


BT Super for Life

Product Disclosure Statement (PDS)
Dated 13 November 2011




Read this

This PDS, prepared in accordance with the shorter form PDS regime, provides a summary of the key information you need to make a decision. It includes references to additional information that is part of this PDS – marked with an . This is important information you should consider before making a decision to invest in BT Super for Life.

The information in this PDS is general information only and does not take into account your personal financial situation or needs. You may wish to consult a financial planner to obtain financial advice tailored to suit your personal circumstances.

This PDS can only be used by persons receiving it (electronically or otherwise) in Australia. Applications from outside Australia will not be accepted.

Contact us











If you have any questions about BT Super for Life or would like a copy of any material that is incorporated into this PDS by reference – marked with an  – you can call the BT Contact Centre on 1300 653 553 from 8.00am to 6.30pm, Monday to Friday (AEST time).

BT Super for Life forms part of the Retirement Wrap super fund ABN 39 827 542 991 and is issued by BT Funds Management Limited (BTFM) ABN 63 002 916 458, AFSL 233724 ('Trustee', 'we', 'our', or 'us') which is a member of the Westpac Group. BTFM's registered address is Level 20, Westpac Place, 275 Kent Street, Sydney NSW 2000.

The insurance cover offered in this PDS is issued by Westpac Life Insurance Services Limited (the Insurer) ABN 31 003 149 157, AFSL 233728.



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1. About BT Super for Life

Brought to you by BT Financial Group (BT)

- BT has been helping Australians create and manage wealth since 1969
- BT provides a diverse range of investment choices, including funds managed by some of the world's leading global investment managers
- BT is a wealth management specialist that's wholly owned by Westpac.

BT Super for Life makes super simple!

BT Super for Life is an online super product with three different account types that offer a range of great features and benefits to take you from your first job through to retirement.

It's super that's so simple to manage, yet it's smart enough to evolve with you as your needs change throughout life.

2. How super works

About super

Super is a means of saving for retirement which is, in part, compulsory. It may be one of the biggest investments you will make in your life. Nearly every Australian has the right to choose the fund into which their employer should pay super. The Australian Government has provided tax savings and other benefits which generally makes super one of the best long-term investment vehicles. It's your super, take control.

Contributions

There are different types of contributions that can be made to super – for example, employer, voluntary and government co-contributions. Generally, if you are aged less than 65, contributions into super can be accepted from you, your spouse or your employer. Once you turn 65, there are strict rules around the acceptance of contributions. There are, however, limits (known as 'caps') on the amount of most contributions that are made to your super. If you exceed the caps, additional tax will be payable.

Withdrawals

There are limitations that apply to withdrawals because your super benefits are intended to provide for your retirement. Generally you cannot access your super until you have turned 65, or retired after reaching your preservation age (currently between 55 and 60, depending on your date of birth). In limited circumstances, your super can be accessed before you retire to assist you and your dependants if you meet a condition of release.



You should read the important information about **How super works** before making a decision. Go to the **Additional Information Booklet**. The material relating to **How super works** may change between the time when you read this statement and the day when you acquire the product.

3. Benefits of investing with BT Super for Life

Choose the account to suit you

Whatever stage of life you're at right now, there's a BT Super for Life account with features and benefits to suit you.

BT Super for Life – one super product, three account types



When you're working and saving for retirement you can use a BT Super for Life – Savings account so your employer, you and your spouse can add money to your super. You can also add money from another super fund.

When you retire or as you approach retirement and want to start withdrawing money from your super, you can either start withdrawing from your BT Super for Life – Savings account or change to a BT Super for Life – Retirement or Transition to Retirement account to minimise tax on investment earnings.

Depending on your circumstances, in order to cater to all your needs throughout life, you may even be able to hold a Savings account and a Retirement or Transition to Retirement account at the same time.

Low transparent fees

You'll pay a management fee of up to 0.99% pa and an administration fee of \$5 a month. No hidden fees or commissions (transaction costs may apply).

Automatic life insurance cover

BT Super for Life includes no questions asked, low cost insurance cover.

You will automatically receive Standard cover for Death and Total & Permanent Disability when you open a BT Super for Life – Savings account (subject to certain restrictions).

Banking and super on one screen

Manage your super more easily – simply log in to your internet banking to:

- Check your super balance, transaction history and performance history;
- Update your investment mix and your beneficiary details;
- Top-up your super from your savings with the click of a button;
- Print a Choice form to give to your employer to pay super into your account; and
- Make withdrawals easily when you retire by setting up regular withdrawals or make one-off withdrawals to your eligible online bank account!

¹ For a list of eligible bank accounts see the [Frequently Asked Questions](#) section online.

Keep your super together

We've made it easier to transfer money from your other super funds so you can have all your super in one place. After you have completed the online application form, use our easy online rollover service to find the details of your other funds, or simply call us and we'll help.

Easy investment choices

BT partners with some of the world's leading fund managers to offer you a diversified range of asset types and investment management styles. You have two alternatives for investing your money:

Alternative 1 – We manage the money for you in a BT Super for Life – Lifestage Fund by changing your investment mix as you get older.

Alternative 2 – You can specify an investment mix yourself by choosing from the investment options we offer.

How we keep in touch

We will mainly communicate with you online, via email or internet banking. At important times such as when your annual statement is ready or to provide you with specific information relating to your account we will notify you by email or send you a secure message within internet banking. You can see your account details online at any time simply by logging in to internet banking.

When you join – We'll send you a Welcome Email and a Welcome Pack with all of your new account details and any information or forms you need to make the most of your new BT Super for Life account.

If you leave – You will receive an exit statement showing your closing balance and all transactions since the opening of your account or your last annual statement.

Other member benefits

Turn credit card points into super

Use points earned from your eligible credit card to invest in your future by turning those points into super.

BT Benefits

We've negotiated great deals, offers and discounts with major retailers and brands as part of BT Benefits – our member benefits package. For details of some of the many savings you can access at no extra cost with BT Benefits, go to btsuperforlife.com.au.



You should read the important information about **Benefits of investing in BT Super for Life** before making a decision. Go to the **Additional Information Booklet**. The material relating to **Benefits of investing in BT Super for Life** may change between the time when you read this statement and the day when you acquire the product.

4. Risks of super

All investments involve varying degrees of risk. Super funds may invest in a range of asset classes – for example, cash, fixed interest, property and shares – that have different levels of risk.

BT Super for Life offers a variety of investment options, containing different weightings of these asset classes. The likely investment return, and the level of risk of losing money, is different for each investment option depending on the underlying mix of assets.

Generally, the higher the potential return of an investment over the longer term, the greater the level of risk of loss in the shorter term.

What are the risks involved?

When considering your investment in super, it is important to understand that:

- investments will fluctuate in value;
- returns are not guaranteed and you may lose some of your money;
- investment returns can be volatile and may vary. Past performance is not a reliable indicator of future performance;
- laws affecting your super may change in the future; and
- the amount of your future super savings (including contributions and returns) may not be enough to provide adequately for your retirement. A Retirement account may not provide an income for the rest of your life. Payments will only continue until the balance of your account is exhausted.

There are particular risks associated with each investment option. These could include (among other things) risks specific to a certain security, market risk, currency risk, interest rate risk, derivatives and gearing risk, alternative investments risk, credit risk, liquidity risk and legal and regulatory risk.

The appropriate level of risk for you will depend on your age, investment time frame, where other parts of your wealth are invested, and your risk tolerance.



5. How we invest your money

Alternative 1 – Let us manage the money for you in a BT Super for Life – Lifestage Fund

Whether you've just begun to save for retirement or you have already left the workforce, a BT Super for Life – Lifestage Fund can give you an efficient, well-diversified portfolio – designed and managed according to your age.

The minimum suggested timeframe for these funds is simple. You only have one decision to make and BT Super for Life does the rest, assembling and managing and automatically adjusting the mix of assets throughout your life.

How does your Lifestage Fund change with you?

When you are younger (and have more time to withstand ups and downs in your investment), your Lifestage Fund will be more growth oriented to target a higher return.

Over time the fund will gradually shift to a more conservative asset mix. It generally does this by reducing its allocation of growth assets – such as shares and property – and increasing its allocation of conservative assets – such as fixed interest and cash.

But you don't have to worry about having all your eggs in one basket. Lifestage Funds are invested using the 'multi-manager' concept – packaging together high-quality investment managers from Australia and around the world into a single fund.

Which is your Lifestage Fund?

If you want us to manage your money for you, all you have to do is select Alternative 1 during your application and we'll select the right Lifestage Fund for you based on the decade you were born in. If there is no Lifestage Fund for your age you will only be offered the investment choices in Alternative 2.

BT Super for Life – [decade you were born] Lifestage Fund – Savings

Decade you were born	Description of your fund	Current level of risk
1990s, 1980s or 1970s	You are saving and have many years until retirement to withstand rises and falls in the value of your fund so you will have a large proportion of growth assets.	High
1960s	Retirement is still in the distance but approaching. It's time to hold a more balanced mix of growth and conservative assets.	Medium
1950s	Retirement is approaching so your asset mix should now lean towards more conservative investments, while still seeking growth.	Medium
1940s	You have probably retired. You need a conservative asset mix, but still need to retain a level of growth.	Low

BT Super for Life – [decade you were born] Lifestage Fund – Retirement

Decade you were born	Description of your fund	Current level of risk
1950s	You have probably just retired so your asset mix should now lean towards more conservative investments, while still seeking growth.	Medium
1940s	You have probably retired. You need a stable source of regular income, but still need to retain a level of growth.	Low

Investment return objective of each of the Lifestage Funds

To outperform the market in each asset class (before fees and tax) and outperform other funds with a similar mix of asset classes.

Strategic asset allocation

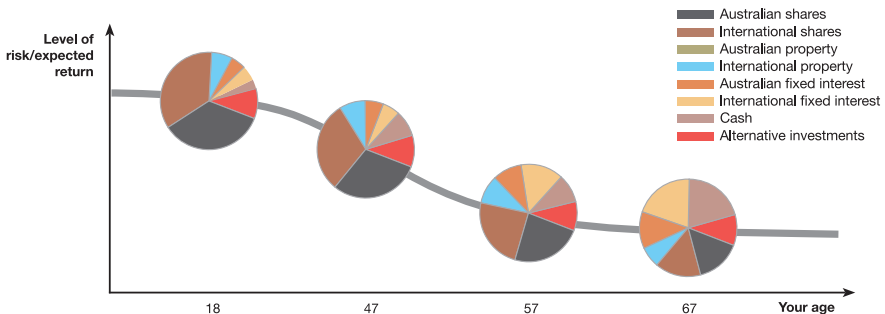
The strategic asset allocations (%) of the Lifestage Funds as at 30 June 2011* are set out below.

Asset Type (%)	1940s	1950s	1960s	1970s	1980s	1990s
Australian shares	14	25	35	40	41	41
International shares	12	24	34	39	40	40
Commodities	3	4	4	5	5	5
Property	4	4	4	4	4	4
Fixed Interest	40	26	14	7	6	6
Cash	27	17	9	5	4	4

*The market exposure (asset allocation) and holdings of the fund may change significantly each day. For more detailed information about the asset classes that make up all the Lifestage Funds see the fund fact sheets on btsuperforlife.com.au.

What is the investment mix for my Lifestage Fund?

See below for an example of how we change your investment mix and level of risk in the Lifestage Funds as you age.



Alternative 2 – Specify an investment mix yourself

If you'd prefer to choose your own investment mix, you can select a mix you think is suitable by nominating the percentage of your super that's invested in each of the following funds:

- **BT Super for Life – Super Cash**
- **BT Super for Life – Conservative Fund**
- **BT Super for Life – Moderate Fund**
- **BT Super for Life – Growth Fund**

You can change to a Lifestage Fund at anytime; however, you can't have a Lifestage Fund at the same time as you have money invested in any of the funds in Alternative 2 listed above.

Do I have to make a choice?

When you apply you will be asked to make a choice. You can change how you want your money to be invested at a later stage online.

If you don't make a choice, we will automatically invest your money in the BT Super for Life – Lifestage Fund appropriate for your age. If there is no Lifestage Fund for your age you will be offered the investment choices in Alternative 2 and you will need to make a choice to complete your application.

How can I change my investment option?

It's easy to change your chosen investment option at any time online.

1. Simply log in to your internet banking
2. Click on your super account
3. Select 'Change my Investment' from the menu

Warning: Before you decide on how you want your super to be invested, you must consider the likely investment return, risk and your investment time frame.



You should read the important information about **How we invest your money** before making a decision. Go to the **Additional Information Booklet**. The material relating to **How we invest your money** may change between the time when you read this statement and the day when you acquire the product.

\$ 6. Fees and costs

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 features such as superior investment performance or the 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.moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options.

This section provides summary information about the main fees and costs that you may be charged for the Lifestage Funds detailed in this PDS. You can also use this information to compare the fees and costs with those for other super products.

These fees and costs may be deducted from your money, from the returns on your investment or from the fund assets as a whole.

Type of fee or cost	Amount
Fees when your money moves in or out of the fund	
Establishment fee	Nil
Contribution fee	Nil
Withdrawal fee	Nil
Termination fee	Nil
Management costs – The fees and costs for managing your investment	
Administration fee	\$5.00 per month
Management fee	0.99% pa of your account balance

There may be additional service fees payable. Refer to the 'Additional explanation of fees and costs' in this section for more information.

Example of annual fees and costs for a balanced investment option

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

EXAMPLE – BT Super for Life – 1970s Lifestage Fund – Savings		BALANCE OF \$50,000 WITH TOTAL CONTRIBUTIONS OF \$5,000 DURING YEAR*
Contribution fees	Nil	For every \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	0.99% + \$60 (\$5 per month)	And , for every \$50,000 you have in the fund you will be charged \$495 each year plus \$60 in administration fees regardless of your balance.
EQUALS Cost of fund		If you put in \$5,000 during a year and your balance was \$50,000, then for that year you will be charged fees of: \$555 What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.

*The contribution of \$5,000 is assumed to be deposited to your account at the end of the year.

Additional explanation of fees and costs

GST and taxes

The fees quoted in this section are inclusive of Goods and Services Tax (GST) and net of any applicable Reduced Input Tax Credits. The benefit of tax deductions to BT Super for Life, if any, will be passed on to account holders in the form of a reduced fee or cost.

Adviser fees: warning

If you have an adviser who is registered with BT, you can agree to pay them a fee for their advice on BT Super for Life by nominating an amount online. Details of this fee should be set out in the Statement of Advice provided by your adviser.

Changes in fees and costs

We are allowed to alter any of the fees and costs without your consent, but if we increase the fees and costs, you will receive 30 days advance notice. Management costs may be waived while you are on parental leave. Management costs may also be discounted for Westpac Group employees, and their eligible nominees (eg family of employees). We may also waive or discount costs in other circumstances at our discretion in future.



You should read the important information about **Fees and costs** before making a decision. Go to the **Additional Information Booklet**. The material relating to **Fees and costs** may change between the time when you read this statement and the day when you acquire the product.



7. How super is taxed

Tax on contributions

Some, but not all, contributions have tax applied to them. Tax on contributions is deducted at a maximum rate of 15% (provided you have supplied your tax file number (TFN)) either quarterly in arrears, or on receipt of a personal tax deduction notice.

Warning: While you can contribute as much as you like, you may incur additional tax of up to 46.5% if contributions exceed certain caps. The two main caps available to all individuals are the Concessional and the Non-Concessional Contributions Caps. It is your responsibility to make sure you don't exceed these caps.

Tax on earnings

In a BT Super for Life – Savings account investment earnings and capital gains are taxed at a maximum rate of 15%, but some capital gains may be taxed at the concessional rate of 10%. Tax on earnings is reflected in the investment option's unit price or interest rate and is not deducted directly from your account. In a BT Super for Life – Retirement or BT Super for Life – Transition to Retirement account, investment earnings are tax-free.

Tax on withdrawals

If you are aged 60 or over, all withdrawals from your account are generally tax-free. If you are under the age of 60, you will be taxed as set out below:

Lump sum withdrawals	Pension payments
Tax-free component: Nil Taxable component: → If under preservation age (between 55 and 60 depending on your date of birth) tax is generally paid at 21.5% (including Medicare Levy at 1.5%) → If aged between preservation age and 59, tax-free up to the low rate cap, then generally 16.5% (including Medicare Levy at 1.5%).	Generally, tax is paid at your marginal tax rate less a 15% tax offset.

Different rules for withdrawing your super may apply if you are or were a holder of a temporary visa under the *Migration Act 1958*.

Warning: You **must** provide your TFN before investing in BT Super for Life. If you do not provide a TFN we will have to return any contributions and/or rollovers.



You should read the important information about **How super is taxed** before making a decision. Go to the **Additional Information Booklet**. The material relating to **How super is taxed** may change between the time when you read this statement and the day when you acquire the product.



8. Insurance in your super

BT Super for Life includes low cost life insurance to ensure you and your loved ones have financial protection against the unexpected. Cover is available anywhere in the world 24 hours, 7 days a week.

What types of insurance are available?

- **Death Benefit** pays a lump sum to safeguard you and your beneficiaries if you die or suffer a **Terminal Illness**.
- **Total and Permanent Disability (TPD) Benefit** will pay out a lump sum to you in the event you become Totally and Permanently Disabled. This could be used to cover ongoing care, medical bills and anything else you choose to use it for.
- **Salary Continuance Insurance** (also known as Income Protection) provides a monthly Benefit if you become disabled because of Injury or Sickness and are unable to work.

If you become eligible to receive a Benefit, generally the Insurer will pay it to the Trustee. The Trustee will pay the Benefit to you provided you meet the conditions for release under the Trust Deed and Australian super law (as applicable).

Premiums deducted from your super balance

Insurance premiums are deducted directly from your BT Super for Life account balance each month meaning that you don't have to budget for this cover from your take-home pay.

Automatic Standard cover

Low cost cover

When you open a BT Super for Life – Savings account you will automatically receive low cost, pre-approved cover for **Death and TPD**.

Easy to set up

Your automatic cover is pre-approved meaning there are no medical checks or paper forms to complete. Cover is subject to a pre-existing conditions exclusion. Other exclusions may also apply. Refer to the 'Insurance in your super' section in the Additional Information Booklet for more information.

Cover when you need it most

The level of cover you receive adjusts throughout your life – providing you with more cover when you are likely to need it most and less cover when you don't.

When does your automatic Standard cover begin?

Your insurance cover starts when we receive your first contribution.

Warning: Unless you cancel the Standard cover, the first premium will be deducted on the first business day of the month following the date your insurance cover starts. Cancellations can be requested online after your new account becomes visible on internet banking. Your cancellation options include reducing your Standard cover to Death cover only.

Your premium and sum insured

Standard cover premiums for Death and TPD are based on your age and gender. No additional loadings are applied based on your occupation or lifestyle.

The following sum insured and monthly premiums apply for a single level of Standard cover for Death and TPD.

Standard cover – Death & TPD			
Age	Sum insured (\$)	Monthly premiums (\$)	
		Male	Female
15-19	37,500	3.55	1.67
20-24	50,000	3.87	2.14
25-29	75,000	4.56	3.31
30-34	100,000	6.20	4.78
35-39	125,000	9.66	9.15
40-44	125,000	14.03	14.85
45-49	100,000	20.00	20.09
50-54	75,000	29.80	27.09
55-59	45,000	35.30	30.98
60-64	30,000	43.32	36.00
65-69*	15,000	24.84	15.52

*Death only cover applies from the last Review Date prior to your 65th birthday.

The Insurer reviews your insurance on 1 July each year, and if applicable, will change your sum insured and premium based on your age. If BT Super for Life insurance premiums are changed, you will receive 30 days notification.

Do you want more cover?

You can request double or triple the sum insured amount shown in the table above through pre-approved Standard cover. Cover increases must be requested online within 90 days of your insurance cover starting.

If you wish to select your own amount of cover, see below for details on Customised cover.

Changing or cancelling cover

To change or cancel your insurance, you can call us on 1300 653 553 or go online.

Customised cover

Everyone's circumstances are different so BT Super for Life Customised cover gives you the option of choosing the type of cover and the sum insured that best suits your needs.

In addition to Customised Death and TPD options, you can select Salary Continuance Insurance (also known as Income Protection). You can apply for cover by logging in to internet banking and submitting the applicable application form. Your acceptance is subject to the Insurer's assessment of your application.

Warning: Further information about the insurance available through BT Super for Life is included in the **Additional Information Booklet** including: eligibility for cover, changing and cancelling cover; conditions and exclusions applicable to the cover; the level and type of cover available; and the costs of insurance. This information may affect your entitlement to insurance cover.



You should read the important information about **Insurance in your super** before making a decision. Go to the **Additional Information Booklet**. The material may change between the time when you read this statement and the day when you acquire the product.



9. How to open an account

Applying for BT Super for Life is easy

Before you start your application, ensure you have the following handy:

- Your email address
- Your TFN, which you will need to provide before we can accept any money into your account.
- Details of an eligible bank account.

Option 1: Apply online. It only takes about 10 minutes.

Go to btsuperforlife.com.au or log in to internet banking.

Option 2: Visit your nearest branch.

Option 3: Call us on 1300 653 553 and apply over the phone.

Updating information in this PDS

Information in this PDS is subject to change and may be updated by us from time to time. Updated information, if not materially adverse, can be obtained by going to our website at btsuperforlife.com.au, or by calling the BT Contact Centre. You can request a paper copy of updated information at any time, free of charge.

Cooling-off period

To ensure that you are happy with your initial investment in BT Super for Life, you have a 14 day cooling-off period to check that it meets your needs. This period starts on the earlier of the date you receive your transaction advice or 5 business days after your investment is accepted, and ends when you exercise your rights or powers under BT Super for Life, such as switching investment options. If you want to close your account during the 14 day cooling-off period please call the BT Contact Centre.

If you exercise your cooling-off right in respect of membership of BT Super for Life, the Insurer will cancel your cover from commencement.

Complaint resolution

If you have a concern or complaint about the operation or management of BT Super for Life, please contact the BT Contact Centre. If your concerns cannot be resolved over the phone, you can outline your complaint in writing by emailing customer.relations@btfinancialgroup.com. We will endeavour to resolve your complaint within 30 days of receiving your email, and are required by law to deal with your complaint within 90 days.

However, if you are not satisfied with the response, or have not received one within 90 days, you may contact the Superannuation Complaints Tribunal by calling 1300 884 114 or writing to Locked Bag 3060, Melbourne VIC 3001. The Tribunal is an independent body established by the Government to help members of super funds resolve complaints.



10. Other information



You should read **Other Information** in the **Additional Information Booklet** available online before deciding to invest in BT Super for Life. It covers details about the Trust Deed, your privacy, the Eligible Rollover Fund, and other information you need to know. The material may change between the time when you read this PDS and the day when you acquire the product.

Your BT Super for Life account

Your account details are below. Please keep this booklet handy for your reference.

BT Super for Life account

Account name:

Account number:

Account BSB:

Checklist

- Tax File Number provided?
- Choice of Super Fund form completed?
- Request to transfer form(s) completed?
- ID certified?
- Follow up appointment required?

Did you know?

You can access additional pre-filled in forms when you log in to your account through internet banking.



Like to know more?

- Visit www.btsuperforlife.com.au
- Call 1300 653 553

An investment in BT Super for Life is not an investment in, deposit with, or any other liability of, Westpac Banking Corporation ABN 33 007 457 141 (Westpac), or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment or loss of income and principal invested. Westpac and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of any investment options or any related assets of BT Super for Life.