



Supplemental Retirement Board of Trustees

Stable Value Fund – Change in Custodian

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North Carolina
Total Retirement Plans
401k | 457 | 403b



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Background on Custodian for Stable Value Fund

- Custodian is Wells Fargo, not BNY Mellon
- Wells Fargo remained custodian with unbundling (January 1, 2016)
- Galliard transmits SVF's daily NAV to BNY Mellon
- Fees paid by Galliard
- Contract term: Until terminated

Transition of Custodian

Background

- Wells Fargo sold custody business to Principal in 2019
- Assets must be transferred from Wells Fargo by 2021H2
- Galliard will no longer pay custody fees for the SVF

Decision

- New custodian for SVF
- Staff has met with Principal and BNY Mellon
- Recommendation from staff at August meeting