

# Global Manager Research

401 S. Tryon Street, 2<sup>nd</sup> floor

Charlotte, NC 28202

866-440-7460

December 31, 2014

This Brochure provides information about the qualifications and business practices of the Global Manager Research ("GMR") division of Wells Fargo Investment Institute, Inc. ("WFII"). If you have any questions about the contents of this Brochure, please contact us at the number above.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

WFII is registered with the SEC as an investment adviser. Registration as an investment adviser does not imply any level of skill or training. Additional information about GMR and WFII is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 3****Table of Contents**

Item 3	Table of Contents.....	2
Item 4	Advisory Business.....	3
Item 5	Fees and Compensation.....	3
Item 6	Performance-Based Fees and Side-by-Side Management.....	3
Item 7	Types of Clients: Funds and Clients.....	3
Item 8	Methods of Analysis.....	3
Item 9	Disciplinary Information.....	4
Item 10	Other Financial Industry Activities and Affiliations .....	4
Item 11	Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading .....	5
Item 13	Review of Accounts.....	5
Item 14	Client Referrals and Other Compensation.....	5
Item 15	Custody .....	5
Item 16	Investment Discretion.....	5
Item 17	Voting Client Securities .....	6
Item 18	Financial Information .....	6
Item 19	Requirements for State-Registered Advisers.....	6

#### **Item 4                      Advisory Business**

WFII is a wholly owned subsidiary of Wells Fargo & Company ("WFC") that was formed in 1995 and registered with the SEC as an investment adviser in 2005. In 2014 WFII divided into separate operating divisions doing business under separate names. This brochure is for the Global Manager Research division, or GMR. Accordingly, all references to GMR throughout this brochure also include reference to WFII.

GMR is primarily involved in screening and conducting due diligence on third-party and affiliated investment managers for Wells Fargo's Wealth Brokerage and Retirement lines of business including Wells Fargo Bank, N.A.'s fiduciary divisions ("WFB") and Wells Fargo Advisors, LLC. ("WFA"). WFB is a bank subsidiary of WFC and WFA is a broker-dealer subsidiary of WFC.

##### **Services Provided by GMR**

GMR provides impersonal investment advice to its clients consisting of recommendations on a limited population of investment products. These are primarily, but not limited to, the following vehicle types: mutual funds, exchange-traded funds or commingled products, private funds, separate account managers, offshore mutual funds, limited liability companies and limited partnerships.

#### **Item 5                      Fees and Compensation**

GMR receives fees from WFB and WFA based upon costs incurred plus a reasonable mark-up based upon prevailing market rates and terms.

#### **Item 6                      Performance-Based Fees and Side-by-Side Management**

GMR does not charge performance-based fees and does not exercise investment discretion over any client accounts.

#### **Item 7                      Types of Clients**

GMR provides investment advisory services to various Wells Fargo lines of business within the Wealth Brokerage and Retirement group including Wells Fargo Bank, N.A.'s fiduciary divisions and Wells Fargo Advisors, LLC. Each of the affiliated lines of business has the authority to act on research and due diligence data provided to them by GMR at their discretion.

#### **Item 8                      Methods of Analysis, Investment Strategies and Risk of Loss**

##### Methods of Analysis

GMR utilizes established and documented investment research processes to complete a comprehensive and ongoing review of investment managers recommended to its clients for use with the line of business client accounts. This applies regardless of whether the investment manager is selected to be used as a separate account manager or whether a fund or other investment product managed by the investment manager is to be recommended.

GMR applies both qualitative and quantitative analysis in order to produce an Investment Recommendation report. The factors analyzed and considered by GMR when making a recommendation include, but are not limited to:

- Firm organization and business risk management including a review of compliance infrastructure
  - Executive and investment personnel- depth, experience, stability and compensation structure
  - Investment philosophy and process
  - Risk and return attributes/results
  - Trading practices
  - Product structure and viability
- GMR analysts interact with investment managers under their coverage on a frequent basis. These interactions generally include getting portfolio updates on existing products through direct calls with investment personnel, general updates as firm reps and/or team members pass through the local office locations of GMR team members, or general update calls sponsored by the firm and/or investment team. This is in addition to the data collected on each firm or investment product both from the investment manager directly and from external sources.

#### Investment Strategies and Risk of Loss

GMR does not manage individual accounts or exercise investment discretion in any way. Risk of loss is inherent in any investment strategy and it is expected that WFII line of business clients will manage this risk in conjunction with their investors' goals and circumstances.

### **Item 9                      Disciplinary Information**

GMR is required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of GMR or the integrity of GMR's management. GMR is not aware of any information applicable to this Item.

### **Item 10              Other Financial Industry Activities and Affiliations**

Global Alternative Investment Services, Inc. ("GAISI"), a subsidiary of WFB, is a registered broker-dealer providing wholesaling support services to Private Funds managed and/or made available by WFII and also acts as placement agent for a number of registered investment companies sponsored and advised by WFII ("Registered Funds"). The President and certain other officers of GAISI are also officers of WFII. In addition, the President of GAISI, who is also an officer of WFII, also serves as the President of the Registered Funds and as Chairman of the Registered Funds' Boards of Trustees/Managers, and certain officers of WFII are also officers of the Registered Funds.

WFB is a subsidiary of WFC and is a national bank that may purchase interests in the Registered Funds and in certain private placement funds on behalf of its clients. WFB does not receive fees from the Registered Funds in connection with such activities and therefore we believe such purchases by WFB do not pose a conflict of interest. WFB also retains WFII to advise certain fiduciary clients in their option strategies. WFB does not receive fees from WFII in connection with this activity and therefore we believe these activities do not pose a conflict of interest for either WFB or for WFII.

Certain Platform Funds for which WFII serves as managing member invest in other Platform Funds for which WFII serves as managing member. WFII does not receive a fee from the funds referenced in this paragraph that are making the investments. Certain divisions of WFII may receive service fees from investment advisers to funds held on their platform. GMR performs the investment analysis and reviews

over these managers independently of these divisions and does not receive any part of or benefit from the fees received. We believe that separating these activities avoids conflict of interest when selecting fund managers.

WFII is registered as a Commodity Trading Advisor and, with respect to certain Funds, as a Commodity Pool Operator with the Commodity Futures Trading Commission. WFII is also a member of the National Futures Association.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading**

### Code of Ethics and Personal Trading

WFII has adopted a code of ethics to address personal conflicts of interest. All GMR personnel must comply with the Code of Ethics, which is designed to detect and prevent violations of securities laws while putting the interests of WFII's clients before those of GMR personnel. It imposes restrictions on the purchase and sale of certain securities for the accounts of GMR employees, officers and WFII directors, and the accounts of certain affiliated persons to eliminate situations where a personal transaction by a person related to WFII would be in conflict with or detrimental to a client of WFII. GMR does not participate in or take an interest in any client transactions.

WFII's Code of Ethics is available upon written request to: Wells Fargo Investment Institute Compliance, 550 California Street, MAC A0112-063, San Francisco, CA 94104, or by contacting WFII's Chief Compliance Officer, James Angelos, Sr., via email at james.angelossr@wellsfargo.com

## **Item 12 Brokerage Practices**

GMR does not maintain customer accounts and does not engage in any brokerage or trading activities on behalf of clients.

## **Item 13 Review of Accounts**

As noted previously, GMR does not maintain or manage accounts on behalf of any clients.

## **Item 14 Client Referrals and Other Compensation**

GMR does not directly or indirectly compensate any person for investor referrals.

## **Item 15 Custody**

GMR will at no time have, or be deemed to have, custody or possession of client funds or securities.

## **Item 16 Investment Discretion**

GMR does not exercise discretionary authority over any client accounts.

**Item 17      Voting Client Securities**

GMR will not engage in any proxy voting on behalf of clients.

**Item 18      Financial Information**

GMR is required to provide certain financial information or disclosures about GMR's financial condition. GMR has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

**Item 19      Requirements for State-Registered Advisers**

Not Applicable.