

**Compliance Committee Minutes for the Theta Asset Group
Valuestream Investment Management Ltd
and Theta Asset Management Ltd**

Meeting details: 12.00pm (WST) Wednesday 28th October 2015

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

Apologies: Nil

]Guests: Robert Marie
s 47F (by phone)

Scheme Names:

s 22

Theta:

Sterling Income Trust (Rental Management Investment Trust)

s 22

Previous minutes:

Sharepoint:

Item 1

The minutes of the previous Compliance Committee meeting held on 29th July 2015 in Perth were confirmed and signed at the meeting on 28th October 2015.

Minutes were signed by s 47F as the Chairman of the Compliance Committee.

s 22

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 2015 are available on Sharepoint.

A copy of the 12 months forward cash flow for both VIML and TAML are also included as an excel file. Projections for FY2015-2016 have been added to the excel file.

No issues have been identified with either the NTA or forward cash flows.

Registers:

Breaches

Fund

20Ai

20Aii

Updated registers for Complaints, Breaches, Conflicts and related party matters are in Sharepoint under Item 3. Breaches and Complaints Registers and other supporting material has been circulated via email prior to the meeting.

A total of six new breaches across the two RE's have been added to the breaches register for the reporting period 1 July 2015 to the end of 30 September 2015.

- 3 new breaches added to the register for Theta as at 1 October 2015. Breaches related to s 47F and SIT FY 2015 Financial Statements and Compliance Plan audits not being lodged with the ASIC as required on 30 September. The breach was due technical queries and to the late scheduling of the audit with Moore Stephens.

s 22

		<p>s 22</p> <p>Letters of notification have been sent to ASIC regarding the anticipated late lodgement of all of the audited financial statements for both Valuestream and Theta. No response has as yet been received back from ASIC. The committee noted the letters of notification that had been sent regarding the late lodgement of the audit accounts. The Committee also noted the correspondence sent to and received back from ASIC regarding the breach notification.</p>
Complaints Sharepoint: Item 3	RE 16Bi	There have been no new complaints for either Valuestream or Theta added to the Complaints register for the reporting period.
Conflicts & Related Parties	RE 8Ai Fund 8Ci 8Di	No new conflicts and related party matters relating to the registered schemes have been identified by the Board, during the reporting period.
Scheme update		<p>An updated ESP register is available on Sharepoint under the registers folder number 3.</p> <p>Reports have been received from all external service providers. Stirling First reporting continues to improve with significant input from the Sydney based compliance team.</p> <p>s 22</p>

		<p> s 22 [REDACTED] </p> <p><i>Rental Management schemes:</i></p> <ul style="list-style-type: none"> • Work has commenced by Stirling First the asset manager of SIT on the restructure of the product offering into a multi-class vehicle • The committee noted that a new authorised representative proposed by the Sterling group has not been approved, pending completion of appropriate training and supervision. • RMIT distributions continue to be paid regularly as required under the PDS. • FY2015 audit for neither RMIT nor s [REDACTED] have been completed. • s 22 [REDACTED] • Current group structure diagram and the requested loan agreements have been received for review by the Sydney compliance team. • s 22 [REDACTED] • Update from Sterling on SNL promotional materials (updated sales pack received). This material is not reviewed or approved by Theta. • PPSR SUT security has become an issue, as the assets can not be registered on the PPSR in the name of the trustee or custodian. • Dalcassian has been appointed to prepare the income tax returns for the Sterling Group. • Initial draft FSG proposed for use by Sterling group. FSG has been reviewed by PMC legal. • s 47F [REDACTED] • s [REDACTED] 47F [REDACTED] It is not yet confirmed, but proposed that Ray will take over her directorships and Mark will take over the investment management side. Joanne will assume all accounting responsibility. <p>s 22 [REDACTED]</p>
Mandate	Fund	All schemes are invested within their specific mandates, as stated in the offer document for each

Compliance and Offer documents	8Bi 13Bi 15Bi 17Ai 17Bi 19Ci	scheme and class. No issues have arisen over the reporting period.
Quarterly custodial reporting	RE 1Ai 1Bi 1Bii	Quarterly Custodial reports for the period ending 30 September 2015 have been received from: <ul style="list-style-type: none"> • [REDACTED] s 22 • [REDACTED] s 22 • AETL for [REDACTED] RMIT and [REDACTED] s 22 No issues were identified in any of the reports. s 22 [REDACTED]
Quarterly KPI review of ESP's	RE 7Bii 7Biii Fund 12Ai 13Ai 13Aii 13Bi 14Ai 14Aii 14Bi 15Ai 15Aii	Quarterly KPI reviews for ESP's providing custody, registry and fund accounting for the period ending 30 September 2015 have been completed based on the above information received and email communication over the period. The KPI reviews are based on the following criteria: <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 No issues were noted with the unit pricing for any scheme during the reporting period. All other ESP's performed as expected.
30 September 15 distributions:		Stirling First has accrued for the September quarterly distribution for RMIT, income will be distributed as required, with the notice added to the website for CD obligations. s 22 [REDACTED] No issues identified in relation to income collection.
Promotional material:	11Ai 11Aii 19Ai 19Bi 19Di	All new promotional material is in Sharepoint and has not been circulated to the committee members via email. This quarter has seen a levelling out of the volume of promotional material to be reviewed by the RE's. s 22 [REDACTED]

		<p>SIT (formerly RMIT):</p> <ul style="list-style-type: none"> • Template for annual tax statements x 2 drafts. • Covering letter for statements x 2 drafts. <p>s 22</p> <p>There is no other outstanding promotional material.</p>
30 June 2015 statutory audits		<p>s 22</p> <p>As noted under the breaches section, the following audits were not completed in time to allow for lodgement by the requisite date:</p> <ul style="list-style-type: none"> • s 22; RMIT, s 22 by Moore Stephens Sydney. <p>s 22</p>
Termination and Wind-up		<p>s 22</p> <p><i>Rental Management Investment Trust</i></p> <ul style="list-style-type: none"> • The Manager has reviewed their earlier decision to terminate this scheme and will work on amending the product for greater flexibility.
Annual CP and Policy document reviews		<p>Following the review schedule of Policy document, reviews continue for FY 2016 have been commenced.</p> <p>Risk management reports generated from the CompliSpace program are available in Sharepoint.</p>
General business: Sharepoint: Items 6 & 9	RE 3Ai 3Aii 4Dii 4Diii 7Bi 9Bi Fund 5Ci RE 19Ei	<p>s 22</p>

		<i>New business:</i> No new business matters to be discussed.
s 22		
Next meeting:		Proposed date of next meeting: Wednesday 17th February 2016 - to be confirmed via email following today's meeting.

Signed as a true and correct record:

Chairman

Dated: