

Product Disclosure Statement

Prepared 1 October 2007



**The Transport Industry
Superannuation Fund**

... driving your Super future

The Transport Industry Superannuation Fund

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Issuer: T.I.S. Pty Ltd
(ABN): 73 065 319 735

Australian Financial Services Licence
(AFSL) No.: 247249

Registrable Superannuation Licence
(RSE) Number: R1005516

Fund: Transport Industry Superannuation Fund
(ABN): 68 564 370 287

Superannuation Fund Number
(SFN): 149 371 948

This Product Disclosure Statement (PDS) provides an overview of the main features of The Transport Industry Superannuation Fund (The T.I.S. Fund). It provides important information about the features, costs, benefits and risks of investing your superannuation in The T.I.S. Fund. If you have a choice about whether to join The T.I.S. Fund or another fund, this PDS will help you compare the features of the T.I.S. Fund with those of other funds. Throughout this PDS, references to 'Trustee', 'we', 'our' and 'us' means T.I.S. Pty Ltd and includes any agent acting for the Trustee from time to time. A cooling off period exists. Please refer to page 5 of this PDS for more details.

T.I.S. Pty Ltd, the Trustee of The T.I.S. Fund is licensed to provide general advice about this Fund. This PDS has been prepared without taking account of the objectives, financial situations or needs of any person. If you want advice that takes into account your specific financial needs and objectives you will need to contact a person or organisation licensed to provide personal advice as a financial services licensee or representative. Your employer must not give advice about The T.I.S. Fund or recommend any other financial product unless licensed to do so.

Contact Details

Fund Trustee	T.I.S. Pty Ltd		
Registered Office	2 / 16 McDougall Street, MILTON QLD 4064		
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	Employer Representatives	Mr C J Hawkes Mrs N F Bransgrove Mr D R McMillan	Ph: (03) 5248 5922 Ph: (03) 5176 2421 Ph: (02) 6059 4995
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Fund Administrator	Superadmin Services		
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Investment Manager	McCouaig & Co Pty Ltd as trustee of the Coolaroo Trust (ABN 68 844 712 481)		
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	Telephone:	(07) 3217 5559	
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The Trustee is independent of the Administrator, the Investment Manager and the other service providers to The T.I.S. Fund. The Investment Manager and the Administration Manager are related entities.

McCouaig & Co Pty Ltd as trustee for the Coolaroo Trust is an authorised representative of Total Financial Solutions Australia (ABN 58 003 636 968) AFSL 246545.

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What is The T.I.S. Fund?

The T.I.S. Fund is a retirement savings fund that operates for the benefit of its members and their dependants. It was established to assist members to save for retirement and it has to comply with government regulations in the way it operates. As a member of a regulated superannuation fund, you receive the benefits of special taxation treatment available for retirement savings.

You can continue to use The T.I.S. Fund even if you change employment.

The T.I.S. Fund is an accumulation fund which means that contributions and fund growth is allocated to individual account balances. From this account, administration fees, insurance premiums and taxes are deducted.

Who looks after The T.I.S. Fund?

T.I.S. Pty Ltd is the Trustee Company that is responsible for the management and investment decisions of The T.I.S. Fund. It has an equal number of employer and member representative Directors, and an independent Chairman.

T.I.S. Pty Ltd uses a range of specialists to look after The T.I.S. Fund and its' investments. Information on the administrator, current investment managers and others associated with the management of The T.I.S. Fund is provided on inside front cover of this PDS and in our annual report.

T.I.S. Pty Ltd holds an Australian Financial Services Licence (No 247249) that allows it to provide superannuation products, as well as general advice about its products to members and prospective members of The T.I.S. Fund.

How The T.I.S. Fund works

All contributions paid into The T.I.S. Fund by you or your employer, as well as any superannuation money you transfer into The T.I.S. Fund, are placed into your personal account, after deduction of any taxes required by the Government.

Up to \$300 is set aside for administration fees and death and total and permanent disablement (TPD) premiums if applicable.

While your money is in The T.I.S. Fund we will deduct from your account, administration fees and insurance premiums if you have insurance cover (see Fees and other charges on pages 6–9 and Insurance on page 12 of this PDS).

Where is your money invested?

The T.I.S. Fund combines the money in your account with that of other T.I.S. Fund members and invests the money in the various investments described in the section "Investment Strategies" on page 10 of this PDS.

We regularly review the performance of our external fund managers with the assistance of our investment manager.

Labour Standards and Environmental, Social or Ethical Considerations

The Trustee has assessed the extra expenses incurred does not warrant taking into consideration labour standards or environmental, social or ethical issues when selecting investments.

When your superannuation can be paid?

Superannuation savings are intended for retirement and normally cannot be paid out in cash until you retire at age 55 or later, you become permanently and totally unable to work, or you die.

There are limited special circumstances under which you may be able to access some of your super account. These circumstances are explained in "When can you access your benefits" on page 4.

If you change employers, you can choose whether to leave your superannuation investment in The T.I.S. Fund, or transfer it to another fund. When you retire, you can withdraw it in cash, or transfer your account to a provider to give you a regular income during retirement.

What will you receive?

When you withdraw or transfer your money from The T.I.S. Fund, you will receive the full amount in your account, less a benefit payment fee of \$65. This is referred to as your lump sum benefit. Refer Note on lump sum withdrawals on page 4.

If you die, or become totally and permanently incapacitated for work, the payment from the Fund may include an extra amount if you have insurance cover.

You can nominate to whom you would like any death benefit to be paid and there are a number of options available to you. Please refer to the definition of dependants on page 13 and the death benefit nomination section on page 15 of this PDS.

Contributions – Who Can Pay into the T.I.S. Fund and How...

Who can pay into The T.I.S. Fund?

Contributions to The T.I.S. Fund must be made initially by a participating employer on behalf of a member. Your employer(s) can make superannuation guarantee (SG) contributions and additional voluntary contributions or salary sacrifice contributions to your account.

You can make personal contributions as an employee or (if you remain a member of the fund after terminating employment) as a self-employed person.

Superannuation guarantee contributions cease at age 70. However contributions can continue to be made for you up to age 75, provided you are working at least 40 hours during a period of not more than 30 consecutive days during the financial year.

You can transfer (or “rollover”) money from other superannuation funds or retirement savings accounts to The T.I.S. Fund.

You can make contributions on behalf of your spouse while he or she is under 65, or to age 70 if the spouse is working at least 40 hours during a period of not more than 30 consecutive days during the financial year.

How to pay into The T.I.S. Fund?

The T.I.S. Fund has been designed with the intention of efficiently assisting employers to comply with award and superannuation guarantee obligations and to cater for individuals who wish to make personal contributions.

Contributions can be made at any time. If you would like your employer to use The T.I.S. Fund for your compulsory superannuation, advise your employer that The T.I.S. Fund is your choice of Fund. You will also need to complete a membership application form and give it to your employer.

As a member, you can make personal contributions by cheque, direct credit to our bank account or through your employer.

You can also transfer any super account you have into The T.I.S. Fund. Contact the Administrator on 1800 777 060 for a Transfer Authority.

Eligible spouse contribution rebate

A rebate is available to taxpayers who make contributions on behalf of their spouse into a superannuation fund. The full rebate of 18% is applied to the first \$3,000 of

contributions made, provided the assessable income of the spouse is under \$10,800 (maximum rebate is \$540). If the spouse's assessable income is greater than \$10,800, the maximum rebateable contribution will be reduced by one dollar for each dollar of assessable income over \$10,800, phasing out where the spouse's assessable income reaches \$13,800.

Superannuation guarantee contribution

Employers are required to make Superannuation Guarantee (SG) contributions on a quarterly basis equivalent to 9% of ordinary time earnings. The minimum prescribed contributions must be made before the 28th day after the end of each quarter in the financial year. If this does not occur then the employer may incur a Superannuation Guarantee Charge.

Self-Employed persons and eligible persons

All members must join The T.I.S. Fund as employee members and can remain members if they subsequently become self-employed. You will be classed as self-employed or an eligible person if less than 10% of your assessable income is attributable to an employment arrangement. A tax deduction will be available for personal contributions by self employed members within the contributions limits.

Contribution limits – There is a \$50,000 annual limit (indexed) on taxable contributions. This is a flat limit per person and applies to the total of all taxable contributions, both employer and personal deductible, made for or by a person. Taxable contributions for a person which exceed this annual limit will be taxed at the highest marginal tax rate plus Medicare Levy.

A transitional period will apply to contributions paid for persons over age 50. Up to 30 June 2012, a person aged 50 or over can receive up to \$100,000 (indexed) in taxable contributions in a financial year.

Undeducted contributions (that is, member personal contributions for which no deduction is claimed) are limited to \$150,000 (indexed) each financial year, but contributions of 3 times the annual limit can be made in any 3 year period.

Tax File Numbers – If The T.I.S. Fund does not have your Tax File Number there will be tax at the highest marginal rate plus Medicare Levy (currently 46.5%) on employer contributions, and the Fund will be unable to accept undeducted member contributions from you.

Your Benefits in The T.I.S. Fund

The member's retirement benefit under The T.I.S. Fund is the value of each individual member's account at any time. The vested balance becomes payable, generally, on retirement (subject to superannuation laws) or death, and is also available for transfer at the member's request to another regulated fund. Your benefit on retirement will be paid as a lump sum.

You are not obliged to withdraw your benefit on retirement or at any particular age.

Insured benefits representing the proceeds of insurance against death and/or total and permanent disablement may also be available. Further information is provided below under the heading "Insurance" on page 12 of this PDS.

When you can access your benefits

Superannuation is a long term investment for your retirement. The Government has placed restrictions on when you can get access to most of your superannuation savings.

These restricted superannuation savings are called preserved superannuation, and the age at which you can gain access to them is called the preservation age. At present, your preserved superannuation savings can only be paid out if you meet one of the following conditions:

- you reach age 65
- you permanently retire on or after your preservation age, as set out in the following table.

Preservation age for persons born:	
before 1 July 1960	55
between 1 July 1960 and 30 June 1961	56
between 1 July 1961 and 30 June 1962	57
between 1 July 1962 and 30 June 1963	58
between 1 July 1963 and 30 June 1964	59
after 1 July 1964	60

- you cease employment on or after age 60
- you die or become totally and permanently unable to work. If you die your super may be paid to your dependants or estate (see page 13)
- you suffer severe financial hardship (receipt of Centrelink benefits for 6 months consecutively or 9 months cumulatively if >55)

- you are eligible on compassionate grounds (approved by APRA/A.T.O.)
- you change jobs and your account balance is \$200 or less
- if you are a foreign national who has permanently left Australia. In this situation, higher tax rates will apply.

You may be able to cash out some of your superannuation savings earlier. For example, when you change jobs you can take out your own after-tax contributions provided they were paid in before 1 July 1999.

If you wish to withdraw part of your account balance you must leave at least \$1500 in your account otherwise you must withdraw your total balance.

Your Account

Your account with the TIS Fund has 2 parts:

- (a) Up to \$300 of your investment account known as your cash account is held in capital secure investments from which fees and expenses will be deducted, eg. Administration Fees and Group Life premiums (if applicable). If your account balance is less than \$200, the whole of your account balance will be in this account.
- (b) The second part is the remainder of your account balance which is at present invested in the T.I.S. Option investment strategy.

The cash account is held in cash or easily realisable assets so that the capital amount is less likely to fluctuate as does the units in your TIS option.

The money held in cash is to pay for your account expenses such as Administration Fees, Death and TPD premiums.

As your expenses are paid out of this account they are reimbursed from receipts.

If there are no receipts your cash account is topped up by the surrender of a requisite number of units in your T.I.S. Option when the balance drops below \$25.00.

The revenue earned on all members' amalgamated cash accounts is used to cover total fund expenses.

Reserving Policy

Each member has a cash account held in their name of up to \$300. The capital in this account is invested in investments with high capital security. The revenue earned from these investments is applied in the following order:

- (a) To pay Fund expenses including Trustee fees, APRA fees etc
- (b) Member protection payments
- (c) If the amount remaining at the end of any financial year after payments in (a) and (b) above have been satisfied averages to less than \$5 per member account then the amount will be held as a reserve to be applied towards the expenses for the next financial year
- (d) If the amount in (c) averages to greater than \$5 per member then the total will be credited to each individual members account as an equal dollar amount.

The reconciliation of the reserve account will take place on 30 June each year.

Cooling off Period

Employers have a 14 day “cooling off” period in which to check the Fund meets all of their requirements and confirm that they have made the right decision to invest in The T.I.S. Fund for their employees.

If an employer decides that they are unhappy with the decision to invest in The T.I.S. Fund, they need to notify the Administrator in writing, within 14 days from the day they receive their confirmation of admission as an employer.

We will then send the employer the relevant form/s to enable us to transfer any contributions made for their employees to another superannuation fund nominated by the employer. The employer must nominate an alternative fund within one month. The amount transferred will be after deducting all taxes and charges applicable to the period while the contributions were held by The T.I.S. Fund, with an adjustment for changes to investment values.

SuperMatch

The Trustee offers you the ability to consolidate all of your superannuation monies into one account with the Fund, free of charge, via a service known as SuperMatch. All you need to do is provide the Trustee with your TFN by completing the relevant section of the membership application form located on page 24 of this PDS.

If you do not want us to provide this service to you please contact us on 1800 777 060.



Fees and Other Costs

Government regulations require all superannuation product issuers to include the following standard consumer advisory warning as set out below. The information in the consumer advisory warning is standardised across all superannuation product issuers and does not provide any specific information on the fees and charges for the Fund.

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30 year period

(for example, reduce it from \$100 000 to \$80 000).

You should consider whether investment features such as superior investment performance and provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.fido.asic.gov.au) has a superannuation calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole.

Taxes and insurance costs are set out in another part of this document.

You should read all the information about fees and costs because it is important to understand their impact on your investment.



Fees and Charges

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the Fund		
<i>Establishment fee</i> The fee to open your investment	Nil	Not Applicable
<i>Contribution fee</i> The fee on each amount contributed to your investment– either by you or your employer	Nil	Not Applicable
<i>Withdrawal fee</i> The fee on each amount you take out of your investment	Nil	Not Applicable
<i>Termination fee</i> The fee to close your investment	\$65	On termination of your membership of the Fund
Management costs		
The fees for managing your investment	\$1.10 per week plus 0.96% p.a. of the Fund's assets	The \$1.10 per week is charged against the member's account at the end of each calendar month. The 0.96% is deducted from the earnings on the Cash Account and the T.I.S. Option Account, and has the effect of reducing the crediting rate for each member's balance.
Service fees		
<i>Investment switching fee</i> ¹	Nil	Not Applicable

¹ Incidental fees are disclosed in the "Additional Explanation of Fees and Costs"



Example of annual fees and costs

This table gives an example of how fees and costs in the T.I.S. Option for this product can affect your superannuation investment over a 1 year period. You should use this table to compare this product with other superannuation products.

EXAMPLE – the T.I.S. Option		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING THE YEAR
Contribution Fees	Not Applicable	Nil
Plus Management Costs	0.96% + \$57.20 (\$1.10 per week)	For every \$50,000 you have in the Fund you will be charged an estimated \$480.00 each year plus \$57.20 in administration fees regardless of your balance.
EQUALS Cost of Fund*		If you put in \$5,000 during the year and your closing balance was \$50,000, then for that year you will be charged fees of: \$537.20.
*And, if you leave the Fund you will be charged a withdrawal fee of \$65.00.		

Additional Explanation of Fees and Costs

Insurance and tax costs

Group life insurance premiums are deducted from your cash account on a monthly basis. Please refer to page 12 of this PDS for details. Tax is deducted from contributions and fund earnings, and may be deducted from benefits. Please refer to page 14 of this PDS for details.

Effect of tax on fees

The net effect of tax is taken into account before striking the unit price.

All fees except Family Law Fees shown in this PDS are gross before income tax deductions. Some of the fees shown will attract a 75% credit for GST which has not been included. The net fee impact on your account should not be greater than shown.

Further example

This table gives an example of how fees and costs in the T.I.S. Option for this product can affect your superannuation investment over a 1 year period for an account balance of \$10,000. The fees quoted are estimates for this financial year based on the Trustee Budgets.

EXAMPLE – the T.I.S. Option		BALANCE OF \$10,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING THE YEAR
Contribution Fees	Not Applicable	Nil
Plus Management Costs	0.96% + \$57.20 (\$1.10 per week)	For every \$10,000 you have in the Fund you will be charged an estimated \$96.00 each year plus \$57.20 in administration fees regardless of your balance.
EQUALS Cost of Fund*		If you put in \$5,000 during the year and your closing balance was \$10,000, then for that year you will be charged fees of: \$153.20.
*And, if you leave the Fund you will be charged a withdrawal fee of \$65.00.		

Advisers

The T.I.S. Fund does **not** pay any commissions to investment advisers or financial planners.

Buy/sell spreads

A "buy" price and a "sell" price for each unit is calculated. The "buy" price is the price used for monies coming into the Fund (eg. contributions) and the "sell" price is the price used for members exiting the Fund (eg. retirements). The "sell" price will usually be less than the "buy" price as exiting members need to pay their share of the disposal costs of each asset in the Fund.

The "buy/sell spread" is the difference between the "buy" price and the "sell" price at any particular time, and the difference represents an additional cost to members. The "buy / sell" spread is not a fee of the Trustee or the Investment Manager, it is an amount retained by managers of the products which the Fund is invested in to cover their transaction costs in buying and selling assets. The buy/sell spread is calculated each time the unit price is calculated. As the spread is based on estimates of transaction costs it will vary from time to time to reflect changes in these costs. Generally, it is expected that the buy/sell spread will average approximately 1% of the unit price.

Calculation of fees and costs

The indirect management costs of 0.96% per annum comprise the fee payable to the Investment Manager, which is 0.55% per annum calculated and charged to the fund at close of business on the last day of each month, and 0.41% budgeted expenses including Trustee operating costs such as travel, accommodation, compliance, printing and postage, audit fees, statutory lodgement levies, and Trustee Directors' fees etc. The fund expenses are estimated based on the Trustee's budget for the financial year. The actual expenses incurred may vary from the estimate.

Increases or alterations in fees and other costs

Fees and charges may be reviewed at any time by the Trustee. However, members will be notified in writing at least 30 days in advance of any increase to a fee charged by the Trustee or the Investment Manager.

Member benefit protection

Member protection rules apply so that normally if your account balance is less than \$1,000, then the administration costs that can be charged must not exceed the investment earnings credited to your account (although a small charge, currently limited to \$10, may be deducted if the Fund's total investment earnings for a financial year are less than total administration costs). Taxation and insurance premiums continue to be deducted from member accounts regardless of investment earnings.

Incidental fees – Family law

The T.I.S. Fund charges the following fees in relation to family law legislation:

Payment split: \$220 is charged to the account on receipt of a split order or split agreement.

Request for information: \$71.50 is charged to the person making the request.

Charges also apply for payment flags.



Investment

Investment Risk

Investment risk can be defined as the likelihood of an investment performing more poorly or much better than expected. If there is a high chance of negative returns, the investment is considered high risk. Conversely, if there is a low chance of a negative return this is considered low risk.

The investment strategy of the T.I.S. Option is designed to minimise the chance of negative returns from fund assets.

Diversification of Fund assets and implementation of the investment strategy is designed to take advantage of asset value increases when investment markets are performing well.

Investment objectives of The T.I.S. Fund are

- To achieve an investment return (net of tax and charges) that exceeds the CPI by at least 3%pa measured over a rolling ten year period.
- To achieve a net investment return that exceeds cash rates by at least 3%pa over a rolling five year period.
- To have low expectation of negative returns for any 12 month period.
- To have limited exposure of any asset class by adopting benchmarks based on a percentage of the Fund value for each of the defined sectors eg. Property, Equities, Cash, and Managed Investments with total manager discretion

The Investment Strategy

The Trustee will at all times act prudently to pursue the maximum rate of return possible subject to acceptable risk parameters, and the maintenance of whatever diversification that can be achieved with modest assets. The Trustee has agreed to the terms of an investment strategy. The Trustee elected to diversify amongst the following asset classes.

- Cash
- Managed Investments (with Manager discretion)
- Property (listed, unit trust and direct).
- Equities (Australian public company shares and ex-Australian public company shares)
- International equities
- Other asset classes

More information is available from the Investment Manager by calling (07) 3217 5559.

The asset allocation, and benchmark ranges as at 30th June 2007 are as follows:

	% of fund assets	Benchmark %
Cash	8.04	3-30
Interest Bearing Securities	7.65	5-30
Managed Investments	9.96	0-20
Property (Listed, Unlisted & Direct Property)	23.00	5-30
Equities (Australian listed shares & managed investments)	47.95	20-50
International Equities & Managed Investments	2.96	5-20
Other Assets	0.44	0-15

How growth is earned in your account?

Your number of units in your T.I.S. Option account times the unit price will reflect your share of the total T.I.S. Option assets. The balance of your account will vary each time a unit price changes.

Your investment in The T.I.S. Option is reviewed half-monthly and the value of the units you hold will increase or decrease depending upon the movement of the asset values in the Fund.

The unit pricing mechanism gives each member an equitable interest in The T.I.S. Option whether you are contributing to the Fund or you are withdrawing money from the Fund.

Annual Rate of Return

The increase in member account balances for each of the last 5 years is:

2003	2004	2005	2006	2007
-0.60%	11.47%	14.96%	11.24%	18.37%

Average annual increases in member account balances over rolling 5-year periods:

1999-03	2000-04	2001-05	2002-06	2003-2007
4.59%	4.85%	6.65%	8.53%	13.54%

Average annual inflation rate over rolling 5-year periods:

1999-03	2000-04	2001-05	2002-06	2003-2007
3.12%	3.33%	3.34%	2.79%	2.80%

Each member account balance has grown over 10 years to \$2,259 for each \$1,000 account balance at 01/07/1997, which represents an average annual addition of 8.64%pa compound interest on your initial account balance. Inflation over the same period has averaged 2.68% pa including GST influences.

Note: Returns are calculated after fees and expenses and assumes the reinvestment of distributions. Past performance is not a reliable indicator of future performance. Returns can be volatile and future performance may vary widely from returns shown here.

Investment Objectives and Strategy of the Cash Option

This option has been created to minimise the downside risk of capital for T.I.S. Option account balances which are likely to be withdrawn due to an advised event where payment of the account balance is not being made within the next 2 unit price determination periods.

The strategy of this account is to invest in readily realisable investments which attract a fixed rate of interest. These investments will usually be of a short term nature.



Insurance

The T.I.S. Fund provides insurance protection for all members who are employed by an employer that contributes to The T.I.S. Fund on their behalf. The amount of insurance cover you will have will depend on your age.

If you are aged 25 or less you are insured for \$30,000.

If you are aged 26 – 50 (inclusive) you are insured for \$45,000.

If you are aged 51 – 60 your cover will reduce by 10%pa so at age 51 your cover will be \$40,000 and at age 60 your cover will be zero.

Your insurance cover begins when you join The T.I.S. Fund, provided the balance of your account is sufficient to cover premiums and your employer has agreed to make their SG contributions on your behalf to the Fund.

If the fund has not received contributions for 2 consecutive quarters we will write to you asking whether or not you have terminated your employment with that employer. If you do not reply we will assume you have terminated your employment. If you haven't terminated your employment with that employer it is really important that you reply to this letter to maintain your cover.

The current insurer of these benefits is SunCorp Life & Superannuation Limited ABN 87 073 979 577 (SunCorp). If you cease to be employed by the same employer all your protection will cease and your Death and Total and Permanent Disability will be the same as the balance of your member account.

Death cover only

Members who work an average of less than 15 hours per week in any 13 week period for an employer are covered for death benefits only. The level of death benefits is set out in the following table.

Death and total and permanent disability "TPD" cover

For members who work more than 15 hours per week in any 13 week period, cover extends to both death and TPD benefits.

The level of death and TPD cover is as outlined in the following table.

Age Attained	Sum Insured \$
To age 25 (inclusive)	30,000
26 to 50	45,000
51	40,000
52	36,000
53	31,500
54	27,000
55	22,500
56	18,000
57	13,500
57	9,000
59	4,500
60	0

Note: there is a specific definition of total and permanent disablement in the group life insurance policy covering The T.I.S. Fund.

The definition of total and permanent disability under our Group Life Plan is:

"A member shall be considered as Totally and Permanently Disabled in the event of the following:

- (a) While in active employment; and
- (b) As a result of injury or illness the member;
 - i. Suffers the complete and personal use of: two limbs or the sight of both eyes, or one limb together with the loss of one eye, where "limb" means whole hand or foot, or
 - ii. Is unable to follow their own occupation, or any other occupation for which they may be reasonably suited by education, training or experience for a continuous period of six months and after that period, on the basis of the evidence satisfactory to the Group Insurer, they consider that the member is never likely to recover to an extent that he or she could resume such work."

Cessation of Cover

A member's cover under the Group Life Plan automatically ceases on the earliest of the following events:

- The date the Group Life Plan is terminated
- Thirty (30) days after the end of the month in which you ceased employment with your employer.
- The date you become a member of another superannuation fund after leaving the employ of a participating employer in The T.I.S. Fund.
- The date you attain the Maximum Insured Age (age 60).

- The issue of a policy under the Continuation Option (see "Continuation Option").
- The payment of a benefit for Total and Permanent Disability.

A member who has received a benefit payment for permanent incapacity from a superannuation fund or an insurance company is not covered under the insurance policy.

More information about the Group Life Plan is available from the Administrator.

Upon recommencing employment with another participating employer, your insurance cover under the Group Life Plan is re-instated and premiums are again deducted from your account.

Continuation Option

If you leave your employer for any reason (other than disablement) and you are covered under the Group Life Plan, you may apply to the insurer to continue your insurance cover against death for an amount not exceeding the amount for which you were insured and subject to the terms and conditions of the policy. **Therefore it is very important that you contact us as soon as you leave or change your employer.**

Insurance Charges

For members who have death cover only, the charge made to the relevant member's account is \$2.00 per week. For members who have both death cover and TPD cover, the charge made to the relevant member's account is \$2.00 per week in respect of death cover and \$1.85 per week for TPD cover.

The premiums are deducted from the balance of your member account on a monthly basis and forwarded to the underwriter (Suncorp).

What happens to your benefit if you die or become Totally and Permanently Disabled (TPD)

To ensure your benefit is not affected by market fluctuations your T.I.S. Option balance will be transferred to the Cash Option, as soon as we are notified of your death or when you have been assessed by the Trustee as being Totally and Permanently Disabled (T.P.D.). Your benefit will then attract the earning of the Cash Option until your benefit payment is made.

Who are your dependants?

The T.I.S. Fund provides the following options with respect to how your benefit will be dealt with upon your death.

- No Nomination
- Non-Binding Nomination
- Binding Nomination

(Note: Your nominated beneficiaries must meet the definition of dependants at the time of your death. Therefore it is important that you keep your nomination up to date. We recommend that you seek legal advice before submitting your nomination to the Trustee.)

Superannuation legislation currently defines a dependant as:

<i>Spouse</i>	Husband or wife or de-facto husband or wife. A same sex partner is not considered a spouse under superannuation legislation
<i>Child</i>	A child includes a stepchild, an adopted child or ex-nuptial child.
<i>A person with whom you have an Interdependency Relationship</i>	<p>Two persons (whether related or not) are deemed to have an interdependency relationship if:</p> <ul style="list-style-type: none"> • they have a close personal relationship; and • one or each of them provides the other domestic support and personal care. <p>If two people (whether they are related or not) satisfy the requirement of having a close personal relationship, but they do not satisfy the other requirements of an interdependency relationship, and the reason they do not satisfy the other requirements is that either or both suffer from a physical, intellectual or psychiatric disability, they are considered to have an interdependency relationship.</p> <p>A same sex partner will qualify as being in an interdependency relationship with the member.</p>
<i>Other dependants</i>	A person who is wholly or partially financially dependent on the member.

Taxation

Tax File Numbers (TFN)

It is in your interest to give your superannuation fund your tax file number (TFN) when you join. You do not have to do so, but if you do not provide your TFN you may pay tax at a higher rate than necessary. If you do not have a tax file number, contact the Australian Taxation Office (ATO) on 13 10 20.

Tax on contributions to a Super Fund

No Tax is paid by the Fund on undeducted member contributions, which are the contributions you make into the Fund from income on which you have already paid tax (after-tax income), and no tax is payable by you provided the amount of the contributions is within the applicable contribution limits.

Tax of 15% is paid by the Fund on:

- the contributions your employer makes for you;
- any contributions paid from income on which tax has not been paid (eg through salary sacrifice arranged with your employer); and
- any contributions you yourself paid for which you received a tax deduction (these are called deductible contributions).

However if we do not have your Tax File Number the Fund will pay tax on these contributions at 46.5%, and the Fund will be unable to accept any undeducted member contributions – these will be refunded.

If you subsequently notify your TFN we will apply to the Australian Taxation Office for a refund of any additional tax paid, and we will recredit the tax refund to your account on receipt provided you are still a member of The T.I.S. Fund at the time of receipt.

Tax on money transferred into, or out of a Fund

There is no tax if you transfer money from one Superannuation Fund to another, unless the amount transferred contains an untaxed component

(a payment from certain superannuation funds for government employees). An untaxed component attracts the 15% tax on contributions.

Tax on investment earning of the Fund

Investment earnings by the Fund are taxed at a maximum rate of 15%, with capital gains on assets held for longer than 12 months taxed at a discounted rate of 10%.

Tax on payments from a Superannuation Fund

You may have to pay tax when you draw money from the Fund. Benefits are tax free if withdrawn from age 60. Tax may however be payable on a benefit which is withdrawn before age 60 (for example, on total and permanent disablement) or on a death benefit (for example, where the death benefit is paid to an adult child of the member).

We recommend you seek advice from an independent financial adviser before making a decision about your retirement savings.

Goods and Services Tax

GST is paid by the Fund on all payments for goods and services provided to the Fund including fees and charges paid to the Trustee, the Administrator and the Investment Manager.

The provision of supplies by the Fund to members such as creation of membership interests in the Fund and payments to members are not subject to GST.

In some cases the Fund is entitled to what are called reduced input tax credits (RITC) for certain supplies such as:

- Fees paid to an Administrator for administration services;
- Investment Management fees and services.
- Trustee Fees etc

This means, generally, that there is a 75% refund of GST payable by the Fund (as the obligation to pay GST usually is "passed on" by the supplier of services to the Fund).

In some cases particularly for services from investments expenditure the Fund is able to claim a full input tax credit, generally one eleventh of the price paid.

GST is not payable, however, in respect of certain expenses and so The T.I.S. Fund is not entitled in respect of these expenses to any input tax credit. These types of expenses include:

- Group Life insurance premiums;
- Statutory fees and charges imposed by the ATO and other government bodies;
- Income tax payments;
- Superannuation contribution surcharge; and
- Bank fees and charges.

Other Important Information You Should Know

Your Privacy

Protecting your privacy is a normal part of our operations.

The Trustee has outsourced the administration of the Fund to the Fund's administrator. This includes all information processing, record keeping and claims management. The administrator collects information about members on behalf of the Trustee. The information you provide in your Application for Membership will be processed and retained by the administrator. You are able to access information the Trustee or the administrator hold about you on request, and update any information which is inaccurate or out-of-date.

The purpose of collecting the information we ask you for on the Application for Membership is to provide superannuation benefits for you. This includes admitting you as a member, administering your account and identifying when you may become entitled to benefits.

Information about you will be given to the Fund's insurer. If you subsequently make a claim for an insurance benefit, information about you will be disclosed to doctors and other experts nominated by the Fund's insurer. In addition, if there is any dispute about your entitlement, the Trustee or the administrator may disclose information about you to other advisers (for example, legal advisers). **By signing the Application for Membership, you consent to the disclosure of information about you for those purposes.**

We may also be required by law to disclose information about you (for example, to the Australian Taxation Office or Centrelink).

If you do not provide the information required on the application for Membership, the Trustee may be unable to properly administer your benefits and notify you about your entitlements.

You can view our privacy policy and the information The T.I.S. Fund holds about you by contacting the Fund's administrator on 1800 777 060.

Superannuation and Family Law

A member's benefits may be "split" or "flagged" upon breakdown of marriage. The laws enable the "splitting" and "flagging" of a super benefit. "Splitting" means that the payment of the superannuation benefit is split between the separating parties. "Flagging" prevents the super benefit from being paid by the Trustee until the parties or the court decides how to split the benefit between the separating parties.

Splitting or flagging can be achieved by agreement between the separating parties, or by court order. If requested, we are required to provide information about a member's super benefit to their spouse or prospective spouse.

The request must be in a form prescribed by law. The law prevents us from telling the member about any such request and from providing the member's address to a person requesting the information.

Please note that the Trustee may charge for costs incurred in attending to enquiries and/or other work in relation to family law and superannuation matters. Refer to Fees and other costs – Incidental fees on page 9.

Death Benefit Nomination

The T.I.S. Fund provides the following options with respect to how your benefit will be dealt with upon your death.

- *No Nomination*
If you choose not to provide any direction to the Trustee on how to deal with your benefit in the event the Trustee will, after making reasonable inquiries, use its discretion on how to distribute your benefit to your dependants or estate.
- *Non-Binding Nomination*
You can choose to nominate one or more preferred dependant/s and/or your legal personal representative to receive your benefit in the event of your death. However, your nomination is not binding and the Trustee has final and absolute discretion on how your benefit will be distributed. Your nomination will be taken into consideration along with other information that may be provided to the Trustee at the time they are determining how to allocate your benefit. If you wish to make a non-binding nomination please complete "your nominated beneficiaries" in the Application for Membership located on page 23 of this PDS.
- *Binding Nomination*
A binding nomination provides greater certainty on how your benefit will be applied upon your death. A valid nomination is binding upon the Trustee. Your nomination will be valid if:
 - It is made in the prescribed manner;
 - It is in favour of one or more of your dependants and/or legal personal representative;
 - It has been signed and dated in the presence of at least two witnesses who are at least 18 years of age and are not nominated as your beneficiaries;
 - It has not expired (ie it is not more than 3 years old).

(Note: Your nominated beneficiaries must meet the definition of dependants at the time of your death. Therefore it is important that you keep your nomination up to date. We recommend that you seek legal advice before submitting your Binding Death Benefit Nomination to the Trustee)

If you wish to make a binding nomination please call us on 1800 777 060 and we will send you the appropriate form for you to complete and return to the Trustee.

Lost Members

You will be deemed a “lost member” where the Trustee has sent at least one communication to you at your last known address and it has been returned to us as unclaimed and after reasonable effort and time we are unable to locate you.

Your account will continue to be held by The T.I.S. Fund and will continue to attract fees until you contact us and provide instructions as to how you wish us to deal with your superannuation benefit in The T.I.S. Fund.

Eligible Rollover Fund

What happens if we don't know your address?

It is imperative that all our members advise us of their address. The Trustee has decided if we do not know your address, and the balance of your account is less than \$300.00, then we will send that balance to an Eligible Rollover Fund.

This does not mean that your retirement benefits will be reduced, however, the charge structure of an Eligible Rollover Fund may be different to The T.I.S. Fund.

This policy is under constant review by the Trustee due to the high cost of Member Protection for all our members.

We recognise that our members do move around a lot and that most of our members do notify us of address changes, however, it is important that all members are aware of the problem to prevent transferring out of the T.I.S. fund.

At this stage the Trustee intends to transfer out twice a year in the October / November period and the April / May period.

Compliance Issues

The Trustee lodges a return each year with the Australian Prudential Regulation Authority (APRA) indicating the compliance of The T.I.S. Fund with SIS and other relevant legislation.

The Trustee is not aware of any matter that would cause the Fund to lose its complying status. The accounts up to 30th June 2006 have been audited and a return lodged with APRA.

The Trustee

The T.I.S. Fund is run by the Board of Directors of T.I.S. Pty Ltd which acts as the Trustee. The Board is comprised of an independent Chairman, 3 employer representatives and 3 member representatives. The participating employers elect the Directors representing the employers and the members of the Fund elect the member representatives.

From time to time vacancies occur on the Board and the Trust Deed sets out the procedures for filling those vacancies. If on calling for nominations there are only the required number of nominations for the number of vacancies then those people will be automatically appointed.

If you are interested in becoming a member of the Trustee Board please contact the administrator and request that they send you details outlining the responsibilities of a Trustee and the procedure for nomination and election as a member of the Trustee Board.

Regular Reports

The Trustee believes that regular and timely communication with members is critical to them understanding their benefits.

On receipt of your Application for Membership and acceptance by the Trustee as a member, the Administrator on behalf of the Trustee will send you a letter confirming your membership and a membership card showing your membership number and important contact information for your Fund. You should keep this card in a safe place, as it is evidence of your membership of The T.I.S. Fund. At least once a year, the Administrator on behalf of the Trustee of the Fund will provide you with the following information in writing:

- **Member Information:**
Your annual member benefits statement will state the current balance of your account and any transactions that have taken place over the year, including the amount of fees and charges deducted from your account during the year.
- **Fund Information:**
The Annual Report will provide information on the management and financial condition of the Fund, and the Fund's investment performance.

For further information concerning the Fund please contact the Fund Administrator on 1800 777 060.

How to obtain up to date information

The information contained in this PDS is up to date at the time of its preparation. However, some of the information can change from time to time.

We will issue a supplementary or replacement PDS if there is a materially adverse change to information in this PDS, and will send information about the change to members.

You can obtain up to date information about investment performance at any time by either calling our administration on 1800 777 060, by email at info@tisfund.com.au or writing to P.O. Box 2093 Milton QLD 4064. We can send you a copy of the updated investment performance information, free of charge, upon request.

Newsletters and bulletins will be forwarded to you periodically to bring you up to date with developments of The T.I.S. Fund.

Administrator

Role of the Administrator:

The Administrator carries out all administration, management and compliance activities of The T.I.S. Fund including, but not limited to:

- Preparing and maintaining all records, accounts and returns of the Fund.
- Preparing and distributing any information that the Trustee is obliged to provide.
- Paying benefits to persons who are entitled to be paid benefits with the approval of the Trustee.
- Reporting to the Trustee on the state of the Fund.

Administrator's Remuneration

The Trustee pays the Administrator a fee for carrying out its duties which is an expense of the Fund (see Fees and other costs pages 8-10).

Investment Manager

Role of the Investment Manager

The Investment Manager manages and invests the assets of the Fund which the Trustee from time to time allocates to the Investment Manager to be managed under the guidelines set out in the Investment Manager's Agreement.

Investment Manager's Remuneration

The Investment Manager is paid a fee for investment management services, which is an expense of the Fund (see Fees and other costs pages 6-9).

Complaints resolution

The Trustee has established a procedure for dealing with member's inquiries and complaints.

Please address any complaints in writing to
Doug McMillan, Director at;
P.O. Box 627
WODONGA VIC 3689

Members' inquiries and complaints are required by law to be properly dealt with within 90 days after they are made. If you are not satisfied with a decision of the Trustee, you may contact the Superannuation Complaints Tribunal (SCT).

The SCT is an independent body established by the federal Government to review Trustees decisions relating to members' inquiries and complaints where a resolution has not been reached.

The SCT may be able to assist you, but only if you are not satisfied with the Trustee's handling of your complaint. If the SCT accepts your complaint, it will attempt to resolve the matter through inquiry and conciliation. If conciliation is unsuccessful, the complaint is formally referred to the SCT for a determination. You can contact the SCT by:

Telephoning 1300 780 808

or by writing to

Superannuation Complaints Tribunal
Locked Bag 3060, GPO MELBOURNE VIC 3001

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Transfer Authority

Use this form to rollover your other superannuation accounts into

The Transport Industry Superannuation Fund (The T.I.S.Fund)

Your Personal Details

Title Mrs Miss Ms Mr Other (please specify)

Surname / Last Name

First Name Second Name

TIS Fund Membership Number Date of Birth / /

Tax File Number

Under the *Superannuation Industry (Supervision) Act 1993*, you are not obliged to disclose your tax file number, but there may be tax consequences. See the Product Disclosure Statement for more information.

Your Contact Details

Postal Address

Suburb State Postcode

Telephone number Mobile Number

Your Previous Fund's Details

Name of your old superannuation fund

Postal Address

Suburb State Postcode

Reference / Membership Number from your old fund

Telephone Number for your old fund

Proof of Identity *see over for further information*

- I have attached a certified copy of my drivers licence or passport, or
- I have attached certified copies of both:
- Birth/Citizenship Certificate or Centrelink Pension Card
- AND
- Centrelink payment letter or Government or local council notice (less than 1 year old) with name and address

Your Transfer Instructions

I hereby authorise the transfer of my benefits from my previous fund to the TIS Fund.
 I request that any contributions received after my benefit payment has been processed are forwarded to the TIS Fund.
 I authorise you to release to the Trustee of the TIS Fund any information that they may reasonably request with respect to the transfer of my benefits.
 I understand that the trustee of my previous fund is discharged from any further liability in respect of my membership of that fund once my total benefits have been transferred.
 Please make cheque/s payable to: "The Transport Industry Superannuation Fund" PO Box 2093, Milton, QLD, 4064.

Signature Date / /

Next Steps

- Check that you have completed and signed this form.
- Return the form to **THE ADMINISTRATOR, TIS FUND, PO BOX 2093 MILTON QLD 4064**
- We'll take care of your request and advise you when we have received all of the details required including your benefit payment.
- If you have any questions or require any additional information please call 1800 777 060

Please photocopy this form before you complete it, if you are transferring benefits from more than one fund.

To whom it may concern

THE TRANSPORT INDUSTRY SUPERANNUATION FUND ("The T.I.S. Fund")
SFN: 1493 719 48 ABN: 68 564 370 287 RSE LICENCE NUMBER: R1005516

On behalf of the Trustee of The T.I.S. Fund, I confirm that:

- ✓ The Trustee of the T.I.S. Fund is T.I.S. Pty Ltd (ABN 73 065 319 735)
- ✓ The T.I.S. Fund is a regulated fund as defined by the Superannuation Industry (Supervision) Act 1993 (SIS), and is administered as a complying superannuation fund under Section 45 of SIS.
- ✓ The Trust Deed and governing rules of the T.I.S. Fund allows for benefits to be transferred or rolled over into the T.I.S. Fund from other regulated superannuation funds.
- ✓ The T.I.S. Fund can accept contributions from an employer on behalf of an employee provided that the employee is a member of the T.I.S. Fund at the time the contribution/s are made.
- ✓ The T.I.S. Fund provides compulsory Death and Total Permanent Disablement protection for members who are less than 60 years of age, without health evidence, for a weekly premium of \$3.85 per member.

For and on behalf of the Trustee

T.I.S. Pty Ltd

Proof of Identity

From 1 July 2007 you will need to provide us with acceptable documentation with this Super Transfer form to prove you are the person to whom the superannuation entitlements belong, prior to us processing your transfer.

Acceptable Documents

The following documents may be used.

either

One of the following documents only:

- Drivers licence issued under State or Territory Law
- Passport

or

One of the following documents: <ul style="list-style-type: none">• Birth certificate or birth extract• Citizenship certificate issued by the Commonwealth• Pension card issued by Centrelink that entitles the person to financial benefits	and	One of the following documents: <ul style="list-style-type: none">• Letter from Centrelink regarding a Government assistance payment• Notice issued by Commonwealth, State or Territory, Government or Local Council within the past twelve months that contains your name and residential address. For example: Tax Office notice of assessment or Rates notice from the local council.
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Other than for this statement, this page has been left blank intentionally

Your Application for Membership

I hereby apply for membership in the Transport Industry Superannuation Fund (The T.I.S. Fund) and declare that the information I have provided is true and correct and I acknowledge that I have read the information contained in the attached Product Disclosure Statement.

I agree to abide by the trust deed that governs The T.I.S. Fund.

I have not previously received a benefit payment for permanent incapacity from a superannuation fund or an insurance company.

Signature

Date

/ /

Your Tax File Number

What you need to know about giving us your Tax File Number (TFN)

The T.I.S. Fund is legally required to ask you for your TFN and can only use it for legislatively approved superannuation and taxation purposes. Collection of TFNs is permitted under taxation law, the Superannuation Industry (Supervision) Act (1993) and the Privacy Act (1988).

The authorised purposes currently include:

- Finding and amalgamating your superannuation benefits where other information is insufficient or not provided.
- Passing your TFN to the Australian Taxation Office;
- So they can determine any surcharge tax that may be payable (if applicable);
- Where you receive a benefit or have unclaimed superannuation money after you reach the pension age.
- Allowing your TFN to be forwarded to another fund or Retirement Savings Account (RSA) if your benefit is rolled over (unless you advise us in writing that you do not want your TFN used for this purpose).

Apart from these purposes your TFN will be treated as confidential. Supplying your TFN is not compulsory and it is not an offence not to provide your TFN. However, if you do not give us your TFN additional tax will be paid on employer contributions paid for you and we will not be able to accept member undeducted contributions from you. If you subsequently notify your TFN we will apply to the Australian Taxation Office for a refund of any additional tax paid, and we will recredit the tax refund to your account on receipt provided you are still a member of The T.I.S. Fund at the time of receipt.

Note: the lawful purposes for which your TFN can be used and the consequences of not providing your TFN may change in the future, as a result of legislative change.

Your Tax File Number is:

--

Signature

Date

/ /

Please return this form to your employer when you have completed and signed it.

Explanation of words used in this guide

Conciliation is the process of bringing two disputing parties together to seek an agreed outcome, with the assistance of a neutral third party

Contributions are regular or one-off payments to a superannuation fund. They can be compulsory contributions made by employers (as required under the law or an industrial award) or voluntary contributions made in addition to these either by employers, or by members for themselves or their spouses.

Medicare levy is the 1.5% of taxable income paid by most Australian individuals, on top of normal income tax, to help pay for the public health system.

Preservation Age is the age set by the Government before which a person's superannuation moneys can only be paid to them under special circumstances.

Return is a name used for the earnings of a superannuation or investment fund from the investment of the moneys in the Fund. Returns include both the income paid to the fund by the investment managers, and changes in the value of the investment assets (such as the rise and fall of share prices).

- **Gross returns** refers to returns from which investment related costs have not been deducted.
- **Net returns** refers to investment returns from which investment management related costs and tax have been deducted.

Rate of return is a figure that expresses those earnings as a percentage of the total money invested.

Risk is generally used to describe how much, and how often, the returns of a particular type of investment may rise and fall over time. (For example, shares are more risky than bank deposits).

Rollover is the term used to describe the transfer of money from one superannuation fund to another, or to a retirement savings account, or a superannuation income stream.

Superannuation benefit is a payment from a Superannuation Fund, whether it is paid in cash or transferred to another Fund. When paid in cash, a superannuation benefit can be paid as a lump sum benefit, or used to provide regular income payments, depending on the type of fund in which your superannuation savings are invested. The T.I.S. Fund only pays lump sum benefits.





The Transport Industry Superannuation Fund

ABN 68 564 370 287

Freecall: 1800 777 060

Phone: (07) 3217 5515

Fax: (07) 3217 5506

PO Box 2093, Milton QLD 4064

info@tisfund.com.au

www.tisfund.com.au

Trustee: T.I.S Pty Ltd

ABN 73 065 319 735

PO Box 2093, Milton QLD 4064

