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The newspaper for the personal investment professional

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ASIC too slow to act: adviser

By Zoe Fielding

A QUEENSLAND financial adviser has accused the Australian Securities and Investments Commission (ASIC) of acting too slowly in shutting down an unlicensed investment scheme, claiming the corporate regulator should be held accountable for losses incurred in the year it took to respond to his complaints.

Ross Cardillo of Ross Cardillo Financial Services in Mareeba and Cairns in Queensland, said ASIC should be “condemned for not acting sooner” in the case of Cairns-based accountant Elizabeth Heather Parry, who was jailed for 10 years last month after pleading guilty to fraud charges related to the scheme.

From 1997 to October 2003, Parry obtained \$6 million in loans from private investors, who were guaranteed returns of between 9 and 15 per cent. Parry then used the funds for her own purposes.

Cardillo first informed ASIC on October 16, 2002, that Parry, through her business Parry and More, was operating an apparently unlicensed investment scheme in Cairns.

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Advance ties up MIR

By Ross Kelly

ADVANCE Asset Management has Australia's most talked about fund manager all to itself, having signed Michael Triguboff's highly successful MIR to an exclusive retail distribution deal, which will see the acclaimed boutique fund manager offered to the retail market for the first time.

Reminiscent of the arrangement between Peter Morgan-owned 452 Capital and the Commonwealth Bank three years ago, the deal will see St George bank-owned Advance offering a new large cap Australian equities fund to investors, which will be exclusively managed by MIR.

The Advance Concentrated Australian Share Fund, which will be available through Advance's retail and wholesale products and other platforms, will open for inflows on September 1, and hopes to attract \$600 million from retail investors by the end of the year.



Michael Triguboff and Kate Mulligan

The deal is a big win for MIR. With close to \$2 billion under its belt, the offering of the new fund has the potential to increase the contrarian value manager's funds under management by over 30 per cent by December.

Triguboff said he was confident Advance would give MIR, which has made significant inroads into wholesale channels

since it was launched in 2003, recognition in the retail market. He said it made more sense to let Advance take MIR to that market, instead of the group having to do it itself.

“Outsourcing our retail distribution capability, and focusing on what we do well – investment research – is better for everyone concerned,” he said.

Triguboff said the deal with Advance would not affect its relationship with Equity Trustees, which will remain the responsible entity of MIR's wholesale trusts, which will continue to be available through channels outside the Advance system.

Excellent performance wasn't the only reason why MIR – named *Money Management* Fund Manager of the Year in both the Australian equities and rising star categories this year – was selected for the lucrative deal, according to Advance managing director Kate Mulligan.

“MIR is an excellent manager. Obviously there's the performance – it was 44 per cent to June, which is way out in front of the market – but there's also the process that Michael has with the combination of ‘quant’ and ‘qual’ together, and the concentration of the portfolio, which is quite unique,” she said.

Mulligan said she was confident Advance's open ended contract with MIR would continue well into the future.

InvestorWeb head takes action against former boss

ANGELA Ashton, the veteran funds management researcher and recently appointed head of research at IWL-owned InvestorWeb, has taken legal action against her former employer, Aegis Equities Research, where she was head of managed investments for 10 months.

Money Management has learnt that Ashton, who has worked in the research indus-

try for over a decade, lodged the action in the NSW Industrial Relations Commission. The legal action is understood to have been taken under the Commission's unfair contract provisions.

When contacted by *Money Management*, Aegis chief operating officer Mamun Rashid confirmed that Ashton had taken the action. Rashid said it was

inappropriate to comment on the reasons behind the action, except to “deny any claims that [Ashton] is making”.

However, Rashid did claim Ashton had personally submitted a written resignation letter to the company.

Ashton moved to InvestorWeb in April this year to take on the role of head of alternative investment research.

She was promoted to the head research role at InvestorWeb last month. The appointment followed a series of departures from InvestorWeb, which included analysts David Walker and Rodney Sebire.

Ashton declined to comment when contacted by *Money Management*, citing legal advice.

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