

**Compliance Committee Minutes
Valuestream Investment Management Ltd
Theta Asset Management Ltd**

Meeting details: 12.00pm (WST) Wednesday 5 February 2014
 Members present: s 47F (Chair), s [redacted] and s 47F [redacted]
 Apologies: NIL
 Guests: Robert Marie
 s 47F [redacted] (by phone)

VIML FUNDS: s 22 [redacted]

TAML FUNDS: Rental Management Investment Trust (RMIT)

Previous minutes: Sharepoint: Item 1	At the meeting held on 5 February 2014, the minutes of meetings previous Compliance Committee meeting held on 16 October 2013 in Perth were confirmed. Minutes will be signed by s [redacted] 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 October, November and December 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. 2 complaints lodged on the register have been reactivated from previously closed matters. s 22 [redacted] s [redacted] - Initial response received reactivated on 23 October 2013 following lodgement of 47 continuation of the complaint by s 47F [redacted]. The CC members and PI insurance broker were all notified. Due to the due to complainant being overseas, the initial response required from Theta by FOS due in early December was extended by two weeks to 24 December following discussion with the case manager, s 47F [redacted] on 26 November to 24 December. Multiple attempts to contact the complainant were made to set up a meeting to find an appropriate resolution for the complaint have not resulted in a meeting with s 47F [redacted] or her representative. Theta response sent to FOS on 24 December, receipt confirmed on 6 January 2014, with notification that FOS would again contact s [redacted] to see if the complaint had been resolved to her satisfaction. Nothing further has been received from FOS, or s [redacted] s 22 [redacted] Copies of all material relating to both complaints were circulated prior to the meeting and are also available in Sharepoint.



Breaches	Fund 20Ai 20Aii	<p>No new breaches were added to the register for the reporting period to 31 December 2013. It was noted that going forward the register will contain only newly added breaches and still open breaches and breaches that have not been closed.</p> <p>Open breaches:</p> <ul style="list-style-type: none"> • s 22 [REDACTED] is. • RMIT FY2013 audit also not as yet completed – due to personal issues arising and I will be following up with auditor this week. • s 22 [REDACTED]
Conflicts & Related Parties	RE 8Ai Fund 8Ci 8Di	<p>Conflicts and related party registers to early January 2014 are available on Sharepoint.</p> <p>No new conflicts or related party matters have been identified by the Board.</p>
Fund compliance monitoring and Fund updates: Sharepoint: Item 5		<p>An updated ESP register is available on Sharepoint.</p> <p>s 22 [REDACTED]</p> <p><i>Rental Management schemes:</i></p> <ul style="list-style-type: none"> • RMIT has been rolled into RMIT to simplify the structure of the two schemes. • RMIT update on ASX listing process was provided by RM. • Distributions continue to be paid. • Two new retail schemes currently being developed. <p>s 22 [REDACTED]</p>

s 22

Mandate Compliance and Offer documents	Fund 8Bi 13Bi 15Bi 17Ai 17Bi 19Ci	All schemes are invested within their specific mandates, as stated in the offer document for each scheme and class. ASX listing process for the RMIT may not proceed due to the complexity of the process. No other issues have arisen.
Quarterly custodial reporting	RE 1Ai 18i 18ii	Quarterly Custodial reports for the period ending 31 December 2013 have been received from: <ul style="list-style-type: none"> • s 22 • AETL for RMIT s 22 • s 22 s 22
Quarterly KPI review of ESP's	RE 7Bi 7Bii 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 31 December 2013 have been completed based on the above information and 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 s 22 No issues were noted with the unit pricing for any scheme during the reporting period. All ESP's performed as expected.
31 December 13 distributions:		31 December 2013: s 22 RMIT income has been distributed as required, with the notice added to the website for CD obligations. No other issues identified in relation to income collection

s 22

30 June 2013 Audits		<p>s 22</p> <p>[REDACTED]</p> <p>Audited Company Financial statements for both VIML and TAML as well as the AFSL audits for both entities were lodged with ASIC as required on 31 October 13.</p> <p>Copies of all financial statements are available on Sharepoint under Section 4.</p> <p>s 22 the RMIT audited financial statements for the period ending 30 June 2013 have not as yet been completed, but are expected shortly with representative from the manager meeting with MS audit staff in Sydney this Friday.</p>
Interim audit: 15 Mar 2014	Fund 19Di	<p>s 22</p> <p>[REDACTED]</p> <p>RMIT will be pending completion of FY2013 audit.</p> <p>s 22</p> <p>[REDACTED]</p> <p>KPMG have provided a proforma MIS template and will assist with reviewing and commentary on the draft note disclosures</p> <p>KPMG have also issued an invitation to 2014 Accounting and Reporting Issues Seminar. The seminar will cover issues which will be critically important in the lead up to the annual financial reporting season.</p>
Annual CP and Policy document reviews		<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> <p>Policy reviews for FY 2014 underway:</p> <ol style="list-style-type: none"> 1. Privacy Policy reviewed to include changes to the Australian privacy laws on 12 March 2014. <ul style="list-style-type: none"> • transparent about how they handle your personal information, handing of private information for example if it is sent o/s • use of information for direct marketing • credit reporting • give the Commissioner new powers to resolve privacy complaints and investigations, including the ability to impose a penalty of up to \$1.7 million 2. Authorised Representative Policy 3. Unit Pricing and valuation Policies 4. Document retention Policy. <p>Revised policy documents will be available for review by the Committee on completion.</p>
Promotional material:	11Ai 11Aii 19Ai 19Bi 19Di	<p>All new promotional material is on Sharepoint. This has not been circulated to the committee members via email.</p> <p>This quarter has still lowering of the volume of promotional material to be reviewed by the RE.</p> <p>s 22</p> <p>[REDACTED]</p>

		<p>s 22</p> <p>RMIT:</p> <ul style="list-style-type: none"> Distribution and other ASX announcements have been reviewed. <p>Outstanding material:</p> <p>There is no outstanding promotional material.</p>
<p>General business:</p> <p>Sharepoint:</p> <p>Items 6 & 9</p>	<p>RE</p> <p>3Ai</p> <p>3Aii</p> <p>4Dii</p> <p>4Diii</p> <p>7Bi</p> <p>9Bi</p> <p>Fund</p> <p>5Ci</p> <p>RE</p> <p>19Ei</p>	<p>Other matters:</p> <p>The following matters were noted:</p> <ul style="list-style-type: none"> The Board reviewed all ESP contracts for the appropriateness of confidentiality clauses. No issues were noted. A Board review of the ESP KPI's was undertaken during the reporting period. Compliance Committee member attestations confirming independence, interests and external status have been signed and received. The Board reviewed the both the financial statements and comments from the auditors. <p>Additional reporting:</p> <ul style="list-style-type: none"> APRA Form 701 insurance reporting for VIML. Data for the insurance aspect of VIML's licence was lodged with APRA via email on Thursday 9/01/2014 at 3:26 PM. <p>New business:</p> <p>An AFS licensing variation for Theta is being undertaken to facilitate prospective new wholesale business for VCLP's. No other new business matters to be discussed.</p>
<p>External compliance issues:</p>		<p>s 22</p> <p>No further external matters noted at this meeting of the committee.</p>
<p>Next meeting:</p>		<p>Proposed date of next meeting: Wednesday 23rd April 2014 - to be confirmed via email following today's meeting.</p>

Signed as a true and correct record:

Chairman

Dated:

23/4/14

**Action items from February meeting:**

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