The next meeting of the Investment Sub-Committee will be held on Wednesday, 13th April 2011 at 2pm in the Huntersdale Boardroom

The Fund Managers have been invited to the meeting.

AGENDA

1. MINUTES

To confirm the minutes of the last meeting held on 28th October 2010 (attached).

2. MATTERS ARISING

To consider items not covered elsewhere on the agenda:

2.1 Minute no: 589
The Council minutes have been checked to ensure that increasing the percentage of Newton Real Return Fund to 20% is within the mandate of the Investment Sub-Committee.

2.2 Minute no: 590 – Query concerning group policy on intercompany loans; see reply below:

Group Dividend Policy
When required, the payment of dividends from Newton to it’s parent is initiated centrally through an informal annual review process. This process includes consideration of the capital position of significant group entities and their ability to fund dividend payments. There is a plan to formalise a dividend policy or guidelines in the immediate future.

Group Intercompany Policy
We have a detailed intercompany policy document that sets out how we account for such transactions. Our accounting is in accordance with both UK and US generally accepted accounting principles. The policy sets out Newton’s process for recording and settling intercompany balances. Broadly, these fall into two main categories, trading balances between line’s of business or “Intrabanks” where Newton is being recharged a portion of shared costs. All transactions, where applicable, are treated as at “arm’s length”. Intercompany balances are settled monthly.

3. ETHICAL INVESTMENT POLICY

3.1 To review the current ethical investment policy which is for the fund mangers of the Founder’s Endowment Fund, Scholarship Fund, GERR and the Hilda Martindale not to invest in companies whose turnover is derived from military activities of more than 331/3%.

3.2 To agree the ethical investment policy for the next three years.

4. UPDATE ON THE TRANSFER OF THE INDIVIDUAL FUNDS TO THE NEW FUND MANAGERS

4.1 The agreements with Aberdeen Asset Management (AAM) for the Scholarship, GERR and Hilda Martindale Funds were signed on the 18th November 2010. The transfer of the stocks to AAM from Kleinwort Benson (KB) commenced on the 6th December 2010 and the final residual income balances were transferred during March 2011. The transfer of the stocks have been fully reconciled and agreed.
4.2 The agreement with Newton Investment Management (NIM) for the Founder’s Endowment Fund was signed on the 24th November 2010. The transfer of the stock to NIM from KB commenced on the 8th December 2010 and all the stocks and income balances have been transferred except for the sale proceeds of the Cazenove Investment Fund stocks. This is a hedge fund and is only traded on specific dates and although KB have given the instruction to sell the stocks the sale proceeds have not as yet been received by KB. These will be transferred to NIM as soon as they are received. Apart from this one exception the transfer of the stocks has been fully reconciled and agreed.

5. PERFORMANCE ANALYSIS AS AT 30 SEPTEMBER 2010

5.1 To receive a statement of performance for Scholarship, General and Hilda Martindale Funds. ISC/11/01

This is the final quarter’s performance analysis for Kleinwort Benson.

6. VALUATIONS AS AT 28 FEBRUARY 2011

6.1 To receive a summary of the valuations. ISC/11/02

7. FOUNDER’S ENDOWMENT FUND 2010-11

7.1 To note that the RPI adjusted current protected value was £33,394K and the market value was £31,513K at 1st April 2011. ISC/11/03

8. WM COMPANY PROGRESS REPORT AS AT 31 DECEMBER 2010

8.1 To receive a report on Total Combined Founder’s Endowment Fund. )

8.2 To receive a report on Kleinwort Benson Private Bank Founder’s Endowment Fund. ) ISC/11/04 )

8.3 To receive a report on Aberdeen Asset Management Founder’s Endowment Fund. )

9. FUND MANAGERS PRESENTATIONS

9.1 To receive a review of the Founder’s Endowment Fund managed by Aberdeen Asset Management.

9.2 To receive a review of the Founder’s Endowment Fund, Scholarship, GERR and Hilda Martindale funds managed by Kleinwort Benson Private Bank.

10. PUBLICATION

10.1 To confirm the designation of papers as exempt from the Freedom of Information Act requirement.

11. ANY OTHER BUSINESS

11.1 To note that the date of the next meeting to be advised

NB Timetable of Presentations:

WM Company 2.45pm
Karen Thrumble

Aberdeen Asset Management 3.15pm