

Summary of Material IPS Template Changes

Overall

- References to “portfolio manager” has been changes to Sub-Investment Manager, to reflect the change to the OCIO. Other language has been added / changed which relates to the OCIO Offering.
- The term “Long-Term Money” has been changed to “MNRI”, and the term “Short-Term Money” has been changed to “MRI”. The municipal definition of MNRI does not need to be time-based.

Section 1- Definitions

- Definitions Added
 - Alternative Assets
 - CHUMS
 - Designated Funds
 - Diversification
 - Liquidity
 - Local Authority Services (LAS)
 - Market Value
 - Maturity
 - Municipal Services Corporation (MSC)
 - OCIO Offering
 - ONE Investment
 - Prudent Effective Date Agreement
 - Rebalancing
 - Restricted Special Assets
 - Safekeeping
 - Sub-Investment Manager
 - Third-Party Trust Funds
 - Trust Fund
- Definitions Removed, these terms are not used in the IPS document.
 - Credit Risk
 - Interest Rate Risk
 - Modern Portfolio Theory
 - Outcome
 - ONE JIB’s Outcome Framework

Section 2 – Purpose and Legislative Framework

- Modified, restricted Special Assets are listed in Schedule A, and Third-Party Trust Funds and Designated Funds are listed in Schedule B; ONE JIB is not responsible for the investment activities or performance of Third-Party Trust Funds, Designated Funds or Restricted Special Assets.

Section 3 – Money Required Immediately and Money Not Required Immediately

- It is up to the municipality to define MNRI, however a suggested definition is provided.

Section 4- Roles and Responsibilities

- Changes reflect new terms and Restricted Special Assets

Section 5 – Investment

- Overall terminology (as referenced above) has been changed
- Section 5.2.1, the MNRI: Investment Objectives is at the discretion of the municipality to define; revised suggested wording has been provided
- Section 5.2.3, optional wording has been provided for MNRI: Sinking Funds
- Section 5.2.4, optional wording has been provided for Local Distribution Corporation (LDC) and Municipal Services Corporation (MSC) Securities
- Section 5.2.5, new section on Restricted Special Assets, which states the assets listed in Schedule A of the IPS, and held by the municipality as of the prudent effective date shall not be held by ONE JIB as MNRI.
- Section 5.5 wording relating to in-kind investments has been removed in the Transition to Prudent Investor Regime section. Additionally, wording has been added: during the transition, the Chair and Vice-Chair of ONE JIB have discretionary power to approve temporary investments recommended by the Sub-Investment Manager that may not be expressly described in this IPS but are, in the opinion of the Chair and Vice-Chair, in the best interests of the Municipality and are entirely consistent with their fiduciary obligations to the Municipality.
- Section 5.6.2, optional wording has been provided for MRI
- Section 5.6.3, wording has been updated for the OCIO in the Derivatives section
- Section 5.6.4, wording has been updated for the OCIO in the Use of Leverage section
- Section 5.6.5, wording has been updated for the OCIO in the Pooled Funds section
- Section 5.6.7. a new section on Alternative Asset Classes has been added, going forward a municipality will need to opt into this type of investment. Opting in, does not automatically mean it will be part of the Investment Plan. Based on the Municipality's investment horizon and risk tolerance, ONE JIB would have the option to approve or exclude this type of investment.

Section 6 – Administrative Policies

- Changes reflect new terms