



**AGENDA**  
**Americas Regional Investment Performance Subcommittee (RIPS)**

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**Date:** Wednesday, 24 September 2008  
**Location:** Westin Copley Place Hotel – Boston, Massachusetts, USA  
**Time:** 13.00 to 14.00 p.m.

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- 13:00
1. Welcome / Introductions / Opening remarks 5 mins
- Recap of RIPS meeting on 13 March 2008 and approval of minutes
- 13:05
2. RIPS Update Report 5 mins
- Approval of Canadian Investment Performance Committee as country sponsor
  - Advocacy efforts and plans for additional country sponsors
- 13:10
3. Report from Country Sponsors 10 mins
- Highlights of recent activity
  - Top priorities for the next 6-12 months
- 13:20
4. Discuss Regional Interests, Issues and/or Concerns related to the GIPS standards 30 mins
- GIPS 2010
  - Other topics from the preceding GIPS EC meeting
  - Common issues on which to contemplate joint efforts/projects
    - Mutual fund industry
    - Expanding the number of firms claiming compliance with the GIPS standards
    - Education opportunities regarding “gatekeepers”
    - Other opportunities to share or leverage efforts to benefit the regional industry
- 13:50
5. Other Business 5 mins
- 13:55
6. Closing Remarks 5 mins
- 14:00
7. Adjourn



**MINUTES OF THE GIPS EC  
AMERICAS REGIONAL INVESTMENT PERFORMANCE SUBCOMMITTEE (RIPS)  
IN-PERSON MEETING  
AMSTERDAM, THE NETHERLANDS**

Date and Time: Thursday 13 March 2008  
13:00 p.m. to 17:00 p.m.

Members Present: Todd Juillerat, CFA, Chair  
Neil Riddles, CFA, CIPM

Observer Present: Karen Vincent, CFA, CIPM

CFA Institute Present: Jonathan Boersma, CFA  
Beth Kaiser, CFA

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**1. Approval of Minutes**

Mr. Juillerat stated that the minutes of the Americas RIPS in-person meeting on 22 March 07 were approved unanimously by email vote prior to the meeting in Amsterdam.

**2. RIPS Update Report**

Mr. Juillerat discussed Canada as a separate country sponsor of the GIPS standards and stated that it is encouraged to be its own country sponsor. Mr. Boulanger visited the local societies in Montreal, Toronto and Quebec City to explain the advantages and found they were receptive to this notion.

Mr. Boersma explained that one of the options being discussed after Mr. Boulanger's visit was the creation of a Canadian country sponsor from the 12 existing local societies. Ms. Vincent noted that in the past, this hasn't been needed because the Canadian issues are similar to those of the Americans and there is no debate about whether the CFA Institute is accurately representing them as the existing country sponsor. Mr. Boersma expressed reservations about providing CFA Staff resources for an additional country sponsor and is encouraging that the prospective Canadian country sponsor is independent from the CFA Institute.

Outside of the US and Canada, Mr. Juillerat has not done any more outreach since late 2006, early 2007 when he and Mrs. Kent contacted Argentina, Brazil, Chile, Mexico, Uruguay, the Cayman Islands, and the Bahamas. There was no significant expression of interest other than Mexico at that time. However, Mexico thought it was best to wait since there was recent

turnover in the local regulator. Mr. Juillerat obtained permission to use the Spanish translation of the GIPS standards for future use in the Spanish-speaking areas of the Americas Region.

Applying the GIPS standards to pension plans or institutional investors was discussed at length. Mr. Boersma explained that work has been done in this area and it is under consideration. Further guidance is needed before explicitly promoting this concept.

Mr. Riddles, Ms. Vincent and Mr. Juillerat then discussed the application of future dates in the Standards since there is a one year difference between the future dates in the Standards at 1 January 2010 and the proposed effective date of the entire body of the GIPS standards at 1 January 2011.

### **3. Report from Country Sponsor**

Mr. Riddles described the recent activity at the NAIPC. Current projects include:

- Planning the GIPS conference in September 2008
- Expanding upon the existing attribution standards best practice document
- Providing feedback to the EC on large cash flow valuation and month-end valuation
- Discussing and rewording existing AIMR-PPS Q&As for use in the GIPS standards
- Adding securities regulators to the NAIPC conference calls as observers

### **4. Discuss Regional Interests, Issues and/or Concerns Related to GIPS**

The members discussed the implementation of the 1 January 2008 Provision on Real Estate valuation and the related Q&A. Ms. Vincent provided insight into the need for the related Q&A.

Mr. Juillerat referred members to the NAIPC update report for a list of projects contemplated for 2008. In addition, the application of the GIPS standards to stable value and GICs was discussed. Ms. Vincent explained that while it used to be outside of the scope of the Standards, they are now marked to market and separate guidance is no longer needed. She further stated it may be effective to address this issue through a Q&A or through the GIPS 2010 process

### **5. Follow-up on Idea to Communicate/Share Information between RIPS Country Sponsor and the Standing Subcommittees**

The members discussed the sharing of information between the country sponsors, RIPS, and the standing subcommittees. Mr. Juillerat conferred with Mr. Illmer, Chair of the EC, and found that there is a concern about confidentiality. Each standing subcommittee provides update reports to the GIPS Council annually and will officially ask for feedback on various issues from the RIPS or country sponsors as needed. In addition, there is representation from each region on the standing subcommittees.

### **6. Discuss and agree regional position(s) on agenda items for the GIPS Council and EC**

Members discussed the RIPS Associate Member Agreement and Revised RIPS OPPs to be presented at the GIPS Council. Mr. Juillerat explained that this is an option for the RIPS to be used as needed and that each RIPS may exercise it in a different way. Members discussed adding conference calls in addition to the in-person meetings if a RIPS Associate Member is added.

Mr. Juillerat explained that future dates and key issues will be discussed at the GIPS Council meeting. Ms. Vincent suggested synchronizing the 2010 future dates and 2011 effective date within the Standards. Keeping them separate nullifies the public comment period for those provisions with future dates in the 2010 version of the GIPS standards.

Mr. Riddles expressed concern about the proposal to name the verifier in the new proposed claim of compliance. It was also stated that the NAIPC has already expressed their view on areas of concern regarding the GIPS 2010 version of the Standards in a memo to the EC.

## **7. Other business**

Mr. Juillerat explained that the NAIPC may nominate someone both for the Verification Subcommittee and the GIPS Council Chairs. The first GIPS Council Chair was from EMEA and the next will be either from the Americas or from the Asia Pacific Region, depending on who is elected. Once this order is established, it will be rolled forward in the coming years. Nominations are open until 18 April 2008.

Members discussed whether new requirements can be implemented in between the established five-year review process of the GIPS standards through Guidance Statements and Q&As. Mr. Juillerat stated that there was some debate at the EC, but it was determined that the Standards cannot be held stagnant for five years if the industry is moving forward in the interim.

## **8. Future Meeting Dates**

The next in-person meeting of the GIPS EC and the Americas RIPS is scheduled September 2008 in Boston. It was mentioned that the next GIPS Standards Annual Conference is also scheduled for the same week in Boston. The location is to be determined.

For 2009, the GIPS meetings are scheduled to be held in Europe during the month of March and in Asia during the month of September.

The meeting was adjourned at 3:00 p.m.



## **UPDATE REPORT ON Americas Regional Investment Performance Subcommittee August 2008**

### **Current Projects**

The RIPS itself has not undertaken any specific projects. Items of note from the United States Investment Performance Committee (USIPC) which have inter-regional impact are:

- Providing feedback to the GIPS Executive Committee (EC) on various GIPS 2010 topics.
- Creation of a “best practices” document relating to performance reporting of model/hypothetical/backtested portfolios, to be shared with the GIPS EC later this month and eventually with the industry if agreement is obtained.
- Work to add to the existing EIPC performance attribution “best practices” document, with plans to circulate the document to other country sponsors for input.

### **Status Update**

Highlights of activity relating to or in support of GIPS, subsequent to the prior report in February 2008, are:

- Application and approval of GIPS Country from Canadian Investment Performance Committee (CIPC) as a GIPS country sponsor during June. The CIPC will join the RIPS meeting in September 2008 and the next GIPS Council meeting in March 2009.
- Advocacy efforts outside US and Canada: The RIPS Chair and CFA Institute’s GIPS Executive discussed approaches and potential actions, but no specific outreach activities occurred during the past six months.

### **Next Steps**

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

- The RIPS Chair will continue to seek opportunities and interest for prospective country sponsors. As previously reported, initially this would likely involve a training and educational approach, with the intent of teaching investment professionals within these countries about GIPS and the benefits of their adoption. In-person visits to interested groups would be contemplated, as a follow-up to telephone and written communication, if sufficient interest were identified to justify the expenditure of time and money.

- Build rapport between USIPC and CIPC and identify topics where efforts can be shared or leveraged to benefit the regional industry, as issues that affect one of these countries often impacts the other. This will be a focus of the September RIPS meeting.
- Consideration of various potential projects which impact the Americas region specifically and in many cases the overall industry, to be treated in a manner similar to those referenced above on which activity has already commenced.



## UPDATE REPORT ON Canadian Investment Performance Committee August 2008

	OBJECTIVES	MILESTONES	Responsibility	SUCCESS FACTORS	STATUS AND COMMENT
1.	Elect a chair person	Receive National Sponsor acceptance	Viviane	a. Get a chair person elected	This chair person should be presented to the CFA Societies at
		Organize the first official Subcommittee meeting	Viviane		Regional meeting in Feb 2009 Election process on the way for August 21st
2.	Attend the North American Regional Sub Committee in Washington	Confirm founding from CFA Institute		a. Get a person to the conference to learn	On the way
		Organize conference call to determine interested candidates	Viviane	Michael Lowry has been designated to be the representative of the CIPC	in progress
3.	Complete the members' list to eight persons	Complete a new email list of invitation to be sent	Viviane	Complete the committee to 8 people by November	Some Regional and expertise considerations must be taken
		Follow up on interested candidates	Viviane		Five candidates have been selected, two will be chosen on August 21st
4.	Attend three North American Meetings via conference call	Develop communication channel with the Chairperson of that committee	Viviane Kathy	a. Get the phone number from Kathy	
		Organize the conference call for all	Kathy and NAM	Garvin, Michael, Christina, Dave and Viviane will be attending the August meeting	in progress
5.	Structure legal constituency and insurance coverage of the CIPC	By October 2008, have completed all required documentation to confirm legal status and insurance coverage of the CIPC activities	Viviane Michael Garvin	Garvin will be the CIPC representative in Washington to discuss these issues with Canadian CFA Societies	in progress
6.	Organize monthly meetings	1. Once a month starting in September through June	Viviane or new chair person	a. Have a quorum at each meeting	in progress



**UPDATE REPORT FROM**  
**United States Investment Performance Committee**  
August 2008

**Structure of Country Sponsor / Country Sponsor Group of Experts**

The USIPC is a subcommittee of CFA Institute for Financial Market Integrity representing the investment community in the United States.

**Current Projects**

- 1) Canadian market now has its own representation as the Canadian Investment Performance Committee (CIPC). NAIPC was renamed the United States Investment Performance Committee (USIPC).
- 2) Planning 2008 annual GIPS conference in September. GIPS workshop has all 60 places sold-out. Overall conference has pre-sold 230 slots out of 300 and a sell-out is anticipated. September 2007 conference was an unqualified success. 250 people attended and some had to be turned away due to space constraints. 14 attendees were from outside North America. Webcasts of selected sessions are available through the GIPS website.
- 3) CFA Institute staff continue to hold regional GIPS Workshops to provide focused and practical training sessions.
- 4) Expanding/Updating Attribution Standards/Best Practices. The USIPC working towards an updated and expanded set of best practices for attribution hoping to build on the work done by the EIPC and an article by David Spaulding.
- 5) USIPC continues working on a best practices paper for dealing with model/hybrid investment management processes and whether they are part of the firm's AUM.

**Status Update**

- 1) GIPS Conference: Planning for this year's conference currently underway.
- 2) GIPS Workshops continue to be well attended.
- 3) USIPC and CFA Institute staff offering assistance to CIPC if they would like it. CIPC members invited to observe USIPC meetings.
- 4) Attribution: Sub-group of NAIPC pulling together available information for a first draft. Once complete, paper will be shared with all country sponsors for additional input.
- 5) Hybrid/Models - USIPC sub-group continues working on a best practices paper for dealing with model/hybrid investment management processes and whether they are part of the firm's AUM.
- 6) USIPC finished best practices paper on Model/Hypothetical performance. Paper has been submitted to EC for consideration.

**Next Steps**

- 1) In-person meeting schedule for September.
- 2) Additional projects will be undertaken by the USIPC as time allows. Possible topics include:
  - a. Transition management
  - b. Benchmark selection