

GIPS Executive Committee Nominations Committee Terms of Reference

1. Purpose

The GIPS Executive Committee Nominations Committee will develop an objective and fair process for the nomination and selection of the electable members of the EC and its standing subcommittees that possess the key criteria as set out in the EC Constitution for the non-Country Sponsor seats of the GIPS Executive Committee (EC). In the first year, the Nominations Committee will also define the process to provide an order and structure to the turnover of all electable EC members (both Country Sponsor and non-Country Sponsor seats, both EC and subcommittees).

2. Composition of the GIPS EC Nominations Committee

The Nominations Committee consists of four members with the following roles and/or relationships to the EC:

Committee members	Nominating body
Current EC Director	CFA Institute
CFA Institute appointed representative	CFA Institute
GIPS Council Chairman	GIPS Council
GIPS Council representative that is not a current member of the EC (elected by the GIPS Council)	GIPS Council

Subject to approval by the EC, for the upcoming term year 2008, starting 1 January 2008, the following members are appointed to the GIPS EC Nominations Committee:

Committee members	Nominating body
Current EC Director	Tbd
CFA Institute appointed representative	Tbd
GIPS Council Chairman	Hans-Joerg von Euw
GIPS Council representative that is not a current member of the EC (elected by the GIPS Council)	Tbd

3. Considerations

Tasks of the GIPS EC Nominations Committee are to establish and maintain the key processes that will:

- maintain the balance of representation on the EC and its subcommittees,
- use the key characteristics as set out in the EC Constitution to ensure that the non-Country Sponsor delegates reflect those to a reasonable degree,
- achieve a balance between retaining experience on the EC, and
- provide order and structure to the succession strategy.

The Committee's goal is to nominate individuals for membership who, in the Committee's judgment, will cause the EC to be composed of a wide and balanced range of individuals professionally engaged in the investment industry broadly defined.

4. Confidentiality

Confidentiality of the work of the GIPS EC Nominations Committee is critical to the fairness and integrity of the standard setting process. While the EC recognizes that solicitation of information and opinion from the investment industry is a critical aspect of developing and maintaining relevant and useful standards, members of the GIPS EC Nominations Committee must keep all aspects of the work, deliberations, and work product of the committee confidential until such time as a full report of the committee is made to the EC. Nominations Committee members shall not communicate any information regarding the work in progress of the committee to anyone outside the committee, other than to the GIPS Secretariat.

5. Governance

All subcommittees of the EC are held to the provisions outlined in the EC governing documents, including the EC Constitution.

6. Process and Timetable

Succession Plan

In order to achieve a diversity of experience on the EC and to provide order and balance to the structure, the Succession Plan should be implemented based on staggered terms. This means that two (being one-fourth) of the eight electable seats of the EC should turnover each year. The EC has decided that the succession plan starts on 1 September 2008. The GIPS Council Chairman is elected for two years and rotates for the first time 1 September 2008. Once a member ceases to serve on the EC (whether by resignation or the expiration of the four-year term limit), they must sit out for at least one year before re-applying for any position again.

Nominations Process

The Nominations Committee will establish, implement and maintain a process to ensure worthy nominations for the non-Country Sponsor seats are received for consideration. This process will include designing and updating the Application Form and establishing a plan to seek a broad solicitation for nominees. The invitation for nominations will be open on or around **1 January** of each year for a minimum of **60 days**. The details of the nomination process are defined in the Nominations Timeline document.

Selection Process

The Nominations Committee will establish, implement and maintain a fair and objective selection process. While the selection process is a closed proceeding, it must be an objective and defensible process for selecting quality nominees and ensuring the balance of representation on the EC. The selections for non-Country Sponsor candidates must be made and submitted by 15 April to the CFA Institute Board, or other appropriate Subcommittee as determined by the CFA Institute Board.

Approval Process

The Nominations Committee will recommend nominees to fill the non-Country Sponsor seats for approval by CFA Institute Board or other appropriate Subcommittee as approved by the CFA Institute Board. After receiving the nominations by 15 April, CFA Institute Board must approve the nominations so that new members can be informed no later than 31 July of each year of their appointment.

The details of the Succession Plan, Nominations Process, Selection Process, and Approval Process will be outlined in a document titled '**Guidelines for EC Nominations**' to be drafted by the GIPS EC Nominations Committee and agreed by the GIPS EC and presented to the CFA Institute Board.

7. New EC Member Terms

All new members will assume their seat on 1 September, under the term length and conditions outlined in the Guidelines for EC Nominations.

8. Nominations Committee Member Terms

GIPS EC Nominations Committee members will serve a period of one year. **The EC** Nominations Committee (as defined in #2 stated above) should be confirmed by 1 January each year to prepare for the forthcoming Nominations Process as outlined above.