AUSTRALIAN INVESTORS ASSOCIATION

Investor Update

Monthly updates on investment issues for AIA members

OCTOBER 2012

AIA 'Investor Update'

Welcome again to 'Investor Update'. Please read the note below re the emails to members. The article 'Monthly Barometer' is described as a prescient and succinct analysis of what's out there, and that is exactly what it is. There is a very topical item on reversionary pensions, an excellent article on mortgage schemes, and please see the very generous offer from Rachael Rofe of Dixons to provide a free estate planning consultation for AIA members. Enjoy the read!

In this issue

Vale Bill Murphy

"Sadly, Bill Murphy, founding AIA Convenor of ACT meetings and former Federal Councillor, passed away on 24 October 2012.
Bill had been diagnosed with leukemia last year. Friends have been invited to a service for Bill to be held at the Gold Creek Chapel, O'Halloran Place, Nicholls ACT on Tuesday 30 October 2012 commencing at 3 pm."

Member Emails

You will have noticed that our regular emails are now looking a lot more professional (or at least we hope you have noticed)! Our emails include this monthly "**Investor Update**", the occasional "**Member Update**", notices of events, and other communications such as offers from our sponsors.

We are conscious of not bombarding members with unnecessary emails, and we provide you with the ability to select which publications you wish to receive.

Upcoming Events

Sydney One-Day Seminar

Advanced SMSF Strategies

Maximising the potential of your self-managed super fund.

Friday 9^{th} November

The Star Room, Level 6, Imax Theatre, Darling Harbour, Sydney

Canberra Information Meeting
Asset Allocation
5^{th} November 2012 7.30pm
Southern Cross Club, Woden

South Sydney Discussion Group
Miranda Community Centre,
6^{th} November 2012 7.00pm

Brisbane Information Meeting
Broncos Leagues Club
7^{th} November 2012 6.30pm

Annual General Meeting
Broncos Leagues Club
7^{th} November 2012 7.30pm

Frankston South Discussion Group
7^{th} November 2012, 1.00pm

Adelaide Information Meeting
The Outlook for Resources Companies
The German Club
13^{th} November 2012 6.30pm

Perth Information Meeting
Roger Montgomery, Wembley Downs Tennis Club
13^{th} November 2012 7.30pm

Member emails continued;

However, it is our job to provide a service to our members, and we do this in some cases via email bulletins. The emails include a link to "*unsubscribe from this list*", and also a link to "*update subscription preferences*".

The *unsubscribe* automatically deletes you from our email database.

We hope that you would not unsubscribe, since we need to send you the required statutory notices. However, the '**Update subscription preferences'** option allows you to select any or all of the following:-

- General notices, meetings, etc.
- Investor Update
- Member Update
- Sponsor offers

Please use this facility to choose the email(s) that you would like.

Monthly Barometer

Prescient and succinct analysis of what's out there

September 2012 – Thierry Malleret, co founder, Monthly Barometer www.monthlybarometer.com

The global economy continues to be in the mire of a synchronized slowdown, gripped by (1) policymaking uncertainties, (2) political polarization – particularly in the US and Europe, (3) and a lack of global co-ordination / governance.

September was a game-changer for the Eurozone. For the first time since the crisis erupted, European policy-makers moved away from the "kick the can down the road" measures that had previously prevailed. What has changed? (1) The ECB is now committed to being a lender of last resort; (2) A credible, albeit nascent, plan for bank supervision has just been put into place; and (3) The German constitutional court backed the launch of the ESM – a permanent rescue fund de facto leveraged by the ECB. **The risk of breakup is not eliminated, but reduced**. Barring (1) a major political miscalculation or (2) a social / popular revolt in Greece, it's unlikely it would happen over the next 8-12 months.

The Eurozone downturn is gathering further momentum. Business and consumer confidence are taking a turn for the worse. **Southern Europe is trapped in a recession, with Greece and Spain** (the world's 13th largest economy) **in the front line**. The former is adrift of its fiscal targets and stuck in depression. The latter is also missing its budget deficit targets, while at the same time lurching towards a fullblown constitutional crisis (some regions like Catalonia are, once again, flirting with the idea of independence).

In most high-income countries (the US and Europe in particular), the danger exists that high levels of unemployment become embedded in the structure of the economy. This is the so-called hysteresis effect in the jargon. It portends that **unemployment may be permanently higher (i.e. for many years to come), and aggregate demand lower**. When cyclical problems persist, they tend to mutate into structural ones.

Earlier this month, the head of the Dallas Fed declared that: "nobody on the Fed committee really knows what's holding back the (US) economy and what will work to get the economy back on course". **This amazing (and frightening…) confession tells us that the effects of yet another stimulus may be minimal.** The risks in terms of collateral damage and unintended consequences are also substantial. However, there is nothing else available, and the risk of doing nothing would be much higher. The most vexing issue is the seeming inability of central bankers to influence demand.

The demise of the middle-class is a key reason why little is to be expected on the demand-side of the economy. The phenomenon – a by-product of globalization - affects all high-income countries, but it is especially apparent in the US. A census just published there reveals that the median incomes have fallen in real terms to the level of 20 years ago. The US median household is now 4.8% poorer than when the recovery started in 2009. This is why, despite the marked improvement in the housing market (the Case-Shiller index is up 6%+ since the beginning of the year), **US economic growth will remain sluggish for a prolonged period of time.**

At a recent gathering of the World Economic Forum in Tianjin, China, many Chinese participants – analysts and officials alike - expressed in private conversations their worries about the country's prospects and their concerns about the unusually edgy leadership transition. **This is a simple, and yet one of the surest, signs that all is not well in the Middle Kingdom**. Problems, either economic or political, abound. Many observers, particularly in the West, overestimate the significance of the country's stimulus efforts and underestimate the

impact of slowing exports on the economy. They also fail to understand that debt problems are mounting, essentially because debt is rising faster than the value created by additional investment.

The viral dimension of demonstrations was a global feature of this month. They ranged from protests - sometimes violent – in the Arab world (provoked by a movie denigrating Islam) to anti-Japanese protests spreading across China. **These events point to the growing concentration of global geopolitical and societal risks**. They exact a heavy, yet unpredictable, toll on companies that get caught in the crossfire. In China, for example, major Japanese companies such as Toyota, Canon and Fast Retailing had to suspend their operations.

The Middle-East situation continues to pose an intractable challenge. **In most Arab countries, the economic situation is sharply deteriorating at a time when new political regimes are struggling to impose their authority**. As a result, states are weakened while internal tensions with radical Islam and along ethnic / religious dividing lines are deepening. Libya and Syria are emblematic of this predicament. Libya has an elected government, but no governance. In Syria, the "Lebanonization" scenario looks increasingly likely.

China's growing assertiveness begs the question of whether the US and China can escape the "Thucydides' trap": the situation that could possibly end in a conflict when a rising power rivals the dominant power. A US Commission on American National Interests has just concluded that: "a diva of such proportions (i.e. China) cannot enter the stage without effect." There any many different ways in which a new, massive, power can disturb the status quo. Current naval skirmishes in the East China Sea are just one of them.

The announcement of a collaboration between Facebook and Datalogix (a data-mining and datamatching company) represents one further nail in the coffin of privacy. These sorts of agreements are becoming commonplace, and set to expand dramatically in the coming years. **It is important that private investors and wealth managers come to terms with the fact that privacy is dead**: In the words of a commentator, **such companies are turning into a KGB listed the stock exchange**!

In a recent piece, Ian Harnett from Absolute Strategy Research argues that investors have become so obsessed with spotting Black Swans (the Eurozone collapse, the US fiscal cliff, the Chinese leadership challenge, geopolitical instability in the Middle East, and so on…) "that they've lost belief in White Swans". Even though tail events have acquired a propensity to become fatter (due to increasing interdependence, complexity, velocity and transparency), this is a fair point. Our obsession that "all swans are black" is based upon a cognitive illusion that Kahneman explains in *Thinking Fast and Slow*: **we tend to systematically overweigh the probabilities of unlikely, but highly publicized, events**. **In this process, we tend to forget that plenty of White Swans do still exist!**

Making pensions reversionary 'mid stream'

By Daniel Butler, Director and
Nathan Papson Lawyer, DBA Lawyers

Introduction

The ATO's views in TR 2011/D3 highlight the importance of having appropriate documentation in place to ensure a pension is reversionary. Since the release of this draft ruling, reversionary pensions have become a hot planning issue. They allow a pension to continue to be paid to a surviving spouse retaining the pension exemption beyond the death of the pensioner resulting in greater tax efficiency.

However, the question we analyse in this article is: can a pension that is commenced without a reversionary nomination, be readily 'converted' to a reversionary pension, without commuting the original pension and restarting a new pension which has a reversionary nomination?

There is one school of thought that suggests this is not possible. However, most advisers believe there is no issue when the pension is in the nature of an account based pension such as an account-based pension, a transition to retirement income stream ('TRIS') or an allocated pension (that commenced prior to 20 September 2007). We will refer to these broadly as account based pensions for simplicity.

This article seeks to clarify this point firstly by reference to account based pensions and will only cover defined benefit pensions ('DBP') such as lifetime, flexi and fixed term pensions that previously could have been commenced in SMSFs before 1 January 2006 for completeness. We note that due to specific legislative provisions, changing an existing non-reversionary DBP to be reversionary may give rise to certain issues.

ATO's most recent view

What may have most recently given rise to the school of thought that suggests this is not possible was the ATO's comments in the NTLG superannuation technical minutes of March 2010 where the ATO was asked a very different question to the question here. Namely, there, the ATO was asked: does a reversionary nomination in an account-based pension take precedence over a binding death benefit nomination ('BDBN') or are the trustees bound by the BDBN following the death of the original pension recipient? In addressing that question, the ATO remarked:

However, we would suggest that a pension that is a genuine reversionary pension, that is, one which under the terms and conditions established at the commencement of the pension reverts to a nominated (or determinable) beneficiary must be paid to the reversioner.

Although this remark was made in a very different context, it does seem to suggest that if a pension is not established as a reversionary pension at commencement, it can not be varied later to become a reversionary.

Legislative analysis

Naturally, the law should be examined. There is no express prohibition in the Superannuation Industry (Supervision) Regulations 1994 (Cth) ('SISR') nor in the Income Tax Assessment Act 1936 (Cth) ('ITAA 1936) or Income Tax Assessment Act 1997 (Cth) ('ITAA 1997') that precludes a reversionary beneficiary being nominated after a pension has commenced. In particular, regulation 1.06(9A) of the SISR outlines the requirements for an account-based pension. Indeed, reg 1.06(9A)(c) allows a pension to be transferable to a beneficiary (including a reversionary beneficiary) on the member's death. There is also no express preclusion in relation to the definition of a TRIS in reg 6.01(2) or in respect of an allocated pension in reg 1.06(4). Therefore, there is express prohibition in the SISR or the ITAA 1936 or ITAA 1997 that a pension can not be made reversionary after a pension has commenced.

Pensions — legacy rules

Prior to July 2007, most people were generally reluctant to convert a pension to become a reversionary pension. Thus, most account based pensions prior to July 2007 were commenced as non-reversionary pensions.

Reverting a pension could result in increased tax

Prior to mid-2007, the 'deductible amount' which represented the old tax-free component of a superannuation pension payment was calculated in accordance with s 27H of the Income Tax Assessment Act 1936 (Cth) ('ITAA 1936'). Broadly, this is calculated as the undeducted (now known as non-concessional) contributions used to purchase the pension, divided by the life expectancy of the beneficiary.

Where a pension was reversionary, the longer life expectancy of the member or reversionary beneficiary had to be used: see TD 2006/72. As a result, the deductible amount calculated under ITAA 1936 s 27H would be decreased if the life expectancy used was increased. As such, it was generally undesirable to revert a pension to a surviving spouse prior to mid-2007 for this reason.

In TD 2006/34 the ATO accepted that a change from a reversionary to a non-reversionary pension as a result of the marriage breakdown mid stream could occur but the deductible amount under s 27H needed to be adjusted accordingly. The ATO in paragraph 6 of TD 2006/34 state:

This is most likely to occur where the original pension was reversionary and subsequent to the marriage breakdown the pension ceases to be reversionary. Additionally, there is no other reversionary beneficiary and the pension will cease on the death of the member spouse. If the life expectancy of the member spouse is less than that used as the relevant number in the original calculation of the deductible amount then a different relevant number will need to be used in calculating the deductible amount of the new pensions.

Social security

Broadly, assuming someone satisfies the assets test and other criteria, Centrelink's income test assesses a member's pension income less a deductible amount calculated on a similar basis to s 27H of the ITAA 1936. As such, if a member wanted to apply for Centrelink benefits such as the old age pension, it may be in their best interest to maximise their deductible amount in order to decrease the amount assessed under the income test.

Therefore, making a pension reversionary 'mid stream' would typically decrease the member's chance of being eligible for Centrelink benefits where the reversionary beneficiary has a longer life expectancy.

Past practice

It appears that the school of thought that 'pensions must be commuted before being made reversionary' also stems from the traditional or preferred approach practice above especially prior to July 2007.

In summary, prior to July 2007 it was general practice to make an account based pension non-reversionary for tax and social security reasons and not to change them mid stream. Since mid-2007, the general practice has changed to commence pensions with a reversionary nomination unless this was not appropriate, eg, there is no surviving spouse.

This is because since 1 July 2007 the tax free amount of a pension is generally determined according to the proportioning rule in s 307-125 of the ITAA 1997. This depends on the amount of the tax free component of the pension at commencement: s307-125(3)(a) of the ITAA 1997. This contrasts to the calculation of the 'deductible amount' for pre-July 2007 pensions under s 27H of the ITAA 1936 which depended on the longer life expectancy of the member or reversionary beneficiary.

In summary, prior to July 2007, we understand that most account based pensions were non-reversionary. In contrast, from July 2007 onwards, we understand that most account based pensions are reversionary.

Making an account based pension reversionary
Assuming there is flexibility in a fund's governing rules and related documents (which may include deeds, resolutions, pension contracts and legislation, etc), there is no reason why the terms of a pension could not be varied after a pension commences ('mid stream') to add a reversionary pensioner. Indeed, this could, under an appropriately worded deed, be by way of a BDBN where a member specifies that their pension is to revert and continue to be paid to say their spouse upon and following their death. (We are aware and have covered in a prior article the debate relating to whether a BDBN wins out in the event of conflict against a reversionary pension nomination. Please contact us if you would like a copy of this article).

Therefore, provided the documents provide the flexibility, a pension could be varied mid stream to nominate a reversionary pensioner.

Defined Benefit Pensions

For completeness, we will discuss the main reasons why DBPs should be treated differently in this context.

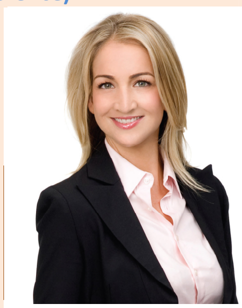
Broadly, the commencement of new DBPs in an SMSF was prohibited after December 2005 and grandfather relief was provided to those DBPs that were commenced in an SMSF prior to 31 December 2005. Unlike 'account based pensions', a DBP requires an actuarial calculation to determine the annual pension payment. Broadly, the annual payment amount of a DBP is determined having regard to multiple factors including the amount of assets funding the pension, expected growth, mortality rates and whether the pension was reversionary or not. Whether a DBP is reversionary is a significant factor in this calculation — as with a given pool of funds, the longer the period of the pension, the lower the annual pension payment (assuming all other factors are equal). In essence, an SMSF trustee had to guarantee a member a certain sum each year, as indexed each year, for the remainder of the member's life in respect of a lifetime DBP. Where the pension was reversionary, this guarantee was generally extended for the longer life expectancy.

One of the requirements of a lifetime pension was that the size of payment of benefit in a year is fixed, allowing for variation only in limited circumstances (ie. in reg 1.06(2)(b), as specified in the governing rules). It was rare in practice to vary a DBP once commenced apart from exceptional circumstances.

SPECIAL OFFER FOR AIA MEMBERS FROM RACHAEL ROFE

(Highest rated speaker at 2013 Conference)

Rachael would like to extend an invitation to the members of AIA to meet with her for a complimentary estate planning appointment.



During the appointment (45 minutes) she will review your individual circumstances, asset structure and objectives with a view to developing an estate planning strategy that will ensure your assets pass to your intended beneficiaries in the most tax effective and asset protective manner.

The meeting is completely complimentary for AIA members.

To schedule a meeting, simply call the toll free number 1300 852 017 and ask for Brianna Cooper. Alternatively, email Brianna via law@dixon.com.au. Mention that you are from the AIA, and Brianna will be pleased to schedule your complimentary appointment. Rachael also conducts appointments via telephone and Skype for those members who are not in Sydney.

Without proper estate planning, your superannuation and other assets could end up in the wrong hands or your loved ones could be left with a heavy tax bill.

Implementing a self managed superannuation fund (SMSF) succession plan will allow you to:

- minimise death benefits tax on your superannuation which can be as high as 31.5%
- ensure your superannuation passes to your intended beneficiaries and is protected against vulnerabilities of a beneficiary such as divorce and bankruptcy
- explore the use of testamentary trusts to help your beneficiaries legally reduce or eliminate tax on income generated from their inheritance every year
- ensure you retain certainty that your superannuation fund is managed in accordance with your wishes in the event that you lose capacity.

To hear Rachael offer an overview as to why estate planning is more than just having a Will, please visit:
http://www.youtube.com/watch?v=l76Dz3S6c7w&feature=plcp

Book a COMPLIMENTARY Estate Planning consultation today by calling Brianna Cooper and tell her you are from AIA.

T: 1300 852 017
E : law@dixon.com.au
W: dixon.com.au/estateplanning

Making pensions reversionary 'mid stream' (Cont'd)

For example, after a marriage breakdown, or post-GFC, some SMSFs have had to vary payments due to insufficient liquidity. Moreover, a change to a term or condition of a DBP may be viewed by the ATO or Centrelink as creating a fresh pension which is no longer eligible for grandfathered DBP relief. See, for example, ATO SD 2004/1 and ID 2005/242 where the ATO outlined strict guidelines as to the requirements for DBPs.

In particular, ATO ID 2005/159 examined whether an SMSF trustee could pay a DBP to a reversionary beneficiary under div 9.2B of the SISR. The ATO confirmed that the SMSF could, provided that the terms and conditions of the pension included the basis of the reversion when the original pension was established, and the original pension was established before or during the transitional period. These comments (in ATO ID 2005/159) should be considered in view of the special rules phasing out DBPs in SMSFs introduced before 2006.

Conclusion

Being able to convert an existing account based pension to a reversionary pension is a key SMSF succession planning strategy. It can result in administrative efficiency, rather than having to commute an existing pension and then commence a fresh 'reversionary' pension.

We note there is conflicting ATO views, albeit in different contexts as outlined above (ie, ATO TD 2006/34 in respect of s 27H of the ITAA 1936, the ATO's views expressed in ATO ID 2005/159 in respect of reverting a DBP and the NTLG superannuation technical minutes of March 2010 in respect of BDBNs and reversionary pensions).

We also understand that this matter is being reviewed by the ATO and Treasury in their broader finalisation of TR 2011/D3 and the treatment of pensions on the death of a member. There may be some legislative

change that may soon be released to cover some of these issues and this area should therefore be closely monitored. The finalisation of TR 2011/D3 is also eagerly awaited.

While we consider the law to be clear for allowing a reversion of an account based pensions mid stream, given the different ATO views, until greater clarity issues, the safer course would be to commute and start a fresh pension if a reversionary nomination of an existing non-reversionary pension is desired. However, for those who do not wish to go through the extra administrative hassle of commuting and starting a fresh 'reversionary' pension, they should either seek written comfort from the ATO or obtain further expert advice.

This article is for general information only and should not be relied upon without first seeking advice from an appropriately qualified professional.
Note: DBA Lawyers holds SMSF CPD training at venues all around Australia and online. For more details or to register, visit www.dbanetwork.com.au<http://www.dbanetwork.com.au/> or call Marie on 03 9092 9400.
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Mortgage Schemes – How to sort through the eggs
By Richard Woodhead, Managing Director of GPS Investment Fund Limited

Mortgage schemes have developed quite a poor reputation over recent years due to a number of high profile collapses.

At the 2012 AIA National Conference, I presented a session where I reviewed what has gone wrong in the mortgage scheme industry and provided some tips as to what to look for when considering investing in a mortgage scheme as part of a diversified portfolio. My presentation drew a lot of interest and the AIA (Australian Investors Association) has since invited me to write a series of educational articles on this class of asset.

How did it all start?

There are several thoughts as to the history of private lending in Australia. The one that I ascribe to is that private lending is one of the oldest industries, and that it developed in Australia in post war rural Victoria where credit from the banks was tight. The communities rallied to assist each other using the services of Solicitors to make sure that it was all "legal".

In the early 1980s there was a migration of retiring Victorians to the Gold Coast in Queensland and Solicitors were encouraged by their clients to establish a private lending industry. Following an early success of private lending on the Gold Coast it then spread throughout Australia.

A few bad eggs

As a consequence of the collapse of Solicitors' private lending the ASIC (Australian Securities and Investment Commission) introduced the Managed Investments Act in 1997. This legislation and its associated regulatory guides and class orders has again been reviewed by the ASIC following GFC. In coming months there will be further reform of the mortgage schemes industry.

Why Solicitors' private lending collapsed and there were such widespread failures from the GFC are subjects in themselves. I will discuss each of these in future articles.

The end result of the ASIC reviews is that mortgage schemes are now one of the most regulated of the financial services. Financial Planners are currently concerned about FOFA (Future of Financial Advice) and about requirements, such as, to put the interests of the investors ahead of their own, disclosure of all fees etc. The mortgage scheme industry has had these requirements since 1997 and we are now at the stage from further regulation that we have guidelines as to what we can or cannot say to the extent that it is now almost impossible for us to advertise. Financial Planners have a long road ahead of them.

My optimistic view – there are still many good eggs.

My personal hope is that the clean out of the mortgage schemes industry by GFC and the tightening regulation will allow this industry to develop into a credible and reliable asset class for investment. Investor knowledge will play an important part for the future of the industry.

A good place to start when considering a mortgage scheme is to look at the operator's licence. A fully licensed scheme, which can take investment from the general public, should have an ARSN (Australian Registered Scheme Number) and be operated by the holder of an appropriate AFSL (Australian Financial Services Licence). Here's some tips to help you.

My homework tips for investors

1. **Check the licence**
   The ASIC has on its website (www.asic.gov.au) a search engine for Australian Financial Services Licensees. It is on the right hand side of the home page. Click on "professional registers" and then put in the name of the operator or their quoted AFSL number. In the "select register" section, scroll down and click on "Australian Financial Services Licensee". When you get to the page with the details of the AFSL that you are searching, click on the most recent "license authorisation conditions".

2. **Differentiate Debenture & Registered Schemes**
   There have been several ways that operators have been able to get around being fully licensed. One way is through debenture schemes, where the investment is into the company whose business it is to lend moneys secured by mortgages; as opposed to purchasing units in a registered scheme which holds the mortgages through a custodian. There is a real difference in how the invested moneys can be used and the priority for repayment. In a registered scheme, investors' moneys are separated from the general funding of the business and can only be directly invested in loans or held in cash.

   Unfortunately, with some of the debenture scheme companies in the past, invested moneys seemed to end up supporting the directors' lavish lifestyle and there was little left when the company failed. The GFC has knocked out a lot of the debenture companies. The ASIC subsequently imposed benchmarking on these companies which has led to many more exiting the industry. You should not taint registered mortgage schemes with what has occurred with debenture schemes, as they are quite different forms of investment.

3. **Know that it's a highly regulated industry**
   The AFSL system applies to many areas of the financial services industry. The operator needs to be licensed to operate a "mortgage scheme". You can check this endorsement on the ASIC search.

4. **Identify Wholesale vs Retail endorsement**
   The AFSL can be for "retail and wholesale investors" or simply for "wholesale investors". The level of regulation, compliance and audit required to hold a "retail and wholesale investors" endorsement on an AFSL is substantially greater than for a solely "wholesale investors" endorsement.

   My view (I am not licensed to give financial advice) is that an investor would really need to understand the form of investment and be able to undertake their own independent due diligence if they are dealing with an operator who only holds a "wholesale endorsement".

5. **Look for financial assets endorsement**
   The AFSL of the operator should also include a "financial assets" endorsement so that the operator can hold cash as part of the scheme assets. Many mortgage fund operators rely solely upon the "incidental property" endorsement in their AFSL to authorise them to hold cash. Unfortunately, "incidental property" is generally limited to 10% of scheme assets and there will be a breach of the operators AFSL if more than 10% of the scheme assets are held in cash. This can lead to the operator having to lend to avoid a breach of its licence and limits the ability of the mortgage scheme to "cash up" should there either be no suitable loans at that

time, or should it be prudential to do so in specific economic climates. This has inspired my Golden Rule #1 (below).

About my blog

I am a lawyer by original background and have been running mortgage funds for just on 20 years. I have successfully guided mortgage funds through both the collapses of Solicitors mortgage funds and the GFC.

I am passionate about this industry and believe that education of investors needs to be an important part of its future direction. I hope that my articles will enlighten you as to why I have been able to succeed where so many have failed.

I invite you to participate in discussion at any time. I enjoy interacting with investors – both online and offline – and I consider these discussions to be important in meeting the needs and concerns of investors.

If you would like to follow my blog online, please visit www.gpsinvest.com.au and sign up to our e-news or follow me on Twitter @ Richard_GPS.
Richard Woodhead is the Managing Director of GPS Investment Fund Limited 1800-999-109 rw@gpsinvest.com.au

2013 AIA Conference – Planning Underway

Planning for the 2013 Conference is underway. We have appointed a steering committee this year, and we will include regular articles in these email newsletters to keep members informed of our progress.

Due to very strong feedback from members, the conference will again be held at the Marriott Gold Coast on the 28th to 31st July 2013.

This has proven to be a very popular venue with members, and although we naturally have received some comments suggesting other locations, by far the majority of comments that we have received have been in favour.

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