

The Transport Industry Superannuation Fund

Supplementary Product Disclosure Statement

Prepared 15 September 2010

This document is a Supplementary Product Disclosure Statement (SPDS). This SPDS supplements **The Transport Industry Superannuation Fund Product Disclosure Statement (PDS) dated 1 February 2010** and should be read together with the PDS.

This SPDS is issued by T.I.S. Pty Ltd (ABN 73 065 319 735), the Trustee of The Transport Industry Superannuation Fund (ABN 68 564 370 287).

The information in this section replaces the information in the section titled "Investment Objectives and Strategy of the Cash Option" on page 14 of the PDS.

Cash option

The Trustee offers a "Cash Option" that can be selected by members for investment of part or all of their account balance. The purpose of making the Cash Option available is to:

- a) provide an option for members who would prefer to invest some or all of their superannuation in an account with minimal downside risk of capital, or
- b) allow members who are nearing retirement to insulate some or all of their account balance from the fluctuations of investment markets, or
- c) allow members nearing retirement to quarantine some of their account balance which they expect to need to use soon after their retirement while keeping some of their funds in growth options to take advantage of future possible upside growth.

Investment Objective of the Cash Option is:

The Cash Option is expected to return cash management rates from time to time (less tax payable by the Fund at 15% and administration expenses).

To illustrate the difference between the Cash Option returns and the fluctuations in the TIS Option returns, below are the returns from the Cash Option and the comparable performance of the TIS Option for the last five years to 30 June 2010. The figures are net of tax and expenses.

The returns shown in this Table are the net crediting rates for each of the last five years:

<i>Year ended 30 June</i>	<i>Cash Option</i>	<i>TIS Option</i>
2010	2.61%	7.78%
2009	3.68%	-15.5%
2008	5.1%	-11.37%
2007	4.45%	18.37%
2006	4.06%	11.24%

The returns shown in this Table are the compound average annual returns for the nominated periods, based on the net crediting rates applicable for each of the last five years:

<i>To 30 June 2010</i>	<i>Cash Option</i>	<i>TIS Option</i>
1 year	2.61%	7.78%
3 years	3.94%	-6.43%
5 years	4.31%	1.26%

This investment option will be managed with minimal downside risk however the returns over longer term will generally be lower than a more growth orientated option such as the TIS Option.

The capital downside in this option will be minimal however members should consider that in some circumstances the option may not yield enough to preserve the real value of your investment, that is the value of your investment adjusted for inflation.

Investment Strategy

The Trustee intends to invest the Cash Option in bank accounts and cash management accounts offered by banks. If this changes you will be notified in the Annual Report.

However any other investments chosen will be in assets which are unlikely to decrease in capital value over the invested period eg government or corporate bonds etc.

Automatic switching to Cash Option

The Trustee's policy is to switch to the Cash Option account balances which are likely to be withdrawn due an event notified to the Trustee, where it is expected that payment of the account balance will not be made within the next 2 unit price determination periods - in particular where a death or Total and Permanent Disablement benefit is payable (see page 16 of the PDS).

The Trustee adopted this policy in 2005, and has maintained the Cash Option since then for this purpose.

To switch investment option choices:

How do I switch my investments? Complete an Investment Switch Application and return by post to PO Box 2093 Milton QLD 4064. Investment Switch Applications can be obtained from the Fund Website www.tisfund.com or by phoning 1800 777 060.

Cost of switching? The first two switches in any financial year are free. For subsequent switches between options a charge of \$65 will be debited to your superannuation account.

When does the switch take place? The Fund operates bi-monthly unit pricing on the 15th (or next business day) and last business day of each month.

Note: If a member does not make a choice, all funds for that member will be invested in the TIS Option as that is the default option.

You should consider whether you need financial planning advice before you decide to make a switch.

TIS Pty Ltd, the Trustee of The Transport Industry Superannuation Fund is licensed to provide general advice about this Fund. This SPDS 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.

The information in this section replaces the information in the Table on page 9 of the PDS.

TYPE OF FEE OR COST	AMOUNT	HOW AND WHEN PAID
Fees when you 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	Deducted from your withdrawal amount on termination of your membership of The T.I.S. Fund
Management costs		
	\$1.10 per member account per week plus: 1.08% p.a. (estimated) of the Fund's assets invested in the T.I.S Option (1) 0.49% p.a. (estimated) of the Fund's assets invested in the Cash Option (1)	The \$1.10 per week is charged against the member's account at the end of each calendar month. The percentage fee is deducted from the earnings of the Fund, and has the effect of reducing the crediting rate for each investment option.
Service Fees (2)		
<i>Investment switching fee</i> The fee for changing investment options	First two switches in any financial year are free. For subsequent switches: \$65	Debited to the member's account at the time of the switch.

1 Calculation of management costs is explained in the "Additional Explanation of Fees and Costs"

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