

February 25, 2010

SEC Publishes Full Final Money Market Fund Reform Rules

On June 24, 2009, in a move to strengthen the regulatory framework for money market funds and increase their resilience to economic stresses, the U.S. Securities and Exchange Commission (SEC) proposed amendments to Rule 2a-7 and other rules under the Investment Company Act of 1940 governing the operation of money market funds.

On February 23, 2010 the SEC published [full text of its final Money Market Reform rules](#) (Release No. IC-29132), which were discussed and approved on January 27, 2010 at an Open Commission Meeting in Washington, D.C.

The final regulations include revisions designed to:

- Increase credit quality;
- Improve liquidity;
- Shorten maturity limits; and
- Modify reporting requirements of Money Market funds.

As stated in the SEC posting, the new rules are effective May 5, 2010, however required compliance dates are staggered throughout 2010. **We intend for Wells Fargo Advantage and Evergreen Money Market Funds to fully comply with the rule changes by the dates required by the SEC.**

One of the primary goals of the SEC's amendments is to reinforce conservative investing across the broader industry. Our security selection process has long emphasized conservative investment choices and all of our money market funds maintain an approach to investing that prioritizes the preservation of capital and liquidity.

As David D. Sylvester, head of Money Markets for Wells Capital Management, said in his most recent [portfolio management commentary](#), "We think it's a good idea for funds to focus on their liquidity, and these changes will help to sharpen that focus. We have long been advocates of managing money market funds in a highly liquid manner in an effort to provide adequate liquidity for shareholder redemptions, stabilize the net asset value (NAV), and to make a fund's yield more responsive to changes in the general level of interest rates. For this reason, the amendments largely codify our current investment practices."

For more on the money market landscape as a whole and the impact of these recently adopted changes, please see the fund [portfolio management commentary](#), which can be found on the home page of our [Institutional Cash Management Web site](#).

As always, prudent investment of clients' assets is our top priority. If you have any questions regarding *Wells Fargo Advantage* or *Evergreen* money market funds, please contact the Institutional Sales Desk at 1-888-253-6584.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus, containing this and other information, visit www.EvergreenInvestments.com for Evergreen Funds and www.wellsfargo.com/advantagefunds.com for Wells Fargo Advantage Funds. Read the prospectus carefully before investing.

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