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 PO Box 2093,
 Milton Qld 4064

Newsletter

Winter Edition #5 June 2010



The Transport Industry

Superannuation Fund

...driving your super future

Understand your super entitlements

The ATO is focusing on making sure employers understand their super obligations. Some common mistakes employers make when paying their super guarantee include:

- Not paying enough
- Missing the quarterly deadlines (28 October, 28 January, 28 April and 28 July), and/or
- Incorrectly classifying contracted employees.

Employers are required to pay 9% super contributions to a complying super fund like TIS Fund for all eligible employees.

These contributions are in addition to salaries and wages and must be calculated based on what employees earn for their ordinary hours of work.

Employers also need to pay super contributions for contractors paid under a contract for labour.

This includes contractors who quote an Australian Business Number (ABN).

If you have any concerns about your super you should check it out with your employer, or give us a call.

Disclaimer and disclosure

This newsletter contains general information only and does not take into account the objectives, financial situation or needs of any particular individual. You need to apply the concepts to your own situation and consider the appropriateness of any general advice before making an investment decision. A product disclosure statement is available by calling 1800 777 060. Contributions to superannuation are subject to the preservation rules.

We are committed to respecting your privacy. Our privacy policy sets out how we do this. If you would like to receive a copy of The TIS Fund's privacy policy, please call us on 1800 777 060 or go to our website at www.tisfund.com.au.

While this newsletter has been prepared with all reasonable care, no responsibility or liability is accepted for any errors, omissions or misstatements however caused.

Looking after your super

Your TIS Trustee board is dedicated to continuing the growth of the TIS Fund.

The current team of directors are:

Independent chairman

Graham Hart AM *(appointed November 2009)*

Member representatives

Hugh Kennedy *(director since May 1998)*

Rob McIntosh *(director since July 2009)*

Greg Harmes *(director since October 2009)*

Employer representatives

Doug McMillan *(director since June 1994)*

Brian Hicks *(director since January 2009)*

Geoff Crouch *(director since July 2009)*



Call or email us NOW!

To register for Member OnlineAccess

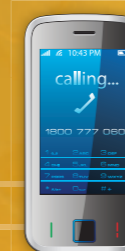
Member OnlineAccess is a new secure facility that lets you keep track of your super any time of the day or night, if you have access to a computer and the web you will be able to:

- View your personal details, account balance, insurance cover, beneficiaries, unit price history, employer contributions and more
- Change your address details
- Update your tax file number, and
- Produce your own statements.

It's easy to register:

call or email us NOW!

FREECALL
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Directors' Outlook

Overall things feel a lot better than they did when share markets were unpredictable and the world's banking systems were in crisis.

The economic recovery in the Australian and South East Asian economies, in particular, are looking promising for the next three to five years and we are positioning our Fund to take advantage of this growth.

In order to increase investment returns to members for this and future financial years, we have been working closely with our external investment manager to develop strategies that will take advantage of any upturn in world economic activity.

Other initiatives and alliances we have been working towards or have introduced in recent months include:

Online Access: Is now up and running. We have the systems in place to allow you to access your TIS Fund account via the web. For those of you who have access to a computer, and the web, you can view your transactions, check out how much your employer is paying on your behalf and see the growth in your account balance.

We strongly urge you to call or email us today so we can set up your very own secure OnlineAccess.

Low Fees: Our administration and investment management fees are still amongst the lowest in the industry. Low fees means more money going into your account which in turn means your super account grows faster, which is the primary aim of your Board.

Health Fund Alliance: One of our strategic alliances in the transport industry is the **rhealth Fund**. **rhealth** has been associated with the transport industry for over 120 years. TIS Fund has become associated with **rhealth** to provide them with a much higher exposure to the trucking industry.

|| ...driving your super future. ||

...Cont'd from front page

New Cash Option: We have recently introduced a new investment option called the "Cash Option". The Cash Option will enable you to spread your super investment by taking a more conservative stance, if you want to, than the traditional TIS Option which traditionally invests greater than 50% of your money in growth assets.

Looking after your super fund is a big job and all of us on the Board of Directors take our role very seriously.

We work hard to achieve better outcomes for all members. Like you, we have 'trucking' in our blood, so we intrinsically know what's important when it comes to the long term investment and retirement goals of our 'trucking' colleagues.

We are a committed and dedicated team of individuals who volunteer our time because we believe our Fund is the right investment vehicle to drive ours and your super future further.

So, here's to the continued and sustained growth of our Fund.

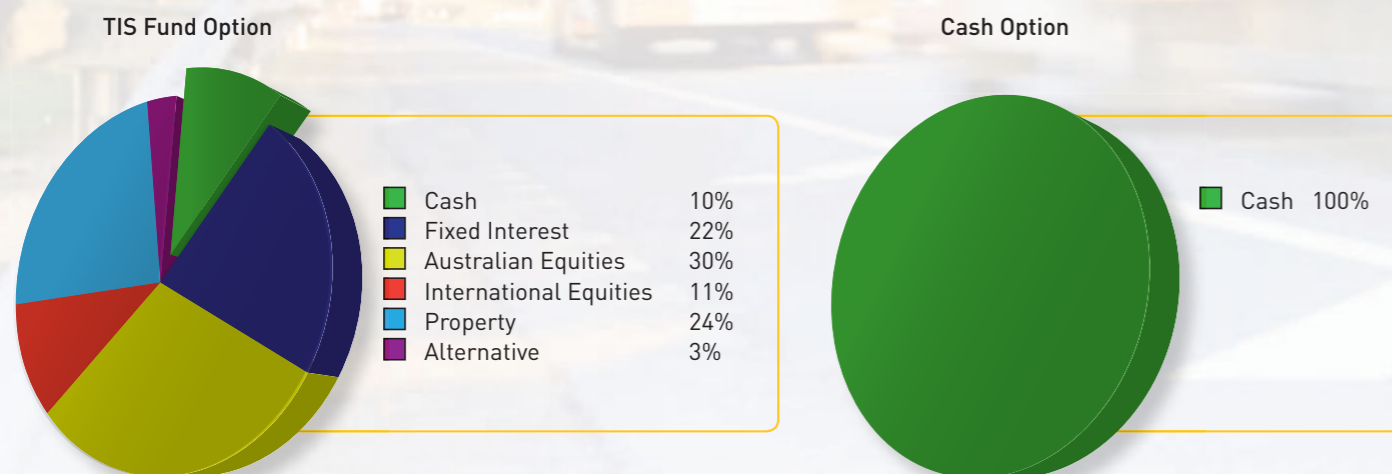
From Your TIS Fund Directors



'NEW'

Cash Option – a conservative choice

The Cash Option has been introduced to give members, who want to take a more conservative approach to how their super is invested, a choice. The new Cash Option is made up of 100% cash, unlike the TIS Option that is a more 'balanced' option and historically invests greater than 50% of your money in growth assets.



Remember, superannuation is a long term investment and in order to maintain high long term returns you will need to invest in growth assets. So, if you are thinking about investing in the Cash Option we strongly recommend you seek the advice of a licensed financial adviser beforehand as going it alone may not be in your best interests.

Investment manager outlook

The Fund has performed strongly this financial year. Returns have increased by over 11% to the end of April 2010. The main driver of this performance has been recovering global markets which have been pulled out of recession by generous government stimulus packages and increased bank lending. Developed governments around the world now have to overcome heightened debt levels and large budget deficits. The Australian economy has managed to remain one of the strongest in the world.

Currently, key indicators point to sustainable above trend growth in Australia over the medium to longer term. The key obstacles to Australia's continued prosperity and subsequent share market performance are China over-heating and consequently slowing down and the high European Government debt levels.

2010 Budget wrap up

On Tuesday, 11 May 2010, Wayne Swan delivered his 3rd Budget speech as Federal Treasurer. The following outlines the main announcements that will either directly or indirectly impact your super. Many of these announcements were a result of the 'Henry' review into Australia's future tax system.

PLEASE NOTE: All Budget announcements are proposals only at this stage. They are not definite until the legislation for these proposals has been introduced and passed by Parliament.

Superannuation Guarantee (SG) to go up

Start date	How much
Until 30 June 2013	9%
1 July 2013 – 30 June 2014	9.25%
1 July 2014 – 30 June 2015	9.5%
1 July 2015 – 30 June 2016	10%
1 July 2016 – 30 June 2017	10.5%
1 July 2017 – 30 June 2018	11%
1 July 2018 – 30 June 2019	11.5%
1 July 2019 onwards	12%

From 1 July 2013, the SG will go from 9% to 12% over a seven year period.

SG age limit increases from 70 to 75

From 1 July 2013 the age at which employees will no longer be entitled to an employer SG contribution will be increased from 70 to 75. The work test for contributions to employees over the age of 65 will still apply.

Concessional (before tax) contributions limit increases for members aged 50 or more

Concessional contributions are before tax contributions paid by employers (including superannuation guarantee and salary sacrifice contributions).

If you are over age 50, the ability to contribute more to your super in the years immediately prior to retirement was initially intended to apply for a limited (transitional) time only.

However, in response to the 'Henry' review recommendations, the Government has decided to provide permanent relief for concessional (before tax) contributions limit if you are aged 50 and over. However, conditions apply.

- **Up to 30 June 2012.** The current 'transitional' arrangements will continue to apply – you can contribute up to \$50,000 in concessional (before tax) contributions each financial year without exceeding the limit.
- **From 1 July 2012.** A permanent \$50,000 concessional (before tax) contributions limit will apply if you have less than \$500,000 in your super.
- **From 1 July 2012.** If you have \$500,000 or more in your super, you will continue to have the \$25,000 concessional (before tax) contributions limit applied.

Government contribution for low income earners

From 1 July 2012, a \$500 Government contribution to superannuation will be introduced for low income earners with an adjusted taxable income below \$37,000.

Government co-contribution permanently reduced

In its 2009/10 Federal Budget the Government announced a temporary reduction to the co-contribution from \$1,500 to \$1,000 for a period of three years, before gradually increasing it back to \$1,500 from 1 July 2014.

This year's Budget announcement overrides this temporary reduction, so that the Government co-contribution going forward will always be dollar for dollar, up to a maximum co-contribution of \$1,000.

The co-contribution applies for incomes up to \$61,920 and will be partially offset by the \$500 Government contribution for low income earners, but only for those earning below \$37,000.

Upper and lower co-contribution limits temporarily frozen

The upper and lower income limits (that apply for qualifying for the co-contribution) will not go up for the next two years. **The current limits are:**

- Lower - \$31,920
- Upper - \$61,920

These limits will start to increase again in line with the Consumer Price Index (CPI) **from 1 July 2012.**