

GIPS EXECUTIVE COMMITTEE

TERMS OF REFERENCE FOR THE INVESTOR/CONSULTANT SUBCOMMITTEE

Approved By The Executive Committee (EC) On X-X-2006

1. Purpose

The purpose of the Investor/Consultant Subcommittee is to act as a forum for understanding the important issues facing investors (and those representing investors) when evaluating investment performance information. This perspective will be shared with the Executive Committee, the Interpretations Subcommittee and other EC Subcommittees in order to improve the quality of the GIPS standards.

2. Composition of the Investor/Consultant Subcommittee

The following Investor/Consultant Subcommittee members have been appointed by the EC:

- Carol Anne Kennedy, Chair
- Brian Henderson
- Beth Kaiser
- Jessica Mann
- Joyce Martindale
- Peter McCaffrey
- Donald Roland
- Ronald Surz
- Masashi Toshino
- Gregory Turk
- Drew Vaughan

3. Considerations

In order to provide a strong investor presence in shaping the direction of the GIPS standards and identifying needs to be addressed, the Subcommittee will concentrate on the following areas:

- Provide a discussion forum for investors world-wide;
- Encourage the development of a consistent global approach to investment performance evaluation practices;
- Make recommendations for improvements to the GIPS standards;
- Maintaining communications and gathering input from the EC, the Interpretations Subcommittee and other EC Subcommittees on issues affecting investors.

Subcommittee members are appointed as individuals, as experts in their industry, and not as representatives of their employers or other third-parties. Members are expected to contribute to the debate and decision-making of the Subcommittee so as to advance the cause of improving financial market integrity.

4. Confidentiality

Members are expected to keep certain, identified workings of the subcommittee confidential, including projects undertaken and positions under consideration until the information is made public or otherwise released by the EC. This includes refraining from communicating to any external party any non-public information, including working papers of the Subcommittee, that may be obtained by serving as a member of the subcommittee without the written permission of the EC.

5. Governance

In addition to these Terms of Reference, the Investor/Consultant Subcommittee is held to the *EC Constitution* and the *Operating Policies and Procedures of GIPS EC Standing Subcommittees*.

6. Process and Timetable

Matters likely to be reviewed and endorsed by the EC should be discussed by Subcommittees to give members the opportunity to discuss, and if necessary vote on, the implications involved in order to provide the Subcommittee Chair the required information to ensure that members' views and interests will be reflected in their report and vote at the EC meeting.

- Standing Subcommittees will conduct business by conference call and hold in-person meetings.
- The Chair will provide a cover memorandum to members highlighting those items specifically requiring action which may necessitate a vote being taken, and stipulating a date by which members' comments should be submitted to the Chair.
- The Chair may call for a vote of its members (in-person, via conference call and/or via email). At each meeting, the Chair shall certify a quorum is present in order to conduct business. Fifty-one percent (51%) of the members must be present in person or by video or audio conference to constitute a quorum. Members are not allowed to vote by proxy.
- Each Subcommittee member is entitled to one vote. Approval of any measure requires the affirmative vote of sixty-six percent (66%) of those constituting a quorum.
- In addition to the EC minutes being circulated to members, the Chair will also provide members with a brief report on the actions taken and/or views expressed on their behalf. Further feedback will be reported at the next Subcommittee meeting.
- Minutes of the Subcommittee meetings will be the responsibility of the GIPS Secretariat and will be approved by e-mail vote or at the next succeeding meeting.

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- Rotation processes of Subcommittee membership will be determined by the EC and will be consistently followed by all Subcommittees.