

The Transport Industry



Superannuation Fund

...driving your super future

IMPORTANT

The administration for the fund has shifted office to 123 Logan Road Woolloongabba Qld.

New Facsimile: 07 3391 6177
New Direct Phone: 07 3391 6155

Freecall Number: 1800 777 060
and postal address details remain unchanged.

Family Protection Insurance

The family protection package is an inexpensive way to give our members the extra protection that they need to provide for their family in the event of death or total and permanent disablement.

The Family Protection package is designed to give extra peace of mind and the premiums will be deducted from the member's account on a monthly basis.

Nominations for Member Representative Board positions.

Elections are being held for the member representative Board positions.

An expression of interest form is enclosed for any members who wish to investigate the opportunity to be a director of the Trustee Company representing employees.

It should be noted from this form that there is a considerable commitment of time and effort to being a Director and the acceptance of a nomination will depend upon the level of expertise of our applicants.

If you have any enquiry regarding this please ring Richard McCouaig.

Super is super tax effective.

Superannuation is an investment which gives you an opportunity to accumulate assets in a tax effective way to save for your retirement.

Some reasons why super is tax effective include:

- 1). All investment earnings received by a Super Fund are taxed at 15% and the capital gains tax for investments held over 12 months is 10%. If you were to invest on your own account, these earnings would be taxed at your marginal tax rate.
- 2). Salary sacrificing gives you the opportunity to reduce your Pay as Your Go tax. Your super only attracts 15% contributions tax as opposed to your marginal tax rate for other investments.
- 3). Any money you draw down from your super is tax free after your turn age 60.
- 4). The TIS Fund passes on the benefits of imputation credits which increases the capital growth of your retirement funds.

Health cover and your hip pocket

Have you ever given much thought to how your health cover can affect your hip pocket?

Apart from the money you get back when you need to use it, there are other financial reasons for taking out health cover that may not be immediately obvious.

The first of these might have impacted you after the end of the financial year. It's the Medicare Levy Surcharge, which is an additional tax charged to anyone earning over a certain income threshold who doesn't have an appropriate level of private hospital cover.

Since the cost of cover can sometimes be less than the amount of surcharge, why wouldn't you choose to save some money while enjoying the benefits of having private hospital cover at the same time?

The other reason 30 June is relevant is Lifetime Health Cover. If you turn 31 within the current financial year, you have until 30 June 2010 to take out hospital cover without incurring a Lifetime Health Cover loading – once you're stuck with a loading you'll be paying more for your hospital cover for the next ten years!

It is the exclusive health fund for transport industry people, with the kind of benefits and prices you'd expect from your industry health fund. Call us to compare.

We reckon you'll wish you'd known about us a whole lot sooner.

1300 886 123
www.rthealthfund.com.au

Investment Manager update

Since the appointment of UBS as Investment Manager to the TIS Fund late 2008, we have made some significant changes to the fund.

At the top level, we have modeled an appropriate combination of asset types [i.e asset allocation between shares, fixed income, cash, etc].

We have worked in concert with the TIS Investment Committee during this process to ensure this mix of assets represents the required return and acceptable risk for all members.

Broadly, the portfolio was in line with the new strategy this quarter, and we are pleased to report that the Fund has recorded some positive performance.

Quarter Outlook

The tide of sentiment has changed, with leading economic indicators sending mixed or positive signals. With key statistics turning the corner, we anticipate the worst part of the crisis over. We still anticipate unemployment to rise to around 7.5%, which may force the Reserve Bank to reassess rates in the future.

Equity markets are forward looking and re-acted favorably to the positive economic sentiment and much discussed "green shoots" of recovery. In Australia, the broader ASX S&P 200 share market index rallied 30% from trough to peak (40% for the US market).

Equity fund managers with a high proportion of their funds in cash have watched this rally with some regret. With plenty of cash still on the sidelines we could expect an uplift to around 4250-4500 by year end for the ASX 200. Corporate bonds (eg ANZ, BHP etc) remain attractive because of their high yields.

Australian Equity Market since 1875

Australian Equity Market over the past 134 years.



Source, ASX, Bloomberg, RBA, UBS Wealth Management
Log Scale, Jan 1875 - 100 through to present. Monthly Data Series

Administration fees do make a difference:

The TIS Fund charges a flat administration fee of \$1.10 per member per week regardless of your account balance. Many other superannuation funds charge you a percentage of your Fund Value.

Assume an alternative Fund charges 1% of your account balance as an administration fee.

If each Fund earns 7%p.a. return before administration fees:

- ✓ The TIS Fund account balance of \$20,000 over 30 years would grow to \$150,000 after administration fees.
- ✓ The alternative Fund account balance of \$20,000 over 30 years would grow to \$115,000 after administration fees.

The TIS Fund gives you an extra \$35,000 of retirement benefit for no extra investment.

Why is this?

The asset based fee increases as the balance of your retirement account grows.

As an example, if you start with a current balance of \$20,000 in your account and you contribute \$4,000p.a. for 30 years to your retirement, the fees you pay at the selected years shown.

Fees payable in the Year

	Account Balance *	The TIS Fund \$1.10 per week	Alternative Fund 1% of account balance
Current	\$20,000	\$57.20	\$200
Year 10	\$94,000	\$57.20	\$940
Year 20	\$241,000	\$57.20	\$2,410
Year 30	\$530,000	\$57.20	\$5,300

* Assume both Funds earn 7% p.a. This assumes that the administration fees for The TIS Fund stay the same.

WHY NOT TRANSFER ALL SUPER TO THE TIS FUND AND PAY LESS FEES!

TIS Fund Contact details

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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 T.I.S. Fund's privacy policy, please call us on 1800 777 060 or go to our website at www.tisfund.com.au.

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