

## Principal Protection and Growth Potential

# Market Linked Certificates of Deposit Issued by Wells Fargo Bank, N.A.

Many investors look for opportunities to participate in the appreciation of a rising equity market while limiting their exposure to market downturns. For those investors, Wells Fargo offers a product which combines some of the features of a traditional Certificate of Deposit with the long-term growth potential offered by the market—the Wells Fargo Market Linked CD.

### Wells Fargo Market Linked CD At-a-Glance:

- **Full Principal Guarantee.** The investor's principal is 100% protected by Wells Fargo Bank, N.A., if the Market Linked CD is held to maturity. Wells Fargo Bank, N.A. has the highest possible credit rating, Aaa, from Moody's Investors Service and the highest credit rating given to a U.S. bank, AA+, from Standard & Poor's Ratings Services.\*
- **FDIC Insurance.** Market Linked CDs are insured by the Federal Deposit Insurance Corporation (FDIC) up to a maximum of \$100,000 per depositor, subject to FDIC rules and decisions. Because other deposits at the bank may also be covered by FDIC insurance, these deposits must be aggregated with this CD with respect to the \$100,000 maximum. More information may be found in the "Deposit Insurance" section of the appropriate Disclosure Statement.
- **Growth Potential.** With a Market Linked CD, the investor's rate of return is linked to popular equity indices, such as the S&P 500 or the Dow Jones Industrial Average. We may separately offer a CD linked to an inflation benchmark such as the Consumer Price Index (CPI).
- **Interest.** A Market Linked CD tied to the equity market will generally pay interest only at maturity based on the performance of the underlying index, instead of periodic interest payments. At times, an equity based Market Linked CD may offer a

guaranteed minimum rate of return at maturity with the opportunity to earn a greater return linked to the performance of a rising equity market. However, inflation based Market Linked CDs will pay interest periodically. A Market Linked CD may return less than a comparable traditional CD.

- **Maturities.** Usually 3–7 years.
- **Minimum Investment.** Typically \$4,000 with additional investment available in increments of \$1,000.

### Who Should Consider a Market Linked CD?

- Market Linked CDs are a practical alternative for the conservative investor who is:
  - Seeking equity market participation in a principal-protected investment.
  - Averse to risk.
  - Interested in the potential to earn higher returns than a traditional CD.
  - Looking for medium-term growth.
  - A buy and hold investor, who doesn't anticipate the need for funds from their investment before the Market Linked CD matures.
  - Considering this investment as a medium-term savings vehicle.
- Market Linked CDs may also be well-suited for qualified retirement accounts such as a traditional IRAs, Roth IRAs, or educational savings accounts.

## Other Features and Considerations

Terms of the Market Linked CD may vary from one issue to the next. Potential investors should read the applicable Terms Supplement and Disclosure Statement and consider the following aspects of each note before investing:

- **Participation Rate.** The Participation Rate specifies the extent to which the investment participates in the appreciation of the market Index. For example, if an investor deposits \$10,000 in a Market Linked CD with a Participation Rate of 90% and the Index Return rises by 18% by the maturity date, the investor will receive an interest payment of 16.2% ( $18\% \times 0.9 = 16.2\%$ ). (Initial deposit: \$10,000; interest payment \$1,620; at maturity the investor will receive \$11,620.)
- **Market Linked Return.** The formula linking the investor's return to the market index may vary from one Market Linked CD to the next. For example, the return may be based on the percentage increase from the Initial Index Level to the Final Index Level, or sometimes to the Average Index Level. Detailed information on the Market Linked Return is available in the Terms Supplement.
- **Tax Consequences and Advice.** Taxable accounts are required to report taxable income each year, accrued at the Original Issuer Discount Tax Rate, even though they may not receive an interest payment until maturity. Generally, tax-exempt entities and IRA accounts will not have to pay taxes. More information about tax consequences is available in the Disclosure Statement. For complete tax advice, clients should consult their tax professionals.

- **Estate Feature.** In the event of death, this provision allows a holder's estate to redeem the Market Linked CD at par.
- **Potential Risks.** Market Linked CDs are subject to inherent risks such as market risk and liquidity risk. Investors may be unable to sell their Market Linked CD prior to maturity and, should an investor sell their Market Linked CD prior to maturity, they may receive more or less than the original investment.

For further Risks and Considerations, consult the Terms Supplement and Disclosure Statement for a specific CD.

## Always Read the Terms Supplement and Disclosure Statement

Market Linked CDs are offered with a Terms Supplement and Disclosure Statement. Always read these two documents carefully before investing. If you don't fully understand how the investment structure works, be sure to ask your Wells Fargo Investments Financial Consultant to explain it in detail.

For more information about Wells Fargo Bank Market Linked CDs and what structures are currently available for investment, contact a Wells Fargo Investments Financial Consultant who will be happy to advise you whether a particular offering may meet your particular needs and investment requirements.

## A Legacy of Financial Innovation

Since 1852, Wells Fargo Bank, N.A. has helped generations of clients realize their dreams, beginning with the pivotal role we played in building America. We are honored to be among a select few companies who have remained in the same business for more than 150 years.

\* Moody's Investors Service 9/25/03, Standard and Poor's 8/02/06.

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Wells Fargo & Company can not provide tax advice. Please consult your professional tax advisor to determine how this information may apply to your own situation.

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Information for PCS Clients

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