

Supplemental Electronic Trading and Last Look Disclosure (the “Last Look Disclosure”)

This Last Look Disclosure sets out the approach of Wells Fargo Bank, N.A. (“WFBNA”), and Wells Fargo Securities International Limited (“WFSIL”, and, together with WFBNA and its branches, “WF”, “we” or “us”) to the practice known as ‘last look’ in the electronic FX market in connection with in-scope pricing streams, as described below.

The following information supplements, and should be read in conjunction with, the Foreign Exchange Dealing & Business Practices Disclosures (“FXDBPD”) of WF, which can be found at the following address: <https://www.wellsfargo.com/fxdisclosure>.

Transaction Formation

Each electronic quotation that WF provides to you on its WATS single dealer platform or on any multi-institutional ECN to which WF streams quotations and/or certain direct institutional APIs on which WF streams quotations to you (each “**in-scope pricing stream**”) is an indicative quote, as described in the FXDBPD, to enter into a potential transaction for the specified pair of currencies and contract type¹ (an “**FX transaction**”). WF views your response to any such electronic quotation as an offer to enter into the applicable FX transaction (each, a “**transaction request**”).

Last-look functionality. WF generally applies its electronic “last-look” functionality to transaction requests so that it may determine whether or not WF will accept or reject the particular transaction request.

Purpose of Last-look functionality. WF’s “last-look” functionality is designed to manage risks associated with electronic foreign exchange trading on in-scope pricing streams. Some of these risks arise because of latency -- the passage of time between the time the rate was quoted to you and the time a transaction request was received by us. During that period there may be, for example, changes in your credit or changes to the pricing that we make available to you on that pricing stream. WF generally dynamically updates pricing on in-scope pricing streams. To manage risks associated with these pricing streams, WF performs several checks.

Checks before response. You may consult your WF FX relationship representative for further detail about the particular checks applied on a given in-scope pricing stream, however, all such pricing streams include one or more of the following checks.

- A **validity check** determines whether the trade parameters you provided to us are valid and it may also include a credit check, cache check, a maximum request count check and/or a quote check:
 - A **credit check** determines whether you have sufficient credit to enter into the requested FX transaction.
 - A **cache check** determines if the number of times we have updated pricing available for you on the particular price stream has exceeded the cache threshold.² The cache check is intended to function as a means of identifying whether or not a quotation is viewed by WF as “stale”. The cache threshold is defined by WF in its sole discretion, however, WF does not change the cache threshold in a manner designed to cause the intentional rejection of any single order.
 - A **maximum request check** (also called a “burst” check) measures whether the number of FX transaction requests you submit in a particular time window has exceeded the threshold for that window. The burst check threshold is defined by WF in its sole discretion. WF does not change the threshold in a manner designed to cause the intentional rejection of any single order.
 - A **quote check** reviews your transaction request against WF’s indicative quote (only up to the quoted size can be filled).
- A **price check** determines whether the rate associated with your transaction request is inside or outside a predefined tolerance level set by WF for you. The tolerance level (“**tolerance level**”) is a percentage difference from the rate in your incoming transaction request (the “**quoted rate**”) compared to the latest applicable FX rate which WF is prepared to trade with you (the “**current rate**”).

1. Each, a deliverable FX Transaction, FX swap and/or non-deliverable FX Transaction, as applicable.

2. “**cache threshold**” means, with reference to a particular rate quote, the maximum number of quote updates that can be made on the relevant price stream during the quotation/response period that will not result in the rejection of that particular quotation.

- A symmetrical price tolerance level applies (meaning the tolerance level applied is the same regardless of whether the FX rate move is unfavorable or favorable to WF). Generally, your transaction request will be:
 - a) accepted if the current rate is **within** the tolerance level applied to the quoted rate (assuming the validity checks described above pass and barring any unforeseen technological failures); or
 - b) rejected if the current rate is **outside** the tolerance level applied to the quoted rate (subject to certain exceptions).³

At the time of publication of this disclosure, the time required to conduct the applicable checks is generally 15 milliseconds or less (though may be longer due to latencies beyond our control, such as system or network issues). Wells Fargo does not apply any additional latencies, or “hold periods”, to this process.

A trade request that fails any these checks, or that times out if one or more of these checks takes longer than anticipated to perform, may be rejected.

Further information. WF FX is interested in helping you achieve your FX trading objectives. If you would like to discuss your execution experience with WF FX, please approach your WF FX relationship representative.

3. Where technologically possible, WF may, in its discretion, offer “price improvement” to you. The term “price improvement” refers to the discretionary practice of accepting an order at a price that is more advantageous to you than the rate in your order, where the order would otherwise have been rejected as a result of the application of the price check.