

Terms of Reference of the Investment Committee
(Adopted by the Board of Trustees 22nd September 2005)
(Amended by the Board of Trustees 22nd May 2008)

Constitution

The Investment Committee is formally constituted as a committee of the Board of Trustees. The terms of reference are approved by the Board of Trustees.

Membership

The Committee will be appointed by the Board of Trustees. At least two members of the Committee including the Chairman will be Trustees. One member will not be a Trustee and will be referred to as the independent member. The Chairman will not chair any other committee. The Board of Trustees may co-opt additional members, either Trustees or non-Trustees, to the Committee as required. At least one member of the Committee should have a financial background, ideally from the investment industry.

Frequency of Meetings

The Committee will meet at least twice a year (ideally one being six weeks prior to the AGM).

Attendance of Meetings

The Committee may invite anyone considered appropriate to attend all or part of its meetings.

Quorum

The quorum necessary for the transaction of business shall be two members, of which one must be a Trustee, who have no conflict of interest with the business of the meeting. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested or exercisable by the Committee.

Notice of Meetings

Meetings of the Committee shall be summoned by the Chairman of the Committee at the request of any member thereof. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no fewer than three working days prior to the date of the meeting.

Minutes of Meetings

The Chairman shall ensure the proceedings and resolutions of all Committee meetings are minuted, including the names of those present and in attendance.

Minutes of Committee meetings shall be available to any member of the Board on request and a copy will be lodged with the record of Board minutes.

Minutes shall be approved at the next subsequent meeting whenever practical.

Authority

The Committee is authorised by the Board of Trustees to enquire into any activity within its terms of reference. It is authorised to seek any information it requires from any employee, and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board of Trustees to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

Purpose

The Investment Committee will oversee the effective utilisation of the Trust's financial assets in accordance with the policies set by the Board of Trustees and will make recommendations to the Board of Trustees as needed.

Duties

To undertake whatever actions the Committee feels appropriate to achieve its Purpose, but in particular to:

1. Consider the appointment and performance of the external investment manager, the administration fee, and any questions of resignation or dismissal.
2. Discuss with the external investment manager the long-term approach to the projected return on investment of the funds and assets of the Trust, with particular reference to its projected performance, controls, level of investment risk and scope of investment portfolio.
3. Review the investment performance report before submission to the Board of Trustees, focusing particularly on:
 - Significant changes from 'normal' investment return levels
 - Ensuring a clear understanding of the impacts of external factors
 - Outlining areas of risk
 - Any presentational issues having particular significance to the public perception of the organisation.

- Receiving during the course of the year reports on any matters that may impact on the Trust's funds and assets contained within the investment portfolio.
4. Discuss any problems or reservations arising from the external investment managers' work and any other matters that the external investment managers may wish to bring to the attention of the Committee.
 5. Report on areas of risk inherent within the investment strategy as identified

Reporting Procedures

The Committee Chairman will report, as appropriate, to the Board on its proceedings after each Committee meeting. The Committee will make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed. Specifically, the Investment Committee is required to recommend to the Board of Trustees the reappointment or change in appointment of external investment managers.

The Committee will make a statement in the Annual Report describing its purpose and composition and giving a brief summary of its activities over the past year.

Annual General Meeting

The Chairman of the Committee or another member of the Committee appointed by the Chairman will attend the Annual General Meeting, prepared to respond to any questions on the Committee's activities.