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IAA, CFA Institute, IMCA, and IPI Release Model RFPs

Four Industry Groups Work Together to Create New Tools

WASHINGTON, D.C./DENVER, September 25, 2008: Three new *Model Request for Proposals (Model RFPs)*—one each for equity investments, fixed income investments, and real estate investments—are now available to help smaller institutional investors streamline and improve their processes of selecting money managers. The *Model RFPs* are the result of collaboration between the CFA Institute Centre for Financial Market Integrity, Investment Management Consultants Association, Institute for Private Investors, and the Investment Adviser Association. They were unveiled this morning at IMCA's Fall Professional Development Conference in Denver.

“We heard from CFA Institute members that there is a real need in the industry for guidelines and templates that help smaller investors appropriately evaluate managers without greatly taxing their limited resources,” said Kurt Schacht, CFA, managing director of the CFA Institute Centre. “The *Model RFP* is one initial tool in the longer process of reviewing and selecting a manager. Each money manager search should be tailored to an investor's specific circumstances and situation.”

A group of volunteer experts from each of the four partner organizations and other industry experts worked together for more than a year to create the *Model RFPs*. Each *Model RFP* is separated into three sections: (1) firm information, (2) product information, and (3) performance information, with questions that can be customized to fit an investor's particular needs. Investors are encouraged by the template to ask questions of potential money managers about firm personnel, compliance history and procedures, governance and proxy structure, and trading and soft dollar practices. Other questions address the specific proposed product, including investment philosophy and process, research, and fees, as well as product performance and compliance with the Global Investment Performance Standards (GIPS®). The GIPS standards are a set of standardized, industry-wide ethical principles that provide investment firms with guidance on how to calculate and report their investment results to prospective clients.

“Greater consistency and a more targeted focus in the RFP process would serve the interests of both investors and investment managers,” said David Tittsworth, executive director of the Investment Adviser Association. “The *Model RFP* project is a positive step toward that goal.”

“This project is a perfect example of the positive outcomes that can occur when like-minded organizations work together,” said Dede Pahl, IMCA’s executive director. “The *Model RFPs* that resulted from this collaborative effort showcase a variety of universal best practices, and provide assistance to investment professionals with the sometimes arduous RFP process.”

“Due diligence is more important than ever today, and these templates offer concrete assistance to anyone who seeks a more systematic approach to manager selection” said Charlotte Beyer, founder and CEO of the Institute for Private Investors. “Trusted advisors to families will benefit as well by using these *Model RFPs*.”

The *Model RFPs* are available on the Web sites of the partner organizations and at IMCA’s Fall Professional Development Conference.

About the CFA Institute Centre for Financial Market Integrity

The CFA Institute Centre develops timely, practical solutions to global capital market issues. Established in 2004, the CFA Institute Centre builds upon the CFA Institute mission to lead the investment profession globally by setting the highest standards of ethics, education, and professional excellence. It carries forward the organization’s 60-year history of standards and advocacy work, especially its Code of Ethics and Standards of Professional Conduct for the investment profession. More information may be found at www.cfainstitute.org/centre.

About the Investment Adviser Association

The Investment Adviser Association is a not-for-profit organization that exclusively represents the interests of SEC-registered investment advisory firms. Founded in 1937, its membership today consists of more than 500 firms that collectively manage in excess of US\$9 trillion in assets for a wide variety of individual and institutional investors. For more information, please visit www.investmentadviser.org.

About Investment Management Consultants Association

Investment Management Consultants Association (IMCA) was established in 1985 to deliver investment consulting and wealth management credentials and world-class educational offerings. Through membership, conferences, certificate programs, publications, and designations, IMCA provides advisors with the knowledge, tools, and resources required to best serve their clients. The cornerstone of IMCA is the Certified Investment Management AnalystSM, or CIMA[®], designation. IMCA also delivers the advanced designation for wealth management professionals working with high-net-worth clients, the Chartered Private Wealth AdvisorSM, or CPWASM, designation. To learn more about IMCA membership and educational opportunities, visit www.IMCA.org.

About the Institute for Private Investors

Founded in 1991, the Institute for Private Investors is a private membership organization with the mission to change the way investors work with advisors and advisors work with investors, for the benefit of both. IPI ensures a safe harbor for investor education and the confidential exchange of information. Because IPI does not endorse any investment services, strategies, or managers, program content is academic, with events held globally and also in collaboration with the Wharton School and Stanford University. Membership dues and educational fees are the sole source of revenue; please visit www.memberlink.net for more details.

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