

The Department of Labor and Securities and Exchange Commission (SEC) developed the following list of ten questions to assist pension plan fiduciaries in evaluating the objectivity of the plan's pension consultant<sup>1</sup>. We have answered them here for clients and prospective clients:

**Are you registered with the SEC or a state securities regulator as an investment adviser? If so, have you provided me with all the disclosures required under those laws (including Part II of Form ADV)?**

Yes. Sellwood Consulting is registered with the SEC as an investment adviser, and we provide all clients with all required disclosures, including Part II of our ADV.

**Do you or a related company have relationships with money managers that you recommend, consider for recommendation, or otherwise mention to the plan? If so, describe those relationships.**

No. Sellwood Consulting has no related companies, and we have no relationships with money managers that we recommend, consider for recommendation, or otherwise mention to our clients.

**Do you or a related company receive any payments from money managers you recommend, consider for recommendation, or otherwise mention to the plan for our consideration? If so, what is the extent of these payments in relation to your other income (revenue)?**

No. Sellwood's only source of revenue is direct compensation paid by clients.

**Do you have any policies or procedures to address conflicts of interest or to prevent these payments or relationships from being a factor when you provide advice to your clients?**

Yes. We have carefully structured our firm to avoid all conflicts of interest, including those that relate to relationships with money managers. Our compliance policies prohibit any financial relationships with investment managers or service providers that we may recommend to clients. In addition, all our employees adhere, in writing, to both the Sellwood Consulting Code of Ethics and the CFA Institute Code of Ethics and Standards of Professional Conduct<sup>2</sup>.

**If you allow plans to pay your consulting fees using the plan's brokerage commissions, do you monitor the amount of commissions paid and alert plans when consulting fees have been paid in full? If not, how can a plan make sure it does not over-pay its consulting fees?**

We do not allow plans to pay our consulting fees using the plan's brokerage commissions. We accept only cash payments from our clients as compensation for our services, so that compensation is easily monitored.

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<sup>1</sup> The SEC/DOL list of questions, and explanation for each, can be found at <http://www.dol.gov/ebsa/newsroom/fs053105.html>.

<sup>2</sup> The CFA Institute Code of Ethics and Standards of Conduct is available at <http://www.cfainstitute.org/ethics/codes/ethics/Pages/index.aspx>.

**If you allow plans to pay your consulting fees using the plan's brokerage commissions, what steps do you take to ensure that the plan receives best execution for its securities trades?**

We do not allow plans to pay our consulting fees using brokerage commissions.

**Do you have any arrangements with broker-dealers under which you or a related company will benefit if money managers place trades for their clients with such broker-dealers?**

No. We have no arrangements with broker-dealers under which we or any related company will benefit based on client trades.

**If you are hired, will you acknowledge in writing that you have a fiduciary obligation as an investment adviser to the plan while providing the consulting services we are seeking?**

Yes. Sellwood represents that it is an investment adviser registered with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). As a registered investment adviser, Sellwood acknowledges that it is a fiduciary to its clients.

**Do you consider yourself a fiduciary under ERISA with respect to the recommendations you provide the plan?**

Yes. Sellwood acknowledges that if an employee benefit plan is governed by ERISA, it will be acting as a fiduciary under ERISA with respect to the investment advisory services provided.

**What percentage of your plan clients utilize money managers, investment funds, brokerage services or other service providers from whom you receive fees?**

Zero. We do not receive fees or any type of compensation from money managers or other investment products our clients utilize.