

WELLS FARGO ASSET MANAGEMENT TO BE ACQUIRED BY GTCR AND REVERENCE CAPITAL PARTNERS

February 23, 2021

Earlier today, Wells Fargo announced it had reached a definitive agreement for GTCR LLC and Reverence Capital Partners, L.P. to acquire Wells Fargo Asset Management (WFAM). This transaction includes Galliard Capital Management as well as Wells Fargo Funds Management, LLC; Wells Capital Management Inc.; Wells Fargo Asset Management (International) Ltd.; Wells Fargo Asset Management Luxembourg S.A.; and Wells Fargo Funds Distributor, LLC. In addition, Wells Fargo Bank N.A.'s collective investment trust (CIT) trustee business is also part of the transaction.

The strategic partnership between GTCR and Reverence Capital—both well-respected private equity firms with deep experience investing in asset managers—will allow WFAM to operate as an independent firm dedicated solely to the asset management service of institutional, retirement, and wealth management clients around the world. This acquisition will provide WFAM the capital, resources, and autonomy to better serve clients and to expand and deepen thought leadership across the organization, while keeping a singular focus on delivering consistent and repeatable investment performance.

As you may be aware, Galliard reports to Nico Marais, chief executive officer of WFAM. Nico stated, “We are excited about this transaction and believe it will allow us to accelerate our ability to execute on our strategy and commitment to provide our clients with innovative products and solutions to help them reach their investment goals. GTCR and Reverence Capital have a track record of growing businesses for the long term, and they are committed to investing in our business with the resources necessary to better serve our clients and optimize their investment outcomes.”

All of us here at Galliard, as well as the leadership team at WFAM, are tremendously motivated by the announcement, recognizing that this combined partnership represents the following:

- A commitment to providing resources and expertise that will further enhance Galliard's and WFAM's other investment teams' ability to be agile, independent, and innovative partners to seek to meet the diverse needs of clients today and in the future
- The ability to more effectively transition to our operational and technology “platform of the future,” enabling WFAM (and Galliard) to be at the forefront of digital innovation

The transaction is expected to close in the second half of 2021, subject to customary closing conditions. Under the terms of the agreement, the purchase price is \$2.1 billion. As part of the

transaction, Wells Fargo will own a 9.9% equity interest and will continue to serve as an important client and distribution partner.

In addition, with this change of ownership, it was announced that Joseph A. Sullivan, former chairman and CEO of Legg Mason, will be elected Executive Chairman of the Board of the new company, effective following the closing of the transaction. He will bring a strong leadership background and more than 40 years of industry experience to help drive the company's strategy forward.

ABOUT GTCR

Founded in 1980, GTCR LLC is a leading private equity firm focused on investing in growth companies in the health care, financial services & technology, technology, media & telecommunications, and growth business services industries. The Chicago-based firm pioneered The Leaders Strategy™ — finding and partnering with management leaders in core domains to identify, acquire, and build market-leading companies through transformational acquisitions and organic growth. Since its inception, GTCR has invested more than \$20 billion in over 250 companies. For more information, please visit www.gtcr.com

ABOUT REVERENCE CAPITAL PARTNERS

Reverence Capital Partners, L.P. is a private investment firm focused on thematic investing in leading global, middle-market financial services businesses through control and influence-oriented investments in five sectors: 1. depositories and finance companies, 2. asset and wealth management, 3. insurance, 4. capital markets, and 5. financial technology/payments. The firm was founded in 2013 by Milton Berlinski, Peter Aberg, and Alex Chulack, who collectively bring over 90 years of advisory and investing experience across a wide range of financial services sectors. For more information, please visit www.reverencecapital.com.

We do not anticipate changes to the Galliard brand, our investment process and team, or your client experience as a result of this sale. Your relationship managers will be reaching out in the coming days to provide additional details on this exciting news.

In the meantime, please know it is business as usual here at Galliard and we continue to navigate the financial markets. We are excited for what the future has to offer and we're looking forward to sharing the updates with you as this deal works towards closing.

Ajay Mirza, Mike Norman, Andrew Owen
Senior Managing Principals



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