

Porter, White & Company

Department of Labor Questions for Pension Consultants

White Paper, September 2009, Number IM 9.2

The Department of Labor and the SEC have developed the following set of questions to assist plan fiduciaries in evaluating the objectivity of the recommendations provided, or to be provided, by a pension consultant. (See <http://www.dol.gov/ebsa/newsroom/fs053105.html> for more information.) Our answers are included after each question.

1. 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](#))?

PW Advisers, Inc. is an SEC registered investment adviser and provides Part II of our Form ADV to clients and prospective clients.

2. 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.

We have been approved by Dimensional Fund Advisers to offer their funds to our clients.

3. 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)?

We do not receive any payments from Dimensional Fund Advisers or any other money managers. We are invited to annual DFA conferences to learn about their funds and general investment research, but we pay our own travel and accommodation expenses.

4. 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?

As a policy, we do not accept soft dollars or other indirect compensation. The only compensation we receive is fees paid by our clients.

5. 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 consulting fees using brokerage commissions.

6. 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 consulting fees using brokerage commissions.

7. 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.

8. 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.

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

Yes.

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

Zero.

Goodloe H. White, CFA

June 23, 2005

Last Reviewed: September 2, 2009