Minutes of the GIPS Executive Committee
Open Conference Call

Date: Thursday 25 September 2014
Location: Conference Call
Time: 8:00 to 9:00 a.m. US ET

Members Present: Trevor Persaud – EC Chair and At-Large Member
Carl Bacon, CIPM – At-Large Member
Jonathan Boersma, CFA – GIPS Executive Director
Andrew Bragg – Asia Pacific Region
Ann Putallaz, CIPM – Americas Region
Martin Schliemann – At-Large Member
Dimitri Senik, CFA – EMEA Region
Mohammad Shoailb, CFA – At-Large Member
Karyn Vincent, CFA, CIPM – GIPS Technical Committee Chair

Observers: Lulu Alaqli – United States
Judy Carter – United States
Brian Chapman – United Kingdom
Garvin Deokiesingh, CFA – Canada
Ambika D’Souza, CIPM – Macedonia
Maureen Hawker, CIPM – Canada
Laura Jirele-Borleske, CFA, CIPM – United States
Yoh Kuwabara – Japan
Peter McCaffrey – New Zealand

Staff Present: Anju Grover, CIPM – GIPS Analyst
Polly Johnson – GIPS Project Coordinator
Cindy Kent – Director, Global Investment Performance Standards
Ken Robinson, CFA, CIPM – Director, Global Investment Performance Standards

Action Items
- CFA Institute staff will distribute the GIPS Country Sponsor Agreement Package to GIPS Country Sponsors.

Decision Points
- Executive Committee members approved the revised draft GIPS Country Sponsor Agreement Package as amended for distribution to the GIPS Country Sponsors. (9 Votes)
- Executive Committee members approved the revised draft Firm Notification Requirement. (9 Votes)

Mr. Persaud opened the GIPS Executive Committee Open Conference Call by welcoming everyone. He explained that the newly formed Executive Committee is tasked with the strategy and oversight of the
The new GIPS Technical Committee has the responsibility for the maintenance, application, and development of the content of the GIPS standards. The new governance structure became effective as of 1 September 2014. Mr. Persaud mentioned that some elements of the new governance structure are in place but others will evolve over time.

The Executive Committee is aware of how important it is to manage the governance transition so that the benefits of the changes are realized quickly and effectively.

1. **Approve GIPS Country Sponsor Agreement Package**

Mr. Boersma provided an overview of the role of GIPS Country Sponsors, as organizations in other countries, that CFA Institute partners with to promote the GIPS standards and to provide input on the development of Standards. That takes the form of direct feedback on proposals, providing volunteers for committees, etc.

He explained that the proposed changes to the draft GIPS Country Sponsor Agreement are fairly limited with the main change of inclusivity, being open to local associations or industry groups interested in forming a joint country sponsorship. Mr. Boersma explained that there are organizations that have taken the lead to administer and organize the Country Sponsor activities by bringing several organizations together to form a GIPS committee and then there are several organizations that have come together and formed a joint/collaborative country sponsorship.

The proposed changes to the draft GIPS Country Sponsor Agreement Package were distributed to the GIPS Country Sponsors for their feedback. As a result of Country Sponsors’ feedback, the revised draft GIPS Country Sponsor Agreement Package is being presented for the Executive Committee’s approval. It was noted that subsequent to distribution of the revised Agreement for this open call, additional minor comments and/or clarifications were received, and Mr. Boersma reviewed those suggestions as follows:

Page 3, A. Who can apply to become a Country Sponsor?, last paragraph:

The GIPS Executive Committee is responsible for reviewing and approving all Country Sponsor applications, as well as any subsequent changes to the Country Sponsor, including organizations joining or leaving the Country Sponsor structure, in the membership organization(s) that form a Country Sponsor (either joining or leaving).

Page 4, B. What are the rights and responsibilities of a Country Sponsor? Rights and Responsibilities, 11:

11. Promote uniformity in the provision of high-quality verification services to the best of the Country Sponsor’s abilities.

Page 5, Relationship with Regulators, first paragraph:

The support of local regulators is important for the success of the GIPS standards and while Country Sponsors may not be in a position to effect regulatory support, they should try to therefore, establish regular dialogue with their local regulators. Where possible, Country Sponsors are expected to encourage regulators to support the GIPS standards. A regulator’s support of the GIPS standards can include for example:
• endorsing or encouraging the adoption of the GIPS standards by firms within their jurisdiction;
• developing regulations that support and do not conflict with the GIPS standards;
• taking enforcement action when firms falsely claim compliance; and
• encourage the use of independent verification services.

Page 12, GIPS Standards Country Sponsor Agreement, 4.a.

Discussion around CFA Institute being granted the right to use the name and logo of a Country Sponsor to promote the GIPS standards only if a logo exists.

Executive Committee members approved the revised draft GIPS Country Sponsor Agreement Package as amended above for distribution to GIPS Country Sponsors. (9 Votes)

CFA Institute staff will distribute the GIPS Country Sponsor Agreement Package to GIPS Country Sponsors.

2. Approve Firm Notification Requirement
Mr. Boersma explained that the Proposed Requirement for GIPS Compliant Firms to Notify CFA Institute of Such Claim (“Firm Notification Requirement”) was released for public comment in April 2014 and is a requirement change to the GIPS standards. This information will allow CFA Institute to have a comprehensive list of firms that claim compliance with the GIPS standards, view trends and gather statistics. The Exposure Draft of the Firm Notification Requirement requested extensive data about the firm (e.g., assets under management, etc.).

After reviewing the public comments, the prior GIPS Executive Committee concluded that a revised draft of the Firm Notification Requirement should only require firms to provide the:
• Name of the Firm;
• Verification Status;
• Contact Information; and
• Country.

The revised draft of the Firm Notification Requirement allows firms to decide whether or not to have their firm name listed on the GIPS standards website.

Executive Committee members approved the revised draft Firm Notification Requirement. (9 Votes)

3. GIPS Technical Committee Update
Ms. Vincent reported that the newly formed GIPS Technical Committee met for the first time last week in Boston. The Committee received updates from all of the various GIPS technical subcommittees and working groups on a variety of technical topics. She mentioned that there is a tremendous amount of working being done by the various groups.

It was mentioned that the GIPS Technical Committee will provide a regular update to the GIPS Executive Committee.

4. Upcoming GIPS Executive Committee Meeting
It was mentioned that the GIPS Executive Committee will meet in-person in mid-November and will hold an Open Meeting on Friday 14 November from 8:30 to 9:30 a.m. US ET in Charlottesville, Virginia, USA.
It was mentioned that the GIPS Executive Committee going forward will schedule quarterly conference calls.

**Observer Questions**
There were no observer questions.

**Meeting adjourned at 9:00 a.m.**