

TENNIS, ANYONE?

Susan Campbell made a belated New Year's resolution: no more study. "That's enough qualifications for a while," she said after learning she had won the President's Prize as 1989 dux of the Securities Institute Diploma course.

Ms Campbell, who plans to replace a regime of study with one of tennis, squash and bushwalking, is a solicitor with the corporate law work group at Chambers McNab Tully and Wilson, Brisbane. She enrolled in the Diploma course in 1986 and completed it over four years of part-time study. "It seemed an interesting course to do," she says. "I was working in an area which led me to the course as something which would be useful."

She is no stranger to the discipline of late nights and lost weekends, immersed in textbooks and assignments. After completing high school in her hometown of Murwillumbah in northern NSW, she studied Commerce/Law at the University of Queensland, graduating in Commerce in 1981 and in Law, with Honours, in 1983.

Then came three years with a Brisbane law firm, including two years of articles, and a couple of years with the Queensland Treasury Department, working in financial and legal areas.

Ms Campbell joined Chambers McNab Tully and Wilson in July 1988 to specialise in commercial law. "I had always thought of being involved in general commercial law – not litigation," she says. "I have been really interested

in property investment analysis, and now I am working on property trusts."

Now 30, Ms Campbell has no doubts that she has made the right career choice. "I'll stay in corporate law," she says. "I'm enjoying it and don't propose to change my path."

But no more study – at least for some time. "The Diploma course was enjoyable but part-time study on top of a full-time job can be very difficult. There are a lot of sacrifices. Weekends just disappear. Now I feel like a complete



Susan Campbell, Diploma course dux.

break from study."

In contrast to Susan Campbell, Kurt Smyth, 29, has just signed up for the long slog towards his SIA Diploma qualifications. His chances have to be rated as pretty good – Mr Smyth has been named winner of the SIA President's Prize as 1989 dux of the Certificate course.

That is already a promising sign for a computer programmer who wants to break into the finance industry. Mr Smyth works in the business superannuation products division of National Mutual Life, Melbourne, where he is involved with computer programs for small-business superannuation packages.

In an unlikely beginning for an Institute dux, Mr Smyth dropped out of university after a spell as a public service clerk. He started working as a computer programmer with the broking firm J. B. Were and, during three years there, became fascinated by the finance industry.

His next steps were to enroll in the SIA Certificate course – "I wanted to learn more about all aspects of finance" – and to move to National Mutual – still as a programmer.

"I am very keen on getting into the financial field," Mr Smyth says. "I am doing the Diploma course now in the hope that it will lead to an opportunity with National Mutual's investment area. My greatest interest is in equities and I'd like to work in portfolio management and asset management."

Mr Smyth believes that one of his

main interests – outside finance – could be helpful to the career he has targeted. He is undertaking an officer-training course with the Army Reserve. Given the demands of helping with the raising of his two-year-old daughter, that is a demanding task. But, he says, when he completes the officer-training course this year, he will have gained valuable management skills.

– John Hoffmann

Following is a full list of national Diploma and Certificate awards:

DIPLOMA COURSE

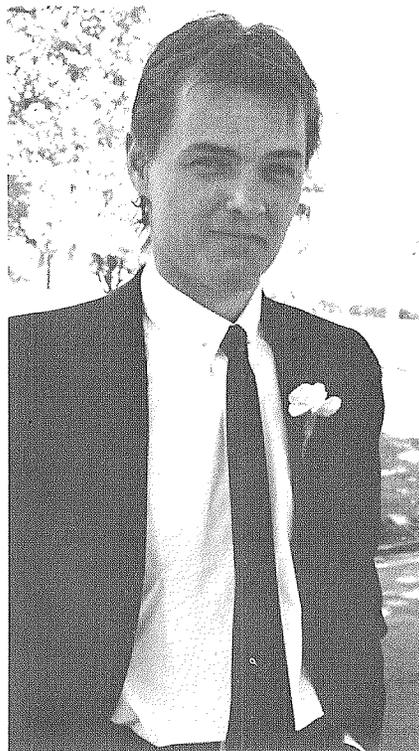
The President's Prize (Diploma course dux): Susan Campbell, Chambers McNab Tully & Wilson (Queensland Division).

The Australian Financial Review Prize – *The Securities Industry (Subject 51C)*: Timothy O'Connell, Elders Finance Group Limited (NSW Division).

The Commercial Law Association Prize *Securities Industry Law (52C)*: Christopher Taubman (NSW Division); James Boynton, Mallesons Stephen Jaques (Victorian Division).

The Australian Mining Council Prize – *Mining Investment Analysis (55)*: Richard Facioni, Macquarie Bank Limited (NSW Division).

The Australian Merchant Bankers' Association Prize – *Applied Corporate Finance (56)*: Tze Y. Masters, State Bank of Victoria (NSW Division).



Kurt Smyth, Certificate course dux.

The Council of Authorised Money Market Dealers Prize – *Money Market and Fixed Interest Investment (59)*: Stephen C. O'Brien, IPAC Securities Limited (NSW Division).

The Sydney Futures Exchange Prize – *Australian Futures Trading (60)*: Antony Carr, Edwards Dunlop & B. J. Ball (NSW Division).

The Australian Finance Conference Prize – *Options Markets and Trading (62)*: David F. Dennis, Macquarie Bank Limited (NSW Division).

CERTIFICATE COURSE

President's Prize (Certificate course dux): Kurt F. Smyth, National Mutual Life Association of Australia Limited (Victorian Division).

The Commercial Law Association Prize – *Securities Industry Law (22C)*: Duncan E. Graham (distance education, Tasmania).

The Australian Stock Exchange Limited Prize – *The Australian Stock Market (25)*: Stephen A. Guy, Mercantile Mutual Life Insurance Co Limited (distance education, Queensland).

The Australian Futures Exchange Prize – *The Australian Futures Market (26)*: Philip Lorensini, Commonwealth Bank of Australia (Victorian Division).

The Australian Stock Exchange Prize – *Stockbrokers' Administration Procedures (27)*: Timothy Samway, Burrows Limited (NSW Division).

The Council of Authorised Money Market Dealers Prize – *Australian Money Markets (28)*: Tony A. Cottam, Citicorp Australia Limited (NSW Division); Andrew Schwab, National Australia Bank Victorian Division).

The Personal Investment Monthly Prize – *Personal Investment Planning and Investment (31)*: Alfred C. Wong, Capita Finance Group (NSW Division). □

TRUSTS AND OTHERS

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partnerships may be formed for any business except banking and insurance. In Tasmania and Western Australia, the number of partners is limited to 20 except in banking partnerships where the limit is 10. The limited partnership structure has proved more popular in recent years since, like the unit trust that distributes its taxable income, the partnership itself is not subject to tax. The life of a limited partnership is restricted to seven years. Compared with a company, a partnership is simple to form and administer, although a partnership automatically dissolves if a partner dies or becomes bankrupt.

The close corporation

The Close Corporation Act 1989 allows for the formation of a completely new corporate structure which in some respects is similar to a limited partnership. A close corporation may have no more than 10 members who must be

natural persons and who have limited liability. Its share capital must comprise a single class of fully paid shares which may not be offered to the public.

There are much reduced reporting requirements compared with other classes of company. Rather than a memorandum and articles, a close corporation has a "founding statement" – which must be signed by the initial subscribers and which states the name and address of the company and its share capital in addition to subscriber details – and an "activities statement" describing the actual or intended business activities of the company. Neither banking nor insurance activities are allowed and a close corporation cannot act as a trustee.

Subject to the limit on the number of members, a close corporation can make issues of shares at any time after incorporation (but not to the public) and the Act allows close corporations to purchase their own shares.

Further, subject to restrictions, the

close corporation is able to finance the purchase of its own shares.

Dividends may be paid to members only if, after their payment, the value of the company's assets exceeds its liabilities and it is in the position of being able to pay its debts as they fall due. Taxation is under the same rules as those applicable to other forms of company.

The Close Corporation Act 1989 was assented to on July 14, 1989, but at the time of writing had not been proclaimed.

"Statutory" investment vehicles

A number of other structures may be used to offer investment products. The most significant of these are the life assurance company, friendly society, credit union and co-operative registered under the appropriate Acts. Since formation of these structures is considerably more complex than those discussed above, and involves many other issues, their review lies outside the scope of this article. They could nevertheless be worthy of some consideration by investment promoters. □