loan” section for more details).

**Interest rates**

New loans from the 401(k) Plan will bear interest at an annual rate that is 2% above the prime rate charged by Wells Fargo Bank, N.A., the 401(k) Plan trustee. Rates are set daily. The interest rate remains the same throughout the entire term of the loan; however, if you are on a military leave, see the “Loans when on leave” section for more information. Both general purpose loans and principal residence loans bear the same rate of interest. Interest begins to accrue on the date of the loan issue. Under current tax laws, loan interest is not tax-deductible. Interest payments will be considered investment earnings for your 401(k) Plan account and will be taxed as income upon future distribution or withdrawal.

If the interest rate changes between the time you request the loan and when the loan is issued by check or ACH (direct deposit), the interest rate on the loan will then be the prevailing rate at the time the loan is actually issued.

**Amounts available and security for loan**

**Minimum loan amount** — The minimum amount for any loan is $500.

**Maximum loan amount** — The maximum amount that you may borrow is strictly limited by law. In general, the maximum of all loans outstanding cannot exceed the lesser of (a) $50,000, less the highest outstanding balance of all loans in the past 12 months; or (b) 50% of your vested account balance in accordance with IRS Code Section 72(p)(2)(A). This limit applies to all plans maintained by Wells Fargo & Company and its subsidiaries in aggregate.

**Security for a loan** — The loan is secured by up to 50% of your vested account balance (equal to the amount of the loan).

**Fees and taxes**

Generally, no fees are charged to request or maintain a loan. However, residents of Florida are charged a documentary stamp tax equal to 35 cents for each $100 borrowed, imposed by the State of Florida. For example, if you borrow $5,000, the Florida documentary stamp tax is $17.50 ($0.35 x $5,000/$100), which is subtracted from the loan proceeds.

**Source of loan funds**

Any funds loaned to you from the 401(k) Plan are borrowed directly from your 401(k) Plan account, and you bear the risk of loss due to a default in loan repayment. Because the funds borrowed are not available for alternative investments, the only return you receive on outstanding amounts during the loan period is the interest paid on the loan, which is deposited into your 401(k) Plan account, along with your principal payments.
Loan funds will be withdrawn from the money types in your 401(k) Plan account in this order:

1. Before-Tax Account
2. Catch-Up Contribution Account
3. Rollover Account
4. Employer Non-Safe Harbor Matching Contribution Account
5. Employer Safe Harbor Matching Contribution Account
6. Share Award Account
7. Discretionary Profit Sharing Account
8. Employee After-Tax Account (including earnings)
9. After-Tax Rollover Account
10. Transferred Account (except the portion of the Transferred Account that comprises the TAP Retirement Account and Company Plus Account)
11. Employer QNEC Account
12. Roth 401(k) Account
13. Roth Catch-Up Account
14. Roth Rollover Account
15. Reinstatement of Funds Account
16. Reinstatement of Roth Rollover Account

The account balance in each money type will be exhausted up to 95% of the balance before moving to the next money type. Within each money type, account balances will be drawn pro rata from the investment funds in which those balances are invested.

**Requesting a loan**

You can model different loan scenarios online before making your decision to take a loan. To make your loan request online, sign on to your 401(k) Plan account from Teamworks or teamworks.wellsfargo.com, or call 1-877-HRWELLS (1-877-479-3557), option 1, to speak with a plan specialist. Relay service calls are accepted.

**General purpose loan** — Once you initiate and confirm a new general purpose loan on the 401(k) Plan website or with the assistance of a plan specialist, the loan will be processed and a biweekly loan payment schedule will be sent to Wells Fargo to begin payroll deductions.

**Principal residence loans** — Once you initiate and confirm a new principal residence loan on the 401(k) Plan website or with the assistance of a plan specialist, you must also complete and submit a “Principal residence loan request” form accompanied by a loan estimate, loan disclosure or equivalent (for example, a share loan for housing co-op purchase), purchase agreement, or builder’s contract or membership purchase agreement (for housing co-op purchase) showing that you are purchasing or constructing a home. The “Principal residence loan request” form can be printed from the 401(k) Plan website (located under Plan Information, Plan Forms) or mailed to your home address on record at the time of your loan initiation. Supporting loan documentation must be received by the 401(k) Plan administrator within 30 calendar days from the date of your initial request. If, after 30 days from the date of the loan request, you have not provided the supporting documentation, your 401(k) Plan loan will be canceled, and you will need to request a new loan.

If you are subject to the joint and survivor requirements, as discussed previously, the consent of your spouse is required to complete the loan transaction. A spousal consent form is available on the 401(k) Plan website or by calling 1-877-HRWELLS (1-877-479-3557), option 1 to speak with a plan specialist. Relay service calls are accepted. Your completed spousal consent form must be returned to the 401(k) Plan administrator before your loan can be processed. Upon receipt of the online loan application and completed spousal consent form with your spouse’s notarized signature, the loan application will be processed and a biweekly loan payment schedule will be sent to Wells Fargo to begin payroll deductions.
If your Wells Fargo pay is delivered by ACH, loan proceeds will be sent to your bank account by ACH, typically within three business days of requesting your loan. A hard copy of the promissory note will be mailed to you. If you receive your pay by check, you will be sent a promissory note and a check for the loan proceeds, generally within two business days after the loan has been issued. Loan repayments, as indicated on the promissory note, will begin within two pay periods following the date of issue. Your acceptance of the ACH or loan check constitutes acceptance of the terms of these Loan Rules and the promissory note.

Loan cancellation
If you decide not to accept the terms of the promissory note, you may cancel the loan up to 15 business days from the date the loan was issued.

• To cancel your loan received by ACH, send a cashier’s check or money order for the amount of the loan to the 401(k) Plan trustee at the address below within 15 business days.
• To cancel your loan received by check, return the original check to the 401(k) Plan trustee at the address below within 15 business days.

When sending your loan proceeds back, complete the “Loan cancellation” form located on the 401(k) Plan website or request a paper copy by calling 1-877-HRWELLS (1-877-479-3557), option 1. The loan will then be canceled, and any loan payments deducted from your pay will be refunded to you. In addition, the amounts taken out of your 401(k) Plan account to issue the loan will be returned to your account according to your investment elections on file at that time at the current net asset value for each fund. After the 15-business-day cancellation period, the loan will be considered as accepted; however, you may still pay off the loan. Returned checks, money orders, and cashier's checks received after the 15-business-day cancellation period will be treated as an early loan payoff (see the “Early loan payoff” section for more information). The returned loan proceeds will be redeposited and invested in the investment funds based on your current investment elections at the current net asset value for each fund.

Wells Fargo & Company 401(k) Plan Trustee
Attn: DSR — Retirement Imaging
MAC D1118-027
12301 Vance Davis Drive, 2nd Floor
Charlotte, NC 28269

Repaying a loan
You repay your 401(k) Plan loan through payroll deduction each pay period on an after-tax basis. The first loan repayment will be taken within two pay periods following the date of issue.

Repayment by payroll deductions is a material term of this loan, and if for any reason there is a change in payroll frequency, the 401(k) Plan trustee may adjust the number, amount, and frequency of the loan payments to match the new payroll frequency. Any such adjustment must be consistent with the other material terms of this promissory note, such as the interest rate and final repayment date, and the 401(k) Plan trustee or its designee will provide notice of the number, amount, and frequency of the adjusted payments.

Payroll deductions are set up at the time of the new loan and have a fixed end date. If for any reason you miss a loan payment during the term of your loan, the loan cannot be extended beyond the original final payment date. Any remaining balance after the loan end date will be defaulted and treated as a deemed distribution, subject to taxation.

Note – Commission-based team members: You may not have enough pay in your noncommission pay (your draw) to cover your loan payments. If your draw does not cover the required payment or payments, it is your responsibility to ensure that your loan remains current by sending in manual loan payments to cover your missed payment or payments. You may make manual payments using the Wells Fargo & Company 401(k) Plan loan payment form located on the 401(k) Plan website. You may also want to discuss with your manager any option to increase your draw amount to cover your loan payments.
Each loan repayment will be deposited into your 401(k) Plan account as soon as administratively feasible after the pay date in which it is deducted and will be invested according to your current investment election. If no investment election is on file, your loan repayments will be invested in the Target Date Fund closest to the year you will reach age 65. Each loan repayment will be returned, pro rata, to the money types from which the loan proceeds were taken.

Upon termination of employment from Wells Fargo & Company or one of its affiliates or subsidiaries for any reason, or upon your death, your loan **will be immediately due and payable**. At that point, you or your designated beneficiary has the following choices:

1. Repay the loan in full by cashier’s check or money order. Your loan payment must be received by the 401(k) Plan trustee by the last business day of the calendar quarter following the calendar quarter in which your termination or death occurred.
2. Make a partial payment by cashier’s check or money order at any time prior to the last business day of the calendar quarter following the calendar quarter in which your termination or death occurred.
3. Request a final distribution of the 401(k) Plan account balance, with the note for the loan distributed in kind (in other words, the total account balance will be reduced by the amount outstanding on the loan, and the note will be canceled).

If you do not repay your loan in full, the outstanding loan automatically will be declared in default and a partial distribution of the remaining outstanding loan balance will be made. This distribution is taxable and may be subject to early distribution tax penalties. A 1099-R will be issued in January following the year of default.

**Loans when on leave**

If you take an approved paid leave of absence (including Salary Continuation Leave) and have a loan from the 401(k) Plan, you will continue to make your regularly scheduled loan repayments through payroll deduction. If you have loan availability, you may request a loan from the 401(k) Plan.

If you are on a short-term disability leave and have a loan from the 401(k) Plan, you will continue to make your regularly scheduled loan repayments through payroll deduction. If you have loan availability, you may request a loan from the 401(k) Plan.

If you are on long-term disability leave and have a loan from the 401(k) Plan, your loan payments will stop because you are not being paid certified compensation through payroll; however, you are still responsible for making loan payments while on a long-term disability leave. Payments may be made by ACH debit of a personal bank account or by personal check, cashier’s check, or money order. If you have loan availability, you may request a loan from the 401(k) Plan while on a long-term disability leave.

If you are on an unpaid leave of absence, you may defer regularly scheduled loan payments until the end of your leave of absence or 180 days, whichever is earlier. Within 35 days of the earlier of the end of your leave of absence or 180 days, you will be required to make up any missed payments in a lump-sum payment, in addition to continuing to make your regular loan repayments. You may also request a reamortization of your loan. If you request a loan reamortization, your missed loan payments and accrued interest will be added back to your principal balance and amortized over the remaining original term of your loan. You may continue to make loan payments during your leave of absence by ACH, or by personal check, cashier’s check, or money order. If you do not make up the missed payments or request a reamortization within 35 days of the earlier of the end of your leave of absence or 180 days, your loan could be in default. Upon default, the entire outstanding amount, including the loan principal and accrued interest, will be declared to be in default and you will be deemed to have a distribution of the loan for tax purposes. Once the loan is considered in default, the loan will remain as part of your 401(k) Plan account, and will continue to accrue interest. The defaulted loan will limit your ability to take a new loan. You can make a complete payoff of the principal and accrued interest or a partial payment. A defaulted loan will remain in your 401(k) Plan account while you are actively employed by Wells Fargo & Company and its subsidiaries. If you have defaulted on a loan and have not paid off the loan balance, you will be prevented from taking a new loan until all defaulted loans are paid off in full. Foreclosure on the note will not occur until the earliest date on which you or your beneficiary are eligible to receive payment of benefits under the 401(k) Plan. This deemed distribution is taxable and may be subject to early distribution tax penalties.
If you are on paid military leave, your loan payments will continue to be deducted from your pay.

If you are on unpaid military leave, the following rules apply:

- You may suspend loan repayments until the date of your reemployment or the end of your military leave, whichever is earlier.
- You may continue to make loan repayments while on military leave through ACH draft.
- If you elect to suspend loan payments during military leave, the outstanding loan balance will continue to accrue interest. Upon completion of your military leave and your timely return to employment, your loan will be reamortized. The reamortization of your loan will extend the term of the loan by the length of your military leave (but not to exceed the maximum period of your loan at the time your loan was issued).

If you are on military service, your loan will automatically be reamortized and your interest rate reduced to 6%, if your current interest rate is greater than 6%. If your current interest rate is less than 6%, no changes will be made to the interest rate of your loan. When you return from military leave, the loan will be reamortized using the original interest rate. Any deferred loan payments and accrued interest will be added back to your principal balance and amortized over the remaining term of your loan, as adjusted for your military leave at the original loan interest rate.

End of loan term

The loan agreement requires that you repay the loan by the end of the loan term. You are responsible for monitoring your loan payments and verifying that your loan will be paid off in full by the end of the loan term. If the loan is not paid in full or the final payment is not enough to pay off the loan in full, the outstanding loan balance will be declared in default and will be considered a deemed distribution for tax purposes.

Inability to repay

If at any time your compensation is less than the amount required to pay your loan repayment, you agree to make the missed payments by personal check, cashier’s check, or money order. You also agree that in the event a loan repayment is not made, you will take any other action the 401(k) Plan administrator may consider appropriate to ensure collection of the amounts due.

Loan default

Employed status

The loan will be considered in default if any payment remains unpaid by the last business day of the calendar quarter following the calendar quarter in which the payment is due. Upon default, the entire outstanding amount, including accrued interest, will be declared to be in default, and you will be deemed to have a distribution of the loan for tax purposes. Once the loan is considered in default, the loan will remain a part of your 401(k) Plan account and will continue to accrue interest. A defaulted loan will remain in your 401(k) Plan account while you are employed. If you have defaulted on a loan and have not paid off the loan balance, you will be prevented from taking a new loan until all defaulted loans are paid off in full.

Repayment of a defaulted loan will be allowed (see the “Partial loan payments, missed loan payments, regular loan payments” section below for more information). Foreclosure on the note will not occur until the earliest date on which you or your beneficiary is eligible to receive payment of benefits under the 401(k) Plan. This deemed distribution is taxable and may be subject to early distribution tax penalties.

If you have loans outstanding that were issued before January 1, 1996, or were transferred to the 401(k) Plan from plans that were merged into the 401(k) Plan, you may have other terms and conditions applicable to those loans. If you have one of these loans and you terminate employment with Wells Fargo, you should make arrangements with the 401(k) Plan administrator for loan payoff.
Termination/retirement/death status
Your loan will be considered in default on the last business day of the calendar quarter following the calendar quarter in which you cease to be an employee of Wells Fargo & Company or one of its affiliates or subsidiaries due to retirement, termination of employment, or death. The entire outstanding loan amount, including interest, will be defaulted. If the loan is not repaid in full within this period, the 401(k) Plan administrator will deduct the amount needed to satisfy the loan from your 401(k) Plan account. This distribution is taxable and may be subject to early distribution tax penalties. Note: If you are behind on your loan payments at the time of termination, the provisions of these Loan Rules will apply. Your loan default deadline will be the earlier of the last business day of the quarter following the quarter in which the first missed payment occurred or the date of termination.

Early loan payoff
You may prepay a loan in full at any time. You can view your loan payoff amount by signing on to your 401(k) Plan account from Teamworks or teamworks.wellsfargo.com. You can also request a loan payoff amount by calling 1-877-HRWELLS (1-877-479-3557), option 1, to speak with a plan specialist. Relay service calls are accepted. Loan payoffs must be made by cashier’s check or money order.

The loan payoff amount provided to you online or by speaking with a plan specialist will be as of a specific payoff date. If the loan payment to pay off your loan is received after the due date, your payment will be applied to your loan and any additional accrued interest will remain due. Generally, if the amount paid is more than the amount due, a refund of the excess amount will be made to you.

The loan payments by payroll deduction will stop as soon as administratively feasible after the loan payoff is received and deposited into your 401(k) Plan account.

Loan payments or payoffs should be sent along with the “Loan payoff” form to the following address:
Wells Fargo & Company 401(k) Plan Trustee
Attn: DSR — Retirement Imaging
MAC D1118-027
12301 Vance Davis Drive, 2nd Floor
Charlotte, NC 28269

Partial loan payments, missed loan payments, regular loan payments
You can make a partial payment toward your outstanding loan balance at any time. To make a partial payment on a loan, send in a missed payment, or make a regular loan payment, complete the “Loan payment” form located on the 401(k) Plan website. Use the form to indicate the type of payment you are making. If no direction is given, your payment will be processed by first applying the amount of your check to any principal and interest due since the last payment. Any remaining amount will be applied as a principal only payment. You may also make a partial payment on a defaulted loan. Payments on defaulted loans will be applied to the total outstanding balance (including principal and interest that continues to accrue on the outstanding balance until the loan is fully paid off).

Loan rollovers
Outstanding loans cannot be included as part of a rollover from the 401(k) Plan to another employer’s qualified plan or to an IRA. Instead, any outstanding loan may be paid off or it will be defaulted, as described above, prior to such rollover. However, if your employment terminates as part of a divestiture of a Wells Fargo & Company affiliate or subsidiary, the Plan Administrator may, in its sole discretion, allow loans to be rolled over in-kind as part of a total rollover from the 401(k) Plan to a new qualified plan, provided the receiving plan accepts an in-kind rollover, including the outstanding loan.
**Conflict of terms**

If any statements in these Loan Rules are found to conflict with the provisions of the official 401(k) Plan document, the official 401(k) Plan document will control.

**Amendment**

The Loan Rules may be changed without notice from time to time and at any time, and may be changed not only with respect to loans to be taken after the date on which any such change is made but may also be changed with respect to loans then outstanding. Before relying on the information contained in this document, you should verify that this document reflects the most current loan rules in effect with respect to the 401(k) Plan by referring to the Loan Rules posted on the 401(k) Plan website from Teamworks or teamworks.wellsfargo.com in the Plan Resources or Plan Forms sections, or call 1-877-HRWELLS (1-877-479-3557), option 1, to speak with a plan specialist. Relay service calls are accepted.