CFA Institute®
Global Investment
Performance Standards

EXPOSURE DRAFT

GUIDANCE STATEMENT ON

FIRMS MANAGING ONLY BROAD DISTRIBUTION POOLED FUNDS

Effective Date: 1 January 2024

Public Comment Period 22 June 2023 – 22 August 2023

CFA Institute

Invitation to Comment

Exposure Draft of the Guidance Statement on Firms Managing Only Broad Distribution Pooled Funds

CFA Institute established the GIPS Standards Technical Committee as the governing body for the Global Investment Performance Standards (GIPS®). The GIPS Standards Technical Committee, which is responsible for technical oversight of the GIPS standards, seeks comment on the proposal set forth herein regarding the Guidance Statement on Firms Managing Only Broad Distribution Pooled Funds.

Questions are positioned throughout the document to elicit feedback on specific issues, and these questions highlight new proposed requirements. In addition to responding to the specific questions, please provide feedback on the entire document, including items you support. All comment letters will be considered carefully and are greatly appreciated.

Comments must be received no later than 22 August 2023. Please submit your comments as early as possible to facilitate the review process. Unless otherwise requested, all comments and replies will be made public on the GIPS standards website (www.gipsstandards.org). Comments may be submitted by email to standards@cfainstitute.org.

Introduction

When a firm claims compliance with the GIPS standards, it needs to evaluate the types of portfolios it manages (e.g., segregated accounts, pooled funds) to determine the requirements for preparing and presenting performance for prospective clients of segregated accounts and pooled fund prospective investors. Pooled funds can be either broad distribution pooled funds (BDPFs) or limited distribution pooled funds (LDPFs). A BDPF 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 is not exclusively offered in one-on-one presentations. An LDPF is any pooled fund that is not a broad distribution pooled fund.

The firm must make every reasonable effort to provide a GIPS Report to all prospective clients of composite strategies and LDPF prospective investors, but not to BDPF prospective investors. BDPFs are typically highly regulated. Because of both the complexity and diversity of local laws and regulations applying to BDPFs, firms are not required to provide a GIPS Report to BDPF prospective investors. If a firm wishes to provide a GIPS Report (either a GIPS Pooled Fund Report or GIPS Composite Report that includes the BDPF) to a BDPF prospective investor, it may do so. A firm may also choose to prepare a GIPS Advertisement for a BDPF, but it is not required to do so.

Because a firm that manages and markets only BDPFs is not required to provide a GIPS Report to BDPF prospective investors, and it is also not required to create a GIPS Advertisement, a claim of compliance with the GIPS standards might not appear in any of the firm's marketing materials.

This Guidance Statement addresses the situation in which a firm manages only BDPFs and elects not to create any GIPS Reports or GIPS Advertisements but wishes to claim compliance with the GIPS standards in consultant databases or when responding to Requests for Proposal (RFPs).

If a firm manages only BDPFs but chooses to prepare GIPS Reports or GIPS Advertisements, then the firm would not follow this Guidance Statement and must comply with all of the applicable requirements of the GIPS standards for Firms. For example, if the firm decides to offer a strategy to segregated accounts, it must create a composite for the strategy that includes any BDPFs that meet the composite definition, and it must provide a GIPS Composite Report to prospective clients for that strategy.

Question 1: Is the proposed Guidance Statement on Firms Managing Only Broad Distribution Pooled Funds helpful?

Question 2: If a firm manages only BDPFs and does not prepare GIPS Reports or GIPS Advertisements, should it be allowed to claim compliance outside of the GIPS Report or GIPS Advertisement? Why or why not?

Applicable Requirements

The GIPS standards are ethical standards for investment performance presentation to ensure fair representation and full disclosure of a firm's performance. Firms must comply with all requirements of the GIPS standards that apply to the firm, including requirements found within the provisions of the GIPS standards as well as within any Guidance Statements, interpretations, and Questions & Answers (Q&As) published by CFA Institute and the GIPS standards governing bodies. Firms must also comply with all updates and clarifications published by these entities. Firms must review all of the provisions and other requirements of the GIPS standards to determine each requirement's applicability. As is true for all firms claiming compliance, it is especially important for a firm that is not preparing and presenting GIPS Reports or GIPS Advertisements to carefully evaluate each requirement in conjunction with this Guidance Statement in order to determine the applicability.

Consultant Databases and RFPs

Firms managing only BDPFs are not required to provide a GIPS Report to BDPF prospective investors, which includes consultant databases. A firm managing only BDPFs may wish to present performance to consultant databases or respond to RFPs and claim compliance, but not claim compliance within a GIPS Report.

Consultant databases or RFPs often require investment management firms to fill in monthly or quarterly performance data. The consultant databases or RFPs then ask the manager to indicate whether or not the data presented has been prepared in accordance with the GIPS standards. When responding to such a question, a firm that claims compliance with the GIPS standards may state that the returns “are prepared in compliance with the GIPS standards” if the performance information used to report to the consultant database or complete the RFP is consistent with the information that would be used to prepare the corresponding GIPS Report, if one were to be prepared.

Firms must not link actual performance to historical theoretical performance in consultant databases. Theoretical performance that is not linked to actual performance may be presented when responding to an RFP or when providing information in a database for a strategy a firm does not currently manage, but it must be clearly identified as model or hypothetical information.

Firm Definition

The definition of the firm is the foundation for firm-wide compliance and creates defined boundaries for determining total firm assets. Only firms that manage actual assets may claim compliance with the GIPS standards. Compliance cannot be met on a pooled fund basis and can be met only on a firm-wide basis. For example, if a firm definition includes both equity and fixed-income BDPFs, the firm cannot state in a consultant database that only its equity BDPFs are in compliance with the GIPS standards. The firm must comply with all of the applicable requirements of the GIPS standards, as described within this Guidance Statement, on a firm-wide basis.

Total Firm Assets

Total firm assets include all discretionary and non-discretionary assets for which a firm has investment management responsibility. Total firm assets include assets assigned to a sub-advisor provided the firm has discretion over the selection of the sub-advisor. Total firm assets define the universe of portfolios that must be considered in the GIPS compliance process.

When reporting to a consultant database or responding to an RFP questionnaire, a firm that claims compliance with the GIPS standards may report total firm assets that would be included in a GIPS Report, if one were to be prepared.

List of BDPF Descriptions

Firms must maintain a complete list of BDPFs. It is not required that a firm’s list of BDPFs include terminated pooled funds. Once a pooled fund is closed, it is no longer available for investment and typically would not be restarted. The list can be at the fund level; it does not have to be at the share class level.

Firms are not required to maintain a complete list of BDPF descriptions. Instead, a firm must provide the list of BDPFs and a description of any BDPF to any consultant database and to those organizations for which the firm prepares an RFP response that makes such a request.

If the firm includes information about all of its BDPFs on its website, the firm may direct a consultant database or indicate in an RFP response to consult its website rather than provide the list directly. Firms may provide a prospectus or offering document for the BDPF to fulfill this request.

Valuing BDPFs

Firms must value BDPFs in accordance with the pooled fund–specific valuation policy. It is possible that all of a firm's pooled funds use the same valuation policy; however, the appropriate policy must be determined for each BDPF. The firm must not simply establish this policy on a firm-wide basis without considering whether the policy is appropriate for each BDPF.

Valuations must reflect fair value. The GIPS standards include a recommended valuation hierarchy; see Provision 2.B.6. Firms are not required to follow the valuation hierarchy, but it is recommended that they do so. It is important that a firm establish fair valuation policies that take into account the specific characteristics of asset classes or investment products. For example, to fair value an international pooled fund might require a firm to roll forward the valuation of the fund to the local market, in order to strike a net asset value (NAV) based on more-current prices than the local market close prices.

When calculating time-weighted returns for BDPFs that are not included in a composite, pooled funds must be valued whenever there are subscriptions to or redemptions from the pooled fund, and as of the period end for any period for which performance is calculated. While these are the minimum valuation requirements, many firms value pooled funds every day, even when there are no subscriptions or redemptions.

There may be instances in which some investments in a pooled fund may not be valued because of a holiday. The firm's policy may be to not strike an NAV or value the pooled fund for that particular day because of the lack of valuations for all securities. For example, assume 31 December is a holiday in some markets and, as a result, 30% of the investments in the XYZ Fund are not valued. Assume the firm's policy is to not strike an NAV unless at least 75% of the assets are valued, so the last NAV struck is on 30 December. If the difference in performance is material, this fact should be disclosed. The firm should use the benchmark value from 30 December if it is available.

A firm must ensure that its policies for valuing assets address not only those managed internally but also those managed externally. A firm claiming compliance with the GIPS standards that uses external managers and service providers is responsible for having policies and procedures in place to ensure that the relevant outsourced services produce information on which the firm relies that is consistent with the requirements of the GIPS standards and that all GIPS standards requirements have been met.

Calculating Performance for BDPFs

Pooled fund sub-period returns must be calculated whenever there are subscriptions to or redemptions from the pooled fund. This means that pooled funds use a "true" TWR calculation methodology, which requires valuation and return calculation with every external cash flow. The periodic and sub-period returns must be geometrically linked.

A firm must ensure that its policies for calculating performance address not only assets managed internally but also those managed externally or for which performance is calculated externally. A firm claiming compliance with the GIPS standards that uses external managers and service providers is responsible for having policies and procedures in place to ensure that the relevant outsourced services produce information on which the firm relies that is consistent with the requirements of the GIPS standards and that all GIPS standards requirements have been met.

Total Returns

When calculating performance for BDPFs, returns must be total returns. Total return, which is measured over a specified period, has two components: (1) the appreciation or depreciation (capital change) of the assets in the portfolio over the specified period and (2) the income earned on the assets in the portfolio over the specified period. When calculating the performance of a BDPF, firms are required to use a total return.

Trade Date Accounting

For periods beginning on or after 1 January 2005, trade date accounting must be used. For the purpose of complying with the GIPS standards, trade date accounting is defined as recognizing the asset or liability on the date of purchase or sale and not on the settlement date. Recognizing the asset or liability within three business days of the date the transaction is entered into (the trade date T, T + 1, T + 2, or T + 3) satisfies the trade date accounting requirement for purposes of the GIPS standards. However, local regulatory requirements may differ. Firms must keep abreast of all regulatory requirements with regard to performance valuation and calculation methodology.

Settlement date accounting recognizes the asset or liability on the date when the exchange of cash and investments is completed. For purchases, when using settlement date accounting, any movement in value between the trade date or booking date and the settlement date will not affect performance until the settlement date. For purchases, when using trade date accounting, the change in value will be reflected for each valuation between trade date and settlement date. Performance comparisons between pooled funds that use settlement date accounting and those that use trade date accounting may not be valid. The same problem occurs when comparing settlement date pooled funds with their benchmarks.

The principle behind requiring trade date accounting is to ensure there is not a significant lag between trade execution and reflecting the trade in the performance of a pooled fund. For the purpose of compliance with the GIPS standards, pooled funds are considered to satisfy the trade date accounting requirement provided that transactions are recorded and recognized consistently and within normal market practice—typically, a period between the trade date and up to three business days after the trade date (T + 3).

For some pooled funds, firms may need to differentiate between the date of placing a subscription/redemption order and the date of the effective asset ownership transfer. The date of the execution or transfer of ownership (in this case, when the definitive quantity and settlement price of the asset being purchased/sold is determined and becomes known) should be considered the trade date.

External cash flows are typically booked on the date when they are actually received or distributed. If a firm receives notification of incoming funds and trades on a pre-announced external cash inflow before it is received into the portfolio, the portfolio will become leveraged during the period between the trade date and the date when the external cash inflow is physically received.

To “cover” this additional exposure and eliminate the leverage effect, firms may choose to apply the trade date and settlement date principles to pre-arranged external cash flows by booking the external cash flow with a trade date that reflects the date the firm may trade in advance of the external cash inflow and a settlement date that reflects the date when the cash is received. If the firm chooses to match the trade date of pre-announced external cash flows to the trade date of trades related to those external cash flows, it should establish this approach as its policy and treat all pre-announced external cash flows consistently.

Accrual Accounting for Fixed-Income Securities (Except Cash Equivalents)

Accrual accounting must be used for fixed-income securities and all other investments that earn interest income, except that interest income on cash and cash equivalents may be recognized on a cash basis. Any accrued income must be included in the beginning and ending portfolio values when performance is calculated. Accrual accounting allows the recording of financial transactions as they come into existence rather than when they are paid or settled. When determining the valuation for a security that pays interest income, firms must include the income that would have been received at the end of the performance period had the security actually paid interest income earned during the performance period.

Accrued interest income must be included in both the beginning and ending BDPF values when performance is calculated. Interest should be accrued for a security in the BDPF using whatever method is customary and appropriate for that security. Some instruments already include accrued income as part of the security’s market price. If income for these instruments is being accrued as part of the income recognition process, steps should be taken to ensure that the income is not double counted.

Income on cash and cash equivalents may be recognized on either an accrual or cash basis. Accrued income for cash and cash equivalents can be difficult to calculate. Unlike bonds with a known coupon rate, some short-term securities (e.g., overnight deposits) may not have a published interest rate. Firms must develop a methodology for accounting for short-term interest earnings and consistently apply the method selected.

Firms could consider using the last actual known interest rate to accrue income for the most recent period. When the actual rate becomes known, an adjustment can then be made to allocate the actual income earned to the proper period. In this way, there is no systematic underestimation or overestimation of income, and income is also properly assigned to the period when earned. Cash-basis accounting (recording the income for short-term cash and cash equivalents as it is actually received) will tend to lag the suggested accrual method by recognizing income a month after it was earned. Either method is acceptable, however, and the method chosen must be used consistently.

An issue that may arise is how to calculate the performance of a bond, including the accrual of interest, when a bond goes into default. In this situation, the firm must recognize the loss when it occurred, and the historical performance must not be recalculated. The accrual of interest must be included in the calculation method up until the point of the bond’s default. At that point, the calculation method would reflect the loss of accrued interest by adjusting the amount of accrued interest to zero. When and if the bond comes out of default and there is a reasonable expectation that the bond will commence paying interest, including back interest, the firm must begin accruing for such interest payments. The firm must not allocate such payments over periods when they were originally due but not paid.

Inclusion of Cash and Cash Equivalents

Returns from cash and cash equivalents must be included in all return calculations, even if the firm does not control the specific cash investment(s). Returns earned on cash and cash equivalents held in BDPFs must be combined with the returns of other assets in the BDPF to calculate the BDPF's return. The firm's asset allocation decisions, including allocation to cash, are a component of investment strategy implementation and thus part of the BDPF's return.

Transaction Costs

All returns must be calculated after the deduction of transaction costs incurred during the period. Transaction costs are defined as the costs of buying or selling investments. These costs typically take the form of brokerage commissions, exchange fees and/or taxes, and/or bid–offer spreads from either internal or external brokers. Custodial fees charged per transaction should be considered custody fees and not transaction costs. For real estate, private equity, and other private market investments, transaction costs include all legal, financial, advisory, and investment banking fees related to buying, selling, restructuring, and/or recapitalizing investments but do not include dead deal costs.

Net returns must reflect the deduction of transaction costs and total pooled fund fees. Total pooled fund fees include all of the fees and expenses charged to the pooled fund, including investment management fees, administrative fees, and other expenses. Total pooled fund fees do not include sales charges and loads that are associated with buying or selling shares of a pooled fund.

Recordkeeping

The GIPS standards require that all data and information necessary to support all items included in GIPS Composite Reports, GIPS Pooled Fund Reports, and GIPS Advertisements must be captured, maintained, and available within a reasonable time frame, for all periods presented in these reports and advertisements. When a firm claims compliance when providing performance to consultant databases and responding to RFPs, it should capture and maintain records to support such performance and apply the same recordkeeping policies that would apply to a GIPS Report or GIPS Advertisement.

Question 3: Do you agree with this approach to recordkeeping for when firms are responding to RFPs and consultant databases? Should firms instead be required to apply the same recordkeeping policies that would apply to a GIPS Report or GIPS Advertisement? Why or why not?

False or Misleading Information

The firm must not present performance or performance-related information that is false or misleading. The underlying principles of the GIPS standards, fair representation and full disclosure, help to ensure that current and prospective investors are not given performance or performance-related information that is incomplete, inaccurate, biased, or fraudulent. Firms must not present any performance or performance-related information that is known to be inaccurate or that may mislead pooled fund current investors or prospective investors. This concept applies to all performance and performance-related materials on a firm-wide basis and is not limited to those materials that reference the GIPS standards. An example of information that is misleading and unrepresentative is model performance that is presented as actual performance. Firms are not limited to providing only GIPS-compliant information to prospective investors or other interested parties. Firms may present other performance or performance-related information as long as it is not false or misleading. This includes performance and performance-related information presented to consultant databases and in RFP responses.

A firm may wish to present performance for select time periods, other than the time period(s) required and recommended by the GIPS standards when presenting performance information to a consultant database and in an RFP. For example, if the market experienced a sharp decline during the first two months of the calendar year and became more stable in March, the firm may want to show performance of its BDPF from 1 January through 28 February and from 1 March through 31 December. Firms may present performance for select time periods when presenting performance to consultant databases and when responding to an RFP with the appropriate disclosure and labeling.

The firm may provide to a consultant database any information requested by the consultant database. The same is true for when firms are responding to an RFP or a request from a prospective investor. The performance must be accompanied by comprehensive disclosures that explain the information being presented.

When providing pooled fund benchmark information to the consultant database or when responding to an RFP, the benchmark presented should be the same benchmark that would have been included in a GIPS Report if one were to be created. Presenting a benchmark that differs from the benchmark that would be included in the GIPS Report could be misleading. When presenting risk measures of the pooled fund and the benchmark, the periodicity used to calculate these risk measures should be the same. Presenting risk measures that do not use the same periodicity could be misleading.

Error Correction

Firms must not present performance or performance-related information that is false or misleading. Therefore, if there is a material error when presenting performance or performance-related information to a consultant database and when responding to RFPs, firms managing only BDPFs must correct the material error and provide corrected information to the consultant database or the recipient of RFP responses. The firm should follow its GIPS Standards Error Correction policy for the information provided to consultant databases and when responding to RFPs.

Question 4: Do you agree with this approach to error correction for when firms are responding to RFPs and consultant databases? Should firms instead be required to apply their GIPS Standards Error Correction policy to the information provided to consultant databases and when responding to RFPs? Why or why not?

Portability

When a manager, group of managers, or an entire firm joins a new firm, the performance of the past firm or affiliation may be linked to or used to represent the historical performance of a new or acquiring firm if all of the following requirements are met on a pooled fund–specific basis:

- Substantially all of the investment decision makers (e.g., research department staff, portfolio managers, and other relevant staff) are employed by the new or acquiring firm;
- The decision-making process remains substantially intact and independent within the new or acquiring firm;
- The new or acquiring firm has records that document and support the performance; and

- There is no break in the track record between the past firm or affiliation and the new or acquiring firm.

If all of these portability requirements are met, the historical track record for the pooled fund from the past or acquired firm may be ported and linked to the continuing pooled fund track record at the new or acquiring firm and presented as a continuous track record. Although the linking of the track record is not required, it is best practice to do so. If a firm is presenting portable performance to a consultant database or when responding to an RFP, the portability-related requirements must be met for the specific pooled fund.

If a GIPS-compliant firm acquires another firm or affiliation, the firm has one year to bring any non-compliant assets into compliance. Assets of the acquired non-compliant firm or affiliation must meet all the requirements of the GIPS standards within one year of the acquisition date, on a going forward basis.

Laws and Regulations

Firms must comply with all applicable laws and regulations regarding the calculation and presentation of performance, and they must create policies and procedures to monitor and identify changes and additions to laws and regulations regarding the calculation and presentation of performance. Firms must also comply with all applicable laws and regulations regarding the calculation and presentation of performance in the country or countries in which they are domiciled as well as those countries in which they do business. Firms must create policies and procedures to ensure that they adhere to all applicable laws and regulations regarding the calculation and presentation of performance. Firms must also have policies and procedures to identify and monitor changes and additions to laws and regulations regarding the calculation and presentation of performance. This requirement applies to all performance information prepared by a firm and would include information provided to consultant databases and when responding to RFPs.

GIPS Compliance Notification Form

Even though a firm managing only BDPFs may not be making the claim of compliance in a GIPS Report or GIPS Advertisement, it must notify CFA Institute of its claim of compliance by submitting the GIPS compliance notification form when it initially claims compliance and by 30 June annually thereafter.

Verification and Performance Examination

Verification is a process by which an independent verifier conducts testing of a firm on a firm-wide basis, in accordance with the required verification procedures of the GIPS standards. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm’s policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. A firm managing only BDPFs can be verified. If a firm managing only BDPFs is verified, the scope will be limited because some of the information normally tested does not exist, (e.g., distribution of GIPS Reports).

Question 5: Do you agree that firms managing only BDPFs should be able to obtain a verification? Why or why not?

Compliance Statement

The compliance statement that appears in GIPS Reports must be disclosed using certain required language. If a firm managing only BDPFs is verified, it can use a modified compliance statement when reporting to a consultant database or when responding to an RFP, as follows:

> [Insert name of firm], which manages only broad distribution pooled funds, claims compliance with the Global Investment Performance Standards (GIPS®). [Insert name of firm] has been independently verified for the periods [insert dates]. The verification report(s) is/are available upon request.
>
> A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to broad distribution pooled fund maintenance, as well as the calculation of performance of such funds, have been designed in compliance with the GIPS standards and the provision of the performance of such funds is in accordance with the Guidance Statement for Firms Managing Only Broad Distribution Pooled Funds. Verification does not provide assurance on the accuracy of any specific performance report.

The following compliance statement is recommended for a firm managing only BDPFs that has not been verified.

> [Insert name of firm], which manages only broad distribution pooled funds, claims compliance with the Global Investment Performance Standards (GIPS®). [Insert name of firm] has not been independently verified.

Question 6: Do you agree with the modified compliance statement language for firms managing only BDPFs? Why or why not?

Performance Examination

A performance examination is a process by which an independent verifier conducts testing of a specific pooled fund in accordance with the required performance examination procedures of the GIPS standards. A performance examination tests, for a specific pooled fund:

- whether the firm has calculated the pooled fund performance in compliance with the GIPS standards, and
- whether the firm has prepared and presented the BDPF's GIPS Report in compliance with the GIPS standards.

When a firm does not prepare a GIPS Report for a BDPF, it may not obtain a performance examination for that BDPF because there is no GIPS Report to test.

Applicable Provisions

Because the firm will not be creating GIPS Composite Reports, GIPS Pooled Fund Reports, or GIPS Advertisements, the applicable provisions of the GIPS Standards are in the Fundamentals of Compliance and Input Data and Calculation Methodology sections (Sections 1 and 2). The following indicates those provisions that are applicable and those that are not applicable to a firm managing only BDPFs that do not prepare and present GIPS Reports or GIPS Advertisements. In addition to the applicable requirements, firms are encouraged to apply the recommendations in Sections 1 and 2 as well.

Question 7: Do you agree with the applicability of each of the provisions in Sections 1 and 2? Why or why not?

Provision #	Provision	Applicable?	Comments
1.A.1	The GIPS standards MUST be applied on a FIRM-wide basis. Compliance MUST be met on a FIRM-wide basis and cannot be met on a COMPOSITE, POOLED FUND, or PORTFOLIO basis.	Yes	
1.A.2	The FIRM MUST be defined as an investment firm, subsidiary, or division held out to the public as a DISTINCT BUSINESS ENTITY.	Yes	
1.A.3	To initially claim compliance with the GIPS standards, the FIRM MUST attain compliance for a minimum of five years or for the period since the FIRM inception if the FIRM has been in existence for less than five years.	Yes	
1.A.4	The FIRM MUST comply with all applicable REQUIREMENTS of the GIPS standards, including any Guidance Statements, interpretations, and Questions & Answers (Q&As) published by CFA Institute and the GIPS standards governing bodies.	Yes	
1.A.5	The FIRM MUST: a. Document its policies and procedures used in establishing and maintaining compliance with the REQUIREMENTS of the GIPS standards, as well as any RECOMMENDATIONS it has chosen to adopt, and apply them consistently. b. Create policies and procedures to monitor and identify changes and additions to all of the Guidance Statements, interpretations, and Q&As published by CFA Institute and the GIPS standards governing bodies.	Yes	
1.A.6	The FIRM MUST: a. Comply with all applicable laws and regulations regarding the calculation and presentation of performance. b. Create policies and procedures to monitor and identify changes and additions to laws and regulations regarding the calculation and presentation of performance.	Yes	
1.A.7	The FIRM MUST NOT present performance or PERFORMANCE-RELATED INFORMATION that is false or misleading. This REQUIREMENT applies to all performance or PERFORMANCE-RELATED INFORMATION on a FIRM-wide basis and is not limited to those materials that reference the GIPS standards. The FIRM may provide any performance or PERFORMANCE-RELATED INFORMATION that is specifically requested by a PROSPECTIVE CLIENT or PROSPECTIVE INVESTOR for use in a one-on-one presentation.	Yes	

Provision #	Provision	Applicable?	Comments
1.A.8	If the FIRM does not meet all the applicable REQUIREMENTS of the GIPS standards, the FIRM MUST NOT represent or state that it is "in compliance with the Global Investment Performance Standards except for..." or make any other statements that may indicate compliance or partial compliance with the GIPS standards.	Yes	
1.A.9	Statements referring to the calculation methodology as being "in accordance," "in compliance," or "consistent" with the Global Investment Performance Standards, or similar statements, are prohibited.	Yes	
1.A.10	The FIRM MUST NOT make statements referring to the performance of a current client or POOLED FUND investor as being "calculated in accordance with the Global Investment Performance Standards," except for when a GIPS-compliant FIRM reports the performance of a SEGREGATED ACCOUNT to current clients or a POOLED FUND to current investors.	Yes	
1.A.11	The FIRM MUST make every reasonable effort to provide a GIPS COMPOSITE REPORT to all PROSPECTIVE CLIENTS when they initially become PROSPECTIVE CLIENTS. The FIRM MUST NOT choose to which PROSPECTIVE CLIENTS it presents a GIPS COMPOSITE REPORT.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.12	Once the FIRM has provided a GIPS COMPOSITE REPORT to a PROSPECTIVE CLIENT, the FIRM MUST provide an updated GIPS COMPOSITE REPORT at least once every 12 months if the PROSPECTIVE CLIENT is still a PROSPECTIVE CLIENT.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.13	The FIRM MUST make every reasonable effort to provide a GIPS REPORT to all LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTORS when they initially become PROSPECTIVE INVESTORS. The GIPS REPORT may be either: a. A GIPS POOLED FUND REPORT, or b. A GIPS COMPOSITE REPORT. A GIPS COMPOSITE REPORT may be provided only if the LIMITED DISTRIBUTION POOLED FUND is included in the respective COMPOSITE. The FIRM MUST NOT choose to which LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTORS it presents a GIPS REPORT.	n/a	N/A because the firm does not manage limited distribution pooled funds.
1.A.14	Once the FIRM has provided a GIPS POOLED FUND REPORT or a GIPS COMPOSITE REPORT to a LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR, the FIRM MUST provide an updated GIPS POOLED FUND REPORT or GIPS COMPOSITE REPORT at least once every 12 months if the LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR is still a LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR.	n/a	N/A because the firm does not manage limited distribution pooled funds.
1.A.15	The FIRM may provide a GIPS POOLED FUND REPORT or a GIPS COMPOSITE REPORT that includes the BROAD DISTRIBUTION POOLED FUND to BROAD DISTRIBUTION POOLED FUND PROSPECTIVE INVESTORS but is not REQUIRED to do so.	Yes	.
1.A.16	When providing GIPS REPORTS to PROSPECTIVE CLIENTS and PROSPECTIVE INVESTORS, the FIRM MUST update these reports to include information through the most recent annual period end within 12 months of that annual period end.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.17	The FIRM MUST be able to demonstrate how it made every reasonable effort to provide: a. A GIPS COMPOSITE REPORT to those PROSPECTIVE CLIENTS REQUIRED to receive a GIPS COMPOSITE REPORT. b. A GIPS POOLED FUND REPORT or GIPS COMPOSITE REPORT to those LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTORS REQUIRED to receive a GIPS POOLED FUND REPORT or GIPS COMPOSITE REPORT.	n/a	N/A because the firm does not prepare GIPS Reports.

Provision #	Provision	Applicable?	Comments
1.A.18	A COMPOSITE BENCHMARK used in a GIPS COMPOSITE REPORT MUST reflect the investment mandate, objective, or strategy of the COMPOSITE. The FIRM MUST NOT use a price-only BENCHMARK in a GIPS COMPOSITE REPORT.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.19	A POOLED FUND BENCHMARK used in a GIPS POOLED FUND REPORT MUST reflect the investment mandate, objective, or strategy of the POOLED FUND. The FIRM MUST NOT use a price-only BENCHMARK in a GIPS POOLED FUND REPORT.	Yes	
1.A.20	The FIRM MUST correct MATERIAL ERRORS in GIPS COMPOSITE REPORTS and MUST: a. Provide the corrected GIPS COMPOSITE REPORT to the current verifier. b. Provide the corrected GIPS COMPOSITE REPORT to current clients and any former verifiers that received the GIPS COMPOSITE REPORT that had the MATERIAL ERROR. c. Make every reasonable effort to provide the corrected GIPS COMPOSITE REPORT to all current PROSPECTIVE CLIENTS and PROSPECTIVE INVESTORS that received the GIPS COMPOSITE REPORT that had the MATERIAL ERROR. The FIRM is not REQUIRED to provide the corrected GIPS COMPOSITE REPORT to former clients, former investors, former PROSPECTIVE CLIENTS, or former PROSPECTIVE INVESTORS.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.21	The FIRM MUST correct MATERIAL ERRORS in GIPS POOLED FUND REPORTS and MUST: a. Provide the corrected GIPS POOLED FUND REPORT to the current verifier. b. Provide the corrected GIPS POOLED FUND REPORT to current investors and any former verifiers that received the GIPS POOLED FUND REPORT that had the MATERIAL ERROR. c. Make every reasonable effort to provide the corrected GIPS POOLED FUND REPORT to all current PROSPECTIVE INVESTORS that received the GIPS POOLED FUND REPORT that had the MATERIAL ERROR. The FIRM is not REQUIRED to provide the corrected GIPS COMPOSITE REPORT to former investors or former PROSPECTIVE INVESTORS.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.22.a	The FIRM MUST maintain a complete list of COMPOSITE DESCRIPTIONS. The FIRM MUST include terminated COMPOSITES on this list for at least five years after the COMPOSITE TERMINATION DATE.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
1.A.22.b	The FIRM MUST maintain a complete list of POOLED FUND DESCRIPTIONS for LIMITED DISTRIBUTION POOLED FUNDS. The FIRM is not REQUIRED to include terminated LIMITED DISTRIBUTION POOLED FUNDS on this list.	n/a	N/A because the firm does not manage limited distribution pooled funds.
1.A.22.c	The FIRM MUST maintain a complete list of BROAD DISTRIBUTION POOLED FUNDS. The FIRM is not REQUIRED to include terminated BROAD DISTRIBUTION POOLED FUNDS on this list.	Yes	
1.A.23.a	The FIRM MUST provide the complete list of COMPOSITE DESCRIPTIONS to any PROSPECTIVE CLIENT that makes such a request.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
1.A.23.b	The FIRM MUST provide the complete list of POOLED FUND DESCRIPTIONS for LIMITED DISTRIBUTION POOLED FUNDS to any LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR that makes such a request. This list may include only the LIMITED DISTRIBUTION POOLED FUNDS for which the PROSPECTIVE INVESTOR is eligible.	n/a	N/A because the firm does not manage limited distribution pooled funds.

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1.A.23.c	The FIRM MUST provide the complete list of BROAD DISTRIBUTION POOLED FUNDS to any BROAD DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR that makes such a request. This list may include only the BROAD DISTRIBUTION POOLED FUNDS for which the PROSPECTIVE INVESTOR is eligible. If the FIRM maintains a complete list of BROAD DISTRIBUTION POOLED FUNDS on its website, the FIRM may instead direct the PROSPECTIVE INVESTOR to the FIRM'S website.	Yes	
1.A.23.d	The FIRM MUST provide the POOLED FUND DESCRIPTION for any BROAD DISTRIBUTION POOLED FUND to any BROAD DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR that makes such a request.	Yes	
1.A.24	The FIRM MUST provide: a. A GIPS COMPOSITE REPORT for any COMPOSITE listed on the FIRM'S list of COMPOSITE DESCRIPTIONS to any PROSPECTIVE CLIENT that makes such a request. b. A GIPS POOLED FUND REPORT or GIPS COMPOSITE REPORT, provided the LIMITED DISTRIBUTION POOLED FUND is included in the respective COMPOSITE, for any LIMITED DISTRIBUTION POOLED FUND on the FIRM'S list of POOLED FUND DESCRIPTIONS to any LIMITED DISTRIBUTION POOLED FUND PROSPECTIVE INVESTOR that makes such a request.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.25	All data and information necessary to support all items included in GIPS COMPOSITE REPORTS, GIPS POOLED FUND REPORTS, and GIPS ADVERTISEMENTS MUST be captured, maintained, and available within a reasonable time frame, for all periods presented in these reports and advertisements.	n/a	N/A because the firm does not prepare GIPS Reports or GIPS Advertisements.
1.A.26	The FIRM is responsible for its claim of compliance with the GIPS standards and MUST ensure that the records and information provided by any third party on which the FIRM relies meet the REQUIREMENTS of the GIPS standards.	Yes	
1.A.27	The FIRM MUST NOT LINK actual performance to historical THEORETICAL PERFORMANCE.	Yes	
1.A.28	Changes in the FIRM'S organization MUST NOT lead to alteration of historical performance.	Yes	
1.A.29	For TIME-WEIGHTED RETURNS presented in GIPS REPORTS, the FIRM MUST NOT LINK non-GIPS-compliant performance for periods beginning on or after the MINIMUM EFFECTIVE COMPLIANCE DATE to GIPS-compliant performance. The FIRM may LINK non-GIPS-compliant performance to GIPS-compliant performance in GIPS REPORTS provided that only GIPS-compliant performance is presented for periods beginning on or after the MINIMUM EFFECTIVE COMPLIANCE DATE.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.30	For MONEY-WEIGHTED RETURNS presented in GIPS REPORTS, the FIRM MUST NOT present non-GIPS-compliant performance for periods ending on or after the MINIMUM EFFECTIVE COMPLIANCE DATE. The FIRM may present non-GIPS-compliant performance in GIPS REPORTS for periods ending prior to the MINIMUM EFFECTIVE COMPLIANCE DATE.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.
1.A.31	When the FIRM jointly markets with other firms, the FIRM claiming compliance with the GIPS standards MUST ensure that the FIRM is clearly defined and separate relative to other firms being marketed and also that it is clear which FIRM is claiming compliance.	Yes	
1.A.32	Performance from a past firm or affiliation may be used to represent the historical performance of the new or acquiring FIRM and LINKED to the performance of the new or acquiring FIRM if the new or acquiring FIRM meets the following REQUIREMENTS on a COMPOSITE-specific or POOLED FUND–specific basis: a. Substantially all of the investment decision makers MUST be employed by the new or acquiring FIRM (e.g., research department staff, portfolio managers, and other relevant staff); b. The decision-making process MUST remain substantially intact and independent within the new or	Yes	

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	acquiring FIRM; c. The new or acquiring FIRM MUST have records to support the performance; and d. There MUST be no break in the track record between the past firm or affiliation and the new or acquiring FIRM. If any of the above REQUIREMENTS are not met, the performance from a past firm or affiliation MUST NOT be LINKED to the ongoing performance record of the new or acquiring FIRM.		
1.A.33	Performance from a past firm or affiliation may be used to represent the historical performance of the new or acquiring FIRM when there is a break in the track record between the past firm or affiliation and the new or acquiring FIRM if the new or acquiring FIRM meets the following REQUIREMENTS on a COMPOSITE-specific or POOLED FUND–specific basis: a. Substantially all of the investment decision makers MUST be employed by the new or acquiring FIRM (e.g., research department staff, portfolio managers, and other relevant staff); b. The decision-making process MUST remain substantially intact and independent within the new or acquiring FIRM; c. The new or acquiring FIRM MUST have records to support the performance; d. The new or acquiring FIRM MUST separately present the performance before the break and after the break; and e. The new or acquiring FIRM MUST NOT LINK performance prior to the break in the track record to the performance after the break in the track record.	Yes	
1.A.34	If the FIRM acquires another firm or affiliation, the FIRM has one year to bring any non-compliant assets into compliance. Assets of the acquired non-compliant firm or affiliation MUST meet all the REQUIREMENTS of the GIPS standards within one year of the acquisition date, on a going forward basis.	Yes	
1.A.35	The FIRM MUST present TIME-WEIGHTED RETURNS unless certain criteria are met, in which case the FIRM may present MONEY-WEIGHTED RETURNS. The FIRM may present MONEY-WEIGHTED RETURNS only if the FIRM has control over the EXTERNAL CASH FLOWS into the PORTFOLIOS in the COMPOSITE or POOLED FUND, and the PORTFOLIOS in the COMPOSITE have or the POOLED FUND has at least one of the following characteristics: a. CLOSED-END b. FIXED LIFE c. FIXED COMMITMENT d. ILLIQUID INVESTMENTS as a significant part of the investment strategy.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.
1.A.36	The FIRM MUST choose if it will present TIME-WEIGHTED RETURNS, MONEY-WEIGHTED RETURNS, or both for each COMPOSITE or POOLED FUND, and it MUST consistently present the selected returns for each COMPOSITE or POOLED FUND.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.
1.A.37	If the FIRM chooses to include a GIPS COMPOSITE REPORT or GIPS POOLED FUND REPORT in marketing materials, the FIRM MUST indicate this fact in the marketing materials.	n/a	N/A because the firm does not prepare GIPS Reports.
1.A.38	The FIRM MUST notify CFA Institute of its claim of compliance by submitting the GIPS COMPLIANCE NOTIFICATION FORM. This form: a. MUST be filed when the FIRM initially claims compliance with the GIPS standards. b. MUST be updated annually with information as of the most recent 31 December, with the exception	Yes	

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	of FIRM contact information, which MUST be current as of the form submission date. c. MUST be filed annually thereafter by 30 June.		
1.A.39	If the FIRM chooses to be verified, it MUST gain an understanding of the verifier’s policies for maintaining independence and MUST consider the verifier’s assessment of independence.	Yes	
2.A.1	TOTAL FIRM ASSETS: a. MUST be the aggregate FAIR VALUE of all discretionary and non-discretionary assets managed by the FIRM. This includes both fee-paying and non-fee-paying PORTFOLIOS. b. MUST include assets assigned to a SUB-ADVISOR provided the FIRM has discretion over the selection of the SUB-ADVISOR. c. MUST NOT include ADVISORY-ONLY ASSETS. d. MUST NOT include uncalled COMMITTED CAPITAL.	Yes	
2.A.2	TOTAL FIRM ASSETS, COMPOSITE assets, and POOLED FUND assets MUST: a. Include only actual assets managed by the FIRM. b. Be calculated net of discretionary leverage and not grossed up as if the leverage did not exist.	Yes	
2.A.3	The FIRM MUST NOT double count assets when calculating TOTAL FIRM ASSETS, COMPOSITE assets, or POOLED FUND assets.	Yes	
2.A.4	COMPOSITE and POOLED FUND performance MUST be calculated using only actual assets managed by the FIRM.	Yes	
2.A.5	Total FIRM OVERLAY EXPOSURE MUST include all discretionary and non-discretionary OVERLAY STRATEGY PORTFOLIOS for which the FIRM has investment management responsibility.	n/a	N/A because overlay strategies do not apply to broad distribution pooled funds.
2.A.6	When calculating OVERLAY EXPOSURE, the FIRM MUST: a. Use the notional exposure of the OVERLAY STRATEGY PORTFOLIOS, the value of the underlying PORTFOLIOS being overlaid, or a specified target exposure. b. Use the same method for all PORTFOLIOS within a COMPOSITE.	n/a	N/A because overlay strategies do not apply to broad distribution pooled funds.
2.A.7	When calculating OVERLAY STRATEGY PORTFOLIO returns, the FIRM MUST: a. Use as the denominator the notional exposure of the OVERLAY STRATEGY PORTFOLIO, the value of the underlying PORTFOLIO being overlaid, or a specified target exposure. b. Use the same method for all PORTFOLIOS within a COMPOSITE.	n/a	N/A because overlay strategies do not apply to broad distribution pooled funds.
2.A.8	TOTAL RETURNS MUST be used.	Yes	
2.A.9	TRADE DATE ACCOUNTING MUST be used.	Yes	
2.A.10	ACCRUAL ACCOUNTING MUST be used for fixed-income securities and all other investments that earn interest income, except that interest income on cash and cash equivalents may be recognized on a cash basis. Any accrued income MUST be included in the beginning and ending PORTFOLIO values when performance is calculated.	Yes	
2.A.11	Returns from cash and cash equivalents MUST be included in all return calculations, even if the FIRM does not control the specific cash investment(s).	Yes	
2.A.12	Returns for periods of less than one year MUST NOT be annualized.	Yes	
2.A.13	All returns MUST be calculated after the deduction of TRANSACTION COSTS incurred during the period. The FIRM may use estimated TRANSACTION COSTS only for those PORTFOLIOS for which actual TRANSACTION COSTS are not known.	Yes	

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2.A.14	For PORTFOLIOS with BUNDLED FEES, if the FIRM cannot estimate TRANSACTION COSTS or if actual TRANSACTION COSTS cannot be segregated from a BUNDLED FEE: a. When calculating GROSS-OF-FEES returns, returns MUST be reduced by the entire BUNDLED FEE or the portion of the BUNDLED FEE that includes the TRANSACTION COSTS. b. When calculating NET-OF-FEES returns, returns MUST be reduced by the entire BUNDLED FEE or the portion of the BUNDLED FEE that includes the TRANSACTION COSTS and the INVESTMENT MANAGEMENT FEE.	Yes	
2.A.15	All REQUIRED returns MUST be calculated net of discretionary leverage, unless otherwise specified.	Yes	
2.A.16	The FIRM MUST calculate performance in accordance with its COMPOSITE-specific or POOLED FUND–specific calculation policies.	Yes	
2.A.17	For PORTFOLIOS invested in underlying POOLED FUNDS, all returns MUST reflect the deduction of all fees and expenses charged at the underlying POOLED FUND level, unless the FIRM controls the INVESTMENT MANAGEMENT FEES of the underlying POOLED FUNDS. When the FIRM controls the INVESTMENT MANAGEMENT FEES of the underlying POOLED FUNDS, the FIRM may calculate GROSS-OF-FEES returns that do not reflect the deduction of the underlying POOLED FUND INVESTMENT MANAGEMENT FEES.	Yes	
2.A.18	When calculating ADDITIONAL RISK MEASURES: a. The PERIODICITY of the COMPOSITE or POOLED FUND returns and the BENCHMARK returns MUST be the same. b. The risk measure calculation methodology of the COMPOSITE or POOLED FUND and the BENCHMARK MUST be the same.	Yes	
2.A.19	PORTFOLIOS MUST be valued in accordance with the definition of FAIR VALUE.	Yes	
2.A.20	The FIRM MUST value PORTFOLIOS in accordance with the COMPOSITE-specific or POOLED FUND–specific valuation policy.	Yes	
2.A.21	If the FIRM uses the last available historical price or preliminary, estimated value as FAIR VALUE, the FIRM MUST: a. Consider it to be the best approximation of the current FAIR VALUE. b. Assess the difference between the approximation and final value and the effect on COMPOSITE or POOLED FUND assets, TOTAL FIRM ASSETS, and performance, and also make any adjustments when the final value is received.	Yes	
2.A.22	COMPOSITES and POOLED FUNDS MUST have consistent beginning and ending annual valuation dates. Unless the COMPOSITE or POOLED FUND is reported on a non-calendar fiscal year, the beginning and ending valuation dates MUST be at calendar year end or on the last business day of the year.	n/a	N/A because the firm does not prepare GIPS Reports.
2.A.23	When calculating TIME-WEIGHTED RETURNS for PORTFOLIOS that are included in COMPOSITES, all PORTFOLIOS except PRIVATE MARKET INVESTMENT PORTFOLIOS (see 2.A.40) MUST be valued: a. At least monthly. b. As of the calendar month end or the last business day of the month. c. On the date of all LARGE CASH FLOWS. The FIRM MUST define LARGE CASH FLOW for each COMPOSITE to determine when PORTFOLIOS in that COMPOSITE MUST be valued.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.24	When calculating TIME-WEIGHTED RETURNS for all PORTFOLIOS except PRIVATE MARKET INVESTMENT PORTFOLIOS (see 2.A.41) included in COMPOSITES, the FIRM MUST:	n/a	N/A because the firm does not prepare and present composites in GIPS

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	a. Calculate returns at least monthly. b. Calculate monthly returns through the calendar month end or the last business day of the month. c. Calculate sub-period returns at the time of all LARGE CASH FLOWS, if daily returns are not calculated. d. For EXTERNAL CASH FLOWS that are not LARGE CASH FLOWS, calculate PORTFOLIO returns that adjust for daily-weighted EXTERNAL CASH FLOWS, if daily returns are not calculated. e. Treat EXTERNAL CASH FLOWS according to the FIRM'S COMPOSITE-specific policy. f. Geometrically LINK periodic and sub-period returns. g. Consistently apply the calculation methodology used for an individual PORTFOLIO.		Composite Reports or GIPS Advertisements.
2.A.25	When calculating TIME-WEIGHTED RETURNS for POOLED FUNDS that are not included in a COMPOSITE, POOLED FUNDS MUST be valued: a. At least annually. b. As of the calendar or fiscal year end. c. Whenever there are subscriptions to or redemptions from the POOLED FUND. d. As of the period end for any period for which performance is calculated.	Yes	
2.A.26	When calculating TIME-WEIGHTED RETURNS for POOLED FUNDS that are not included in a COMPOSITE, the FIRM MUST: a. Calculate returns at least annually. b. Calculate annual returns through the calendar or fiscal year end or the last business day of the year. c. Calculate sub-period returns at the time of all subscriptions and redemptions. d. Geometrically LINK periodic and sub-period returns. e. When calculating POOLED FUND NET RETURNS, calculate POOLED FUND NET RETURNS that are net of TOTAL POOLED FUND FEES.	Yes	
2.A.27	The FIRM MUST establish a POOLED FUND INCEPTION DATE for each POOLED FUND to determine when the POOLED FUND'S track record begins.	Yes	
2.A.28	When calculating MONEY-WEIGHTED RETURNS, the FIRM MUST value PORTFOLIOS at least annually and as of the period end for any period for which performance is calculated.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.
2.A.29	When calculating MONEY-WEIGHTED RETURNS, the FIRM MUST: a. Calculate annualized SINCE-INCEPTION MONEY-WEIGHTED RETURNS. b. Calculate MONEY-WEIGHTED RETURNS using daily EXTERNAL CASH FLOWS. c. Include stock DISTRIBUTIONS as EXTERNAL CASH FLOWS and value stock DISTRIBUTIONS at the time of DISTRIBUTION. d. When calculating POOLED FUND NET RETURNS, calculate POOLED FUND NET RETURNS that are net of TOTAL POOLED FUND FEES.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.
2.A.30	When calculating COMPOSITE NET-OF-FEES returns, INVESTMENT MANAGEMENT FEES used in the calculation MUST be either: a. Actual INVESTMENT MANAGEMENT FEES incurred by each PORTFOLIO in the COMPOSITE, or b. A model INVESTMENT MANAGEMENT FEE appropriate to PROSPECTIVE CLIENTS.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.31	If the FIRM uses model INVESTMENT MANAGEMENT FEES to calculate COMPOSITE NET-OF-FEES returns, the returns calculated MUST be equal to or lower than those that would have been calculated using actual INVESTMENT MANAGEMENT FEES.	n/a	N/A because the firm does not prepare and present composites in GIPS

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			Composite Reports or GIPS Advertisements.
2.A.32	When calculating POOLED FUND NET RETURNS, TOTAL POOLED FUND FEES used in the calculation MUST be either: a. Actual TOTAL POOLED FUND FEES, or b. A model TOTAL POOLED FUND FEE appropriate to PROSPECTIVE INVESTORS.	Yes	
2.A.33	If the FIRM uses model TOTAL POOLED FUND FEES to calculate POOLED FUND NET RETURNS, the returns calculated MUST be equal to or lower than those that would have been calculated using actual TOTAL POOLED FUND FEES.	Yes	
2.A.34	When calculating COMPOSITE NET-OF-FEES returns and POOLED FUND NET RETURNS, the FIRM MUST reflect any PERFORMANCE-BASED FEE CLAWBACK in the period in which it is repaid.	Yes	
2.A.35	COMPOSITE TIME-WEIGHTED RETURNS except PRIVATE MARKET INVESTMENT COMPOSITES (see 2.A.42) MUST be calculated at least monthly.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.36	COMPOSITE TIME-WEIGHTED RETURNS MUST be calculated by using one of the following approaches: a. Asset-weighting the individual PORTFOLIO returns using beginning-of-period values; b. Asset-weighting the individual PORTFOLIO returns using a method that reflects both beginning-of-period values and EXTERNAL CASH FLOWS; or c. Using the aggregate method.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.37	COMPOSITE GROSS-OF-FEES returns MUST reflect the deduction of TRANSACTION COSTS.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.38	COMPOSITE NET-OF-FEES returns MUST reflect the deduction of TRANSACTION COSTS and INVESTMENT MANAGEMENT FEES.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.39	When calculating COMPOSITE MONEY-WEIGHTED RETURNS, the FIRM MUST calculate COMPOSITE returns by aggregating the PORTFOLIO-level information for those PORTFOLIOS included in the COMPOSITE.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.
2.A.40	When calculating TIME-WEIGHTED RETURNS for PRIVATE MARKET INVESTMENT PORTFOLIOS that are included in COMPOSITES, PRIVATE MARKET INVESTMENT PORTFOLIOS MUST be valued: a. At least quarterly. b. As of each quarter end or the last business day of the quarter.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.41	When calculating TIME-WEIGHTED RETURNS for PRIVATE MARKET INVESTMENT PORTFOLIOS that are included in COMPOSITES, the FIRM MUST: a. Calculate returns at least quarterly. b. Calculate quarterly returns through the calendar quarter end or the last business day of the quarter. c. Calculate PORTFOLIO returns that adjust for daily-weighted EXTERNAL CASH FLOWS. d. Treat EXTERNAL CASH FLOWS according to the FIRM'S COMPOSITE-specific policy.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.

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	e. Geometrically LINK periodic and sub-period returns. f. Consistently apply the calculation methodology used for an individual PORTFOLIO.		
2.A.42	COMPOSITE TIME-WEIGHTED RETURNS for PRIVATE MARKET INVESTMENT COMPOSITES MUST be calculated at least quarterly.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.43	REAL ESTATE investments in a REAL ESTATE OPEN-END FUND MUST have an EXTERNAL VALUATION at least once every 12 months.	Yes	
2.A.44	REAL ESTATE investments that are not in a REAL ESTATE OPEN-END FUND MUST: a. Have an EXTERNAL VALUATION at least once every 12 months unless client agreements stipulate otherwise, in which case REAL ESTATE investments MUST have an EXTERNAL VALUATION at least once every 36 months or per the client agreement if the client agreement REQUIRES EXTERNAL VALUATIONS more frequently than every 36 months; or b. Be subject to an annual financial statement audit performed by an independent public accounting firm. The REAL ESTATE investments MUST be accounted for at FAIR VALUE, and the most recent audited financial statements available MUST contain an unmodified opinion issued by an independent public accounting firm.	Yes	
2.A.45	EXTERNAL VALUATIONS for REAL ESTATE investments MUST be performed by an independent third party who is a professionally designated or certified commercial property valuer or appraiser. In markets where these professionals are not available, the FIRM MUST take necessary steps to ensure that only qualified independent property valuers or appraisers are used.	Yes	
2.A.46	The FIRM MUST NOT use EXTERNAL VALUATIONS for REAL ESTATE investments when the valuer's or appraiser's fee is contingent upon the investment's appraised value.	Yes	
2.A.47	When calculating NET-OF-FEES returns of COMPOSITES containing CARVE-OUTS, the INVESTMENT MANAGEMENT FEES for the CARVE-OUTS MUST be representative of the INVESTMENT MANAGEMENT FEES charged or that would be charged to the PROSPECTIVE CLIENT: a. When presenting performance to a PROSPECTIVE CLIENT for a standalone PORTFOLIO, the INVESTMENT MANAGEMENT FEE MUST be representative of the INVESTMENT MANAGEMENT FEES for a standalone PORTFOLIO managed according to that strategy. b. When presenting performance to a PROSPECTIVE CLIENT for a multi-asset strategy PORTFOLIO, the INVESTMENT MANAGEMENT FEE MUST be representative of the INVESTMENT MANAGEMENT FEES for a multi-asset strategy PORTFOLIO managed according to that strategy.	n/a	N/A because the firm does not prepare and present composites in GIPS Composite Reports or GIPS Advertisements.
2.A.48	When calculating returns to be presented to a WRAP FEE PROSPECTIVE CLIENT, returns MUST be calculated net of the entire WRAP FEE. This is applicable to all WRAP FEE PORTFOLIOS in the COMPOSITE as well as any non–WRAP FEE PORTFOLIOS in the COMPOSITE.	n/a	N/A because the firm does not manage wrap fee portfolios.
2.A.49	All COMPOSITE and POOLED FUND returns MUST include the effect of any discretionary SIDE POCKETS held by PORTFOLIOS in the COMPOSITE or the POOLED FUND.	Yes	
2.A.50	When calculating MONEY-WEIGHTED RETURNS for COMPOSITES and POOLED FUNDS without the SUBSCRIPTION LINES OF CREDIT, the FIRM MUST include the cash flows from the SUBSCRIPTION LINES OF CREDIT.	n/a	N/A because money-weighted returns do not apply to broad distribution pooled funds.

Effective Date

Firms are required to apply this guidance for periods beginning on or after 1 January 2024. Firms are encouraged, but not required, to apply this guidance prior to the effective date.