



Wells Fargo Securities Auction Rate Securities Supervisory Procedures and Compliance Guidelines

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I). Auction Rate Securities

WFS LLC's Auction Rate Securities Procedures are consistent with the Securities Industry and Financial Markets Association's (SIFMA) Best Practices for Broker-Dealers of Auction Rate Securities ("SIFMA's ARS Best Practices") which can be found at www.sifma.org. The SIFMA ARS Best Practices are the result of a joint effort by members of the SIFMA who are participants in the market for Auction Rate Securities¹. SIFMA's ARS Best Practices were prepared in order to confirm the relationship between a Broker-Dealer and other market participants and to articulate a set of best practices with respect to the Auction Rate Securities transactions between the Broker-Dealer and other market participants. Capitalized terms used herein have the meanings set forth below, unless the context clearly indicates otherwise.

A. Overview

Auction Rate Securities are securities whose interest or dividend rate is reset periodically. They usually have a long-term maturity (or, in the case of preferred securities, no maturity). They may be issued by municipalities or their authorities in the form of tax-exempt or taxable bonds or by corporations in the form of bonds or preferred stock. For ease, reference is made herein to the "issuer." Certain municipalities and governmental authorities serve as conduit issuers for not-for-profit and for-profit corporate borrowers which bear the ultimate responsibility for repaying the Auction Rate Securities. In the case for a conduit financing, certain references to the issuer might more appropriately be to a "borrower".

The interest or dividend rate on Auction Rate Securities is reset periodically to the rate produced in an Auction that is governed by a set of Auction Procedures established by the issuer and its Auction Agent and described in the offering documents. The frequency of the periodic auctions varies, with common reset periods being daily, 7 days, 28 days, 35 days, 49 days, 90 days and six months. Under some programs, the issuer may change the reset period to a multi-year period. Any change in the reset period usually requires that there be a successful auction after the issuer notifies the Existing Owners of such proposed change. Because the Rate ordinarily is reset frequently, the coupon is expected to move in relation to money market rates for instruments with a maturity of the relevant reset period and similar credit quality.

The Auction Procedures require investors to submit orders through a Broker-Dealer. Some Auction Rate Securities programs have a single Broker-Dealer and some have multiple Broker-Dealers. Existing Owners may advise WFS LLC of (a) the par amount of the securities they wish to continue to hold, regardless of the Clearing Rate; (b) the par amount of securities they will hold or buy as long as the Clearing Rate is no lower than a specified Rate (and if the Clearing Rate is lower than the specified Rate, they are obligated to sell the securities they hold); and (c) the par amount of securities they wish to sell irrespective of the Clearing Rate. If an Existing Owner fails to place an Order, WFS LLC's Auction Procedures provide that such owner will be deemed to have elected to continue to hold its Auction Rate Securities regardless of the Clearing Rate, unless the Auction is one in which the frequency of the Auctions is being changed, in which case such owner will be deemed to have elected to sell its Auction Rate Securities regardless of the Clearing Rate. Potential owners may submit a Bid for the par amount of securities they wish to purchase as long as the Clearing Rate is no lower than a specified Rate. WFS LLC's Auction Procedures allow Bids in the Auction by WFS LLC acting for its own account. All Bids are submitted to the Auction Agent. Orders must be placed with the Auction Agent by the Submission Deadline, but WFS LLC may require Bidders to comply with an earlier internal deadline.

The Auction Agent ranks the Orders by Rate. Hold Orders are allocated first. If there are any sell Orders, the Auction Agent then accepts Bids with the lowest Rate and then successively higher Rates, until all sell Orders are filled. If there are multiple Bids at the final Rate, the Auction Agent will allocate securities among the Bidders at such Rate on a pro-rata basis. All accepted Bids receive the same interest rate (the Clearing Rate). If all Existing Owners determine to hold their Auction Rate Securities without specifying a minimum coupon rate, the Auction is called an "All Hold" Auction and the new Rate will be equal to the All Hold Rate. Under existing program documents, the All Hold Rate typically is based on a percentage of a reference rate, usually LIBOR or an index of Treasury securities, which percentage usually produces a Rate that is materially below a market Rate. If the Auction Agent does not receive Bids lower than the Maximum Rate for the total par amount of Auction Rate Securities being auctioned, the Auction is said to be a "Failed Auction," and the Auction Procedures generally provide that the coupon rate is set at the Maximum Rate, which is usually a multiple of a reference rate, such as LIBOR or an

¹ Wachovia Capital Markets, LLC was a member of the working group that established SIFMA's Best Practices. On July 1, 2009, Wells Fargo Securities, LLC merged with and into Wachovia Capital Markets, LLC. At 11:59pm EDT on July 3, 2009, Wachovia Capital Markets, LLC changed its name to Wells Fargo Securities, LLC.

index of Treasury securities, or a fixed number. The multiple may depend on the credit rating of the issuer or the securities. This Rate is designed to compensate the Existing Owner for the loss of liquidity resulting from a Failed Auction and to encourage the issuer to consider redeeming or restructuring the securities, if future Auctions also fail. Although the Maximum Rate is generally above a market Rate, Existing owners may be disadvantaged if there is a Failed Auction because they are not able to exit their positions by means of the Auction.

Once the Clearing Rate has been determined, the Auction Agent notifies the issuer's paying agent of the Clearing Rate, which will be effective the business day following the Auction or, in the case of daily Auctions, the same day, and notifies the participating Broker-Dealers whose customers are net sellers of the name of one or more Broker-Dealers whose customers are the buyers of such securities. Settlement of such purchase and sale transactions occurs on the business day following the Auction unless the Auction is occurring daily in which case the settlement is the same day.

Capitalized terms used herein and not defined are defined in SIFMA's ARS Best Practices which can be found at www.sifma.org.

B. WFS LLC's Role in the Auction Rate Securities Market

WFS LLC plays multiple roles in the auction rate securities market, including providing services to issuers of auction rate securities, acting as an agent for investors, and purchasing and selling as principal for WFS LLC's own account. Therefore, WFS LLC's interest in participating in the Auction Rate Securities Market may differ from that of investors.

WFS LLC acts as Agent for investors when it places orders on behalf of investors in auctions. WFS LLC acts as Principal for its own account when it places orders for its own account in auctions and when it buys and sells for its own account between auctions in the secondary market.

WFS LLC is not obligated to place orders for its own account in auctions or to buy/sell securities for its own account between auctions in the secondary market, but may do so in its sole discretion.

1. Role as Underwriter

WFS LLC receives underwriting fees for underwriting issuances of auction rate securities. Investment Bankers may not represent or imply in marketing and advertising materials, or other correspondence that the auction process will result in the lowest possible Rate for the Auction Rate Security, or that WFS LLC will make an orderly market in support of the Auction.

Where WFS LLC is sole or senior underwriter for a new issue of auction rate securities, disclosures consistent with those in SIFMA's "Sample Disclosure Language" for auction rate securities document will appear in the associated offering document.

The designated SP is responsible for ensuring compliance with this policy and procedure.

2. Role as Auction Agent

WFS LLC has been appointed by the issuers of several Auction- Rate Securities to serve as Agent for the related auctions through the Auction Agency Agreement. WFS LLC's obligation to the issuer is to conduct the Auction and solicit bids from Existing and Potential Owners. When serving as Auction Agent, Auction Dealers submit to WFS LLC the auction orders that they receive from their customers. In a multi-Broker-Dealer Auction Rate Securities program, WFS LLC will not treat its Auction Desk or affiliated Broker-Dealer more favorably than the other Broker-Dealers for the program.

Upon receiving the auction orders, WFS LLC determines clearing rate that will apply to the entire outstanding amount of the securities until the next auction. After the submission deadline for an auction has passed, WFS LLC assembles all orders submitted to the Auction by the Auction Dealer(s) to determine the clearing rate. The clearing rate is the lowest rate bid sufficient to cover all the securities that are exposed for sale in the auction.

After determining the clearing rate, WFS LLC allocates the securities (in accordance with the Auction Procedures) among the auction dealers based on the orders that each submitted and informs each auction dealer of the auction results. Generally, the auction procedures require the auction agent to allocate securities in the following order of priority:

- First: hold orders;

- Second: roll-at-rate and then buy orders that indicate a rate below the clearing rate;
- Third: roll-at-rate orders that indicate a rate at the clearing rate; and
- Fourth: buy orders that indicate a rate at the clearing rate.

If there are more bids that indicate a rate at the clearing rate than securities that remain for allocation, the auction procedures generally require that allocation of the remaining securities is made among the bids on a pro rata basis, first among roll-at-rate orders that indicate a rate at the clearing rate and then among buy orders that indicate a rate at the clearing rate.

Prior to the Submission Deadline, as Auction Agent, WFS LLC is permitted, but not required, to inform each Broker-Dealer that there are insufficient Bids to prevent a Failed Auction. If WFS LLC informs one Broker-Dealer that there are insufficient Bids to prevent a Failed Auction for an issue, it will inform all Broker-Dealers for that issue. Any Bids made to prevent such a Failed Auction must be submitted prior to the Submission Deadline.

It is the responsibility of the Designated Sales SP and the SP of Money Markets Trading to ensure adherence to this policy.

As Auction Agent, WFS LLC is not obligated, but will make conscious effort to verbally or electronically confirm receipt of Orders received from Auction Dealers for any particular Auction, permitted that the Auction Dealer is not WFS LLC itself.

3. Role as Auction Dealer

Wells Fargo Securities has been appointed by the issuers of several Auction- Rate Securities to serve as a dealer for the related auctions through the Broker-Dealer Agreement. WFS LLC's obligation to the issuer is to solicit Bids. WFS LLC/WFIS is designated in a Broker-Dealer agreement as a Broker-Dealer to contact Existing Owners and Potential Owners and solicit Bids for the securities.

WFS LLC serves as auction dealer in both sole-managed and multi-dealer auctions. WFS LLC may serve as Auction Dealer for Auctions in which WFS LLC is also appointed Auction Agent. WFS LLC, as Auction Dealer, participates in auctions of the security by submitting orders into the auctions on behalf of its customers and to place auction orders for its own account. WFS LLC receives auction dealer fees from the issuer based on the amount of securities that WFS LLC places with investors.

Sales Representatives are responsible for obtaining orders from their Clients and communicating the orders to the Auction Desk. Sales Representatives are prohibited from providing assurance to customers as to the outcome of any auction, that any bid will be successful, in whole or in part, or that the auction will clear at a rate that a bidder considers acceptable. Bids may be partially filled, or not filled at all, and the rate established in an auction may be lower than expected. Upon completion of the Auction, Sales Representatives will notify their customers who placed orders in the auction of the disposition of the orders. Sales Representatives will confirm purchases and sales with each customer purchasing or selling securities as a result of the auction.

It is the responsibility of the Designated Sales SP to ensure adherence to this policy.

Bidding by WFS LLC When Acting as Auction Dealer

As an Auction Dealer, WFS LLC is permitted, but not obligated, to submit Orders in Auctions for its own accounts and routinely may do so in the auction rate securities market in its sole discretion. WFS LLC routinely places one or more Orders in Auctions generally for its own account, even after obtaining knowledge of some or all of the other Orders, and it may do so in any particular Auction. WFS LLC may routinely place one or more Bids in Auctions for their own accounts to prevent a Failed Auction or an Auction from clearing at a rate that the Broker-Dealer believes does not reflect the market for the securities. If WFS LLC submits an Order for its own account, it would likely have an advantage over other Bidders because WFS LLC, as Auction Dealer, would have knowledge of some or all of the other Orders placed through WFS LLC in that Auction.

The Auction Desk may place a Bid for its own account in an Auction, whether before or after it has seen the Orders of others, at any time until the Submission Deadline, as long as any Bid it places is at its Estimated Market Rate. However, if the sole purpose of a bid from the Auction Desk is to obtain securities for its own inventory and if WFS LLC is the sole Dealer in the Auction, WFS LLC will submit its bid prior to receiving bids from any Existing or Potential Owners. The Auction Desk is permitted to withdraw its Bid at any time prior to the Submission Deadline, to the extent permitted by the particular program documents.

The Money Markets Desk SP will be responsible for ensuring compliance with this policy.

If WFS LLC Auction Desk holds any securities for its own account on an auction date, it will submit a sell order into the auction with respect to such securities, which would prevent that auction from being an all hold auction. WFS LLC may, but is not obligated to, submit bids for its own account in that same auction.

The Money Markets Desk SP will be responsible for ensuring compliance with the above paragraph.

WFS LLC routinely encourages bidding by others in Auctions generally, including preventing a Failed Auction or a Clearing Rate it believes is not a market Rate, even after obtaining knowledge of some or all of the other Orders, and it may do so in any particular Auction. WFS LLC's Bids or those of others it may encourage to place Bids are likely to affect the Clearing Rate and the allocation of securities being auctioned.

WFS LLC may buy or sell Auction Rate Securities outside the Auction at, above or below par as long as the purchase or sale price is at a then current yield. WFS LLC may place Bids in an Auction. If WFS LLC is awarded securities in the Auction, WFS LLC is not required to hold such securities for investment, but may resell them in the market at any time. WFS LLC will not agree in advance with a customer to guaranty an effective yield to the customer.

WFS LLC may submit its own Bid in an Auction at any time until the Submission Deadline. Even if WFS LLC has established an earlier time by which the Bids of other Bidders must be received, WFS LLC may submit its own Bid at any time until the Submission Deadline. The fact that WFS LLC may do this will be disclosed to Existing Owners and other Bidders via the availability of procedures on WFS LLC's website disclosed on ARS trade confirmations.

C. Price Talk

Before the start of an auction, WFS LLC may in its discretion, make available to holders and prospective holders, WFS LLC's good faith judgment of the range of likely clearing rates for the auction based on market and other information at a given time. This is known as "Price Talk." Price Talk is available to holders and prospective holders who are WFS LLC customers. Price Talk is not a guaranty that the clearing rate for an auction will be within the range of rates identified in Price Talk for that auction. WFS LLC may occasionally update and change the price talk based on changes in issuer credit quality or macroeconomic factors that are likely to result in a change in interest-rate levels, such as an announcement by the Federal Reserve Board of a change in the Federal Funds rate or an announcement by the Bureau of Labor Statistics of unemployment numbers.

When bidding in the auction for its own account, WFS LLC may bid outside or inside the range of rates that it makes available in Price Talk.

All Price Talk notices initiated off of the Agency Desk regarding ARS must include a disclosure indicating the web address housing WFS LLC's Auction Rate Procedures.

The Money Markets Desk Supervisory Principal will be responsible for ensuring compliance with the above.

D. Prohibited Activity

The Auction Desk is prohibited from encouraging anyone, either directly or indirectly, to make an unsolicited offer to purchase securities in block size at discount to their par value that WFS LLC holds in its inventory.

WFS LLC's Auction Desk and Investment Bankers will not represent or imply in marketing and advertising materials, or correspondence with Existing or Potential Owners that the auction process will result in the lowest possible rate for the Auction Rate Securities, or imply that WFS LLC/WFIS will make an orderly market in or support the Auction for the Auction Rate Securities.

WFS LLC prohibits the employees of the Auction Desk from:

- exercising discretion of any kind with respect to a customer order. For example, the Auction Desk is not permitted to select the rate at which to bid, the auction in which to bid or the quantity of the security to specify in any customer order;
- altering the terms of any customer order, or canceling a customer order, except upon express instructions from the WFS LLC representative who entered the order, or from the customer on whose behalf the order was entered;
- matching auction orders, outside the auction, rather than submitting the orders into the auction;
- accepting all or nothing bids; and
- accepting “market order bids” at par
- agreeing before an auction to buy securities from or sell securities to a customer after the auction.
- providing order flow information to the Sales Desk. Salespersons must not share bid information of it’s customers to other salespersons
- in a multi-dealer ARS program where WFS LLC serves as Dealer or Agent, treating its Auction Desk more favorably than the other Broker-Dealers in the Auction

WFS LLC prohibits Auction Desk employees from disclosing to any holder or prospective holder:

- information about actual bidding in any auction by any other holder or prospective holder. For example, it is not permitted to disclose to anyone, other than the auction agent, the rate or quantity at which other holders or prospective holders have placed their bids or are likely to place their bids, or the status of any other holder’s or prospective holder’s auction order;
- the rate or quantity at which WFS LLC plans to bid, or the status of any auction order for WFS LLC’s account;
- the size of any other holder’s or prospective holder’s position, or the size of WFS LLC’s position (apart from information with respect to WFS LLC’s inventory that WFS LLC makes available to customers);
- whether there are sufficient bids to prevent a failed auction;
- prior to when the auction agent posts the results of an auction, what the auction’s clearing rate is; and
- whether an all hold auction is likely to occur.
- providing to anyone assurance, either directly or indirectly, that a submitted or potential auction order will be filled;
- advising anyone as to the specific rate or dollar amount to apply to any auction order;
- selling Auction Rate Securities to a client at a price less than par on the day of the Auction for that particular security
- aggregating orders from multiple holders/perspective holders prior to submitting to Auction Agent
- netting or crossing bids prior to submitting orders to the auction agent
- initiating contact with anyone for the purpose of having a submitted auction order withdrawn or modified (except, under certain circumstances, for the correction of obvious errors);
- providing different Price Talk to different holders or prospective holders and
- discussing WFS LLC Price Talk with broker-dealers that compete WFS LLC for business in the auction rate securities market, or seeking to obtain other broker-dealers’ equivalent of Price Talk.

Sales representatives may not describe ARS as cash equivalents or similar. Sales representatives must fully describe to Prospective Holders the nature of the auction process; including the fact that auctions may fail and the resulting liquidity impact of auction failures.

It is the responsibility of the Designated Sales Supervisory Principal and the Supervisory Principal of Money Markets Trading to ensure adherence to this policy.

E. MSRB Reporting Requirements

For each issue of Auction Rate Securities (“ARS”) for which WFS LLC serves as a program dealer, WFS LLC must report the following information to the MSRB’s Short-Term Obligation Rate Transparency (“SHORT”) System by no later than 6:30 p.m. on the date an auction occurs for any such ARS:

1. Cusip Number;

2. Interest rate produced by the auction process and designation of whether the interest rate is a maximum, rate, all hold rate, or set by auction;
3. Identity of all Program Dealers that submitted orders, including but not limited to hold orders;
4. Date and of time of the auction;
5. Date and time the interest rate determined as a result of the auction process was communicated to the Program Dealers;
6. Length of time, in days, that the interest rate produced by the auction process is applicable;
7. Minimum denominations;
8. Par amount auctioned by MPG, not including hold orders effective at any rate (i.e., accepted or executed sell orders);
9. Minimum and maximum rates, if any, applicable at the time of the auction or, if not calculable as of the time of the auction, the notation “NC”;
10. Aggregate par amount of orders to sell at any interest rate and aggregate par amount of such orders that were executed;
11. Interest rate(s) and aggregate par amount(s) of orders to hold at a specific interest rate and aggregate par amount of such orders that were successfully held;
12. Interest rate(s) and aggregate par amount(s) of orders to buy and aggregate par amount of such orders that were executed;
13. Interest rate(s), aggregate par amount(s), and type of order (buy, sell or hold) submitted by the Taxable Money Market Desk for its own account and aggregate par amounts of such orders, by type, that were executed; and
14. Interest rate(s), aggregate par amount(s), and type of order (buy, sell or hold) submitted by an issuer or conduit borrower for such ARS.

Information reported the MSRB SHORT system shall be submitted in the manner described in the written procedures for the SHORT system (located on the MSRB website) and any changes to information previously submitted must be resubmitted as soon as possible.

The Money Markets Desk Supervisory Principal will be responsible for ensuring compliance with the above.

F. Special Considerations

1. Maximum Rate

Generally, auction procedures specify that if a bid by a holder exceeds a certain rate called the “maximum rate,” the bid will be treated as a sell order and that a bid by a prospective holder that exceeds the maximum rate will not be considered. Generally, the maximum rate is an above market rate determined by a formula set forth in the offering documents. For example, the maximum rate could be based upon a multiple of the London Interbank Offered Rate (“LIBOR”) or an applicable U.S. Treasury Index Rate. Alternatively, the offering documents could specify a fixed percentage rate as the maximum rate.

2. Minimum Rate

The auction procedures may require that if a bid by a holder or a prospective holder specifies a rate that is lower than a certain rate called the “minimum rate,” then the bid will be treated as though it specified the minimum rate. The minimum rate is generally a materially below-market rate determined by a formula set forth in the offering documents. For example, the offering documents could specify that the minimum rate will be based on 60% of LIBOR or an applicable U.S. Treasury Index Rate. In many offering documents, the minimum rate is called the “all hold rate”.

3. “All-or-Nothing” Bids

WFS LLC will not accept “all-or-nothing” Bids (that is, Bids whereby the Bidder proposes to reject an allocation smaller than the entire quantity bid) or any other type of Bid that allows the bidder to avoid Auction Procedures that require the pro rata allocation of the Sell Orders to fill all Bids at the clearing rate.

4. All Hold Auctions

Generally, the auction procedures require that, in a particular auction all the outstanding securities are subject to hold orders – meaning that no holder has submitted either a roll-at-rate or sell order – the “all hold rate” (or “minimum rate”) will

automatically apply to the entire outstanding amount of the security until the next auction date. Auction procedures may refer to such a result as an “all hold auction”.

Generally, as noted above, the all hold rate is a materially below-market rate determined by a formula set forth in the offering documents. For example, the offering documents could specify that the all hold rate will be based on 60% of LIBOR or an applicable U.S. Treasury Index Rate.

5. Deadlines/Auction Periods

Each particular Auction has a formal time deadline by which all Bids must be submitted by the Broker-Dealers to the Auction Agent. This deadline is called the “Submission Deadline.” To provide sufficient time to process and submit customer Bids to the Auction Agent before the Submission Deadline, WFS LLC may impose an earlier deadline (the “Internal Submission Deadline”) by which Bidders must submit Bids to WFS LLC Auction Desk. The Internal Submission Deadline is subject to change by WFS LLC.

WFS LLC may submit Bids for its own account at any time until the Submission Deadline. Additionally, some auction agents allow for the correction of clerical errors for a specified period of time after the Submission Deadline.

6. No Assurances Regarding Auction Outcomes

WFS LLC provides no assurance as to the outcome of any auction. Nor does WFS LLC provide any assurance that any bid will be successful, in whole or in part, or that any auction will clear at a rate that a bidder considers acceptable. Bids may be only partially filled, or not filled at all, and the rate on any securities purchased or retained in an auction may be lower than the market rate for similar investments. Investors should read and understand the relevant offering documents, including all the risk factors and other special considerations that may apply prior to investing in auction rate securities.

7. Holder’s Ability to Resell Auction Rate Securities May Be Limited

In any auction of auction rate securities, holders will be able to sell all of their securities for which they submitted a sell order only if there are sufficient bids to purchase all those securities in the auction. If sufficient bids have not been made, auction failure results, and holders that have submitted sell orders will not be able to sell in the auction all, and may not be able to sell any, of the securities subject to such submitted sell orders. WFS LLC may submit a bid in an auction to keep it from failing, but it is not obligated to do so. There may not always be enough bidders to prevent an auction from failing in the absence of WFS LLC bidding in the auction for its own account or encouraging others to bid. Therefore, auction failures are possible, especially if the issuer’s credit were to deteriorate, if a market disruption were to occur or if, for any reason, WFS LLC were unable or unwilling to bid.

Between Auctions, there can be no assurance that a secondary market for the auction rate securities will develop or, if it does develop, that it will provide Existing Owners the ability to resell the securities in the secondary market on the terms or at the times desired by an Existing Owner. WFS LLC may, in its own discretion, decide to buy or sell auction rate securities in the secondary market for its own account to or from investors at any time and at any price, including at prices equivalent to, below, or above the par value. However, WFS LLC is not obligated to make a market in the securities and may discontinue trading the securities without notice for any reason at any time. Existing Owners who resell between Auctions may receive less than par value, depending on market conditions.

The ability to resell any auction rate securities will depend on various factors affecting the market for the securities, including news relating to the issuer of the securities, the attractiveness of alternative investments, the perceived risk of owning the securities (whether related to credit, liquidity or any other risk), the tax or accounting treatment accorded the securities (including U.S. generally accepted accounting principles as they apply to the accounting treatment of auction rate securities), reactions of market participants to regulatory actions or press reports, financial reporting cycles and market conditions generally. Demand for auction rate securities may change without warning, and declines in demand may be short-lived or continue for longer periods.

8. Auction Periods May Change

For many auction rate securities, the issuer of the securities may, pursuant to the terms of the auction procedures as set forth in the offering documents, extend the length of the next auction period – that is, the length of the interval between auction dates. The issuer’s declaration of a changed auction period may reduce the liquidity of your investment. A changed auction period would likely be longer than a regular auction period, and you would be unable to sell the securities in an auction for a corresponding longer period of time. If you sell your securities between auctions in a changed auction period, you may

receive less than the price you paid for them, especially when market interest rates have risen. The risks described in this paragraph will become greater as the length of the changed auction period increases.

G. Document Retention/SHORT Submission

WFS LLC will maintain adequate documentation with respect to each order for Auction Rate Securities. WFS LLC Documentation Retention will comply with SEC Rules 17a-3 and 17a-4. The Taxable Money Market Desk Supervisory Principal is responsible for ensuring that documents defining current auction procedures and interest rate setting mechanisms (“ARS Program Docs”) are submitted to the MSRB SHORT system within five business days of receipt for any new ARS programs for which WFS LLC becomes a program dealer.

The Taxable Money Market Desk Supervisory Principal is responsible for ensuring that amended versions of ARS Program Docs for existing ARS programs for which WFS LLC is a program dealer are submitted to the MSRB SHORT system within five business days of receipt.

All documents being submitted to the MSRB SHORT system as referenced above must be submitted in word searchable PDF format.

In the case of an ARS with multiple Program Dealers, WFS LLC will ensure appropriate documentation has been submitted to the ARS system by the leading Program Dealer and signify on the Short System that required documentation to be submitted has already been submitted to the SHORT System by identifying the relevant document.

It is the responsibility of the Designated Sales Supervisory Principal and the Supervisory Principal of Money Markets.