

## Summary of Callan's Manager Relationship Disclosures

Callan has provided consulting services to investment managers since the inception of our firm in 1973. We acknowledge that these relationships present a potential conflict of interest and we disclose these relationships to our fund sponsor clients and prospects at a variety of stages and points of communications with them. Disclosure is provided in publicly-filed documents, in marketing materials and presentations, RFP's, contracts for services, quarterly performance reports, manager searches and periodic and routine communications with clients. In addition, we take steps to ensure that our investment manager clients clearly understand that their retention of our services (either as consulting clients or clients of the Institute) has absolutely no impact on their consideration in any of our fund sponsor services. Specifically:

1. **Form ADV.** Callan's disclosure document, Form ADV Part II, provides information about our consulting services, business practices, professionals, policies and any potential conflicts of interest, among other things. Pursuant to SEC Rule 204-3(a) under the Advisers Act, we provide our Form ADV Part II to each prospective client not less than 48 hours prior to entering into an advisory agreement with a client. Annually, Callan sends a notice ("Annual Offer") to all current consulting clients offering a current copy of the firm's Form ADV Part II upon written request. Form ADV Part I can be obtained on-line at:  
[http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd\\_OrgSearch.aspx](http://www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_OrgSearch.aspx)
2. **New language in fund sponsor contracts and manager client listing provided regardless of request.** We proactively provides a list of the investment managers who purchase services from Callan to new fund sponsor clients at the inception of the relationship. Fund sponsor contracts now require our clients to acknowledge that they have received this list.
3. **Manager client listing provided upon request.** It is Callan's practice to provide our fund sponsor clients with a list of all of our investment manager clients immediately upon the client's request.
4. **Manager client listing in quarterly performance measurement reports provided regardless of request.** Callan provides a list of all investment manager clients in each fund sponsor quarterly performance report.
5. **Manager client listing in each manager search report regardless of request.** In each manager search report, Callan provides each fund sponsor client with a list of our investment manager clients. We have followed this practice since 2004. Prior to that, in each search report we indicated whether or not an investment manager candidate was a client.
6. **Manager client listing in Annual Offer letter.** During the middle of each calendar year, as part of its Annual Offer letter, Callan provides its plan sponsor clients with a listing of the investment manager clients with which we have relationships.
7. **Discussion of manager business in Callan brochure, periodicals, Ron Peyton's annual letter, fund sponsor finalist presentations, RFP responses.** Callan's sales and marketing literature, presentations, RFP responses and related documents contain references to and descriptions of our investment manager consulting business. Our clients are thus made aware of the potential conflict of interest presented by our investment manager consulting business at the earliest stages of our relationships with them and continually throughout our relationship.

8. **Disclosure to investment managers in letters of understandings, agreements (including Institute renewal forms).** Callan's undertakes efforts to ameliorate the potential conflicts of interest presented to it by ensuring our investment manager clients are aware that being a client of our Institute or purchasing consulting services from our Institutional Consulting Group has no impact on our consideration of them for any of our fund sponsor services. Each contract for consulting and educational services includes language stating that purchasing Institute services or consulting services does not affect the investment manager's appropriateness for inclusion in a search. Contracts for renewal of these services includes the same language.
9. **Finally, disclosure of our fund sponsor and investment management consulting services is conveyed by routine letters and communications with each client.**