

- b. For the collection of data from which new investment opportunities may be appraised;
- c. To ensure a more balanced judgment in connection with matters dealing with the general subject of investments and economic developments.

To meet any objections which may be made to the foregoing proposals the following remarks are offered:

PROPOSAL NO. 1. Owing to the number of large corporations whose securities should be suitable for investment adequate diversification can be obtained by holding a maximum of 75 of these securities.

PROPOSAL NO. 2. Adequate control of the investment account will not leave the hands of the Investment Committee by the adoption of this proposal. It should be pointed out that no additions to the approved list of securities could be made without the sanction of the Investment Committee and no change in the general composition of the investment account would be made without the Committee's approval. In addition a record of all transactions would be furnished to each member of the Committee immediately upon their completion.

PROPOSAL NO. 3. No valied objection should be raised to the creation of a definite policy. It is contemplated that frequent changes in policy may be necessary and the intention would be that the Investment Committee could be called upon at any time to consider such changes. Certainly some objective is necessary at all times.

PROPOSAL NO. 4. The added cost to the University of such a move would represent only a very small proportion of our present total expenditure and it is felt that the benefits to be derived would amply repay us.