

Compliance Committee Minutes
Valuestream Investment Management Ltd
Theta Asset Management Ltd

Meeting details: 12.00pm (WST) Wednesday 16 October 2013

Members present: s 47F (Chair), s 47F and s 47F

Apologies: NIL

Guests: Robert Marie
s 47F (by phone)

VIML FUNDS: s 22

TAML FUNDS: Rental Management Investment
Trust (RMIT)

Previous minutes: Sharepoint: Item 1		At the meeting held on 16 October 2013, the minutes of meetings previous Compliance Committee meeting held on 17 July 2013 in Perth were confirmed, and were signed by the s 47F as the Chairman of the Compliance Committee.
Board Papers NTA & cash-flow VIML & TAML: Sharepoint: Item 2	RE 2Ai 2Di 2Dii 5Ci 19Ei	Board minutes and copies of the NTA calculations for July, August and September 2013 are available on Sharepoint A copy of the 3 months forward cash flow for both VIML and TAML are also included. No issues have been identified with either the NTA or forward cash flows.
Registers: Complaints Sharepoint: Item 3	RE 16Bi	Updated registers for Complaints, Breaches, Conflicts and related party matters are in Sharepoint under Item 3. Historical data from the old breaches and complaints registers that were previous maintained in the access database has been hand keyed into the new CompliSpace system. Additional reporting now available through the use of the CompliSpace software has also be provided in Sharepoint and was circulated to the committee members prior to today's meeting. The committee referred to the two sample reports from the old and new system. The issues with the CompliSpace software used to population the register tables has been rectified. On 1 August 2013, Theta was notified of a complaint registered with FOS from s 47F, an investor in the wholesale scheme which preceded and then feed into the RMIT. The complainant requested the return of her invested monies from the Fund based on what she stated she was told by a representative of Theta regarding the nature of the investment. The complaint was logged on the register, investigated in compliance with TAML's IDR process and responded to within the requisite timeframe. Key points noted in the response covered the initial investment being made into a wholesale scheme and the execution of an escrow deed prior to rolling on the initial structure into the RMIT and subsequent to the initial application. The complaint was removed from the register of FOS – refer to attached statement of complaints. s 22

Breaches	Fund 20Ai 20Aii	<p>Eight (8) new breaches were added to the register for the reporting period to 30 September 2013. 6 relate to the delays with completing and lodging the audited accounts for the following schemes, and associated periods:</p> <p>s 22</p> <p>Rental Management Investment Trust FY2013</p> <p>s 22</p> <p>s 22</p>
Conflicts & Related Parties	RE 8Ai Fund 8Ci	<p>Conflicts and related party registers to early October 2013 are available on Sharepoint.</p> <p>Although Garigal Financial Services a related party entity has been incorporated to provide administrative services to prospective clients. No clients currently exist.</p> <p>No new conflicts or related party matters have been identified by the Board.</p>
Fund compliance monitoring: Sharepoint: Item 5		<p>An updated ESP register is available on Sharepoint.</p> <p>s 22</p>
		<p>s 22</p>
Mandate Compliance and Offer documents	Fund 8Bi 13Bi 15Bi 17Ai 17Bi 19Ci	<p>With the exception of the schemes being terminated and wound up, all other schemes are invested within their specific mandates, as stated in the offer document for each scheme and class.</p> <p>Offer documents were reviewed by the Board - refer to Board minutes.</p> <p>ASX listing process for the RMIT is on-going, due to the complex nature of the information being requested for the listing process.</p> <p>No other issues have arisen.</p>

Quarterly custodial reporting	RE 1Bi	<p>Quarterly Custodial reports for the period ending 30 September 2013 have been received from:</p> <ul style="list-style-type: none"> • s 22 • AETL for RMIT s 22 • s 22 <p>Although no issues were identified in any of the reports, however, Trust Co continue to send only hard copies of the reports to the Perth office creating delays with reporting.</p>
Quarterly KPI review of ESP's	RE 7Bi 7Biii Fund 12Ai 13Ai 14Ai 14Bi 15Ai	<p>Quarterly KPI reviews for ESP's providing custody, registry and fund accounting for the period ending 30 September 2013 have been completed based on the above information and communication over the period. The KPI reviews are based on the following criteria:</p> <ul style="list-style-type: none"> • Fees and expenses • Unit Pricing and valuation • Income and distributions • Applications and redemptions for unit registry services • Custodial • Investment Management <p>s 22</p>
30 September 13 distributions:		<p>30 September 2013:</p> <p>s 22</p> <p>RMIT income has been distributed as required, with the notice added to the website for CD obligations.</p> <p>No other issues identified in relation to income collection.</p>
Interim audit update: 15 Mar 2014	Fund 19Di	<p>Pre-planning meetings with both Moore Stephens and KPMG are tentatively scheduled for late November and early December 2013.</p>
30 June 2012		<p>RMIT Financial statements for the period ending 30 June 2012 have been lodged with the ASIC however the company accounts remain outstanding.</p>
30 June 2013 Audits		<p>s 22</p> <p>As noted in the breaches file, audited accounts for the following schemes were delayed. ASIC were notified in writing regarding the delayed audits for each scheme for FY2013. s 22</p> <ul style="list-style-type: none"> • s 22 • The two Rental Management schemes due to regulatory structural and listing focus respectively from both ASIC & ASX.
Annual CP and Policy document reviews		<p>Due to the work involved with the financial year end audits, no further reviews of policies have been scheduled during the quarter ended 30 September 2013.</p> <p>An internal review schedule has been developed for the period following completion of the FY2013 audits, and can be circulated to committee members on request.</p>
Promotional material:	11Ai 11Aii 19Ai	<p>All new promotional material is on Sharepoint. Due to the volume of material this has not been circulated to the committee members via email.</p> <p>s 22</p>

	19Bi 19Di	<div style="background-color: black; width: 100%; height: 100%; position: relative;"> s 22 </div>
General business: Sharepoint: Items 6 & 9	RE Fund SCI RE 19EI	<div style="background-color: black; width: 100%; height: 100%; position: relative;"> s 22 </div> <p><i>RMIT:</i></p> <ul style="list-style-type: none"> • Distribution announcements for ASX reviewed. <p><i>Outstanding material:</i></p> <p>There is no outstanding promotional material.</p> <p><i>Other matters:</i></p> <p>The following matters were noted:</p> <ul style="list-style-type: none"> • Employee and Compliance Committee member attestations have been signed and received. • Improved representative reporting and monitoring has been implemented over the quarter, with the release of a CAR on-boarding pack and enhanced due diligence processes and authorised representative guidance being issued. • Compliance reporting has been standardised to both a monthly and quarterly reporting cycle for all asset managers and CAR/AR's. • Annual attestations and increased review of asset manager registers and processes will also add value to the compliance framework of the RE. • Privacy Policy has been added to the new website for both VIML and TAML. • Semi-annual reviews of all external ESP's were undertaken. Documentation is available via Sharepoint. • BCP and DRP testing was successfully completed during the reporting period. Only one minor issue directory issue was located in relation to backing up files, which was rectified immediately following testing. Sharepoint storage allocation will be maintained by archival of electronic data to UBS, with duplicate UBS storage being maintained. Procedures for restoring from back-up have also been drafted and added to the BCP document.

		<i>New business:</i> Enquiries for new schemes are picking up. No other new business matters to be discussed.
External compliance issues:		No external matters noted at this meeting of the committee.
Next meeting:		Proposed date of next meeting: Wednesday 5th February 2014 - to be confirmed via email following today's meeting.

Signed as a true and correct record:

Chairman

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Dated:

5/2/14

Action items from October meeting:

Item:	Action required:	Scheme/Allocated to:	Comments:
1			
2			
3			
4			
5			

Action items from July meeting:

Item:	Action required:	Scheme/Allocated to:	Comments:
1	Email confirmation of next CC meeting date once agreed with all parties	MH	Completed
2	Email confirmation of new location for next CC meeting once finalised	MH	Completed
3	Email S [REDACTED] on material to be provided 47F	MH	Completed
4	Email attestations to CC members prior to commencement of audit field work	MH	Completed
5			