

FOI 061-2022

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

**Meeting details:** 12.00pm (WST) Wednesday 17<sup>th</sup> May 2017  
**Members present:** s 47F (Chair), s 47F and s 47F (all by phone)  
**Apologies:** NIL  
**Guests:** Robert Marie

**Scheme Names:**

s 22

**Theta:**

Sterling Income Trust

s 22

<p><b>Previous minutes:</b>  <i>Sharepoint:</i>  Item 1</p>		<p>The minutes of the previous Compliance Committee meeting held on 19<sup>th</sup> October 2016 in Perth were confirmed and signed, by s 47F as the Chairman of the Compliance Committee following the meeting.</p> <p>s 47F noted his work with Sterling on the SIT and reported to the other committee members on these matters.</p> <p>s 47F was engaged in his capacity as a member of the Compliance Committee to undertake extra work with respect to a matter that was of relevance to the Compliance Committee. Theta has engaged its own lawyer to consider those matters.</p> <p>s 47F noted that he was not engaged to provide services to Theta, and noted that as such there was no independence issue.</p> <p>The Committee did not feel this conflict was detrimental.</p>
s 22		
<p><b>Board Papers</b>  <b>NTA &amp; cash-flow</b>  <b>VIML &amp; TAML:</b>  <i>Sharepoint:</i>  Item 2</p>	<p><b>RE</b>  <b>2Ai</b>  <b>2Di</b>  <b>2Dii</b>  <b>5Ci</b>  <b>19Ei</b></p>	<p>Board minutes and copies of the NTA calculations for Jan, Feb and March 2017 will be made available in Sharepoint following conclusion of the CC meeting.</p> <p>A copy of the 12 months forward cash flow for both VIML and TAML are already included as an excel file in Sharepoint with a copy of the monthly Compliance reports to the Board.</p> <p>No issues have been identified with either the NTA or forward cash flows for the reporting period.</p> <p>s 22</p>
<p><b>Registers:</b>  <b>Breaches</b></p>	<p><b>Fund</b>  <b>20Ai</b>  <b>20Aii</b></p>	<p>Updated registers for Complaints, Breaches, Conflicts and related party matters are in Sharepoint under Item 3. As usual the full Breaches and Complaints Registers have been circulated via email prior to the meeting.</p> <p>There were no material breaches during the period.</p>
<p><b>Complaints</b>  <i>Sharepoint:</i>  Item 3</p>	<p><b>RE</b>  <b>16Bi</b></p>	<p>There were no new complaints.</p>

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<b>Conflicts &amp; Related Parties</b>	RE 8Ai Fund 8Ci 8Di	No new conflicts or related party contracts have been entered into during the period.
<b>Scheme update</b>		<p>An updated ESP register is available on Sharepoint under the registers folder number 3. Reports have been received from all external service providers.</p> <p>s 22 [REDACTED]</p> <p>[REDACTED]</p> <p><i>Sterling Income Trust:</i></p> <ul style="list-style-type: none"> <li>• s 47F [REDACTED] has been engaged to provide a review of SIT to ensure compliance and to provide comfort as the Stirling First Group is planning an IPO.</li> <li>• PMC legal will continue to provide a review of all current activities, and notice to comply, which will restate the obligations around their corporate authority and general marketing only by authorised parties.</li> </ul> <p>s 22 [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
<b>Mandate Compliance and Offer documents</b>	Fund 8Bi 13Bi 15Bi 17Ai 17Bi 19Ci	<p>All schemes are invested within their specific mandates, as stated in the offer document for each scheme and class.</p> <p>No issues have arisen over the reporting period.</p>
<b>Quarterly custodial reporting</b>	RE 1Ai 1Bi 1Bii	<p>Quarterly Custodial reports for the period ending 31 March 2017 have been received from:</p> <p>s 22 [REDACTED]</p> <ul style="list-style-type: none"> <li>• AETL for s 22 SIT, s 22 [REDACTED]</li> </ul> <p>No issues were identified in any of the reports.</p>
<b>Quarterly KPI review of ESP's</b>	RE 7Bii 7Biii Fund 12Ai 13Ai 13Aii 13Bi 14Ai 14Aii 14Bi	<p>Quarterly KPI reviews for ESP's providing custody, registry and fund accounting for the period ending 31 March 2017 are ongoing. The KPI reviews are based on the following criteria:</p> <ul style="list-style-type: none"> <li>• Fees and expenses</li> <li>• Unit Pricing and valuation</li> <li>• Income and distributions</li> <li>• Applications and redemptions for unit registry services</li> <li>• Custodial</li> <li>• Investment Management</li> </ul> <p>No issues have been noted at this time for any of the registered schemes during the reporting period.</p> <p>All other ESP's performed as expected during the quarter.</p>

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	15Ai 15Aii	
31 March 17 distributions:		<p>No distributable income has been collected for the newly opened AIM Gateway Fund.</p> <p>s 22 [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>SIT 3 out of 4 classes have distributed income. However, the Management units did not distribute as there was no income for this class of the SIT.</p> <p>s 22 [REDACTED]</p> <p>No issues identified in relation to income collection.</p>
Promotional material and updates:	11Ai 11Aii 19Ai 19Bi 19Di	<p>The list of new promotional material is in Sharepoint.</p> <p>s 22 [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>SIT:</p> <ul style="list-style-type: none"> <li>Nothing to report.</li> </ul> <p>s 22 [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
31 December 2015 interim audits and 30 June 2016 statutory audit		<p>Audit status. Draft FS are for final review.</p> <p>Sterling remains behind schedule. We believe the up coming IPO will lead to the audit finalisation by June 15.</p> <ol style="list-style-type: none"> <li>s 22 [REDACTED]</li> <li>SIT FY16 – work in progress. PP and Sterling are exchanging supporting material.</li> <li>SIT HYDec16 – subject to FY 16</li> </ol> <p>Audit for FY17:</p> <p>s 22 [REDACTED]</p>

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		<p><b>S</b> [REDACTED]</p> <p>5. SIT – planning meeting to be scheduled late in May 17.</p>
<b>Annual CP &amp; Policy document reviews</b>		<p>In accordance with the review schedule of Policy document, reviews continue throughout the year. The following Policy documents were updated in early 2017:</p> <ul style="list-style-type: none"> <li>• AML/CTF Policy is being redrafted for changes to the requirements.</li> <li>• Although reviewed earlier in the year the BCP &amp; DRP is to be amended to update the recovery of data schedule at the end of the Policy. Also to be included is another schedule documenting all technical resource assets for the business.</li> </ul> <p>Copies are available on request.</p> <p>Work to rebrand the Policy documents for the sole use of Theta continued during the quieter months of the end of the year.</p> <p>The risk reports generated from the CompliSpace program are available in Sharepoint.</p>
<b>General business:</b> Sharepoint: Items 6 & 9	RE 3Ai 3Aii 4Dii 4Diii 7Bi 9Bi  Fund 5Ci RE 19Ei	<p><b>S 22</b> [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Upcoming reporting:</p> <ul style="list-style-type: none"> <li>• Form 701 for the end of June is to be lodged.</li> </ul> <p><i>New business:</i></p> <p>No new prospects at this time.</p>
<b>Next meeting:</b>		<p>Proposed date of next meeting:                      Tentatively Wednesday 9<sup>th</sup> August 2017</p>

Signed as a true and correct record:

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Chairman

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Dated: