



Travel and Entertainment Policy

Entertainment Policy

1. Expenses for entertainment paid by TFS must be directly related or associated with the active conduct of Company business.
2. There are two types of entertainment occasion where expenses may be paid or reimbursed by TFS: They are:
 - (a) ad hoc entertainment of clients and business associates by Directors or employees of TFS where authorisation in advance is not possible; and
 - (b) corporate occasions such as sporting events, end of year dinners for directors and staff, and other occasions involving the celebration of corporate milestones which are attended by Directors, staff and/or clients of TFS which are organised in advance and where authorisation in advance is possible .
3. The following persons have authority to authorise the payment of expenses under 2(a) and to authorise the holding of corporate occasions under 2(b):

The Chairman;
The Chief Executive Officer
The Executive Director (Marketing)
4. In every case the person authorising the payment of expenses under 3 shall take into account whether or not the expenditure of TFS' funds is reasonable, having regard to the nature of the occasion in question. In relation to the quantum of expenses, TFS personnel seeking payment of entertainment expenses by TFS, and persons authorising an occasion or an expenditure, should consider whether the quantum of the expenditure incurred or proposed, is reasonable having regard to the nature of the occasion and the benefit likely to be derived by TFS.
5. As far as possible all entertainment expenses should be paid for using a Corporate Credit Card where available. Where a Corporate Credit Card is not available to a person hosting an occasion, he or she should pay the expenses personally and seek reimbursement from TFS in accordance with this policy.
6. The most senior Director or staff member present or to be present at the relevant occasion should claim the payment or seek the authorisation. Directors attending

entertainment occasions should never authorise their own expenditure for payment by TFS.

7. When claiming payment from TFS receipts and vouchers in respect of the entertainment occasion should be submitted to the Office Manager with a brief outline of the nature of the occasion and who attended from inside and outside the Company.
8. Generally, Directors and staff members working in the same city should not entertain each other and expect TFS to pay their entertainment expenses. Exception to this might include special occasions such as functions which have a purpose related to staff morale. This type of function should always be authorised in advance by one of the persons mentioned in 3 above.
9. Where meetings of an administrative nature are held that are directly concerned with the business of TFS, the cost of meals or refreshments may be paid by TFS. Where meals are involved, they must be a necessary and integral part of the business meeting, not a matter of personal convenience. The cost of meals for Directors or staff members from the same location may be paid if a working meal is included as part of a scheduled meeting. Such a meeting should take place over an extended period of time and the Agenda should include a working meal.
10. Compliance with this policy will be monitored by the Chief Financial Officer and any non-compliance will be reported to the Board of Directors for further action. If non-compliances do occur, TFS reserves the right to pay the expenditures in question, but to deduct the same amount from the salary or other emoluments of the person making the claim in addition to any other disciplinary consequences that may ensue.

Travel Policy

1. All travel on TFS business must be approved in advance by one of the Chairman, the Chief Executive Officer or the Executive Director (Marketing).
2. Within Australia, all travel by air shall be on an airline holding a regular public transport Air Operator's Certificate or, alternatively, on a twin-engine aircraft certified to charter standards where the operator is the holder of an Air Operator's Certificate (Charter License) and the pilot is the current holder of a Command Instrument Rating endorsed for twin-engine operations.
3. Outside Australia, all travel by air shall be on an airline operating regular public transport flights on a fixed schedule in the country of travel. Preference shall be given to airlines which operate regular scheduled services to and from Australia.
4. Within Australia, all personnel shall travel economy class at all times. Outside Australia, Directors and senior staff members such as the Chief Executive Officer and Chief Financial Officer shall be entitled to travel business class on international flights

to and from Australia. Other employees shall travel economy class. Directors and senior staff members such as the Chief Executive Officer and Chief Financial Officer travelling by air internally in a foreign country may travel business class. Other employees travelling internally in overseas countries may also travel business class where such factors as the pitch of seats and the length of the journey make it reasonably appropriate to do so.

- 5 All travel bookings made within Australia shall as far as practicable be made through TFS' designated travel agent from time to time (currently ITS Travel) and should be directed through the Marketing Assistant as per the [Travel Procedure](#).
- 6 Hotel accommodation within Australia for Directors and staff will be 4 star or above with a tariff to a maximum amount of \$200.00 per day in all cities except Sydney, where the maximum tariff will be \$250.00 per day.

In exceptional circumstances (where accommodation is difficult to get) an increase in the tariff might be appropriate but only for as short a period as is reasonably practical. Hotel accommodation outside Australia is discretionary having regard to the level of development of the Country in which travel is to be undertaken and the necessity to do business successfully. It may often be appropriate to use 5 star accommodation, particularly if business is likely to be conducted using hotel facilities such as function rooms.

- 7 TFS will in general reimburse the reasonable cost of meals taken by Directors and staff members while travelling on Company business. An evening meal may include alcohol but alcohol consumption while travelling should always be moderate. Extravagant prices should never be paid for food or alcohol.
- 8 TFS will pay for or reimburse the cost of hire cars if the use of such is reasonably necessary during periods of travel where personal transport is not available. Before a hire car is utilised consideration must be given to the cost against the benefit of alternative forms of transport, such as taxis, or in some cases other forms of public transport such as trains or buses. Hire cars should only be used when the need for transport is such as to make other forms of transport impractical or not cost effective. All Directors and staff are to ensure that comprehensive insurance is taken against damage and personal injury and that no person is allowed to drive a hire car other than as authorised by the hirer.
- 9 All vouchers and receipts shall be retained by travelling Directors and staff and given to the Office Manager on returning.
- 10 Compliance with this policy shall be monitored by the Chief Financial Officer. Any non-compliance shall be reported to the Board of Directors for further action. In addition to any other remedy TFS reserves the right to pay travel expenses incurred which do not

comply with this policy and to deduct the same amount from the salary or other emoluments of the person making the claim for the payment of those expenses.



Frank Wilson
Executive Chairman

Date: 26 June 2007