

WELLS FARGO INCOME OPPORTUNITIES FUND
Form DEF 14A
June 22, 2018

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant [X]
Filed by a Party other than the Registrant []

Check the Appropriate Box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

Wells Fargo Income Opportunities Fund

(Name of Registrant as Specified in Its Charter)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(b) Aggregate number of securities to which transaction applies:

(c) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(c) Filing Party: _____

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**WELLS FARGO INCOME OPPORTUNITIES FUND
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 13, 2018**

200 Berkeley Street, Boston, Massachusetts 02116

TO THE SHAREHOLDERS OF
WELLS FARGO INCOME OPPORTUNITIES FUND

Notice is hereby given that the Annual Meeting of Shareholders (the "Meeting") of the Wells Fargo Income Opportunities Fund (the "Fund") will be held on August 13, 2018 at 1:00 p.m. Eastern time, at 200 Berkeley Street, 18th Floor, Boston, Massachusetts 02116, for the following purposes:

1. To elect three Trustees to the Board of Trustees of the Fund to serve for the term indicated herein and until their successors shall have been duly elected and qualified; and
2. To transact such other business as may properly come before the Meeting or any adjournments thereof.

Shareholders of record at the close of business on June 8, 2018 will be entitled to vote at the Meeting to the extent described in the accompanying proxy statement.

It is hoped that you will attend the Meeting, but if you cannot do so, please complete and sign the enclosed proxy card and return it in the accompanying envelope as promptly as possible or vote by telephone or Internet. Any shareholder attending the Meeting can vote in person even though a proxy may have already been designated by the shareholder. **Instructions for the proper execution of the proxy card, as well as instructions on how to vote by telephone and Internet, are set forth at the end of the proxy statement.**

THE BOARD OF TRUSTEES OF THE FUND UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH NOMINEE AS A TRUSTEE.

By Order of the Board of Trustees,

ALEXANDER KYMN
Secretary

June 29, 2018

WELLS FARGO INCOME OPPORTUNITIES FUND PROXY STATEMENT

This proxy statement is furnished in connection with the solicitation of proxies by and on behalf of the Board of Trustees (the "Board") of the Wells Fargo Income Opportunities Fund (the "Fund") for the Annual Meeting of Shareholders (the "Meeting") to be held at 200 Berkeley Street, 18th Floor, Boston, Massachusetts 02116, on August 13, 2018 at 1:00 p.m. Eastern time. If you wish to participate in the Meeting, you may submit the proxy card included with this proxy statement by mail, vote by telephone or Internet, or attend the Meeting in person. (See "Instructions for Executing Proxy Card" at the end of this proxy statement for voting instructions.) If you wish to attend the Meeting in person, please call the Fund's proxy solicitor, Computershare Fund Services, at (866) 963-5822 for instructions.

This proxy statement, the accompanying Notice of Annual Meeting of Shareholders, the proxy card and the Annual Report for the Fund for the fiscal year ended April 30, 2018 will be first sent to shareholders on or about June 29, 2018.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 13, 2018.

You may obtain a copy of this proxy statement, the accompanying Notice of Annual Meeting of Shareholders, the proxy card and the Annual Report for the Fund for the period ended April 30, 2018 without charge by visiting the website indicated on your proxy card.

Proxy Solicitation

The Board intends to bring before the Meeting the matter set forth in the accompanying notice. Holders of common shares ("Shares") of the Fund ("Shareholders") are being asked to vote for the re-election of Mr. William Ebsworth and Ms. Jane Freeman and Judith Johnson as Trustees. You can vote by returning your properly executed proxy card in the envelope provided or you may vote by telephone or Internet by following the instructions at the end of this proxy statement. When you complete and sign your proxy card, the proxies named will vote on your behalf at the Meeting (or any adjournments thereof) exactly as you have indicated. If you return a signed proxy card but no choice is specified, your Shares will be voted FOR the election of each of the nominees named in the enclosed proxy card. If any other matters are properly presented at the Meeting for action, the persons named as proxies will vote in accordance with the views of management of the Fund. Shareholders, including a broker who may hold Shares on your behalf, may revoke a proxy prior to the Meeting by giving timely written notice of such revocation to the Fund at the address above, by submitting a subsequent proxy timely and in accordance with the methods prescribed by this proxy statement, or by attending the Meeting and voting in person.

The Fund's Second Amended and Restated Agreement and Declaration of Trust (the "Declaration") provides that the holders of thirty-three and a third percent (33 1/3%) of the Shares issued and outstanding, present in person or by proxy, shall constitute a quorum for the transaction of business at the Meeting. With regard to the election of Trustees, votes may be cast FOR all nominees or votes may be WITHHELD either with respect to all of the nominees or any individual nominee. Abstentions, broker non-votes (i.e., Shares held by brokers or nominee entities as to which (i) instructions have not been received from the beneficial owners or other persons entitled to vote and (ii) the broker or nominee entity does not have discretionary voting power on a particular matter), and votes that are withheld will count for purposes of determining whether a quorum is present but will have no effect with respect to the election of Trustees.

The vote of a plurality of the votes cast by Shareholders present in person or represented by proxy at the Meeting is required for the election of Trustees.

In the event a quorum is not present at the Meeting or a quorum is present but sufficient votes to approve a proposal are not received, the persons named as proxies may propose one or more adjournments of the Meeting to permit further solicitation of proxies as to a proposal. The persons named as proxies will vote in favor of an adjournment those votes that may be voted in favor of the proposal. The persons named as proxies will vote against any such adjournment those votes marked as withheld. The Meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Shares represented at the Meeting, either in person or by proxy, or by the chair of the Meeting, in his or her discretion. Abstentions and broker non-votes will not be voted on a motion to adjourn.

Any proposal for which sufficient favorable votes have been received by the time of the Meeting may be acted upon and considered final regardless of whether the Meeting is adjourned to permit additional solicitation with respect to any other proposal. In certain circumstances in which the Fund has received sufficient votes to approve a matter being recommended for approval by the Board,

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the Fund may request that brokers and nominee entities, in their discretion, withhold or withdraw submission of broker non-votes in order to avoid the need for solicitation of additional votes in favor of the proposal.

The Fund will bear the costs typically associated with the election of Trustees. Solicitation may be undertaken by mail, telephone, facsimile and personal contact. The Fund has engaged Computershare Fund Services to solicit proxies from brokers, banks, other institutional holders and individual Shareholders for a fee of approximately \$3,700. This fee will be borne by the Fund.

Voting Securities and Principal Holders Thereof

Shareholders of record at the close of business on June 8, 2018 are entitled to vote at the Meeting or any adjournment thereof to the extent set forth in this proxy statement. As of June 8, 2018, the Fund had outstanding 68,951,815 Shares. Each Share is entitled to one vote for each dollar, and a fractional vote for each fraction of a dollar as to any matter on which the Share is entitled to vote.

Listed below are entities that have made filings with the Securities and Exchange Commission ("SEC") disclosing beneficial ownership of 5% or more of the outstanding Shares of the Fund as of June 8, 2018. The filings are available at the SEC's website (www.sec.gov).

Class	Shareholder Name and Address	Number of Shares Owned	Percentage Owned
Common (94987B105)	First Trust Portfolios L.P. First Trust Advisors L.P. The Charger Corporation 120 East Liberty Drive, Suite 400 Wheaton, Illinois 60187	4,897,860	7.07% ¹
Common (94987B105)	Saba Capital Management, L.P. Mr. Boaz R. Weinstein 405 Lexington Avenue, 58th Floor New York, New York 10174	3,948,398	5.63% ¹

¹ The filing by the listed entities indicates that the entities share dispositive power over the securities.

As of June 8, 2018, the officers and Trustees of the Fund as a group beneficially owned in the aggregate less than 1% of the Shares of the Fund, and together with their immediate family members, less than 1% of the outstanding securities of Wells Fargo & Company ("Wells Fargo"), the parent company of Wells Fargo Funds Management, LLC ("Funds Management"), the Fund's adviser, and Wells Capital Management Incorporated ("Wells Capital Management"), the Fund's sub-adviser.

I. ELECTION OF TRUSTEES (PROPOSAL 1)

The Board has nominated three persons for election to the Fund's Board. Each of these nominees currently serves on the Fund's Board and is thus sometimes referred to as a "nominee Trustee". In accordance with the Declaration, the Trustees have been divided into three classes (each a "Class"): Class I, Class II and Class III. The Trustees in each Class serve until the annual meeting for the year indicated: Class I, 2020, Class II, 2021 and Class III, 2019 or, if later, until their respective successors are elected and qualified. At each subsequent annual meeting, the persons elected to the Class of Trustees whose terms are expiring will generally be nominated for a three-year term. Staggered terms are adopted by many closed-end fund boards and can have the effect of promoting greater stability and long-term perspective. Staggered terms also have the effect of limiting the ability of other entities or persons to acquire control of a board by delaying replacement of a majority of the board. If any nominee Trustee for any reason becomes unable to serve or is unwilling to serve, the persons named as proxies in the enclosed proxy card, in consultation with the Board, will vote for the election of such other person or persons as they may consider qualified. Each of the three nominee Trustees has agreed to continue to serve as a Trustee on the Board if elected by Shareholders. The nominee Trustees for Class II are expected to serve the full term until the 2021 annual meeting.

The Board of the Fund proposes the following nominee Trustees for election at the Meeting:

Trustee	Class	Expiration of Term if Elected
William R. Ebsworth	Class II	2021 ¹
Jane A. Freeman	Class II	2021 ¹
Judith M. Johnson	Class II	2021 ¹

¹ Or, if later, until their respective successors are elected and qualified.

You cannot vote by proxy for anyone other than the three nominee Trustees currently proposed to serve on the Board.

Trustee and Nominee Trustee Information

The following table contains specific information about each Trustee and nominee Trustee as of April 30, 2018 including: name and year of birth, principal occupation(s) during the past five years or longer, position held with the Fund, length of time served, any other directorships held outside the Wells Fargo Funds family of funds (the "Fund Complex") and number of portfolios in the Fund Complex overseen by such Trustee and nominee Trustee. The address for each Trustee and nominee Trustee is c/o Wells Fargo Income Opportunities Fund, 525 Market Street, 12th Floor, San Francisco, California 94105. The Board has established a standing Governance Committee, a standing Audit Committee and a standing Valuation Committee, each of which is made up of the Trustees listed in the table below.

Name and Year of Birth	Position Held with the Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years or Longer	Number of Portfolios in Fund Complex Overseen by Trustee¹	Other Directorships Held by Trustee within past 5 years
Class II - Non-Interested Nominee Trustees to serve until 2021 Annual Meeting of Shareholders					
William R. Ebsworth, 1957	Trustee	Trustee since 2015	Retired. From 1984 to 2013, equities analyst, portfolio manager, research director and chief investment officer at Fidelity Management and Research Company in Boston, Tokyo, and Hong Kong, and retired in 2013 as Chief Investment Officer of Fidelity Strategic Advisers, Inc. where he led a team of investment professionals managing client assets. Prior thereto, Board member of Hong Kong Securities Clearing Co., Hong Kong Options Clearing Corp., the Thailand International Fund, Ltd., Fidelity Investments Life Insurance Company, and Empire Fidelity Investments Life Insurance Company. Board member of the Forté Foundation (non-profit organization) and the Vincent Memorial Hospital Endowment (non-profit organization), where he serves on the Investment Committee and as Chair of the Audit Committee. Mr. Ebsworth is a CFA® charterholder.	153	Asset Allocation Trust
Jane A. Freeman, 1953	Trustee	Trustee since 2015; Chair Liaison since 2018	Retired. From 2012 to 2014 and 1999 to 2008, Chief Financial Officer of Scientific Learning Corporation. From 2008 to 2012, Ms. Freeman provided consulting services related to strategic business projects. Prior to 1999, Portfolio Manager at Rockefeller & Co. and Scudder, Stevens & Clark. Board member of the Harding Loevner Funds from 1996 to 2014, serving as both Lead Independent Director and chair of the Audit Committee. Board member of the Russell Exchange Traded Funds Trust from 2011 to 2012 and the chair of the Audit Committee. Ms. Freeman is a Board Member of Ruth Bancroft Garden (non-profit organization) and the Glimmerglass Festival. She is also an inactive Chartered Financial Analyst.	153	Asset Allocation Trust
Judith M. Johnson, 1949	Trustee	Trustee and Audit Committee Chairman since 2010	Retired. Prior thereto, Chief Executive Officer and Chief Investment Officer of Minneapolis Employees Retirement Fund from 1996 to 2008. Ms. Johnson is an attorney, certified public accountant and a certified managerial accountant.	153	Asset Allocation Trust
Class I - Non-Interested Trustees to serve until 2020 Annual Meeting of Shareholders					
Isaiah Harris, Jr., 1952	Trustee	Trustee since 2010	Retired. Chairman of the Board of CIGNA Corporation since 2009, and Director since 2005. From 2003 to 2011, Director of Deluxe Corporation. Prior thereto, President and CEO of BellSouth Advertising and Publishing Corp. from 2005 to 2007, President and CEO of BellSouth	153	CIGNA Corporation; Asset Allocation Trust

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			Enterprises from 2004 to 2005 and President of BellSouth Consumer Services from 2000 to 2003. Emeritus member of the Iowa State University Foundation Board of Governors. Emeritus Member of the Advisory Board of Iowa State University School of Business. Advisory Board Member, Palm Harbor Academy (charter school). Advisory Board Member, Child Evangelism Fellowship (non-profit). Mr. Harris is a certified public accountant (inactive status).		
David F. Larcker, 1950	Trustee	Trustee since 2010	James Irvin Miller Professor of Accounting at the Graduate School of Business, Stanford University, Director of the Corporate Governance Research Initiative and Senior Faculty of The Rock Center for Corporate Governance since 2006. From 2005 to 2008, Professor of Accounting at the Graduate School of Business, Stanford University. Prior thereto, Ernst & Young Professor of Accounting at The Wharton School, University of Pennsylvania from 1985 to 2005.	153	Asset Allocation Trust
Olivia S. Mitchell, 1953	Trustee	Trustee since 2010 and Governance Committee Chairman since 2018	International Foundation of Employee Benefit Plans Professor, Wharton School of the University of Pennsylvania since 1993. Director of Wharton's Pension Research Council and Boettner Center on Pensions & Retirement Research, and Research Associate at the National Bureau of Economic Research. Previously, Cornell University Professor from 1978 to 1993.	153	Asset Allocation Trust
Class III - Non-Interested Trustees to serve until 2019 Annual Meeting of Shareholders					
Timothy J. Penny, 1951	Trustee	Trustee since 2010; Chairman since 2018; Vice Chairman from 2017 to 2018	President and Chief Executive Officer of Southern Minnesota Initiative Foundation, a non-profit organization, since 2007. Member of the Board of Trustees of NorthStar Education Finance, Inc., a non-profit organization, since 2007.	153	Asset Allocation Trust
James G. Polisson, 1959	Trustee	Trustee since 2018	Retired. Chief Marketing Officer, Source (ETF) UK Services, Ltd, from 2015 to 2017. From 2012 to 2015, Principal of The Polisson Group, LLC, a management consulting, corporate advisory and principal investing company. Chief Executive Officer and Managing Director at Russell Investments, Global Exchange Traded Funds from 2010 to 2012. Managing Director of Barclays Global Investors from 1998 to 2010 and Global Chief Marketing Officer for iShares and Barclays Global Investors from 2000 to 2010. Trustee of the San Francisco Mechanics' Institute, a non-profit organization, from 2013 to 2015. Board member of the Russell Exchange Traded Fund Trust from 2011 to 2012. Director of Barclays Global Investors Holdings Deutschland GmbH from 2006 to 2009. Mr. Polisson is an attorney and has a retired status with the Massachusetts and District of Columbia Bar Associations.	153	Asset Allocation Trust
Michael S. Scofield, 1943 ²	Trustee	Trustee since 2004	Served on the Investment Company Institute's Board of Governors and Executive Committee from 2008-2011 as well as the Governing Council of the Independent Directors Council from 2006-2011 and the Independent Directors Council Executive Committee from 2008-2011. Chairman of the IDC from 2008-2010. Institutional Investor (Fund Directions) Trustee of Year in 2007. Trustee of the Evergreen Fund complex (and its predecessors) from 1984 to 2010. Chairman of the Evergreen Funds from 2000-2010. Former Trustee of the Mentor Funds. Retired Attorney, Law Offices of Michael S. Scofield.	153	Asset Allocation Trust
Pamela Wheelock,	Trustee	Trustee since 2018	Chief Operating Officer, Twin Cities Habitat for Humanity, since January, 2017. Vice President of University	153	Asset Allocation Trust

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1959

Services, University of Minnesota from 2012 to 2017. Prior thereto, on the Board of Directors, Governance Committee and Finance Committee for the Minnesota Philanthropic Partners (Saint Paul Foundation) from 2012 to 2018. Interim President and Chief Executive Officer of Blue Cross Blue Shield of Minnesota from 2010 to 2011, Chairman of the Board from 2009 to 2011 and Board Director from 2003 to 2015. Vice President, Leadership and Community Engagement, Bush Foundation, Saint Paul, Minnesota (a private foundation) from 2009 to 2011. Executive Vice President and Chief Financial Officer, Minnesota Sports and Entertainment from 2004 to 2009 and Senior Vice President from 2002 to 2004. Commissioner of Finance, State of Minnesota, from 1999 to 2002. Currently the Board Chair of the Minnesota Wild Foundation since 2010.

1 As of April 30, 2018, the Fund Complex consisted of 153 funds.

2 Mr. Scofield is expected to retire on December 31, 2018.

The following table contains specific information about the dollar range of equity securities beneficially owned by each Trustee and nominee Trustee in the Fund and the aggregate dollar range of equity securities in other funds in the Fund Complex overseen by the Trustees.

Name of Trustee	Dollar Range of Equity Securities in the Fund as of April 30, 2018	Aggregate Dollar Range of Equity Securities in the Fund Complex as of April 30, 2018
Non-Interested Nominee Trustees		
William R. Ebsworth	\$10,001-\$50,000	Over \$100,000
Jane A. Freeman	\$1-\$10,000	Over \$100,000
Judith M. Johnson	\$1-\$10,000	Over \$100,000
Non-Interested Trustees		
Isaiah Harris, Jr.	\$1-\$10,000	Over \$100,000
David F. Larcker	\$1-\$10,000	Over \$100,000
Olivia S. Mitchell	\$1-\$10,000	Over \$100,000
Timothy J. Penny	\$1-\$10,000	Over \$100,000
James G. Polisson	\$1-\$10,000	\$50,001-\$100,000
Michael S. Scofield	\$1-\$10,000	Over \$100,000
Pamela Wheelock	\$1-\$10,000	\$50,001-\$100,000

The Board of Trustees and Its Leadership Structure

Overall responsibility for oversight of the Fund rests with the Board. The Board has engaged Funds Management to manage the Fund on a day-to day basis. The Board is responsible for overseeing Funds Management and other service providers in the operation of the Fund in accordance with the provisions of the Investment Company Act of 1940 (the "1940 Act"), applicable provisions of Delaware law, other applicable laws and the Declaration.

The Board is currently composed of ten members, each of whom is not an "interested person" of the Fund, Funds Management, or Wells Capital Management, as defined in the 1940 Act (an "Independent Trustee"). The Board currently conducts regular in-person meetings five times a year. In addition, the Board may hold special in-person or telephonic meetings or informal conference calls to discuss specific matters that may arise or require action between regular meetings.

The Independent Trustees have engaged independent legal counsel to assist them in performing their oversight responsibilities. The Board has appointed an Independent Trustee to serve in the role of Chairman. The Chairman's role is to preside at all meetings of the Board and to act as a liaison with respect to governance-related matters with service providers, officers, attorneys, and other Trustees generally between meetings. The Chairman may also perform such other functions as may be delegated by the Board from time to time. Timothy Penny serves as Chairman of the Board. In order to assist the Chairman in maintaining effective communications with the other Trustees and Funds Management, the Board has appointed a Chair Liaison to work with the Chairman to coordinate Trustee communications and to help coordinate timely responses to Trustee inquiries relating to board governance and fiduciary matters. The Chair Liaison serves for a one-year term, which may be extended with the approval of the Board. Ms. Freeman serves as Chair Liaison. Except for any duties specified herein or pursuant to the Declaration, the designation of Chairman or Chair Liaison does not impose on such Independent Trustee any duties, obligations or liability that are greater than the duties, obligations or liability imposed on such person as a member of the Board generally.

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The Board also has established a Governance Committee, an Audit Committee and a Valuation Committee to assist the Board in the oversight and direction of the business and affairs of the Fund and from time to time may establish informal working groups to review and address the policies and practices of the Fund with respect to certain specified matters. Additionally, the Board has established an investment team to review in detail the performance of the Fund, to meet with portfolio managers, and to report back to the full Board. The Board occasionally engages independent consultants to assist it in evaluating initiatives or proposals. The Board believes that the Board's current leadership structure is appropriate because it allows the Board to exercise informed and independent judgment over matters under its purview, and it allocates areas of responsibility among committees of Trustees and the full Board in a manner that enhances effective oversight. The leadership structure of the Board may be changed, at any time and in the discretion of the Board, including in response to changes in circumstances or the characteristics of the Fund.

As noted above, the Board has established a standing Governance Committee, a standing Audit Committee and a standing Valuation Committee to assist the Board in the oversight and direction of the business and affairs of the Fund. The Governance Committee and Audit Committee operate pursuant to charters approved by the Board. The Valuation Committee's responsibilities are set forth in Valuation Procedures approved by the Board. Each Independent Trustee is a member of the Fund's Governance Committee, Audit Committee and Valuation Committee.

Governance Committee. Except with respect to any trustee nomination made by an eligible Shareholder or Shareholder group as permitted by applicable law and applicable provisions of the Declaration and By-Laws of the Fund, the Governance Committee shall make all nominations for membership on the Board. The Governance Committee shall evaluate each candidate's qualifications for Board membership and his or her independence from the Fund's investment adviser and sub-adviser and, as it deems appropriate, other principal service providers. Olivia Mitchell serves as the Chairman of the Governance Committee.

The Governance Committee has adopted procedures by which a Shareholder may properly submit a nominee recommendation for the Governance Committee's consideration, which are set forth in Appendix A to the Fund's Governance Committee Charter. The Shareholder must submit any such recommendation (a "Shareholder Recommendation") in writing to the Fund, to the attention of the Fund's Secretary, at the address of the principal executive office of the Fund. The Governance Committee has full discretion to reject candidates recommended by Shareholders, and there is no assurance that any such person properly recommended and considered by the Governance Committee will be nominated for election to the Board. For more information relating to Shareholder recommendations, please see the Fund's Governance Committee Charter attached as Exhibit A.

The Governance Committee may from time-to-time propose nominations of one or more individuals to serve as members of an "advisory board," as such term is defined in Section 2(a)(1) of the Investment Company Act of 1940.

Valuation Committee. The Board has delegated to the Valuation Committee the authority to take any action regarding the valuation of portfolio securities that the Valuation Committee deems necessary or appropriate, including determining the fair value of securities between regularly scheduled Board meetings in instances where that determination has not otherwise been delegated to the valuation team ("Management Valuation Team") of Funds Management. The Board considers for ratification at each quarterly meeting any valuation actions taken during the previous quarter by the Valuation Committee or by the Management Valuation Team other than pursuant to Board-approved methodologies. Any one member of the Valuation Committee may constitute a quorum for a meeting of the committee.

Audit Committee. The Audit Committee oversees the Fund's accounting and financial reporting policies, including their internal controls over financial reporting; oversees the quality and objectivity of the Fund's financial statements and the independent audit thereof; and interacts with the Fund's independent registered public accounting firm on behalf of the full Board and with appropriate officers of the Fund. Judith M. Johnson serves as the Chairman of the Audit Committee.

The Board and individual committees met the following number of times during the most recently completed fiscal year:

	Number of Meetings During Last Fiscal Year
Regular Meetings	8
Special Meetings	1
Governance Committee Meetings	3
Valuation Committee Meetings	0
Audit Committee Meetings	8
Each Trustee attended at least 75% of the aggregate of the total number of meetings of the Board and committees on which he or she served.	

The Board of Trustees and Risk Oversight

The Fund is subject to a number of risks, including investment, compliance, operational, and valuation risks, among others. Day-to-day risk management functions are subsumed within the responsibilities of Funds Management, Wells Capital Management and other service providers (depending on the nature of the risk), who carry out the Fund's investment management and business affairs. Each of Funds Management, Wells Capital Management and other service providers have their own, independent approach to risk management, and their policies and methods of carrying out risk management functions will depend, in part, on their individual priorities, resources and controls.

Risk oversight forms part of the Board's general oversight of the Fund and is addressed as part of various Board and Committee activities. The Board recognizes that it is not possible to identify all of the risks that may affect the Fund or to develop processes and controls to eliminate or mitigate their occurrence or effects and that it is necessary for the Fund to bear certain risks (such as investment-related risks) to pursue its goals. As part of its regular oversight of the Fund, the Board, directly or through a Committee, interacts with and reviews reports from, among others, Funds Management, Wells Capital Management, the Chief Compliance Officer of the Fund, the Chief Risk Officer of Funds Management, the independent registered public accounting firm for the Fund, and internal compliance auditors for Funds Management or its affiliates, as appropriate, regarding risks faced by the Fund and relevant risk functions. The Board, with the assistance of its investment teams, also reviews investment policies and risks in connection with its review of the Fund's performance. The Board has appointed a Chief Compliance Officer who oversees the implementation and testing of the Fund's compliance program and regularly reports to the Board regarding compliance matters for the Fund and its principal service providers. Funds Management has appointed a Chief Risk Officer to enhance the framework around the assessment, management, measurement and monitoring of risk indicators and other risk matters concerning the Fund and develop periodic reporting of risk management matters to the Board. In addition, as part of the Board's periodic review of the Fund's advisory, sub-advisory and other service provider agreements, the Board may consider risk management aspects of their operations and the functions for which they are responsible. With respect to valuation, the Board oversees a management valuation team comprised of officers and employees of Funds Management, has approved and periodically reviews written valuation policies and procedures applicable to valuing the Fund portfolio investments, and has established a valuation committee of Trustees. The Board may, at any time and in its discretion, change the manner in which it conducts its risk oversight role.

Qualifications of Trustees

The Declaration does not set forth any specific qualifications to serve as a Trustee. The Charter and the Statement of Governance Principles of the Governance Committee also do not set forth any specific qualifications, but do set forth certain factors that the Governance Committee may take into account in considering Trustee candidates and a process for evaluating potential conflicts of interest, which identifies certain disqualifying conflicts.

Among the attributes or skills common to all Trustees are their ability to review critically, evaluate, question and discuss information provided to them, to interact effectively with the other Trustees, Funds Management, Wells Capital Management, other service providers, counsel and the independent registered public accounting firm, and to exercise effective and independent business judgment in the performance of their duties as Trustees. Each Trustee's ability to perform his or her duties effectively has been attained through the Trustee's business, consulting, public service, professional and/or academic positions and through experience from service as a board member of the Fund and the other funds in the Fund Complex (and/or in other capacities, including for any predecessor funds), other registered investment companies, public companies, and/or non-profit entities or other organizations. Each Trustee's ability to perform his or her duties effectively also has been enhanced by his or her educational background, professional training, and/or other life experiences. The specific experience, qualifications, attributes and/or skills that led to the conclusion that a Trustee should serve as a Trustee of the Fund are as set forth below.

William R. Ebsworth. Mr. Ebsworth has served as a Trustee of the Trusts in the Fund Complex and Asset Allocation Trust since January 1, 2015. From 1984 to 2013, equities analyst, portfolio manager, research director at Fidelity Management and Research Company in Boston, Tokyo, and Hong Kong, and retired in 2013 as Chief Investment Officer of Fidelity Strategic Advisers, Inc. where he led a team of investment professionals managing client assets. Prior thereto, Board member of Hong Kong Securities Clearing Co., Hong Kong Options Clearing Corp., the Thailand International Fund, Ltd., Fidelity Investments Life Insurance Company, and Empire Fidelity Investments Life Insurance Company. Mr. Ebsworth is a CFA® charterholder.

Jane A. Freeman. Ms. Freeman has served as a Trustee of the Trusts in the Fund Complex and Asset Allocation Trust since January 1, 2015 and as Chair Liaison since 2018. From 2012 to 2014 and 1999 to 2008, Ms. Freeman served as the Chief Financial Officer of Scientific Learning Corporation. From 2008 to 2012, Ms. Freeman provided consulting services related to strategic business projects. Prior to joining Scientific Learning, Ms. Freeman was employed as a portfolio manager at Rockefeller & Co. and Scudder, Stevens & Clark. She served as a board member of the Harding Loevner Funds from 1996 to 2014, serving as both Lead Independent Director and chair of the Audit Committee. She also served as a board member of the Russell Exchange Traded Funds Trust from 2011 to 2012 and as chair of the Audit Committee. Ms. Freeman serves as a Board Member of the Ruth

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Bancroft Garden (non-profit organization) and the Glimmerglass Festival. Ms. Freeman is a Chartered Financial Analyst (inactive).

Isaiah Harris, Jr. Mr. Harris has served as a Trustee of the Trusts in the Fund Complex since 2009 and was an Advisory Board Member from 2008 to 2009. He has also served as a trustee of Asset Allocation Trust since 2010. He has been the Chairman of the Board of CIGNA Corporation since 2009, and has been a director of CIGNA Corporation since 2005. He served as a director of Deluxe Corporation from 2003 to 2011. As a director of these and other public companies, he has served on board committees, including Governance, Audit and Compensation Committees. Mr. Harris served in senior executive positions, including as president, chief executive officer, vice president of finance and/or chief financial officer, of operating companies for approximately 20 years.

Judith M. Johnson. Ms. Johnson has served as a Trustee of the Trusts in the Fund Complex since 2008 and as Chair of the Audit Committee since 2009. She has also served as a trustee and chair of the audit committee of Asset Allocation Trust since 2010. She served as the Chief Executive Officer and Chief Investment Officer of the Minneapolis Employees Retirement Fund for twelve years until her retirement in 2008. Ms. Johnson is a licensed attorney, as well as a certified public accountant and a certified managerial accountant. Ms. Johnson has been determined by the Board to be an audit committee financial expert as such term is defined in the applicable rules of the SEC.

David F. Larcker. Mr. Larcker has served as a Trustee of the Trusts in the Fund Complex since 2009 and was an Advisory Board Member from 2008 to 2009. He has also served as a trustee of Asset Allocation Trust since 2010. Mr. Larcker is the James Irvin Miller Professor of Accounting at the Graduate School of Business of Stanford University. He is also the Morgan Stanley Director of the Center for Leadership Development and Research and Co-director of The Rock Center for Corporate Governance at Stanford University. He has been a professor of accounting for over 30 years. He has written numerous articles on a range of topics, including managerial accounting, financial statement analysis and corporate governance.

Olivia S. Mitchell. Ms. Mitchell has served as a Trustee of the Trusts in the Fund Complex since 2006 and as Chairman of the Governance Committee since 2018. She has also served as a trustee of Asset Allocation Trust since 2010. Ms. Mitchell is the International Foundation of Employee Benefit Plans Professor at the Wharton School of the University of Pennsylvania, where she is also Professor of Insurance/Risk Management and Business Economics/Policy. She also serves in senior positions with academic and policy organizations that conduct research on pensions, retirement, insurance, risk management, and related topics including as Executive Director of the Pension Research Council and Director of the Boettner Center on Pensions and Retirement Research, both at the University of Pennsylvania. She has taught on and served as a consultant on economics, insurance, and risk management, served as Department Chair, advised numerous governmental entities, and written numerous articles and books on topics including retirement systems, private and social insurance, and health and retirement policy.

Timothy J. Penny. Mr. Penny has served as a Trustee of the Trusts in the Fund Complex and their predecessor funds since 1996, and Chairman of the Board of Trustees since 2018. He has also served as a trustee of Asset Allocation Trust since 2010. He has been President and Chief Executive Officer of Southern Minnesota Initiative Foundation since 2007. He also serves as a member of the board of another non-profit organization. Mr. Penny was a member of the U.S. House of Representatives for 12 years representing Southeastern Minnesota's First Congressional District.

James G. Polisson. Mr. Polisson has served as a Trustee of the Trusts in the Fund Complex since 2018 and was an Advisory Board member in 2017. Mr. Polisson has extensive experience in the financial services industry, including over 15 years in the ETF industry. From 2015 to July 31, 2017, Mr. Polisson was the Chief Marketing Officer of Source (ETF) UK Services, Ltd., one of the largest providers of exchange-traded products in Europe. From 2012 to 2015, Mr. Polisson was Principal of The Polisson Group, LLC, a management consulting, corporate advisory and principal investing firm. Prior to 2012, Mr. Polisson was Chief Executive Officer and Managing Director of Russell Investments' global ETF business from 2010. He was also a member of the Board of Trustees of Russell Exchange Traded Funds Trust, where he served as Chairman, President and Chief Executive Officer from 2011 to 2012. Mr. Polisson also served as Chief Marketing Officer for Barclays Global Investors from 2000 to 2010, where he led global marketing for the iShares ETF business.

Michael S. Scofield. Mr. Scofield has served as a Trustee of the Trusts in the Fund Complex since 2010. He has also served as a trustee of Asset Allocation Trust since 2005. He previously served on the Investment Company Institute's Board of Governors and Executive Committee. Mr. Scofield previously served as a Trustee of the Evergreen fund complex (and its predecessors) from 1984 to 2010, where he served as Chairman of the Board. He also served as a member of the board of directors of the Mutual Fund Directors Forum, and other leadership positions in the investment company industry. He previously worked as an attorney with the Law Offices of Michael S. Scofield.

Pamela Wheelock. Ms. Wheelock has served as a Trustee of the Trusts in the Fund Complex since 2018 and was an Advisory Board member in 2017. Ms. Wheelock is the Chief Operating Officer of Twin Cities Habitat for Humanity. Ms. Wheelock has more than 25 years of leadership experience in the private, public and nonprofit sectors. Prior to joining Habitat for Humanity in 2017, Ms.

Wheelock was the Vice President of University Services at the University of Minnesota from 2012, where she served as chief operations officer of the University. She also served as Interim President and Chief Executive Officer of Blue Cross Blue Shield of Minnesota from 2011 to 2012, Vice President of the Bush Foundation from 2009 to 2011, and Executive Vice President and Chief Financial Officer of Minnesota Sports and Entertainment from 2004 to 2009. Ms. Wheelock served as the Executive Budget Officer and Finance Commissioner for the State of Minnesota from 1999 to 2002.

Consideration of Diversity by the Governance Committee

The Governance Committee takes the overall diversity of the Board into account when considering and evaluating nominees for Trustee. While the Governance Committee has not adopted a specific policy on diversity or a particular definition of diversity, when considering nominees, the Governance Committee generally considers the manner in which each nominee's professional experience, background, skills in matters that are relevant to the oversight of the funds (e.g., investment management, distribution, accounting, trading, compliance, legal), and general leadership experience are complementary to the existing Trustees' attributes.

Governance Committee

The members of the Governance Committee are "independent" as defined in the NYSE American Exchange's listing standards. The Board has adopted a written Governance Committee Charter which is attached to this proxy statement as Exhibit A. The Governance Committee Charter describes the Governance Committee functions. The Governance Committee reviews the Governance Committee Charter at least annually and may recommend changes to the Board.

The Board has approved a policy pursuant to which the Board may consider nominees for election as Trustees, which is described further in the Governance Committee Charter. The policy states the minimum nominee qualifications, the process for identifying and evaluating trustee nominees and the process for considering nominees recommended by Shareholders.

Communications with Board Members

The Board has approved a policy for communications with Board members. Any shareholder who wishes to send a communication to the Board should send the communication to the Wells Fargo Income Opportunities Fund Board of Trustees, 525 Market Street, 12th Floor, San Francisco, California 94105. If a Shareholder wishes to send a communication directly to an individual Trustee or to a committee of the Fund's Board, the communication should be specifically addressed to such individual Trustee or committee and sent to the above address.

Trustee Attendance Policy at Annual Shareholder Meetings

Funds that are listed on the NYSE American Exchange are required each year to hold an Annual Meeting of Shareholders. It is the policy of the Fund to encourage at least one Trustee to attend each such Annual Meeting of Shareholders either in person, by video conference, or by teleconference. Mr. Peter Gordon attended the previous year's Annual Meeting of Shareholders telephonically.

Current Officers

The following table contains specific information about each executive officer of the Fund as of April 30, 2018, including: name, address and year of birth, position held with the Fund, length of time served and principal occupation(s) during the past five years or longer, including offices held with Funds Management, Wells Fargo and their affiliated companies.

Name, Address and Year of Birth	Position with Fund	Principal Occupation(s) During Past 5 Years or Longer
Andrew Owen 525 Market Street, San Francisco, CA 94105 Year of Birth: 1960	President since 2017	Executive Vice President of Wells Fargo & Company and Head of Affiliated Managers, Wells Fargo Asset Management, since 2014. In addition, Mr. Owen is currently President, Chief Executive Officer and Director of Wells Fargo Funds Management, LLC since 2017. Prior thereto, Executive Vice President responsible for marketing, investments and product development for Wells Fargo Funds Management, LLC, from 2009 to 2014.

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Jeremy M. DePalma 200 Berkeley Street, Boston, MA 02116-5022 Year of Birth: 1974	Treasurer since 2012	Senior Vice President of Wells Fargo Funds Management, LLC since 2009. Senior Vice President of Evergreen Investment Management Company, LLC from 2008 to 2010 and head of the Fund Reporting and Control Team within Fund Administration from 2005 to 2010.
Alexander Kymn 525 Market Street, San Francisco, CA 94105 Year of Birth: 1973	Secretary and Chief Legal Officer since 2018	Senior Company Counsel of Wells Fargo Bank, N.A since 2018 (previously Senior Counsel from 2007 to 2018). Vice President of Wells Fargo Funds Management, LLC from 2008 to 2014.
Michael Whitaker 200 Berkeley Street, Boston, MA 02116-5022 Year of Birth: 1967	Chief Compliance Officer since 2016	Senior Vice President and Chief Compliance Officer since 2016. Senior Vice President and Chief Compliance Officer for Fidelity Investments from 2007 to 2016.
David Berardi 200 Berkeley Street, Boston, MA 02116-5022 Year of Birth: 1975	Assistant Treasurer, since 2009	Vice President of Wells Fargo Funds Management, LLC since 2009. Vice President of Evergreen Investment Management Company, LLC from 2008 to 2010. Manager of Fund Reporting and Control for Evergreen Investment Management Company, LLC from 2004 to 2010.

The President oversees the operations of the Fund. The Secretary is responsible for maintaining the minutes of all meetings and a record of other actions of Trustees and shareholders. The Treasurer and Assistant Treasurer are responsible for maintaining the books and records of the Funds and for working with the Fund's portfolio managers on a continuous basis to ensure that accounting records are properly maintained. The Chief Compliance Officer is responsible for reviewing Fund policies and procedures and monitoring the Fund's compliance with them.

Remuneration of Officers and Trustees

Fees, salaries or other remuneration of officers of the Fund who also serve as officers or employees of Funds Management or any of its affiliated companies are borne by Funds Management or the Wells Fargo affiliate for whom the individual serves. The Fund's principal executive officers did not receive any compensation or expense reimbursement from the Fund for the fiscal year ended April 30, 2018. The Fund reimburses all Trustees for expenses incurred in connection with attending meetings of the Board. The Trustees do not receive any pension or retirement benefits from the Fund. For the fiscal year ended April 30, 2018, the Trustees earned the following compensation from the Fund and the Fund Complex:

Name of Person and Position with the Fund	Aggregate Compensation From the Fund	Total Compensation From the Fund and Fund Complex Paid to Trustees ¹
Non-Interested Nominee Trustees		
William R. Ebsworth	\$1,967	\$301,000
Jane A. Freeman	\$2,033	\$311,000
Judith M. Johnson	\$2,163	\$331,000
Non-Interested Trustees		
Isaiah Harris, Jr.	\$1,886	\$288,500
David F. Larcker	\$1,967	\$301,000
Olivia S. Mitchell	\$2,033	\$311,000
Timothy J. Penny	\$2,294	\$351,000
James G. Polisson	\$1,092	\$167,000

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Michael S. Scofield	\$1,967	\$301,000
Pamela Wheelock	\$1,092	\$167,000

¹ As of April 30, 2018, the Fund Complex consisted of 153 funds.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Fund's Trustees, principal executive officers and certain other persons ("Reporting Entities") to file reports regarding ownership of, and transactions in, the Fund's securities with the SEC. Copies of the required filings must also be furnished to the Fund. During the most recent fiscal year, the Fund believes that all reports required to be filed by the Reporting Entities were filed on a timely basis.

Forms 3, 4, and 5 for the officers and Trustees of the Fund may be accessed through the Wells Fargo Funds website at www.wellsfargofunds.com.

Service Providers

Funds Management, an affiliate of Wells Fargo, a diversified financial services company providing banking, insurance, investment, mortgage and consumer finance services, currently serves as both the Fund's adviser and administrator. Funds Management is an indirect, wholly owned subsidiary of Wells Fargo. The principal business address of Funds Management is 525 Market Street, San Francisco, California 94105.

Wells Capital Management, a subsidiary of Wells Fargo and an affiliate of Funds Management, currently serves as the sub-adviser to the Fund. The principal business address of Wells Capital Management is 525 Market Street, San Francisco, California 94105.

Computershare Fund Services is the Fund's transfer agent and is located at P.O. Box 43010, Providence, Rhode Island 02940-3010.

KPMG LLP ("KPMG"), 99 High Street, Boston, Massachusetts 02110, has been approved by the Trustees of the Fund as the independent registered public accounting firm of the Fund for the current fiscal year ending April 30, 2018.

The Audit Committee of the Board unanimously recommended the selection of KPMG, and the Board unanimously approved such selection, at meetings held on May 22, 2018.

The Fund's Audit Committee has established and adopted policies and procedures whereby the Audit Committee Chairman is authorized to pre-approve: (1) audit services to the Fund; (2) non-audit tax or compliance consulting or training services provided to the Fund by its independent registered accounting firm if the fees for any particular engagement are not anticipated to exceed a specified dollar amount; and (3) non-audit tax or compliance consulting or training services provided by the independent registered public accounting firm to the Fund's investment adviser and its adviser affiliates (where pre-approval is required because the engagement relates directly to the operations and financial reporting of the Fund) if the fee for any particular engagement is not anticipated to exceed a specified dollar amount. For any pre-approval sought from the Chairman, the adviser shall prepare a brief description of the proposed services. If the Chairman approves such service, he or she shall sign the statement prepared by the adviser, and such written statement shall be presented to the full Audit Committee at its next regularly scheduled meeting.

A representative of KPMG, if requested in advance by any Shareholder, will be present via telephone at the Meeting to respond to appropriate questions from Shareholders and will have an opportunity to make a statement if he or she chooses to do so. Absent such a Shareholder request, it is not expected that such representative will be present at the Meeting.

In approving the selection of KPMG for the Fund, the Audit Committee considered, in addition to other practices and requirements relating to the selection of the Fund's independent registered public accounting firm, whether any services performed by KPMG for the Fund and the investment adviser and for certain related parties for which KPMG received non-audit fees are compatible with maintaining the independence of KPMG as the Fund's independent registered public accounting firm.

On June 21, 2018, the Audit Committee reviewed and discussed with management the Fund's audited financial statements for the fiscal year ended April 30, 2018. The Audit Committee has reviewed and discussed with KPMG the matters required to be discussed by Statements on Auditing Standards, No. 114, Communication with Audit Committees. The Audit Committee has received the written disclosures and the letter from KPMG required by the Public Company Accounting Oversight Board regarding certain communications, and has discussed with KPMG its independence. Based on these reviews and discussions, the Audit Committee recommended to the Board that the audited financial statements be included in the annual report to Shareholders for the previous fiscal year for filing with the SEC.

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The following table presents fees billed for professional audit services rendered by KPMG for the audit of the Fund's annual financial statements for the past two fiscal years and for fees billed for other services rendered by KPMG to the Fund. There were no fees paid to KPMG during the fiscal years where the de minimis exception was used.

	2018	2017
Audit fees	\$53,733	\$52,217
Audit-related fees	\$0	\$0
Tax fees ¹	\$4,245	\$4,080