

IRIS Retirement Income Annual Report

For the year ended
30 June 2008

Date of issue: December 2008

You've worked hard. Now retire well.

Report from the Director



I am pleased to present the IRIS Retirement Income Annual Report for the period ending 30 June 2008.

The 2007/08 financial year has proven to be a rather challenging year for investors across the globe after the historic five year boom that financial markets enjoyed came to a rapid end.

It is important to remember that periods of volatility are a common element when investing in the share market. The ongoing sub-prime mortgage crisis in the United States, and fears that it may lead to a global downturn created concern for many members.

As you have now received your IRIS Annual Statement showing all earnings for the year, this serves as an opportune moment to keep in mind that IRIS's investment options have generally held up well this year, relative to their benchmark.

The impact of the year's market volatility will depend on your selected investment choice. As we have mentioned throughout the year in our Quarterly Reports, there are some vital elements that should be considered when assessing your investment:

- Ensure you keep your investments diversified - diversification and a focus on the long-term remain vital ingredients in the achievement of your goals
- Consider your investment objectives - your income stream product should be seen as a long-term investment
- Be aware that investments are cyclical - share markets have a history of recovering from periods of economic uncertainty.

These fundamentals will serve as a reminder that long-term investments have nothing to gain from short-term reactions. In recent years, IRIS's investment options have performed well – often providing double digit returns. Therefore, this year's results should be viewed in this context when evaluating your investments.

If you have been a member of a superannuation fund for many years, you would be aware of the number of risks involved in selecting the 'right' investment option.

One of these includes the likelihood of a negative annual return. This information, which is available on our website and in our Product Disclosure Statement, is shown in the following table:

IRIS Investment Options	Risk of negative annual return
Defensive (previously Secure)	Negligible
Conservative (previously Stable)	1 in every 14 years
Growth	1 in every 6 years
High Growth	1 in every 5 years
Property	1 in every 6 years
Diversified Fixed Interest (previously Fixed Interest)	1 in every 15 years
Australian Shares*	1 in every 4 years
International Shares*	1 in every 4 years
Cash*	Negligible
Sustainable Australian Shares*	1 in every 4 years

*This investment option commenced 1 July 2008.

History has shown that members who have held onto their investment during periods of market instability have tended to perform better than those who have attempted to make sudden investment changes.

Also, switching in and out of your investment options can change the focus of your long-term strategy, causing it to be driven by short-term market movements. As a result, this can have a detrimental effect on the investment returns that you are able to achieve. In addition to this, you will incur transactions costs every time you switch.

The friendly IRIS Customer Service Centre can provide you with all the general information you require to make an informed decision about your IRIS investment. However, they cannot provide you with financial advice. You should contact your planner if you would like to further discuss your investments.

If you do not have a financial planner, Industry Fund Financial Planning (IFFP) is licensed to provide financial product advice to IRIS members through individual consultations. They are located in offices in every capital city across the country and can be contacted on 1300 138 848 or by visiting their website at: iffp.com.au

If you require further information or would like to know more about IRIS, please visit our website at: retirewithiris.com.au or contact our Customer Service Centre on **1300 367 485** (AEST).

David Haynes

Executive Director

Super Members Investments Limited

December 2008

Contents



Exciting new changes to IRIS _____	4
IRIS Investment Performance _____	6
IRIS Investment Options - A Snapshot _____	8
Financial Statements _____	11
General Information _____	12
IRIS 2009 Sustainability Calendar _____	17



The IRIS Retirement Income Annual Report for the year ended 30 June 2008 applies to;

- IRIS Super Income Stream
- IRIS Term Allocated Pension

This information is issued by Super Members Investments Limited (SMI) ABN 61 095 974 100, AFSL 231230, RSE Licence No. L0001151, as the Responsible Entity of the IRIS Superannuation Fund (RSE Reg. No. R1004359, ABN 88 556 625 125).

This information is of a general nature and has been prepared without taking into account your individual investment objectives, financial position and particular investment needs. We recommend you seek professional financial advice before making any decisions in regard to this product.

Exciting new changes to IRIS

In last year's Annual Report we announced that IRIS was to undergo many exciting new changes during 2008. We are pleased to announce that the following changes have occurred:

- Lower fee structure across all investment options giving you more value from your IRIS account.
- New investment options offering you a broader selection and greater diversity of asset classes and risk levels, including: a Cash option, Australian Shares, International Shares and Sustainable Australian Shares options.
- New asset allocations and name changes to existing investment options.
- The \$1 pension payment fee for each income payment credited to your bank account has been removed.

Additionally, we have just launched online access through IRIS Member Online. You are now able to:

- Access detailed transaction records
- View your current investment details including your account balance
- Submit requests to switch your investments
- Make partial withdrawals from your account (providing you meet a condition of release)

Should you have any questions or would like to know more about these changes, please visit our website at: retirewithiris.com.au or contact our Customer Service Centre on **1300 367 485**.

New Managers and Revised Investment Allocations

The introduction of new investment options brings new investment managers. Acadian Asset Management was added to the suite of managers for the IRIS Australian Shares Option through its FirstChoice Wholesale Australian Equities Fund. Also added to the IRIS Australian Shares Option is the Industry Funds Management (IFM) Pty Ltd Listed Equities Fund Tax Exempt Option, which holds 50% of the investment in this option.

The new IRIS International Shares Option offers you the ability to invest in company trusts and shares on a global scale with the addition of the Barclays Global Investors (BGI) World ex-Australia Equities (Currency) Hedged Fund.

The new IRIS Cash Option aims to offer more stability for people who are low risk investors. The investment managers are National Australia Bank and Industry Funds Management (IFM) who hold investments through the IFM Strategic Cash Fund and Transaction Cash Fund.

The new Diversified Fixed Interest Option allows you to invest in government and corporate bonds on a global scale. The new manager is Barclays Global Investors and the investment is held through the Barclays Investment Funds Overseas Bond Index Fund.

Finally, the investment manager for the IRIS Sustainable Australian Shares Option is Perpetual Investment Management through its Ethical Socially Responsible Investment (SRI) Fund.

In addition to making the investment fund selection process much simpler, one of the primary reasons investors are attracted to IRIS is for its diversification. By adding more investment managers, funds and investment options, the selection of asset classes increases the diversification of an investment, helping to reduce investment risk.



*You've worked hard.
Now retire well.*

Who manages the investments?

At the date this Annual Report is issued, we use the following Investment Managers in IRIS:

Asset Class	Investment Manager
Australian Shares	Industry Funds Management Perpetual Investments Perennial Investment Partners Ltd Acadian Asset Management Barclays Global Investors
International Shares	Barclays Global Investors Capital National Alliance AllianceBernstein Australia Ltd
International Fixed Interest	PIMCO Barclays Global Investors
Australian Fixed Interest	Barclays Global Investors Mariner Credit Corporation Industry Funds Management
Property	Industry Superannuation Property Trust Eureka Funds Management Group Barclays Global Investors
Cash	National Australia Bank Industry Funds Management

Changes to IRIS's investment structure

Last year we advised a change that was to occur regarding IRIS Retirement Income's assets. Currently, IRIS's investments are pooled with the investments of ME Investment Funds.

This structure provided a number of advantages while both the IRIS and ME Investment Funds products remained comparatively small. However, after rapid growth in both areas, it was decided by Super Members Investments Limited (Trustee of the IRIS Retirement Income and ME Investment Funds products) that the investments would be separated into two pools.

Due to the complexity in the transfer of investments and a possible detrimental impact for our members, the change in structure has not been completed. However, it is currently in progress and we aim to have it finalised in the current financial year.

This enhancement aims to provide superior investment performance with a greater diversification among the investment managers appointed in our asset classes.

IRIS Investment Performance

The table below represents the annual performance of each IRIS investment option, relative to its benchmark for the year ended 30 June 2008:

IRIS INVESTMENT OPTIONS	1 YEAR PERFORMANCE AS AT 30 JUNE 2008		NAME OF BENCHMARK
	IRIS PERFORMANCE	BENCHMARK PERFORMANCE	
Defensive (previously Secure)	1.08%	1.00%	60% Intech Conservative Growth Gross Investor Index and 40% UBS Australian Bank Bill Index (adjusted for IRIS Defensive Option Management Fee)
Conservative (previously Stable)	-2.25%	-2.43%	Intech Conservative Growth Gross Investor Index (adjusted for IRIS Conservative Option Management Fee)
Growth	-8.61%	-11.26%	Intech Growth Gross Investor Index (adjusted for IRIS Growth Option Management Fee)
High Growth	-13.10%	-15.01%	Intech High Growth Gross Investor Index (adjusted for IRIS High Growth Option Management Fee)
Property	-11.52%	-11.71%	50% of S&P/ASX 300 Property Accumulation Index and 50% (Intech) Australian Unlisted Property Index (adjusted for IRIS Property Option Management Fee)
Diversified Fixed Interest (previously Fixed Interest)	2.98%	3.37%	UBSA Composite Bond All Maturities Index (adjusted for IRIS Diversified Fixed Interest Option Management Fee)

Note: The returns shown are the returns applicable to members who were members at the beginning and the end of the period and who did not initiate any transactions during the period. Returns are shown after fees and before taxes. Past performance is not always a reliable indication of future performance. Assets may rise or fall in value.





The table on the previous page shows the annual performance of each IRIS investment option, relative to its benchmark for the year ended 30 June 2008.

The 2008 financial year was made up of two halves that resulted in most IRIS Investment Options returning negative results for the full financial year. During the first part of the year from July to early November, we saw steady performance on an incline fuelled by a five year run of impressive economic growth in emerging and many developed markets, solid corporate earnings and positive consumer sentiment.

After peaking in November 2007, performance across most asset classes began to suffer. This resulted in those earlier gains and more being eroded in the second half of the financial year. On a positive note, all option returns for the financial year, excluding the Diversified Fixed Interest option, achieved better than their respective benchmarks.

The negative performance and extreme price volatility across all growth assets, including Property, Australian equities and International equities, caused by what has been termed the 'liquidity crisis' or 'credit crunch', has

certainly been the dominant theme in this year's lower returns. IRIS's investment options, with greater exposure to growth assets (High Growth, Growth and Property) reflected the decline in equities with negative returns -13.10%, -8.61% and -11.52% respectively. However, you will see these options continue to provide positive results over the longer-term (3 and 5 years).

In contrast to the growth sector, defensive assets invested in cash and fixed interest securities returned positively, despite the worsening credit conditions in the last quarter of the financial year. The IRIS Fixed Interest option with 100% exposure to defensive assets returned 2.98% whilst IRIS Defensive option (previously Secure) returned 1.08% for the year. In comparison, the IRIS Conservative option (previously Stable), with an allocation of 33% to growth assets, returned a negative result of -2.25%. Whilst disappointing, it outperformed its benchmark.

We will continue to keep you updated with the performance returns of IRIS through the provision of the quarterly report, and you can access the latest returns at any time by visiting: retirewithiris.com.au

Changes to Transaction Costs from 1 July 2008

Transaction costs are incurred when buying and selling underlying trusts on your behalf. These costs, which include government taxes/duties/levies, bank charges, brokerage and stamp duty associated with the buying and selling of assets, are deducted from your account each time you transact. After a thorough review, IRIS has altered these costs effective 1 July 2008. IRIS has implemented individual buy and sell transaction costs for each investment option. See the table below:

IRIS INVESTMENT OPTION	ESTIMATED TRANSACTION COSTS (BUY COSTS)	ESTIMATED TRANSACTION COSTS (SELL COSTS)
Defensive	0.07%	0.05%
Conservative	0.12%	0.10%
Growth	0.19%	0.17%
High Growth	0.21%	0.19%
Cash	0.00%	0.00%
Diversified Fixed Interest	0.07%	0.03%
Property	0.30%	0.30%
Australian Shares	0.23%	0.18%
Sustainable Australian Shares	0.20%	0.20%
International Shares	0.22%	0.22%

IRIS Investment Options - A Snapshot

Investment Strategy and Objective of the Fund

The Investment Objective is to provide a range of investment options to allow you to invest according to your own needs and circumstances. In order to meet the investment objective, we invest your funds with selected Investment Managers. Individual objectives and strategies of the investment options

are provided on pages 8, 9 and 10. For the year ended 30 June 2008, IRIS held four diversified and two sector-specialist options. If you have not chosen an investment option to invest in, your money will automatically be invested in our default option, the IRIS Growth Option.

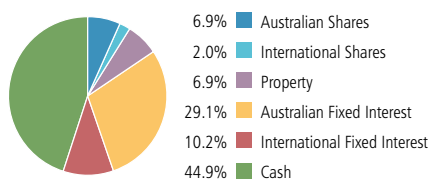
IRIS Defensive Option (previously IRIS Secure)

Investment Objective

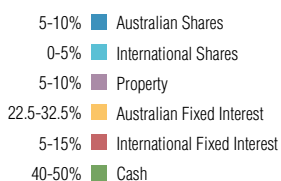
To achieve returns that exceed the inflation rate (change in the CPI*) by 2% per annum (before tax), on a rolling five year basis. This is expected to be achieved around 70% of the time. To achieve this, the Defensive Option aims to provide security (but not a guarantee) of capital invested and aims to limit the likelihood of crediting negative annual returns to a negligible level.

Risk/Return Profile: Low

Actual Asset Allocation as at 30 June 2008



Allocation Ranges as at 30 June 2008



Benchmark Index

60% Intech Conservative Growth Gross Investor Index and 40% UBS Australian Bank Bill Index.

Historical Earning Rates	1 YEAR RETURN TO 30 JUNE**	5 YEAR RETURN COMPOUND AVERAGE
2003 / 04	5.50%	5.43%
2004 / 05	7.77%	5.91%
2005 / 06	6.18%	5.80%
2006 / 07	7.74%	6.56%
2007 / 08	1.08%	5.63%

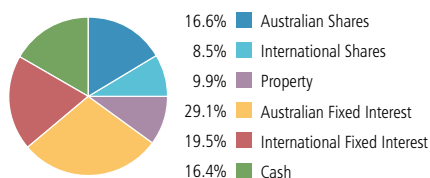
IRIS Conservative Option (previously IRIS Stable)

Investment Objective

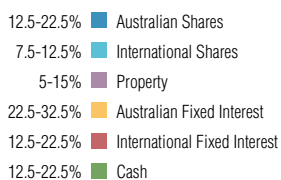
To achieve returns that exceed the inflation rate (change in the CPI*) by 2.5% per annum (before tax), on a rolling five year basis. This is expected to be achieved around 70% of the time. To achieve this, the Conservative Option aims to provide security (but not a guarantee) of capital invested and aims to limit the likelihood of crediting negative annual returns to one in every 14 years.

Risk/Return Profile: Moderate

Actual Asset Allocation as at 30 June 2008



Allocation Ranges as at 30 June 2008



Benchmark Index

Intech Conservative Growth Gross Investor Index.

Historical Earning Rates	1 YEAR RETURN TO 30 JUNE**	5 YEAR RETURN COMPOUND AVERAGE
2003 / 04	8.50%	6.61%
2004 / 05	10.70%	7.14%
2005 / 06	9.45%	7.48%
2006 / 07	10.22%	9.05%
2007 / 08	-2.25%	7.22%

*CPI = Consumer Price Index

**Returns are shown after fees and before taxes. Past performance is not always a reliable indication of future performance. Assets may rise or fall in value.

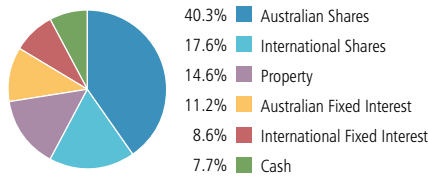
IRIS Growth Option

Investment Objective

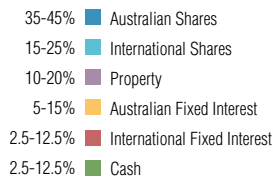
To achieve returns that exceed the inflation rate (change in the CPI*) by 3% per annum (before tax), on a rolling five year basis. This is expected to be achieved around 70% of the time. To achieve this, the Growth Option will invest a significant portion in growth assets such as shares and property and aims to limit the likelihood of crediting negative annual returns to one in every 6 years.

Risk/Return Profile: Moderate to High

Actual Asset Allocation as at 30 June 2008



Allocation Ranges as at 30 June 2008



Benchmark Index

Intech Growth Gross Investor Index.

Historical Earning Rates	1 YEAR RETURN TO 30 JUNE**	5 YEAR RETURN COMPOUND AVERAGE
2003 / 04	14.80%	7.40%
2004 / 05	13.70%	7.24%
2005 / 06	16.85%	8.80%
2006 / 07	16.46%	12.66%
2007 / 08	-8.61%	10.18%

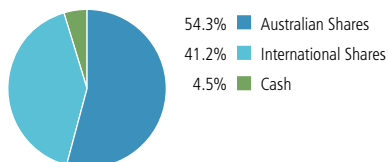
IRIS High Growth Option

Investment Objective

To achieve returns that exceed the inflation rate (change in the CPI*) by 3.5% per annum (before tax), on a rolling five year basis. This is expected to be achieved around 70% of the time. To achieve this, the High Growth Option will predominantly invest in Australian and international shares and aims to limit the likelihood of crediting negative annual returns to one in every 5 years.

Risk/Return Profile: High

Actual Asset Allocation as at 30 June 2008



Allocation Ranges as at 30 June 2008



Benchmark Index

Intech High Growth Gross Investor Index.

Historical Earning Rates	1 YEAR RETURN TO 30 JUNE**	5 YEAR RETURN COMPOUND AVERAGE
2003 / 04	19.20%	N/a ¹
2004 / 05	12.82%	N/a ¹
2005 / 06	21.94%	6.96%
2006 / 07	17.96%	12.63%
2007 / 08	-13.10%	10.95%

*CPI = Consumer Price Index

**Returns are shown after fees and before taxes. Past performance is not always a reliable indication of future performance. Assets may rise or fall in value.

¹As the IRIS High Growth Option began in May 2001, the 5 year compound average performance figures are not available.

IRIS Investment Options - A Snapshot (cont.)

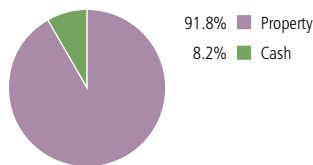
IRIS Property Option

Investment Objective

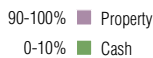
To achieve returns that exceed the inflation rate (change in the CPI*) by 3% per annum (before tax), on a rolling five year basis. This is expected to be achieved around 70% of the time. To achieve this, the Property Option will predominantly invest in both direct and indirect Australasian property trusts and aims to limit the likelihood of crediting negative annual returns to one in every 6 years.

Risk/Return Profile: Moderate to High

Actual Asset Allocation as at 30 June 2008



Allocation Ranges as at 30 June 2008



Benchmark Index

50% S&P/ASX 300 Property Accumulation Index and 50% Australian Unlisted Property Index (Intech).

Historical Earning Rates	1 YEAR RETURN TO 30 JUNE**	5 YEAR RETURN COMPOUND AVERAGE
2003 / 04	14.80%	N/a ¹
2004 / 05	13.27%	N/a ¹
2005 / 06	15.44%	N/a ¹
2006 / 07	21.58%	N/a ¹
2007 / 08	-11.52%	N/a ¹

¹As the IRIS Property Option began 29 August 2003, the 5 year compound average performance figures are not available.

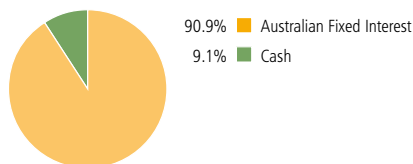
IRIS Diversified Fixed Interest Option (previously IRIS Fixed Interest)

Investment Objective

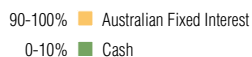
To achieve returns that exceed the inflation rate (change in the CPI*) by 2% per annum (before tax), on a rolling five year basis. This is expected to be achieved around 70% of the time. To achieve this, the Diversified Fixed Interest Option will predominantly invest in a diverse range of government and corporate bonds and alternative debt and aims to limit the likelihood of crediting negative annual returns to one in every 15 years.

Risk/Return Profile: Low

Actual Asset Allocation as at 30 June 2008



Allocation Ranges as at 30 June 2008



Benchmark Index

UBSA Composite Bond All Maturities Index

Historical Earning Rates	1 YEAR RETURN TO 30 JUNE**	5 YEAR RETURN COMPOUND AVERAGE
2003 / 04	N/a ²	N/a ⁴
2004 / 05	4.49% ³	N/a ⁴
2005 / 06	2.96%	N/a ⁴
2006 / 07	3.31%	N/a ⁴
2007 / 08	2.98%	N/a ⁴

*CPI = Consumer Price Index

**Returns are shown after fees and before taxes. Past performance is not always a reliable indication of future performance. Assets may rise or fall in value.

²As this option began in September 2004, limited historical performance is available.

³Investment performance since inception from 30 September 2004 to 30 June 2005.

⁴As the IRIS Diversified Fixed Interest Option began 30 September 2004, the 5 year compound average performance figures are not available.



Financial Statements

The Financial Statements as summarised are derived from the audited accounts of the IRIS Superannuation Fund which incorporates the IRIS Super Income Stream and the IRIS Term Allocated Pension. A copy of the audited accounts and associated audit report for the year ended 30 June 2008 can be obtained by contacting the IRIS Customer Service Centre on **1300 367 485**.

Operating Statement	2008 \$	2007 \$
Investment revenue	51,141,931	72,630,973
Contribution revenue	303,018,506	203,150,544
Other revenue	586,442	443,157
Total revenue from ordinary activities	252,463,017	276,224,674
Less expenses from ordinary activities	9,500,994	6,367,891
Benefits accrued as a result of operations before income tax	242,962,023	269,856,783
Income tax expense / (benefit)	(1,732,019)	(3,044,669)
Benefits accrued as a result of operations after income tax	244,694,042	272,901,452
Less income not allocated to members	1,309,750	1,800,200
Benefits accrued as a result of operations	246,003,792	271,101,252

Statement of Financial Position	2008 \$	2007 \$
Investments	715,069,993	559,100,721
Other assets	53,273,980	86,510,613
Total assets	768,343,973	645,611,334
Total liabilities	2,120,603	5,964,932
Net assets available to pay benefits	766,646,402	639,646,402
Represented by:		
Members' funds	764,464,263	636,577,544
Amounts not yet allocated	1,759,107	3,068,858

Statement of Cash Flows	2008 \$	2007 \$
Cash flows from operating activities	252,439,803	174,286,354
Cash flows from investing activities	(257,251,679)	(169,303,928)
Cash flows from financing activities	0	0
Net increase in cash held	4,811,876	4,982,426
Cash at beginning of reporting period	5,975,317	992,891
Cash at the end of reporting period	1,163,441	5,975,317

General Information

How investment earnings are applied to your account

Interest earned on application monies is received by the Trustee and treated as earnings of the IRIS Superannuation Fund and distributed to all members annually.

Investment returns (which may be positive or negative) are allocated to your account by ascertaining the value of your chosen option(s) each week. The upward or downward movement in the value is applied to your account through earning rates.

The movement in value of an option is dependent on the underlying assets, liabilities, income (including imputation credits and other tax credits), taxes and other expenses. These underlying assets are influenced by movements in markets including shares, bonds, property etc.

The investment objective for each option is not a guarantee of future performance.

For the latest performance information, please visit our website at retirewithiris.com.au or contact our Customer Service Centre on **1300 367 485**.

Income payments

If your income payment is scheduled for the 15th or last day of the month, your payment may be deducted from your IRIS account the week prior to the scheduled payment date. This is done to ensure we can make your payment either prior to, or on the day of your designated payment date. In this situation, whilst the payment is yet to be made to your bank

account, your IRIS account balance will be reduced, reflecting the payment having already been deducted.

We recommend you seek financial advice regarding any alterations to your income payments.

Another way to send in your withdrawal and switch requests

We will now accept your withdrawal or switch requests via fax. Fax requests for amounts up to \$50,000 will be accepted, however the original signed form must also be mailed to us.

Emailed requests unfortunately cannot be accepted.

In addition to faxing, you can also submit withdrawal (providing you meet a condition of release) and switch requests via the new IRIS Member Online facility.

What information does IRIS send to Centrelink?

If you receive any entitlements from Centrelink, we may need to provide them with additional information, such as your total account balance as at 1 July as well as the frequency and amount of your income payment.



Fees & Charges on your IRIS Account

We are committed to maintaining IRIS as a high quality, low-cost, member focused retirement income product.

Below is the management fee applicable for each individual investment option.

As part of our commitment, we have introduced a simple fee structure across each option, effective 1 July 2008, that covers costs incurred in the ongoing

administration and investment of the product. No establishment or termination fees apply to any of the investment options and no commissions are paid to financial planners. The management cost does not include transaction costs.

The management fee is charged to your account each month in arrears based on the value of your account on the last day of the month.

IRIS INVESTMENT OPTION	Total Account Balance below \$250,000 pa	Total Account Balance of \$250,000 pa and above
Defensive	0.90%	0.85%
Conservative	0.95%	0.90%
Growth	1.00%	0.95%
High Growth	1.10%	1.05%
Cash	0.40%	0.35%
Diversified Fixed Interest	0.75%	0.70%
Property	0.90%	0.85%
Australian Shares	1.00%	0.95%
Sustainable Australian Shares	1.15%	1.10%
International Shares	1.15%	1.10%

Note: if your account balance exceeds \$250,000, then the reduced fee as set out above in column 3 applies to all of your investment options.

Communicating with you

IRIS works hard to keep you informed with the latest news and information. For a guide on the various types of communication you will receive throughout the year, please see the table below:

TYPE OF COMMUNICATION	WHEN WILL I RECEIVE IT?
Annual Tax Statement and PAYG Payment Summary	July
Annual Statement	September
Annual Report	October-November
Quarterly Report	Four times per year
Confirmation of any change	When a change has been processed
Centrelink Schedule	After every commutation/withdrawal

In addition to this, we are currently reviewing our communications to ensure what we provide is relevant, informative and up-to-date.

General Information (cont.)

Complaints

We take complaints seriously and have a set of procedures in place for handling them. A complaint about your IRIS account will be dealt with in the first instance by the IRIS administrator. To inform IRIS of your complaint, please contact our Customer Service Centre on **1300 367 485** or write to:

Complaints Resolution Officer
IRIS Administration
Locked Bag 200
CARLTON SOUTH, VIC 3053

Upon receipt of your complaint, we will:

- Acknowledge the complaint promptly and inform you of when you will receive a response;
- Investigate the complaint in a timely manner;
- Respond to you in writing within 90 days of the date of the receipt of your complaint.

If you are not satisfied with the outcome of a complaint, you may contact the Superannuation Complaints Tribunal (SCT) on **1300 780 808** or write to:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO MELBOURNE, VIC 3001

The SCT is an independent body, established by the Federal Government to help members of superannuation funds and their dependants to resolve certain types of complaints about decisions made by fund trustees where the complaint is not resolved by the fund's complaint handling process.

Service Providers

The external service providers throughout the year were:

Superpartners – Accountant and Administrator

NAB Custodian Services – Custodian

Deloitte Touche Tohmatsu – Auditor

Frontier Investment Consulting – Investment Adviser

Investment Managers – To view a current list of investment managers appointed by IRIS, please visit our website at: retirewithiris.com.au

Eligible Rollover Funds

If you become a lost member, the Trustee may transfer your balance to an Eligible Rollover Fund (ERF). The Trustee will treat a member as 'lost' if at least 2 written communications sent by the Trustee have been returned unclaimed. The ERF nominated by the Trustee for this purpose is AUSfund.

To contact AUSfund, call 1300 361 798 or visit: unclaimedsuper.com.au

If your benefits are transferred to the ERF, you will cease to be a member of, and cease to have any rights against, the IRIS Super Fund. You should be aware that an ERF may not be a suitable long-term investment vehicle for you, as the investment performance and other features may be less favourable than those available from other funds.

Insurance and Indemnification

The Trustee, Super Members Investments Limited, has taken out indemnity insurance. No insurance premiums are paid from the assets of the Fund for insurance cover provided to either Super Members Investments Limited or the auditors of IRIS.

Related Party Transactions

No fees were paid to the directors of the Trustee during the period out of the assets of the Fund. The Trustee held no interest in the Fund at the end of the financial year.

Environmental Regulation

The operations of the Fund are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory Law.

Derivatives

The Trustee does not invest directly in derivatives. However, financial derivatives may be used by appointed external investment managers consistent with their own internal policies. The Trustee expects that derivatives will be used to either enhance the returns or control the volatility for a particular investment option.

The various investment managers shall report their use of derivatives periodically and their impact on the performance of the investment option. The accounting derivatives for the financial industry shall follow industry standards.

Reserves

IRIS does not hold reserves.

Anti-detriment Payments

In previous communications, IRIS has mentioned that we may pay an amount calculated under taxation law in addition to lump sum death benefits for certain members. This additional amount would only apply if your death benefit was paid directly (or indirectly via your legal personal representative/estate) to your dependants. These are known as anti-detriment payments.

The Trustee wishes to confirm that as IRIS does not hold reserves and therefore does not have a method in which to fund anti-detriment payments, this form of payout no longer exists for IRIS members. Please be assured that death benefit payments will continue to be paid out in line with your beneficiary nominations.

Board of Directors

The names of the directors of the Responsible Entity (Super Members Investment Limited) during or since the end of the financial year are:

- D Haynes
- S Jamieson (resigned 2 May 2008)
- D Tennant
- N Vamvakas (appointed 20 September 2007)
- A Wamstaker (resigned 20 September 2007)
- D Moloney (appointed 2 May 2008)

Directors were appointed in accordance with the Constitution. Copies of the Constitution are available upon request.



IRIS has provided all information it reasonably believes a product holder would need for the purpose of understanding the management, financial condition and the investment performance of the Fund.

This Annual Report is intended to provide information of a general nature only. It has been prepared by Super Members Investments Limited (ABN 61 095 974 100, AFS Lic. No. 231230, RSE Lic. No. L0001151) as Trustee of the IRIS Superannuation Fund (RSE Reg. No. R1004359), which incorporates the IRIS Super Income Stream and the IRIS Term Allocated Pension, without taking into account your personal objectives, financial situation or needs.

You should assess your own situation and/or obtain independent financial advice and obtain a copy of the latest Product Disclosure Statements (PDS) before making any investment decisions based on this information. The PDS is available by calling **1300 367 485**.

This information in this document is given in good faith and believed to be accurate. Super Members Investments Limited does not give any warranty or reliability or accuracy or accept any responsibility arising in any way including by reasons of negligence for any errors or omissions herein. Neither Super Members Investments Limited nor any service provider guarantees the investment performance or return of capital of any investment option.



The IRIS Retirement Income Annual Report
for the year ended 30 June 2008 applies to;

- IRIS Super Income Stream
- IRIS Term Allocated Pension



Printed on recycled paper.
Design: IFS M&D



IRIS Superannuation Fund

IRIS Super Income Stream
SPIN SMI0100AU
ABN 88 556 625 125

Trustee

Super Members Investments Limited
ABN 61 095 974 100
AFSL Licence. No. 231230
RSE Licence No. L0001151
RSE Reg. No. R1004359

Contact

IRIS Administration
Locked Bag 200
Calton South
Victoria 3053
Telephone 1300 367 485
Website retirewithiris.com.au
Email admin@retirewithiris.com.au

