

EMEA GIPS[®] Standards Conference Postponed

CFA Institute has decided to postpone the EMEA GIPS Standards Conference to 2021. The event was originally scheduled for 16-17 June 2020 in Amsterdam. New dates will be announced in due course.

This was a difficult decision, but the health and safety of our delegates, volunteers, and staff are our top priority, and with the rapid spread of COVID-19 and various safety measures implemented in Europe, we feel it is not feasible to hold the event at this time.

CFA Institute Seeks Volunteers for Global Industry Standards (GIS) and Global Investment Performance Standards (GIPS) Committees

Volunteers are actively being recruited to serve on the following CFA Institute Global Industry Standards (GIS) committees and subcommittees, for chair or member positions as indicated.

GIS Steering Committee—Member Applications: Guides strategic development, promotion, and adoption of global industry standards. This committee will offer advice on mission, strategy, goals, objectives, industry trends, market opportunities, and standard-setting policies and practices. The GIS Steering Committee will offer broad perspectives to inform decisions and challenge assumptions, provide guidance for engaging with regulators, guide the setting of organizational objectives, and provide feedback on strategic plans. GIS Steering Committee members are senior-level industry representatives with a minimum of 10–15 years of professional investment industry experience. The time commitment for this role is expected to be one in-person meeting per year and quarterly conference calls.

GIPS Standards Technical Committee—Member Applications: Provides technical oversight of the GIPS standards by guiding their development. This committee will include representatives from key industry stakeholders, to ensure that their interests are represented and considered in the development of the GIPS standards. The GIPS Standards Technical Committee will identify market needs, offer interpretative and directional guidance, define challenges, and explain concerns. Nominees are being recruited as at-large members and should have a minimum of 10–15 years of professional investment industry experience as well as expertise in investment performance and the GIPS standards. The time commitment is expected to be significant for this role, with two in-person meetings per year and at least quarterly conference calls, along with the time required for document review and preparation for meetings and conference calls.

GIPS United States Investment Performance Committee (USIPC)—Member

Applications: Serves as the GIPS Standards Sponsor in the United States and acts as a forum for stakeholders of the GIPS standards. The USIPC is tasked with promoting the adoption, implementation, and development of the GIPS standards as industry best-practices for calculating and presenting investment performance. In addition, the committee discusses pertinent issues faced by investment industry professionals in the US market, provides feedback on technical guidance, and promotes the GIPS standards through outreach activities. The time commitment is expected to be significant for this role, with up to two in-person meetings per year and monthly conference calls, along with the time required for document review and preparation for meetings and conference calls.

GIPS Standards Asset Owner Subcommittee—Member Applications: Responsible for development of content specific to asset owners as identified and/or directed by the GIPS Standards Technical Committee. This subcommittee will discuss asset owner issues and needs and will provide feedback on proposals affecting asset owners. Nominees should have experience with asset owners and the GIPS standards. The time commitment for this role is expected to be quarterly conference calls and may include one in-person meeting per year.

GIPS Standards Interpretations Subcommittee—Member Applications: Responsible for the development of technical guidance, interpretations, clarifications, and supporting authoritative guidance as directed by the GIPS Standards Technical Committee. Nominees should have a minimum of 5–10 years of professional industry experience, as well as expertise in investment performance and the GIPS standards. The time commitment for this role is expected to be bi-monthly conference calls, with significant time for document review and preparation for conference calls.

GIPS Standards Verification Subcommittee—Chair and Member Applications: Responsible for the development of GIPS standards content specific to verifiers as identified and/or directed by the GIPS Standards Technical Committee. This subcommittee will discuss verification industry issues, draft guidance, and provide feedback on proposals affecting verifiers. Nominees should have deep experience with verification and the GIPS standards. The time commitment for this role is expected to be quarterly conference calls.

GIPS Standards Promotion Subcommittee—Member Applications: Serves to actively engage with GIPS Standards Sponsors on outreach activities. This subcommittee will participate in decisions regarding how global promotion efforts should interact with local engagement efforts, identify local market needs, collect feedback, and identify future volunteers to assist with development and promotion of the GIPS standards. Nominees may come from GIPS Standards Sponsors or other organizations. Nominees will partner with GIPS Standards Sponsor organizations globally, to increase promotion and adoption of the GIPS standards. The time commitment for this role is expected to be quarterly conference calls, and perhaps a regional and/or global meeting annually.

GIPS Standards Fiduciary Management Providers (FMP) Technical Committee— Member Applications: Serves to provide technical oversight of the GIPS Standards for Fiduciary Management Providers (FMPs) to UK Pension Schemes by guiding their development in the United Kingdom. This committee will include representatives from key industry stakeholders, to ensure that their interests are represented and considered in the development of the GIPS Standards for FMPs. The FMP Technical Committee will identify market needs and offer interpretative and directional guidance, define challenges, and explain concerns. The time commitment for this role is expected to be quarterly conference calls or in-person meetings.

Ad Hoc Working Groups: In addition to the above standing committees and subcommittees, we expect to create topic-specific Working Groups on an as-needed basis. We will announce Working Group opportunities in the GIPS Standards Newsletter.

Volunteers are welcome to apply for multiple roles but will not be selected to serve on more than one committee or subcommittee at a time. In addition to volunteer qualifications, the GIS Nominations Committee will consider geography and employer diversity.

Please note that volunteers are appointed as individuals, not as representatives of their employer, and cannot assign a proxy to serve in their absence.

To apply, please log in to (or register with) the [CFA Institute Volunteer Community](#) page and choose the role you are interested in under “Open Opportunities.” **The deadline to submit applications for the above-mentioned volunteer openings is 15 May 2020 by 17:00 US ET.** If you have any questions, please email volunteers@cfainstitute.org.

Annual GIPS Compliance Notification Form Deadline Is 30 June 2020

Firms and asset owners that claim compliance with the GIPS standards are required to notify CFA Institute of their claim of compliance. There are different procedures depending on whether the firm/asset owner is submitting the notification form for the first time (New Claim of Compliance) or is submitting an annual update (Returning Firm/Asset Owner). Firms/asset owners that are newly claiming compliance must submit the GIPS Compliance Notification Form prior to publicly claiming compliance. Once a firm/asset owner claims compliance, it must submit an updated GIPS Compliance Notification Form annually, by 30 June of each year. The only required information is the name of the firm/asset owner, contact details for a primary and secondary contact, and whether or not the firm/asset owner has been verified within the past 24 months. Other questions, including types of assets managed and total firm assets, are optional. All information provided must be as of the most recent 31 December.

Firms/asset owners filing a New Claim of Compliance should use the [New Claim of Compliance link](#); returning firms/asset owners should use the [Returning Firm/Asset](#)

[Owner link.](#)

To begin the renewal process, you must include the firm/asset owner name, as well as the first and last name and email of either the primary or secondary contact included in the prior year's filing. If you get the message, "We need more information. We could not find a match in our records. The information you enter must match the information provided when this firm claimed compliance," it is likely because your firm/asset owner name or contact information is not matching exactly what was included in the last filing. For example, if in the last filing you used "Inc" as part of your firm/asset owner name, but this time you use "Inc.", you will get the error message. If this happens, please send us an email at gipscompliance@cfainstitute.org with your firm/asset owner name and contact information and we will help resolve the problem.

If your firm/asset owner has merged, your two contacts have left the firm/asset owner, or you have any other questions, please send us an email at gipscompliance@cfainstitute.org. We are standing by ready to assist you.

GIPS Standards Service Provider List

CFA Institute often receives questions via the GIPS Standards Help Desk email asking for the names of local GIPS standards verifiers, software providers, and others that offer services to assist with claiming or maintaining compliance with the GIPS standards. We believe that providing such a list would be helpful. We are in the process of creating a list that will be maintained on the website. If your organization would like to be included on this list, please send us an email at standards@cfainstitute.org.

Tools and Resources

Several tools and resources are available to assist with implementing the 2020 edition of the GIPS standards. You can find these under "Tools and Resources" for both [firms](#) and [asset owners](#). These tools and resources include:

- Explanation of the Provisions in Sections 1—3 of the GIPS standards;
- A spreadsheet for all of the calculations in Explanation of the Provisions in Section 2;
- Comparison of the GIPS Report provisions for firms in Sections 4—7;
- Comparison of the GIPS Asset Owner Reports in Sections 24 and 25, including a comparison to GIPS Reports for firms; and
- Links to Amazon where a paperback copy of the GIPS standards and Explanation of the Provisions in Sections 1—3 can be purchased.

You can also find [guidance for proper use of the GIPS® trademark](#). We will continue to roll out more tools and resources. The Explanation of the Provisions in Section 4 will be issued next.

Dear GIPS Standards Help Desk

We have received several questions asking about pooled fund fee schedules and

expense ratios that are required to be included in a GIPS Composite Report when the firm uses a GIPS Composite Report for both prospective clients (those interested in a composite strategy) and prospective investors (those interested in a specific pooled fund). A related question was also asked about differing requirements for GIPS Advertisements.

Question: Our firm met with a prospect that we believed was interested in a segregated account for one of our composite strategies (i.e., the prospect is a prospective client), and we provided the prospect with the appropriate GIPS Composite Report. The GIPS Composite Report included the fee schedule for a segregated account. Subsequently we determined that the prospect is interested in a pooled fund that is included in the composite (i.e., the prospect is a prospective investor). In this case, to meet the requirement to provide a prospective investor that is interested in a pooled fund with the pooled fund's fee schedule and expense ratio, can we provide the fund's offering documents that contain this information?

Answer: Firms must make every reasonable effort to provide a GIPS Report to all limited distribution pooled fund prospective investors. (A limited distribution pooled fund is any pooled fund that is not a broad distribution pooled fund. A broad distribution pooled fund is a pooled fund that is regulated under a framework that would permit the general public to purchase or hold the pooled fund's shares and it is not exclusively offered in one-on-one presentations.)

The GIPS Report must include the fee schedule and expense ratio for the limited distribution pooled fund that the prospective investor is interested in. This is true whether the firm is providing a GIPS Pooled Fund Report for the respective fund or a GIPS Composite Report for the composite that includes the fund. At times a firm may believe that a prospect is interested in a segregated account, and so the firm will provide a GIPS Composite Report to what is believed to be a prospective client. If the prospective client subsequently is interested in a pooled fund that is in the composite, the firm must provide the fee schedule and expense ratio for the pooled fund, if this information was not included in the GIPS Composite Report that was previously provided. The firm may provide this information as an addendum to the GIPS Composite Report and could use the fund's offering documents as the addendum.

Question: We have a composite that includes several limited distribution pooled funds, and we use the GIPS Composite Report for all prospective investors for these funds. With respect to the requirement to include the fee schedule and expense ratio for the pooled fund that the prospective investor is interested in, can we present a range of fee schedules and expense ratios in the GIPS Composite Report?

Answer: The GIPS Composite Report must include the fee schedule and expense ratio for the respective pooled fund that the prospective investor is interested in. A range does not provide this information.

Question: We have a composite that includes a limited distribution pooled fund that has multiple share classes with different fee schedules and expense ratios. We provide the GIPS Composite Report to all prospective investors for this fund. Can we present a range of the fee schedules and expense ratios for the share classes in the GIPS Composite Report to meet the requirement to include the fee schedule and expense ratio for the pooled fund that the prospective investor is interested in?

Answer: A range of fee schedules and expense ratios does not meet the requirement to provide the fee schedule and expense ratio for the limited distribution pooled fund that the prospective investor is interested in. If the pooled fund has multiple share classes with different fee schedules, the firm may include multiple fee schedules, the highest fee schedule, or the fee schedule appropriate to the prospective investor. In any of these cases, the fee schedule must be current. If the pooled fund has multiple share classes with different expense ratios, the firm may present multiple total expense ratios, the highest expense ratio, or the expense ratio appropriate to the prospective investor. The expense ratio may be current or effective as of the end date of the GIPS Composite Report.

Question: Provision 8.G.7 of the GIPS Advertising Guidelines requires an advertisement for a broad distribution pooled fund to include the pooled fund's expense ratio. However, in the GIPS Advertising Guidelines for limited distribution pooled funds, there is no requirement to include the pooled fund's expense ratio. Please explain why this is required for broad distribution pooled funds and not for limited distribution pooled funds.

Answer: Firms must make every reasonable effort to provide a GIPS Report to all limited distribution pooled fund prospective investors. Therefore, a reader of a GIPS Advertisement for a limited distribution pooled fund that subsequently becomes a prospective investor for the pooled fund will be required to receive a GIPS Report that includes the pooled fund's expense ratio. Contrast this with a broad distribution pooled fund. Firms may provide a GIPS Report to prospective investors for a broad distribution pooled fund but are not required to do so. Because a reader of a GIPS Advertisement for a broad distribution pooled fund that is interested in the fund is not required to receive a GIPS Report that includes the fund's expense ratio, this information is required to be in the GIPS Advertisement.

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