

7.00% p.a.*
 Richmond Income Plus
 5.50% p.a.*
 Richmond Income



Richmond
NEWS UPDATE
 W I N T E R 2 0 1 0
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Welcome to the Winter edition of the Richmond newsletter.

Dear Investor,
 Recently there has been a return to volatile economic times and concerns about the stability of some European economies, affecting both stock and currency markets around the world. The market sell-off, which started in April as European sovereign debt issues escalated, continued in May and most analysts anticipate the volatility will continue for some time.

What does this mean for Richmond investors? Not a lot as Richmond doesn't invest in stock or currency markets and has continued to provide investors with regular and stable income with a high level of capital stability.

In the short term, the growing consensus is that the Reserve Bank will likely defer official interest rate increases as concerns about the sovereign creditworthiness of several European countries continues. However, as inflation appears likely to be in the upper half of the Reserve Bank's "target zone", economists see further increases in official interest rates during the next 12 months.

Here at Richmond we are committed to:

- protecting your capital
- paying regular and consistent income distributions in line with your investment choice

- providing regular liquidity opportunities to Richmond Income investors

I'm also thrilled to announce the launch of a new investment option, **Richmond Cash**, which allows investors to withdraw money when they like, with an attractive rate of return and no fees. See the inside pages of this newsletter for details.

All the best.

Ian Cardow
 Managing Director

DIRECTORS

- Bryan Marriott (*Chairman*)
- Ian Cardow (*Managing Director*)
- Andrew Young
- Jake Van Dommele



Distribution rates up

Reflecting previous increases in official rates, Richmond Mortgage Fund's variable distribution rates from 23 April 2010 are:

Investment Option	Distribution Rate	Distribution Rate with reinvestment of quarterly distributions
Richmond Income	5.50% p.a	5.61% p.a
Richmond Income Plus	7.00% p.a	7.19% p.a

Richmond Income Plus a hit

Over recent months many investors are enjoying higher distribution rates by choosing to switch their investment to **Richmond Income Plus**. Because it has proven so popular, we are pleased to advise the reduced transfer period has been extended until 30 September 2010, (30 days for investments transferred from **Richmond Income** to **Richmond Income Plus**)

Richmond Income Plus may be for you, if:

- short term access to your investment is not a priority and
- you wish to take advantage of higher distribution rates

To transfer to **Richmond Income Plus**, or to discuss this further, please contact our office. ●

*Past performance is not necessarily a guide to future performance. Investors should note there is a risk that the investment may achieve lower than expected returns. Before making any decision about Richmond Mortgage Fund or Richmond Cash Fund you should obtain and consider the relevant product disclosure statement.

Richmond Cash

Following research and consultation with many investors we are pleased to advise the launch of a new investment option, **Richmond Cash**.

Key features of Richmond Cash

Richmond Cash is expected to be available to investors in July 2010.

Richmond Cash is for investors with \$5,000 or more who need a low risk investment that is seeking to pay a highly competitive rate of return, 5.00% p.a., and easy access to their funds with no fees.

With **Richmond Cash** you can invest and withdraw your money as you like. There is no minimum investment period and you can keep your money in the Fund for as long as needed. Investors in **Richmond Cash** can also set up a regular savings plan.

Why are we opening Richmond Cash?

Many investors want to continue investing with Richmond and need greater access to their funds than is currently available with **Richmond Income** and **Richmond Income Plus**.

With this in mind we have reviewed our products to ensure we are still meeting the needs of our investors. **This has led us to develop a new product** – Richmond Cash - an at call investment seeking to pay a highly competitive rate of return.

What is our expertise in managing cash products?

The Board of Ballina Mortgage Management Ltd (as responsible entity for Richmond Mortgage Fund) has been managing cash investments since 1968.

How secure is Richmond Cash?

All funds held in **Richmond Cash** will be invested with Australian "ADI's" (Australian banks, credit unions and building societies).

Is the distribution rate fixed or variable?

The distribution rate for **Richmond Cash** is variable, calculated daily and paid quarterly. For an at-call product we think the rate of return is highly competitive.

Is my money locked away for a specific term?

No. This is an "at call" investment and you can withdraw your money when you like.

How are Richmond Cash redemptions paid?

Our intention is to pay all redemptions immediately on request. The Fund's constitution allows up to a maximum of two business days to meet redemptions should the need arise. All redemptions are paid via electronic funds transfer to your nominated account.

Are there fees associated with an investment in Richmond Cash?

There are no entry, exit or transactions fees associated with an investment in **Richmond Cash**.

launched

- ✓ Withdraw your money when you like
- ✓ Competitive rate of return – 5.00% p.a.
- ✓ No fees

Can I transfer my investment from Richmond Income to Richmond Cash?

Yes. Every time there is a redemption offer made to **Richmond Income** investors the proceeds can be paid to **Richmond Cash** where they will be at call.

How do I open a Richmond Cash account?

We anticipate the release of the Product Disclosure Statement (PDS) for the new **Richmond Cash** account in July.

We will advise all investors when the PDS is available. All you will need to do then is to complete the application form contained in the PDS and for investors new to Richmond, provide the relevant identification supporting documents. The PDS will be available at our Ballina office or can be downloaded from our website www.rmfund.com.au.

How do I deposit my money with Richmond Cash?

You can make your initial and subsequent investments by:

- Cheque at our Ballina office (11/4 Martin Street)
- Direct Debit – You will need to complete the Direct Debit Request form at the back of the PDS (or contact our office)
- Funds transfer by internet/phone banking - You can do this once we have advised you of our **Richmond Cash** BSB and Account Number

How long will it take to set up my new Richmond Cash account?

We will open your account on the day we receive your investment with the relevant identification supporting documents (if required).

We will confirm your account details in writing by mail within five days of receipt of your application and the relevant supporting documents (if required). ●



Redemption offer available

We are pleased to advise Richmond Mortgage Fund's fifth redemption offer will be available to **Richmond Income** investors in July.

The Offer details are:

Opening Date	14 July 2010
Closing Date	6 August 2010
Amount	11% of the balance of your Richmond Income investment as at 7 July 2010.

All **Richmond Income** investors will receive details of the offer shortly.

Profile

"If you want something done, ask a busy person to do it." That famous quote by American comedian Lucille Ball, aptly applies to our Fund's Chairman Bryan Marriott.

In fact Bryan has always been busy and in demand. He has been a Director of Ballina Mortgage Management since the Fund began in 2000 and Manager of the Richmond Trust Fund since 1987.

Previously a partner of Marriott Foreman Chartered Accountants from 1972 to 2007 Bryan has also been a Director of Marriott Foreman Financial Planning since 1998. He still consults for several private companies through his financial consulting business.

Bryan is a Certified Practising Accountant, a Fellow of the Institute of Chartered Accountants and Certified Financial Planner.

As if that wasn't enough, Bryan was once Mayor of Ballina and has been prominently active in our region, with more than 30 years in the Ballina Chamber of Commerce – much of that time on the Chamber's Executive, as secretary and treasurer.

A recent feature in *The Northern Star* profiled Bryan's contribution to the Chamber and his stepping down from the Chamber's Board, including his role helping secure a commercial airport for Ballina, which now provides daily services to Sydney via Rex, Jet Star and Virgin Blue.

Although no longer on the Board of the Chamber, Bryan has recently volunteered to be on the Chamber's committee to prepare a submission on the Ballina draft local environmental plan. Always active, always contributing!

Funding for local charities

Do you know of a local registered charity with Public Benevolent Institution (PBI) status doing great work for our community which could do with a leg up and some financial support?

Richmond Mortgage Fund Foundation is now calling for local PBI's to submit requests for funding from the Foundation. All requests must be submitted by 31 July 2010.

The Foundation has a fabulous local legacy, providing much needed support for local charities including the Ballina Coast Guard, Biala, the SES and Riding for the Disabled, to name but a few.



Richmond Mortgage Fund

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