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Correspondence Memorandum

Date: August 15, 2019
To: Deferred Compensation Investment Committee
From: Shelly Schueller, Director
Wisconsin Deferred Compensation Program
Subject: Changes at Galliard Capital Management

This memo is for informational purposes only. No Investment Committee action is required.

The July 22, 2019, edition of *Pensions and Investments* contained an article about Galliard Capital Management (Galliard). The article discusses a report from investment consulting firm Callan, LLC to the North Carolina Supplemental Retirement Board. The Board suggested that a “close watch” of the firm was warranted, due to the departures of several key leadership personnel, and potential changes regarding Galliard’s future interactions with Wells Fargo, the parent company of Galliard. North Carolina subsequently placed the firm “on watch” due to the planned organizational changes.

In light of the *Pensions and Investments* article, Mike Norman from Galliard will be attending the investment committee meeting to provide an update and answer any questions you may have on the planned changes at Galliard. Bill Thornton of Great-West investments also provided the attached communication and will be at the meeting as well to share his perspective on this situation.

Attachment A: Galliard Firm Update, August 29, 2019

Attachment B: Galliard departures put stable value firm on watch” Danielle Walker. *Pensions and Investments*, July 22, 2019.

Attachment C: Galliard Firm Update, April 10, 2019

Attachment D: Great-West Financial Memo re: Galliard Capital Management, August 13, 2019

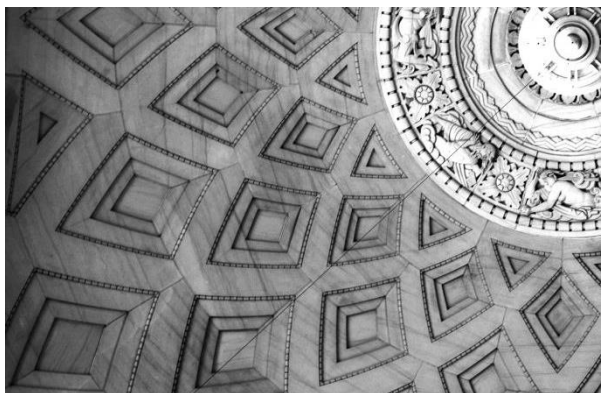
Reviewed and approved by Matt Stohr, Administrator, Division of Retirement Services

Electronically Signed 8/19/19

Board	Mtg Date	Item #
DCIC	8.29.19	2



ARCHITECTS OF INVESTMENT SOLUTIONS



**Wisconsin Deferred Compensation
Program – Galliard Firm Update**

AUGUST 29, 2019

WISCONSIN DEFERRED COMPENSATION PROGRAM

TABLE OF CONTENTS

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APPENDIX:	Professional Biography

SECTION I

GALLIARD CAPITAL MANAGEMENT

WHO WE ARE

\$92.1 B

TOTAL AUM

\$77.7 B

TOTAL STABLE VALUE AUM

95+

STABLE VALUE SEPARATE ACCOUNTS

102

EMPLOYEES ON STAFF

SENIOR PROFESSIONALS AVERAGE YEARS OF EXPERIENCE:

Stable value portfolio management team – **26**

Fixed income team – **21**

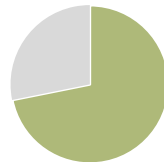
Contract management & negotiation team – **28**

Offer **separate account** and **collective fund** solutions for clients

230+

INSTITUTIONAL CLIENTS

CLIENT RELATIONSHIP TENURE



~80% of our clients have worked with Galliard for greater than **5 years**

32 of those relationships exceed **15 years** with Galliard

CLIENT TYPES

- Corporate
- Public Entities
- Taft-Hartley
- Operating Funds
- Healthcare
- Insurance Reserves
- Foundations/ Endowments

FORTUNE 100 / 500

24 Fortune 100 clients; **62** Fortune 500 clients

GALLIARD

HIGHLIGHTS

Galliard is the **largest** stable value separate account manager¹ and advises the **largest** stable value collective fund² in the nation

¹eVestment, Stable Value Fixed Income universe, as of December 31, 2018, Galliard ranked highest separate/segregated assets under management

²As ranked by the Hueler Analytics, Inc. © stable value universe; January 2018 monthly fund data

Galliard has been a signatory to the United Nations-supported **Principles for Responsible Investment** since 2017

2019 NEW BUSINESS

9 new clients; **\$1.1 B** new assets

GALLIARD CAPITAL MANAGEMENT

ORGANIZATION CHART

CURRENT EXECUTIVE MANAGEMENT TEAM :

Karl Tourville
Founding Managing Partner

Carrie Callahan
Managing Partner

Richard Merriam, CFA
Founding Managing Partner

Ajay Mirza, CFA
Managing Partner

Mike Norman
Partner

PENDING (POST 1/1/20) EXECUTIVE MANAGEMENT TEAM :

Ajay Mirza, CFA
Senior Managing Principal

Mike Norman
Senior Managing Principal

Andrew Owen
Senior Managing Principal

Fixed Income Investment Team

Credit

Richard Merriam, CFA
Managing Partner

Brandon Kanz, CFA
Senior Principal
Sector Head

Matt Bentley
Principal

Chad Callahan
Principal

Rene Hoogmoed, CFA
Principal

John Kenley, CFA
Senior Director

Robert Barrett, CFA
Director

Will Moeller, CFA
Director

Structured Product

Ajay Mirza, CFA
Managing Partner
Sector Head

Matt Robertson, CFA
Senior Principal

Mike Meerovich
Director

Tyler Wadsworth, CFA
Associate Director

Quantitative Analytics & Data Management

Vani Ramakrishnan
Associate Director

Jimmie Wu, CFA
Associate Director

David Que
Senior Associate

Client Portfolio Team

William Weber
Senior Principal

Andrea Johnson, CFA
Principal

Matt Kline
Principal

Pete Schmit, CFA
Senior Director

Robert Crandall, CFA
Director

Ryan Olsen
Associate Director

Elizabeth Smithley
Associate Director

Stable Value Strategy & Contract Team

Leela Scattum
Partner

Nick Gage, CFA
Principal

David Lui
Principal

Paula Novick
Principal

Laura Sell, CFA
Principal

Tami Pearse-Byczek
Senior Director

Nicole Berger
Director

Jordan Bewley
Director

Christina Burton
Director

Compliance

Investment

Mark Otto
Senior Director

Matt Brown
Associate Director

Andrew McKessock
Associate Director

Sanhakorn Rattanaeeeworn
Associate

Firm

Jennifer Lammers
Chief Compliance Officer

Brian Renelt
Senior Director

Laurie Kern
Associate Director

Sami Shingu
Senior Associate

Consultant Relations & Marketing

Sarah Hilton
Associate Director

Christopher Dahl
Senior Associate

Jackie Plantenberg
Senior Associate

Carlie Frost
Associate

Katie Stuhmueller
Associate

Reporting

Jennifer Miller
Senior Director

Matt Remington
Senior Associate

Trevor Fletcher
Associate

Natalia Kolakowska
Associate

Breanna Richie
Associate

Client & Contract Support

Erica Bloudek
Director

Linh Buoan
Associate Director

Jeff Hay
Associate Director

Jennifer Hopper, CFA
Associate Director

Timothy Noel
Associate Director

Becky L'Allier
Senior Associate

Luke Olson
Senior Associate

Operations

Chad Foote
Chief Operating Officer

Sue Stachel
Principal

Carmen Rangel, CPA
Senior Director

Marylynn Shapiro
Senior Director

Pete Anderson
Director

Brian Brooks
Director

Robert Malcomson
Director

Jesse Ahlbrecht
Associate Director

Michael Amundsen
Associate Director

Michael Bouska
Associate Director

Rasaan Ellison
Associate Director

Stephanie Ripley
Associate Director

Stacie Sandager
Associate Director

Jason Skull
Associate Director

Technology

George Jones
Senior Director

Lisa Anderson
Director

John Hammar
Director

Christopher Smith
Director

Charlie Head
Associate Director

Will Ingle
Associate Director

Ben Modica
Associate Director

Baber Khan
Senior Associate

Mark Perzichilli
Senior Associate

Ahmed Taher
Senior Associate

Suresh Sankaranarayanan
Associate

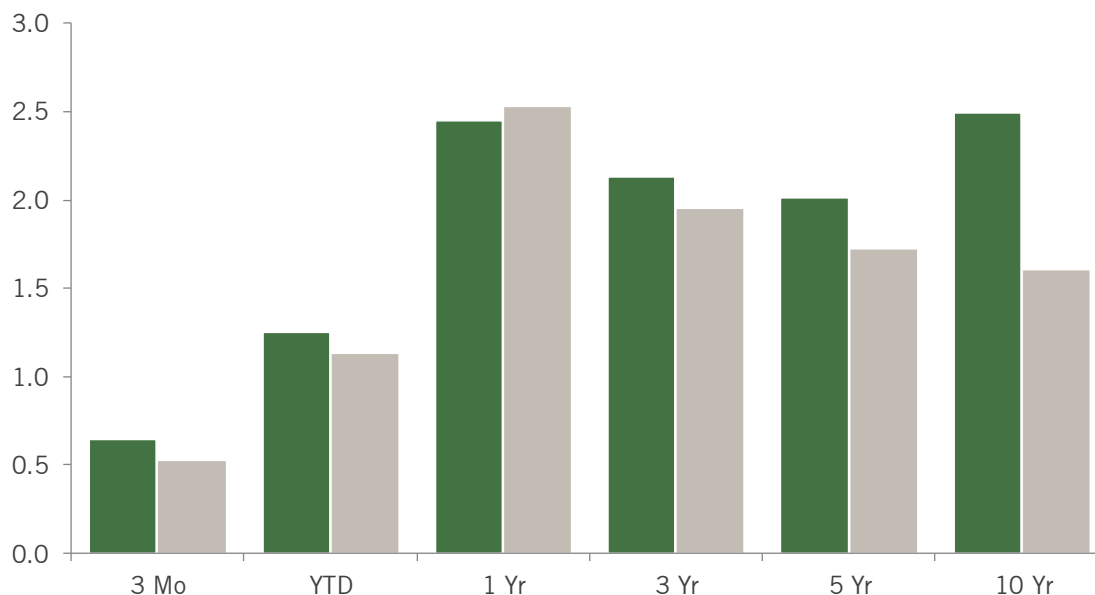
+18 additional professionals

SECTION II

STABLE VALUE PORTFOLIO REVIEW

ANNUALIZED INVESTMENT PERFORMANCE

ANNUALIZED INVESTMENT PERFORMANCE AS OF 6/30/19¹



	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr
■ Portfolio (net of all fees - NAV level) ²	0.64	1.25	2.45	2.13	2.01	2.49
■ Linked Benchmark ³	0.52	1.13	2.53	1.95	1.72	1.60
Value Added (net of all fees - NAV level)⁴	0.12	0.12	(0.08)	0.18	0.29	0.89

1: Returns for periods of less than one year are not annualized.

2: Returns are net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external managers fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement

3: Linked benchmark: 3 Year Constant Maturity Treasury; Prior to 11/1/15 was the 5 Year Constant Maturity Treasury.

4: May not add due to rounding.

STABLE VALUE PORTFOLIO REVIEW

PORTFOLIO CHARACTERISTICS

WISCONSIN DEFERRED COMPENSATION PROGRAM - STABLE VALUE FUND

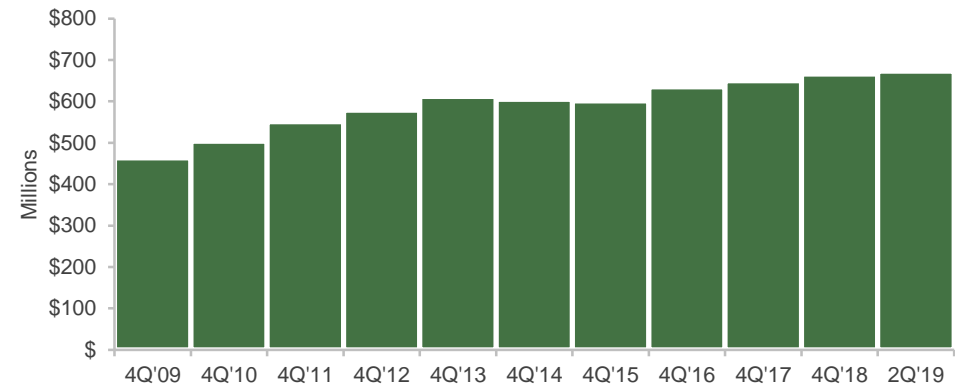
ACCOUNT SUMMARY

Benchmark	3 Year Constant Maturity Treasury
Galliard Inception Date	July 1, 1998
Net Asset Value	\$672,635,442

PORTFOLIO CHARACTERISTICS

	Portfolio 3/31/19	Portfolio 6/30/19
Average Quality - Book Value¹	A+	A+
Average Quality - Market Value²	AA	AA
Number of Contract Issuers	5	5
Blended Yield (after all fees)³	2.54%	2.59%
Yield to Maturity	2.81%	2.30%
Effective Duration	2.98 years	2.96 years
Market/Book Value Ratio	100.14%	101.58%

HISTORICAL FUND ASSETS



PORTFOLIO DISTRIBUTION

	% Portfolio 3/31/19	% Portfolio 6/30/19
Liquidity Buffer: Cash & Equivalents⁴	1.4	1.3
Short Portfolio	40.3	40.0
Intermediate Portfolio	58.4	58.6
Total	100.0%⁵	100.0%⁵

1: Average holdings quality of the contracts and other book value assets in the portfolio. The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

2: Average holdings quality of the underlying assets of the portfolio. The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

3: Blended Yield is net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

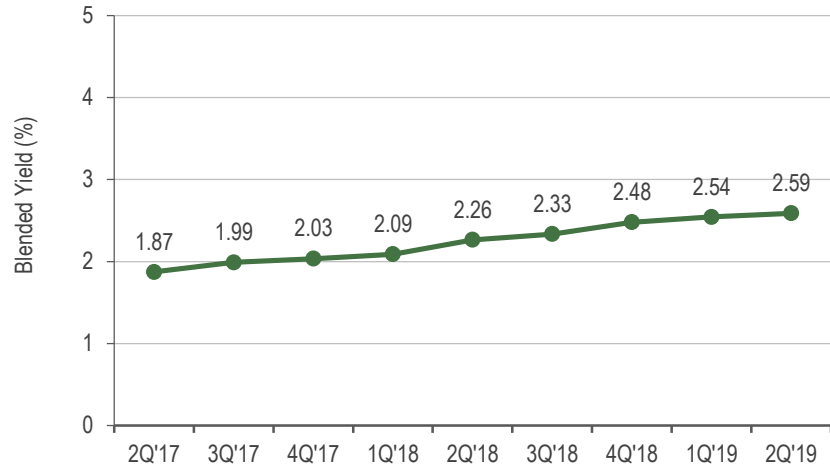
4: Includes Receivables and Payables.

5: Total % of portfolio may not add to 100% due to rounding.

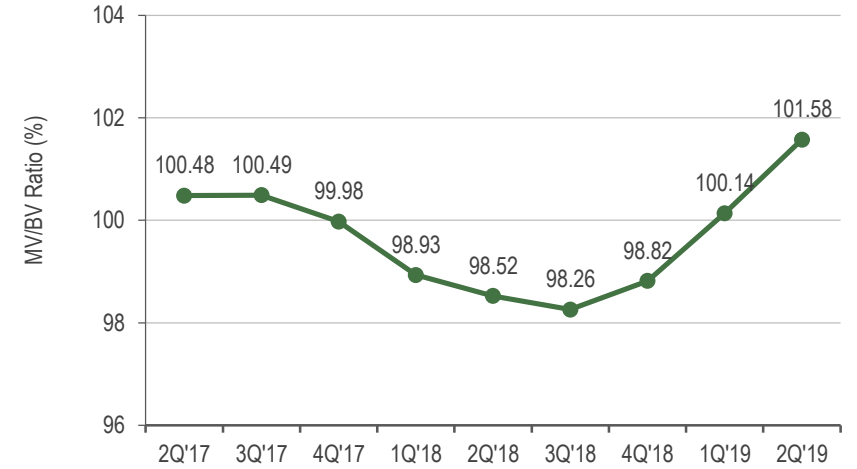
STABLE VALUE PORTFOLIO REVIEW

HISTORICAL STATS

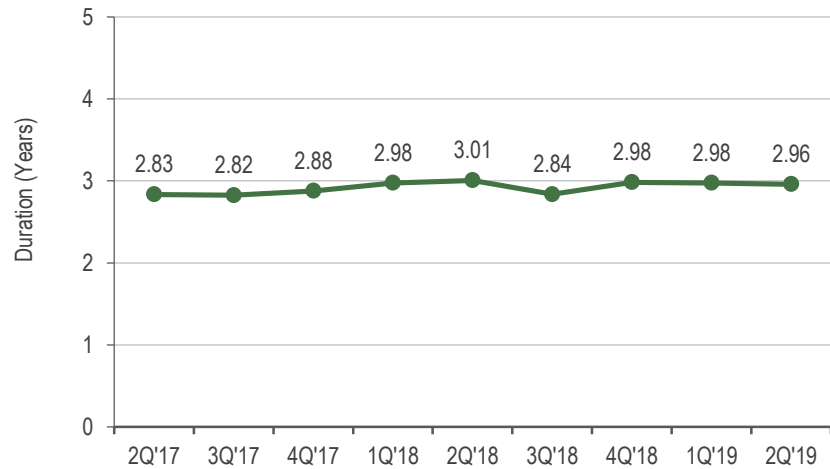
HISTORICAL BLENDED YIELD¹



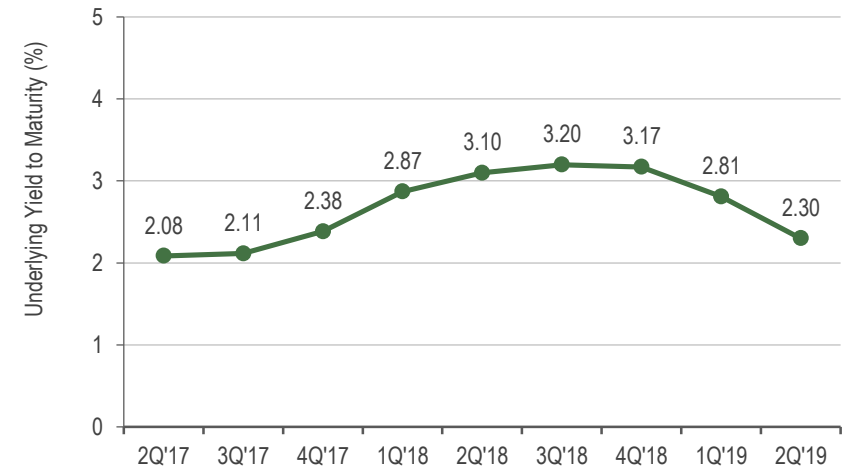
HISTORICAL MARKET VALUE TO BOOK VALUE RATIO



HISTORICAL DURATION



HISTORICAL UNDERLYING YIELD TO MATURITY



1: Blended Yield is net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

STABLE VALUE PORTFOLIO REVIEW MANAGER DISTRIBUTION

MANAGER DISTRIBUTION

	Strategy	Benchmark	% of Portfolio 3/31/19	% of Portfolio 6/30/19
Liquidity Buffer: Cash & Equivalents	STIF/Money Market		1.4	1.3
Galliard	Short	Bloomberg Barclays U.S. 1-3 Year Government/Credit Bond Index	40.3	40.0
Galliard	Intermediate	Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index	27.7	27.8
Dodge & Cox	Intermediate	Bloomberg Barclays U.S. Intermediate Aggregate Bond Index	10.2	10.2
Jennison Assoc.	Intermediate	Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index	10.3	10.3
TCW	Intermediate	Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index	10.2	10.3
Total			100% ¹	100% ¹

¹: Total % of portfolio may not add to 100% due to rounding.

APPENDIX

GALLIARD CAPITAL MANAGEMENT PROFESSIONALS



Michael D. Norman

*Chief Administrative Officer
Partner*

612.667.3219

michael.d.norman@galliard.com

Responsibilities

As Chief Administrative Officer, Mike oversees firm operations. In this role, he helps to assure consistency of service delivery across all investment products at Galliard. Mike oversees the coordination and execution of all middle- and back-office functions. He also oversees major initiatives within the client facing teams, including new product development. Mike also coordinates service for certain key clients.

Oversight Committees

Executive Operating Committee, Compliance Committee, New Business & Fees Committee (Chair), Stable Value Strategy Committee, Investment Contract Review Sub-Committee, Client Contract Working Group, External Manager Oversight Working Group, System Governance Working Group

Experience

- Joined Galliard in 1996
- Previously a Securities Lending Trader and Trust Officer with Norwest Bank

Education

B.A., Economics, University of Notre Dame
MBA, Carlson School of Management at the University of Minnesota

Memberships

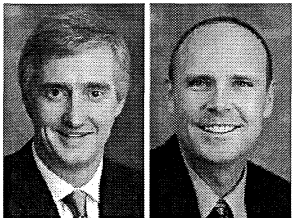
Formerly on the Board of Directors of the Stable Value Investment Association (SVIA)
American Society of Pension Professionals & Actuaries (ASPPA)
Association of Governmental Risk Pools (AGRIP)
National Association of Government Defined Contribution Administrators (NAGDCA)
National Association of Plan Advisors (NAPA)
The Society of Professional Asset-Managers and Record Keepers (SPARK)

Pensions & Investments

July 22, 2019 12:00 AM

Galliard departures put stable value firm on watch

DANIELLE WALKER 



Karl Tourville, left, and Richard Merriam, both founding managing partners, are set to retire within a year.

Organizational changes at Galliard Capital Management are raising concerns from one large client and an investment consultant.

Organizational changes at Galliard Capital Management Inc., a Wells Fargo Asset Management subsidiary with \$78.2 billion in stable value assets under management, are raising concerns from one large client and an investment consultant.

Now that the remaining founding partners of Minneapolis-based Galliard are retiring from the firm, investors await clarity on whether a revenue-sharing agreement between the firm and its parent Wells Fargo will change, making key talent and client assets a potential flight risk, public investor documents reveal.

Last month, the North Carolina Supplemental Retirement Board of Trustees, Raleigh, placed a \$2 billion stable value strategy overseen by Galliard on watch due to organizational changes.

North Carolina's 401(k) and 457 retirement plans had \$11.8 billion in combined assets as of March 31, meaning Galliard's mandate represented around 17% of total assets in the plans.

The action was primarily prompted by a "lack of clarity" around Galliard's "ability to retain and incentivize their investment team," and concerns that Wells Fargo is "taking a more active role in the management of the firm," according to a June 3

memo by Loren de Mey, an assistant investment director for the supplemental retirement plans.

At Galliard, Karl Tourville, founding managing partner and president, will retire from the firm in June 2020. Richard Merriam, founding managing partner, and Carrie Callahan, managing partner and head of client service, will retire at the end of this year. And Leela Scattum, partner and chief stable value strategist, will retire by the end of 2020, according to company Form ADV filings with the Securities and Exchange Commission.

Additionally, according to North Carolina's memo, while Wells Fargo and Galliard have a revenue-sharing agreement, it will expire at the end of this year.

"With the revenue share going away, Wells Fargo has started to work on structuring a bonus pool for key investment professionals," the memo said, noting also that Galliard's compliance, risk and technology teams would begin reporting directly to Wells Fargo starting next year.

"Although there had always been a dotted line reporting to Wells, Galliard was the only remaining subsidiary that did not have these groups fully reporting up through Wells (Fargo)," the memo said.

Galliard, a major player in the stable value market, has 85% of its \$92 billion in total assets in stable value accounts, according to the firm's website.

'Under review'

North Carolina is also a client of investment consultant Callan LLC, San Francisco, which placed the Galliard stable value strategy "under review" over the organizational concerns in its first-quarter manager review for the public DC plans.

A Callan report, posted on North Carolina's website, said the firm is "awaiting more clarity on (the) future relationship with parent Wells Fargo and potential renegotiation of the revenue-sharing agreement between the two entities, which may impact Galliard's ability to retain talent and assets."

A spokeswoman at Callan declined to comment in an email, citing the firm's policy "to not address any client matters in the media."

John Caswell, who retired from the firm in 2017, co-founded Galliard with Messrs. Tourville and Merriam in 1995. Galliard then was a wholly owned subsidiary of Norwest Bank, which merged with Wells Fargo in 1998.

On July 15, a spokesman for Wells Fargo Asset Management disputed in an email that the firm was increasing its involvement in the management of Galliard.

"(WFAM) is not taking a more active role in the management of Galliard's investment process, client services, sales or operations," the spokesman said. "The recent client communication provided details on Galliard's leadership succession plan, which is being implemented over several years. It did not represent a change in the operating model between Galliard and WFAM. Galliard has always been and remains a wholly owned subsidiary of Wells Fargo."

The spokesman declined to comment on whether compensation structures for Galliard staff were changing in light of upcoming retirements.

North Carolina officials declined to comment further July 10 through a spokesman for the office of the state treasurer; the spokesman would only confirm in an email that the supplemental retirement board approved placing Galliard's stable value strategy on watch "not because of performance, but because of organizational changes."

The \$6.5 billion Metropolitan Transportation Authority Deferred Compensation Program, New York, which includes the Galliard Stable Value Fund as an investment option, was notified of personnel changes at the firm in April, but Mercer, its investment consultant, did not recommend any immediate action, a spokesman said.

As part of Galliard's succession planning, Andrew Owen — Wells Fargo Asset Management executive vice president and president of Wells Fargo Funds Management who has been board chairman of Galliard since 2014 — will join Galliard as president and senior managing principal on Jan. 1, Galliard disclosed in SEC filings.

Additionally, Michael Norman, a Galliard partner and chief administrative officer, will replace Ms. Callahan as head of client service and consultant relations after her

retirement. Nick Gage, a principal at Galliard, will replace Ms. Scattum as chief stable value strategist when she retires in late 2020.

Executives at Galliard did not respond to requests for comment.

'Immediate red flag'

For investors, the exit of executive-level staff or those in investment roles creates "an immediate red flag," said Lee Beck, a managing partner at Kudu Investment Management LLC, a New York firm that provides capital to asset and wealth management boutiques. "Will the culture remain the same, will the incentive to perform be there, (and) will they produce the same investment results?" Mr. Beck said of typical client concerns.

North Carolina's memo also noted that only one investment staff member at Galliard, Ajay Mirza, a managing partner and chairman of the investment committee, was under an employment contract.

"We will look for additional steps by Galliard over the next several months to ensure that the remaining senior investment professionals are incentivized to stay," the memo said.

Luba Nikulina, managing director and global head of research at investment consultant Willis Towers Watson PLC, London, said that "this particular situation, where it's a subsidiary and then you have the senior members in quick succession leaving," is "somewhat unusual."

"Usually there would be some retention provisions. They would think about how to retain senior talent," she said.

Alan Johnson, managing director and president of Johnson Associates Inc., New York, a money manager compensation consultant, said: "When founders leave, often you do that reset. It's a natural time for employees, clients and the owner to take another look at the organization."

Additionally, money managers are getting more attention from financial services parent companies, as "many (of these companies') core businesses use a lot of capital and are more competitive," such as investment and retail banking, he said.

"Asset management doesn't use a lot of capital and is scalable," Mr. Johnson said.

Regarding the changes at Galliard, Mr. Johnson said that the first impression among clients would likely be: "are we going to be subsumed within the bank further?"

"If you're a client, your initial reaction will be either neutral or negative," he said. "As (firms) push further into asset management, these are things they have to be very careful about," Mr. Johnson added.

RELATED ARTICLES



North Carolina fund puts Wells Fargo subsidiary on watch



Wells Fargo Asset Management names interim co-CEO as new chief



Wells Fargo exec: Sale of asset management unit not in the cards

Inline Play

Source URL: <https://www.pionline.com/money-management/galliard-departures-put-stable-value-firm-watch>

Attachment C



Confidential

Wednesday, April 10, 2019

Good afternoon:

We would like to take a moment to share with you news on pending retirements and succession planning within Galliard.

Richard Merriam, Founding Managing Partner, will be officially retiring at the end of 2019. Galliard has been preparing for Richard's retirement since early 2018, when Brandon Kanz, Senior Principal, Head of Credit became the Vice Chair of the Investment Committee alongside Ajay Mirza. Ajay Mirza, Managing Partner and Head of Structured Product, will continue as Chair of the Investment Committee and Brandon will continue as Vice Chair post Richard's retirement. Ajay will remain as a member on the Executive Operating Committee. Richard will be stepping down from the Executive Operating Committee at retirement. He will remain as an Advisor to Galliard until December 2022.

Carrie Callahan, Managing Partner, Head of Client Service, Sales and Consultant Relations will also be retiring as of year-end. Carrie's roles will be assumed by Mike Norman, Partner. Mike has been at Galliard since 1996 and currently serves as Chief Administrative Officer and a member of the Executive Operating Committee. Carrie will be stepping down from the Executive Operating Committee upon retirement.

Karl Tourville, Founding Managing Partner, President and Chairman of the Executive Operating Committee, will be retiring in June 2020. Karl will step down from the Board of Directors and as the Chair of the Executive Operating Committee at the end of 2019. He will remain as an Advisor to Galliard through the end of 2022.

Leela Scattum, Partner, Chief Stable Value Strategist, has announced her intended retirement by year end 2020. Nick Gage, Principal, will be assuming this role. Nick has been with Galliard since 2008 and has been working closely with Leela on strategy and contract issuer management during his tenure at Galliard. Nick is currently a member of the Executive Committee and Chairman Elect of the Stable Value Investment Association (SVIA).

Andrew Owen, currently an Executive Vice President of Wells Fargo Asset Management, will be joining Galliard as President and a member of the Executive Operating Committee. Andrew has served as Chairman of Galliard's Board of Directors since 2014. He will work closely with Mike Norman and Ajay Mirza in managing the firm's operations. Andrew Owen, Mike Norman, and Ajay Mirza will assume the titles of Senior Managing Principal. Under their guidance, Galliard will continue to operate as an independently operated investment subsidiary for the foreseeable future.

On January 1st of 2020, Galliard's Operational Risk Management, Compliance, and Technology teams will be reporting directly to Wells Fargo's centralized risk management and technology groups. We do not anticipate changes to current work flow or processes as it relates to these groups. Also, the investment and client servicing teams will continue to operate as they historically have.

We are excited for the future not only for our retiring Partners, but also for Galliard as a firm. Over the past 25 years you, our clients, have come to know Galliard as a firm with consistency in process and service, as provided by our strong, deep bench of staff. We look forward to continuing to work with you to provide the optimal investment solutions to all of our clients.

Sincerely,

Galliard Capital Management

Date: August 13, 2019
To: Shelly Schueller, Director, Wisconsin Deferred Compensation Program
Fr: Bill Thornton, Investment Director Govt. Markets
Re: Galliard Capital Management

Recently, Galliard Capital Management notified clients that a number of their founding members announced that they would be retiring from the company in the near future. This included:

Karl Tourville – Founding Managing Partner, President and Chair of Executive Operating Committee

Richard Merriam – Founding Managing Partner

Carrie Callahan – Managing Partner, Head of Client Service, Sales, and Consultant Relations

Leela Scattum – Partner, Chief Stable Value Strategist

Per the notification from Galliard, Richard Merriam and Carrie Callahan are retiring at the end of 2019, Karl Tourville will retire in June of 2020, and Leela Scattum will retire by the end of 2020.

In addition to these announced personnel moves, one of Galliard's senior portfolio managers, Erol Sonderegger, left the firm to take a position with the State of Minnesota's Retirement Board. Together, this represents changes to senior leadership in all major aspects of Galliard's business, including investment management, wrap contract procurement and strategy, client services, and overall business leadership. While turnover at any level of an organization is to be expected, the announced retirements of multiple executives, including three-quarters of the firm's Managing Partners, is unusual.

Additionally, Galliard is also seeing a change in their relationship with Wells Fargo. Galliard has been a subsidiary of Wells Fargo since 1998. There has been a revenue sharing agreement between the two entities for many years, and that agreement is ending at the close of this year. It was announced that on January 1, 2020, Andrew Owen, Executive Vice President at Wells Fargo Asset Management, will take over as take over as President and senior managing principal of Galliard. Owen has been the Board chairman of Galliard since 2014. Also on January 1st, Galliard's Operational Risk Management, Compliance, and Technology teams will begin reporting directly to Wells Fargo.

While substantial senior level turnover is a concern for any investment firm, Galliard has many other associates very capable of assuming responsibility for their day to day operations. The larger concern may be the role that Wells Fargo will play in the operations of the firm going forward. Their involvement in the future direction of Galliard is still unknown to a great extent, and that ambiguity has caused some plan sponsors and consultants to put Galliard under review.

Per the Wisconsin Deferred Compensation Program Investment Policy Statement, the Board can conduct a formal review if an investment option "...has had a substantial change in ownership or control." While there is every reason to believe that Galliard will weather this transition well, reviewing their status is certainly an option.