

CALLAN ASSOCIATES NAMES GREGORY C. ALLEN PRESIDENT

*Ronald D. Peyton appointed Chairman and CEO; New reporting structure
for Fund Sponsor Consulting*



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SAN FRANCISCO, Calif., Jan. 3, 2007 – Callan Associates today announced that effective immediately, Gregory C. Allen is promoted to president and will have oversight of Fund Sponsor Consulting, Research and the Trust Advisory Group. Mr. Allen, 43, a former executive vice president, will continue to serve as director of research.

Former president, Ronald D. Peyton, 60, is appointed chairman of the board and will remain chief executive officer and chief operating officer. The following Callan business units will continue to report to Mr. Peyton: Institutional Consulting Group, Independent Adviser Group, Callan Investments Institute and Administration. Edwin C. Callan, founder and former chairman of the board of Callan Associates, will assume the title of chairman emeritus.

“Greg Allen has been a driving force in our firm for over 18 years. He is the architect of many initiatives involving Callan’s specialty consulting groups, including the research that led to the launch of our innovative Trust Advisory Group, Callan’s asset management business — he has the vision for our future,” said Peyton. “I am excited about the new opportunities that Greg and our many tenured professionals will bring to Callan and our clients.”

“With our 34-year history, our steadfast commitment to raising the standards of the consulting industry and our unique culture of friendship and cooperation, Callan is a rare gem in this industry. I am truly honored to have been entrusted with this responsibility and I am very optimistic about the future of Callan Associates,” said Allen.

Mr. Allen joined Callan Associates in 1988 as an analyst in the capital markets research group where he focused on quantitative analysis, product development and asset allocation and quantitative research projects for clients. Since 1993, Mr. Allen has managed the capital markets research, operations and specialty consulting groups that include global manager research, international consulting and private markets.

Callan also promoted James A. Callahan, who was named executive vice president and manager of the Fund Sponsor Consulting group; he will report to Mr. Allen. Mr. Callahan joined

Callan Associates in 1993 and has co-managed the San Francisco and Chicago consulting offices since 2001 and 2005, respectively.

Operating under Mr. Callahan's direction will be Toni L. Brown, executive vice president and manager of San Francisco fund sponsor consulting; Clifford G. Axelson, Jr., senior vice president and manager of Florham Park, N.J., fund sponsor consulting; Kevin Dolsen, senior vice president and manager of Chicago fund sponsor consulting; Michael J. O'Leary, executive vice president and manager of Denver fund sponsor consulting and Jeanne Valcik, senior vice president and manager of Atlanta fund sponsor consulting.

"In addition to re-energizing the firm for the future, we believe these new reporting relationships will further clarify our internal governance structure for clients and strengthen the firewalls that exist between our different business units," said Allen.

Other organizational changes include: Kelly S. Cliff, senior vice president and former manager of Global Manager Research (GMR), is appointed chief investment officer of the Trust Advisory Group and will report directly to Mr. Allen. In the GMR group, both Greg DeForrest and Mark Stahl have been promoted to senior vice president. Mr. DeForrest will manage GMR, while Mr. Stahl will remain focused on U.S. equity, particularly small cap products.

"I have been Callan's president and chief operating officer since 1981 and it is my responsibility to put in place the next generation of management so we can remain an effective industry leader in the coming years. As Ed Callan did for me when I became president, I will remain very much involved to ensure that the transition is seamless and our succession plans flourish," said Peyton.

Mr. Allen, a native of California, has an M.S. in Applied Economics and a B.A. in Economics from the University of California at Santa Cruz, where he was elected Phi Beta Kappa. He is based in San Francisco.

Notes to Editor:

- All personnel changes are effective immediately.
- Peyton, Allen, Callahan, Brown, Cliff, DeForrest and Stahl are based in San Francisco.

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About Callan Associates Inc.

Callan Associates, headquartered in San Francisco, Calif., is an innovative, nationally recognized leader in the institutional investment consulting industry – an industry co-founded by Edwin C. Callan in 1973 when he formed Callan Associates. Callan provides consulting services through five lines of business: Fund Sponsor Consulting, Independent Adviser Group, Institutional Consulting Group, Callan Investments Institute and the Trust Advisory Group. With 58 shareholders, Callan is the only major institutional investment consulting firm that successfully transitioned from first generation to second and third generation ownership while remaining independent. Callan employs more than 170 people and maintains four regional offices located in Denver, Chicago, Atlanta, and Florham Park, N.J. For more information, visit www.callan.com.