

Please fill out and submit this questionnaire by sending it to [Professional.Standards@inrev.org](mailto:Professional.Standards@inrev.org) or clicking a button below.

**Section 1.3**

Do you believe that a typical IAC is not the most appropriate body to interrogate, in detail the operation and oversight of pricing mechanisms?

Do you agree that the introduction of independent representatives to the IAC, or investment vehicle board, would strengthen the design, operation and maintenance of pricing mechanisms and so bring about improved investor outcomes?

Do you agree with the proposed role in pricing of the independent representative?

Do you believe that the role of independent representatives is less relevant for vehicles with Cap & Am pricing methodology due to less subjectivity in their operation as compared to Classic Dual Price?

## Section 2.1

Do you agree that the justification for employing a particular pricing mechanism is that it provides the “fairest pricing outcome for investors”? If not, what other factors are relevant?

## Section 2.2

Do you agree with the recommendation that independent representatives be appointed to oversee the operation of pricing mechanisms, particularly where those mechanisms are complex or use subjective assumptions?

If you disagree, do you believe it would be proportionate to explain in annual reporting why the particular circumstances of an investment vehicle have not justified the appointment of independent representatives?

It is recommended that pricing be reviewed annually. Is this frequency appropriate?

It is recommended that a three-year retrospective analysis of the accuracy of pricing be provided to investors for investment vehicles using the classic dual pricing method. Is this time period appropriate?

It is recommended that the results of the annual review of pricing and any adjustments made, including those made on a one-off basis, be included in the annual reporting to investors. Do you agree?

### **Section 2.3**

For open end or evergreen vehicles, asset specific features should determine the appropriate amortisation period to be used in Cap & Am pricing. In their absence, a 10-year amortisation period is recommended. Do you agree with the use of a default 10-year amortisation period?

How do you believe that adjustments made to INREV NAV for pricing purposes should be reported to investors?

Do you agree that adjustments made to INREV NAV where it is used for pricing purposes should be reported on an annual basis as a minimum?

## Section 2.4

Should both investment managers and investors be able to initiate a change in pricing methodology?

Do you agree that 50% of units in issue is the appropriate threshold for investors to be able to propose a change in pricing methodology?

Do you agree that 75% is the appropriate threshold required to implement a change, in the absence of regulatory requirements for a different threshold?

Do you agree that independent representatives have a valuable role to play in ensuring that the interests of all investors are considered when a change of pricing method is proposed?

Do you agree with a three-year cooling off period following a vote against a proposed change in pricing method?

## Section 2.6

Do you agree that where units are to be issued at below the normal offer price, these should be offered to existing investors (right of first refusal) before new investors?

## Section 3.1

Do you agree with the principle that the interests of the majority of investors should take precedence unless there is a contrary regulatory obligation?

Do you agree that redemption penalties should not be used to manage fund liquidity?

It is recommended that the investment manager's right to adjust pricing during periods of unusual circumstance be reviewed on an annual basis, by the investment vehicle board and IAC on behalf of all investors, and the vehicle's documentation amended for any changes made. Do you agree?

## Section 3.2

Do you agree that a 75% threshold should apply in a vote to close an investment vehicle?

It is recommended that provision for closing an open end vehicle be included in the vehicle's constitutional documentation and reviewed annually. Do you agree?