

**Jeremy Dunks' response to GIPS Executive Committee's (EC) invitation to comment on proposed GIPS 2010 Exposure Draft:**

Section	Comment
0.A.7	Agreed. The firm's verification status should be disclosed. A 24 month classification should be sufficient to be called current.
0.B.2	Rejected. Potentially harmful to the manager and the client relationship. Composites are often widely defined, disclosing a client portfolio return in context of its composite return may not provide useful information due to minor differences in the way individual portfolios are run. This could lead to unnecessary time and effort spent investigating and explaining. Also, composites can be made up of a single portfolio, it serves no purpose to provide such a report in this instance.
1.A.2	Rejected. It is not the place of GIPS to rule on such a topic, that is for the local regulators, which would take precedence over GIPS in any event. In addition a firm's definition of fair value could be dramatically different from another firm's. Furthermore, most benchmarks use last observed price, switching to fair value would reduce comparability. Lastly, the definition of fair value is something that is evolving constantly, to fix a hierarchy definition as part of GIPS would make it potentially inaccurate. Also relates to Appendix D – GIPS Valuation Principles, remove.
3.A.1	Agreed. Should not be retrospectively applied.
3.A.9	Rejected. Not practical, the assets to be awarded to a manager are often not decided at the outset of the search, or may change over time. Also goes to Appendix E – GIPS Glossary definition of Prospective Client. Remove statement about composite minimum assets.
4.A	Agreed. Disclosures concerning changes to names, benchmarks, error statements etc could be removed after 5 years.
4.A.5	Agreed. However this may just be a knee-jerk reaction to recent events. Are there any others that should be included?
4.A.20	Rejected. Difficult to interpret and standardise. This should be left to the manager to discuss with the prospective client. Information overload.
4.A.29	Rejected. Standard deviation is potentially misleading as a measure of volatility, and also to use just one number for one period is misleading. The periodicity should be fixed at monthly in any event to maintain comparability amongst managers. RFP's typically ask for ex ante and ex post risk measures separately in any case.
5.A.5	Agreed.
5.A.8	Agreed. However from a practical point of view may not be possible to disaggregate proprietary from third party assets over time.