

**UPDATE REPORT ON
AMERICAS RIPS
as of October 2006**

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Chairman, Americas RIPS

Committee Objectives

The objectives of each Regional Investment Performance Subcommittee are:

- a) to represent the interests of regional Country Sponsors in the GIPS standards at the GIPS Council
- b) to provide a conduit of information between the local Country Sponsor and the GIPS Council
- c) to promote the implementation of the GIPS standards within the region – preferably by Country Sponsors adopting the GIPS standards (In English), or an EC-endorsed Translation of the GIPS standards (TG);
- d) to stimulate interest and support for the GIPS standards by communicating the benefits of the GIPS standards and encouraging investment management firms to comply;
- e) to support the GIPS Council and EC in the further development of GIPS standards by providing meaningful input and seeking suitable nominees to participate in the work of the EC and its subcommittees;
- f) to promote the establishment of an effective and consistent verification service throughout the region; and
- g) to communicate benefits of the GIPS standards and cooperate with regulators to broaden GIPS standards compliance to cover all aspects of the investment management industry in the region.

Membership

There is currently one member of the Americas RIPS:

Country Sponsor: United States and Canada
Organization: North America Investment Performance Committee (NAIPC),
sponsored by CFA Institute

Review of Status: September – October 2006

Highlights of activity and status relating to or in support of GIPS, subsequent to the last report submitted (August 2006), are listed below.

- Country Sponsor Agreement: No change in status; the document has not been signed.
- Evaluate and promote the prospect of having Canada serve as its own country sponsor: RIPS chairman met with leaders from CFA Institute’s local societies from across Canada, and GIPS Secretariat sent introductory materials to the designated contact. Also spoke at GIPS Standards Annual Conference (held in Toronto) and received expressions of interest from some attendees.
- Advocacy efforts outside US and Canada: RIPS Chairman delivered presentations and met with interested prospective country sponsor representatives during CFA Institute Society Leadership Conference (15 September). Varying levels of interest were expressed from Argentina, Brazil, Cayman Islands, Mexico, and Uruguay. Subsequent follow-up, both directly and through GIPS Secretariat, was made with GIPS introductory materials being forwarded accordingly.
- RIPS conference call was held on 5 October. Highlights included:
 - Discussion of “working papers” and how they relate to GIPS, the feedback of which was shared with the chairs of other RIPS and the chair of GIPS Council.
 - Discussion of intellectual property rights regarding Translations of GIPS, where the group position is that such rights belong to the public domain rather than to any individual country sponsor organizations.

Next Steps

The items listed below have the highest priority over the next 6-12 months.

- Evaluate and pursue the prospect of Canada serving as its own country sponsor:
 - Further work through CFA local societies to obtain names of interested performance experts.
 - Further research and identification of potential key contacts through channels outside of CFA Institute.
 - Obvious longer-term intent is to merge these two into a single integrated Canadian approach.

- Advocacy efforts outside US and Canada:
 - This will initially take on a training and educational approach, with the intent of educating investment professionals within these markets/countries about GIPS and the benefits of their adoption.
 - Targeted countries are those which have expressed interest as noted above (Argentina, Brazil, Cayman Islands, Mexico, and Uruguay). Chile remains of interest although no dialogue has commenced.
 - Contemplation of visits to interested groups in 2007 to initiate in-person contact, as a follow-up to telephone and written communication in the interim.

- Activities of NAIPC with a potential inter-regional impact:
 - Amongst its future objectives/initiatives, the Committee listed developing guidance for the recipients of (GIPS) performance presentations, and a focus on compliance issues relating to stable value investment strategies.