

**STATE OF WISCONSIN
DEPARTMENT OF EMPLOYEE TRUST FUNDS
801 West Badger Road
Madison, WI 53702**

CORRESPONDENCE MEMORANDUM

DATE: April 30, 2003

TO: Deferred Compensation Board Members

FROM: Pam Henning, Director
Office of Strategic Services

SUBJECT: Update on Implementation of Excessive Trading Policy

At the January 23, 2003, Deferred Compensation Board (Board) meeting, staff provided the Board with the approved language for the excessive trading policy that was adopted at the November 2002 meeting. Staff worked with Nationwide Retirement Solutions (NRS) to notify participants of the new policy.

Actions Taken

- Accounts identified by the Investment Providers as violating their excessive trading policy, and as a result negatively affecting the performance of the fund, were contacted individually by NRS and received a certified letter explaining the Excessive Trading Policy.
- The April 2003 *MoneyTalks* newsletter contained an article on the new Excessive Trading Policy.
- The WDC Web site, forms and fact sheet were updated to reflect the new Excessive Trading Policy language.

Summary

Staff asked that NRS review all trading activity for the T. Rowe Price International Stock Fund and the Barclay's EAFE (Europe Australia Far East) Equity Index since January 2003. NRS as well as the fund companies have indicated there has been a significant decrease in the amount of daily trading (see attached letters).

Attachments