

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

Meeting details: 12.00pm (WST) Wednesday 22 October 2014

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

Apologies: Nil

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

VIML FUNDS: s 22 s 22

TAML FUNDS: Rental Management Investment Trust (RMIT)

Previous minutes: Sharepoint: Item 1		At the meeting held on the 22 nd October 2014, the minutes of meetings previous Compliance Committee meeting held on 16 th of July 2014 in Perth were confirmed. Minutes will be signed by 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 2014 are available on Sharepoint. Excess capacity is roughly \$250K to \$300k respectively per entity. s 22 No issues have been identified with either the NTA or forward cash flows.
ASIC and PSL correspondence:		s 22
Registers: Complaints Sharepoint: Item 3	RE 16Bi	Updated registers for Complaints, Breaches, Conflicts and related party matters are in Sharepoint under Item 3. Registers and other material has been circulated via email prior to the meeting. s 22

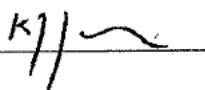
		Further communication has been undertaken over the reporting period between FOS and Theta around the complaint lodged with FOS, Case 332227 by [REDACTED] s 22. FOS has made a final Recommendation in the case noting Theta was not at fault in any of the areas noted by the complainant. The case will remain open with FOS until 12 November 2014. A copy of all material relating to this complaint has previously been circulated.
Breaches	Fund 20Ai 20Aii	<p>Four new breaches have been added to the register for the reporting period 1 July 2014 to the end of 30 September 2014.</p> <p>Closed Breaches, from the prior reporting period:</p> <ul style="list-style-type: none"> • RMIT Interim audit has been finalised and lodged with ASIC. • s 22 [REDACTED] <p>Open breaches:</p> <ul style="list-style-type: none"> • Work on the RMIT FY2014 audit has commenced and is now well underway. It is anticipated that the audit will be completed shortly. • s 22 [REDACTED]
Conflicts & Related Parties	RE 8Ai Fund 8Ci 8Di	<p>No new conflicts or related party matters relating to the registered schemes have been identified by the Board. Attestation have been received from all staff and the committee members noting their compliance with the conflict and related party policies and Compliance Framework.</p> <p>s 22 [REDACTED]</p>
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 reports have been delayed post year end. This has been due to a change in the staff member being allocated with reporting responsibility – considerable assistance has been provided by the Sydney based Compliance teams to assist during the transition.</p> <p>s 22 [REDACTED]</p>

		<p>s 22</p> <p><i>Rental Management schemes:</i></p> <ul style="list-style-type: none"> • Stirling First the asset manager of RMIT has proposed a restructuring of the group to provide a limited liquidity event to those invested in the RMIT. • The ASX listing application has been withdrawn by the manager for the RMIT. Fees have been reimbursed by the ASX. • RMIT distributions continue to be paid. • Out of use and in use notices lodged for RMIT s 22
Termination and Wind-up		<p>s 22</p>
Mandate Compliance and Offer documents	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>
Quarterly custodial reporting	RE 1Ai 1Bi 1Bii	<p>Quarterly Custodial reports for the period ending 30 September 2014 have been received from:</p> <p>s 22</p> <ul style="list-style-type: none"> • AETL for RMIT s 22 • s 22 <p>No issues were identified in any of the reports.</p> <p>s 22</p>
Quarterly KPI review of ESP's	RE 7Bii 7Biii Fund 12Ai 13Ai 13Aii 13Bi 14Ai 14Aii 14Bi 15Ai	<p>Quarterly KPI reviews for ESP's providing custody, registry and fund accounting for the period ending 30 September 2014 have been completed based on the above information received and email 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>No issues were noted with the unit pricing for any scheme during the reporting period.</p> <p>All other ESP's performed as expected.</p>

	15Aii	s 22
Semi Annual reviews of ESPs		
30 September 14 distributions:		<p>[REDACTED] s 22</p> <p>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.</p> <p>No other issues identified in relation to income collection.</p>
30 June 2014 Audits		<p>[REDACTED] s 22</p> <p>The FY2014 audit for RMIT has been delayed due to late lodgement and scheduling of the half year audit accounts. [REDACTED] s 22</p> <p>[REDACTED] ne. ASIC were notified of the delays.</p> <p>The statutory financial statements for both Valuestream and Theta have been prepared and are currently being audited by Moore Stephens and Hughes Pettit respectively. It is anticipated that the audits will be completed in time for lodgement with ASIC by the end of October.</p>
Annual CP and Policy document reviews		<p>An internal review schedule of Policy document has been developed, and can be circulated to committee members on request. Policy reviews for FY 2015 have commenced and will run over the next few months during the quieter period leading up to the holiday season. The first policy currently under review is the BC & DR Planning Policy. The revised policy documents will be available for review by the Committee in February 2015.</p> <p>Three new sample reports generated by the CompliSpace software from the risk management program are available in Sharepoint and are to be circulated to the committee following the meeting.</p> <ol style="list-style-type: none"> 1) An 11 page report covering 1 October 2013 to 30 September 2014 with the task results for monitoring the AFSL compliance of each entity. 2) Risk status report, a 4 page report on the risk categorisation and residual risks. This is currently broken down into four main risk categories, being Internal, AFSL compliance, MIS Compliance plan risks and key stakeholders. The report indicates the control in place and the control effectiveness – as outlined in the software by the GCM, as well as the initial assessment date and next review date. Noted risks are reviewed for re-assessment on a quarterly basis. 3) The last sample report is the Risk Review Events Report, of p5 pages covering the last quarter, which delves further into the risk monitoring program with result notes. <p>A copy of the reports will be circulated to the CC members following the meeting today.</p> <p>ASIC have yet to release the new regulatory guide on risk management.</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. This quarter has seen a higher volume of promotional material to be reviewed by the RE's. In July the Board considered and resolved to approve the proposal to delegate responsibility for reviewing and signing off on all marketing material to the Sydney compliance team. Material is to be added into the CompliSpace system to enable reporting to the Board. The change was to be implemented from 1 August 2014, however, this has been temporarily delayed due to issues setting the mechanism up in the CompliSpace system.</p> <p>s 22</p>

		<p>s 22</p> <p>[Redacted]</p>
		<p>RMIT:</p> <ul style="list-style-type: none"> • Multiple drafts of the PDS • Tax statements, distribution and other ASX announcements have been reviewed.
		<p>s 22</p> <p>[Redacted]</p>
		<p>There is no other outstanding promotional material.</p>
<p>General business: Sharepoint: Items 6 & 9</p>	<p>RE 3Ai 3Aii 4Dii 4Diii 7Bi 9Bi Fund 5Ci RE 19Ei</p>	<p><i>Other matters:</i> The CC noted the following matters:</p> <ul style="list-style-type: none"> • A certificate of currency has been issued by FOS on-line for the upcoming membership period covering FY2015 for both entities. • PI insurance renewal has been completed, with a new IMI Policy and COC being issued. Insurance coverage is considered adequate for both entities. <p><i>New business:</i> Business focus continues on wholesale schemes.</p> <p>s 22</p> <p>[Redacted]</p> <p>No other new business matters to be discussed.</p>
<p>Next meeting:</p>		<p>Proposed date of next meeting: Wednesday 11th February 2015 - to be confirmed via email following today's meeting.</p>

Signed as a true and correct record:



 Chairman

11/2/15

 Dated: