Terms of Reference
INVESTMENT ADVISORY TEAM

Introduction

The MSF Trustees being responsible for the management of an investment portfolio currently valued at approximately US$2 million, wish to establish an Investment Advisory Team to assist the Trustees in meeting their fiduciary responsibilities.

Purpose of this team

The investment team will be responsible for guiding the investment process to meet the fiduciary responsibilities of the MSF Trustees.

The MSF Trustees will be seeking ongoing advice and guidance from a 3 - 5 person team to serve as an objective third party team to help the Board in managing the overall investment process.

One of the Trustees will consult regularly with the Investment Advisors who oversee the invested funds.

Proposed process

In carrying out its tasks, the primary responsibilities of the Investment Team will be:

1. To maintain the MSF Investment Policy Statement
2. To monitor all investment options
3. To prudently select investment options
4. To avoid prohibited transactions and conflicts of interest
5. To provide rate of return and risk characteristics for each asset class in the investment choices.

The Investment Team will review the investment managers' performance quarterly to see whether the managers conform to the criteria outlined in the Investment Policy Statement, specifically:

1. The managers' adherence to the plan's investment guidelines;
2. Material changes in the managers' organization, investment philosophy; and
3. Any legal, SEC, or other regulatory agency proceedings affecting the managers.

Managers' performance will be evaluated in terms of an appropriate market index (such as the S & P 500 stock index for large cap funds) and the relevant peer group (such as the large cap growth mutual fund universe for large-cap growth mutual funds).

The Investment Team may recommend an investment manager's termination for the following reasons:

a. Organizational breakdown
b. Change in personnel, ownership, or strategic emphasis
c. Inability to manage growth in assets
d. Investment process breakdown
e. Change in investment process
f. Failure to implement process diligently
g. Unexplained poor performance

Twice a year the investment advisors will give a report on the status of the accounts and make suggestions on replacing funds. They will review the current strategy and reasons for that strategy in the current economic climate.

The Board of MSF will call on the Investment Team to assist the Muhammad Subuh Foundation in the process of obtaining accreditation from CEFEX (Centre for Fiduciary Excellence - http://www.cefex.org).

Qualifications

1. Proven experience in related field;
2. Grasp of the MSF mission and interest in the goals and work of MSF;
3. Ability to communicate with the trustees and to help the trustees understand our investment needs;
4. Ability to work with others and network with a team, to work harmoniously and with patience;
5. Time to read emails related to the financial questions that arise and answer those emails; and,
6. The Investment Advisors will be expected to comply with the practices and procedures defining their global fiduciary responsibilities as described in the "Prudent Practices for Investment Advisors" published by FI360 (http://www.fi360.com).

DUTIES OF THE MSF INVESTMENT ADVISORY TEAM

January 2010

Investment selection

- Recommend to the Board of Trustees a general allocation across asset classes for the investment of MSF's assets, consistent with the Investment Policy of MSF as well as with the indications of the Board;
- Provide a qualitative review of the overall risk profile of the portfolio;
- Select and recommend to the Board individual investments consistent with that general allocation and prepare analysis supporting the investment recommendations as required by the Board; and,
- More generally, all investments are subject to a review and recommendation by the Investment Advisory Team.

Monitoring

- Alert the Board, and if required propose an appropriate course of action, in the event of material developments in financial markets or in individual investments affecting the portfolio of MSF;
- Prepare quarterly performance and risk reviews for the Board;
- Conduct a formal review of the asset allocation and of individual investments annually;
- Ensure compliance of the investments with the Investment Policy of MSF on an ongoing basis; and
- Advise the Board of required changes in the Investment Policy of MSF, as appropriate.

Other

- Provide assistance in the preparation of the section describing investments in the annual report of MSF and more generally, assist as required in the preparation of that document.