

BT Lifetime Super – Employer Plan product changes

Effective: 1 July 2015

The information in this notice, dated 1 July 2015, updates information contained in the BT Lifetime Super – Employer Plan Product Disclosure Statement (**PDS**) and Additional Information Booklets (**AIBs**) Part 1 – General, Part 2 – Investments and Part 3 – Insurance dated 1 July 2014 issued by BT Funds Management Limited ABN 63 002 916 458 AFSL 233724.

It should be read together with the PDS and AIBs, which are available at bt.com.au. The information in the PDS and AIBs is updated with the changes set out below.

Buy-sell spread changes impacting BT MySuper Lifestage Investment Options

From 1 July 2015 the Buy-sell spread for the BT MySuper Lifestage Investment Options changed to 0.38%. Cost of the buy-sell will generally be incurred when you invest in the BT MySuper Lifestage Investment Options.

Further clarification regarding Regulatory Change Expense Recovery

We previously provided you with further information about the types of expenses that may be recovered as part of the Regulatory Change Expense Recovery (RCER).

Over recent years, the Australian Government has implemented a number of reforms affecting superannuation funds. Prudential Standards such as the Operational Risk Financial Requirement have also been introduced.

These changes have required the Trustee¹ (**BT**) to undertake a significant program of work, which have generated additional and ongoing expenses. Further, BT is charged a levy to help meet the Regulator's costs for the supervision of superannuation funds. These expenses all fall within the RCER.

ORFR

In accordance with regulatory requirements, BT maintains capital to cover operational risk. This is known as the Operational Risk Financial Requirement (**ORFR**). If an operational risk materialises, this capital can be used to compensate members for losses or forgone gains. BT incurs expenses to maintain the capital held for the ORFR.

ORFR Expense Recovery

You will not see a specific ORFR expense transaction on your account. How the ORFR expenses will be recovered depends on which investment option(s) you hold:

- ▶ **MySuper Lifestage Investment Options:** ORFR expenses have been taken into account in setting the level of the MySuper Lifestage Investment Options Administration fee, and as such are included within the existing Administration fee. ORFR expenses are not included in the RCER.
- ▶ **Other Investment Options:** ORFR expenses are included in the RCER if you hold other Investment Options. These expenses are deducted from the Investment Options and are reflected in the unit price on a daily basis. The RCER is up to 0.10% pa of the Investment Option's asset value.

Changes to the BT MySuper Lifestage and BT Multi-manager Investment Options

Investment objectives

From 1 July 2015, the investment objectives for some of the BT MySuper Lifestage Investment Options have changed. Please refer to the table below which may be applicable to you.

BT MySuper Lifestage Investment Option	Investment Return Objective (over a 10 year period) net of fees and taxes	
	Existing	From 1 July 2015
1940's	CPI + 2.0%	CPI + 1.5%
1950's	CPI + 3.0%	CPI + 2.5%

Strategic Asset Allocation and Neutral Position

The strategic asset allocation ('SAA') is the mix of growth and defensive assets set with the aim of achieving the investment return objective. The Neutral Position ('NP') is the starting point for all asset allocation decisions. The investment manager may adjust the exposure within the specified minimum and maximum ranges, based on investment views.

BT MySuper Lifestage Investment Option

From 1 July 2015, the SAA and NP for some of the BT MySuper Lifestage Investment Options have changed. Please refer to the table below which may be applicable to you.

Existing

Lifestage Fund							
Asset Type (%)	1940's	1950's	1960's	1970's	1980's	1990's	2000's
Equity – Australian (listed) Range	6 (0 – 21)	17 (2 – 32)	25 (10 – 40)	31 (16 – 46)	33 (18 – 48)	33 (18 – 48)	33 (18 – 48)
Equity – International (listed) Range	4 (0 – 19)	15 (0 – 30)	24 (9 – 39)	31 (16 – 46)	33 (18 – 48)	33 (18 – 48)	33 (18 – 48)
Property – Australian (listed) – International (listed) – International (unlisted) Range	1 2 3 (0 – 21)	1 2 3 (0 – 21)	1 3 3 (0 – 22)	1 3 3 (0 – 22)	1 3 3 (0 – 22)	1 3 3 (0 – 22)	1 3 3 (0 – 22)
Other – International (Alternatives Growth) Commodities – International (listed) Range	9 1 (0 – 15)	11 2 (0 – 18)	13 2 (0 – 20)	14 2 (1 – 21)	15 2 (2 – 22)	15 2 (2 – 22)	15 2 (2 – 22)
Fixed Income – Australian Range	10 (0 – 25)	7 (0 – 22)	4 (0 – 19)	2 (0 – 17)	1 (0 – 16)	1 (0 – 16)	1 (0 – 16)
Fixed Income – International Range	16 (1 – 31)	10 (0 – 25)	6 (0 – 21)	3 (0 – 18)	2 (0 – 17)	2 (0 – 17)	2 (0 – 17)
Other – International (Alternatives Defensive) Range	25 (10 – 30)	16 (1 – 21)	9 (0 – 14)	4 (0 – 9)	2 (0 – 7)	2 (0 – 7)	2 (0 – 7)
Cash Range	23 (8 – 38)	16 (1 – 31)	10 (0 – 25)	6 (0 – 21)	5 (0 – 20)	5 (0 – 20)	5 (0 – 20)

From 1 July 2015

Lifestage Fund							
Asset Type (%)	1940's	1950's	1960's	1970's	1980's	1990's	2000's
Equity – Australian Listed Range	7 (0 – 21)	17 (2 – 32)	26 (10 – 40)	32 (16 – 46)	34 (18 – 48)	34 (18 – 48)	34 (18 – 48)
Equity – International Listed Range	5 (0 – 19)	15 (0 – 30)	25 (9 – 39)	33 (16 – 46)	35 (18 – 48)	35 (18 – 48)	35 (18 – 48)
Property – Australian Listed – International Listed – Australian Unlisted – International Unlisted Range	1 2 1 2 (0 – 21)	1 3 1 2 (0 – 21)	1 4 1 2 (0 – 22)	1 5 1 2 (0 – 22)	1 5 1 2 (0 – 22)	1 5 1 2 (0 – 22)	1 5 1 2 (0 – 22)
Commodities – International Listed Other – International Unlisted (Alternatives) Range	1 8 (0 – 15)	2 10 (0 – 18)	2 11 (0 – 20)	2 12 (0 – 21)	3 13 (0 – 22)	3 13 (0 – 22)	3 13 (0 – 22)
Fixed Income – Australian Range	30 (15 – 45)	20 (5 – 35)	11 (0 – 19)	4 (0 – 17)	1 (0 – 16)	1 (0 – 16)	1 (0 – 16)
Fixed Income – International Range	31 (16 – 46)	21 (6 – 36)	11 (0 – 27)	4 (0 – 20)	2 (0 – 18)	2 (0 – 18)	2 (0 – 18)
Cash – Australian Range	12 (8 – 38)	8 (1 – 31)	6 (0 – 25)	4 (0 – 21)	3 (0 – 20)	3 (0 – 20)	3 (0 – 20)

BT Multi-manager Investment Options

The tables below outline the SAA Range and NP for the BT Multi-manager Investment Options, effective from 1 July 2015.

BT Multi-manager Conservative

Existing

Asset type	NP (%)	Range (%)
Australian shares	N/A	0–28
International shares	N/A	0–23
Property and real assets	N/A	0–23
Alternatives	N/A	0–25
Australian fixed interest	N/A	0–29
International fixed interest	N/A	14–54
Cash	N/A	7–47

From 1 July 2015

Asset type	NP (%)	Range (%)
Equity – Australian Listed	9	0–28
Equity – International Listed	7	0–23
Property – Australian Listed	2	0–23
Property – International Listed	6	
Commodities – International Listed	1	0–25
Other – International Unlisted (Alternatives)	10	
Fixed Income – Australian	25	0–29
Fixed Income – International	29	14–54
Cash	11	7–47

BT Multi-manager Fixed Interest

Existing

Asset type	NP (%)	Range (%)
Australian fixed interest	N/A	20–75
International fixed interest	N/A	25–80
Cash	N/A	0–100

From 1 July 2015

Asset type	NP (%)	Range (%)
Fixed Income – Australian	60	20–75
Fixed Income – International	40	25–80
Cash	0	0–100

BT Multi-manager Balanced

Existing

Asset type	NP (%)	Range (%)
Australian shares	N/A	5–45
International shares	N/A	0–38
Property and real assets	N/A	0–25
Alternatives	N/A	1–31
Australian fixed interest	N/A	0–25
International fixed interest	N/A	0–40
Cash	N/A	0–25

From 1 July 2015

Asset type	NP (%)	Range (%)
Equity – Australian Listed	25	5–45
Equity – International Listed	24	0–38
Property – Australian Listed	3	5–25
Property – International Listed	7	5–25
Commodities – International Listed	2	1–31
Other – International Unlisted (Alternatives)	10.5	1–31
Fixed Income – Australian	10	0–25
Fixed Income – International	15	0–40
Cash	3.5	0–25

BT Multi-manager Growth

Existing

Asset type	NP (%)	Range (%)
Australian shares	N/A	10–50
International shares	N/A	3–43
Property and real assets	N/A	0–26
Alternatives	N/A	5–35
Australian fixed interest	N/A	0–21
International fixed interest	N/A	0–31
Cash	N/A	0–23

From 1 July 2015

Asset type	NP (%)	Range (%)
Equity – Australian Listed	30	10–50
Equity – International Listed	29.5	3–43
Property – Australian Listed	3	0–26
Property – International Listed	8	0–26
Commodities – International Listed	2.5	5–35
Other – International Unlisted (Alternatives)	13	5–35
Fixed Income – Australian	5.5	0–21
Fixed Income – International	7	0–31
Cash	1.5	0–23

BT Multi-manager High Growth

Existing

Asset type	NP (%)	Range (%)
Australian shares	N/A	16–56
International shares	N/A	11–51
Property and real assets	N/A	0–25
Alternatives	N/A	7–37
Cash	N/A	0–15

From 1 July 2015

Asset type	NP (%)	Range (%)
Equity – Australian Listed	37	16–56
Equity – International Listed	37	11–51
Property – Australian Listed	3	0–25
Property – International Listed	7	0–25
Commodities – International Listed	3	7–37
Other – International Unlisted (Alternatives)	13	7–37
Fixed Income – Australian	N/A	N/A
Fixed Income – International	N/A	N/A
Cash	0	0–15

Need more information?

Should you require any further information, please speak to your Financial Adviser. Our super specialists are also here to help. Call us on 132 135 (Monday to Friday 8:00am – 6:30pm Sydney time) or email us on customer.relations@btfinancialgroup.com.

IMPORTANT INFORMATION

The information provided in this document is general information only. It does not take into account your investment objectives, financial position or needs. Before acting on the information, you should consider the appropriateness of the information having regards to your personal objectives, financial situation or needs. BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 is the trustee of and the issuer of interests in BT Lifetime Super – Employer Plan (BT Super), which forms part of the Retirement Wrap ABN 39 827 542 991. A Product Disclosure Statement (PDS) is available for BT Super and can be obtained by calling BT Customer Relations on 132 135, or visiting bt.com.au. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of interests in BT Super. An investment in BT Super is not an investment in, deposit with or any other liability of Westpac Banking Corporation ABN 33 007 457 141 (the Bank) or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. The Bank and its related entities do not stand behind or otherwise guarantee the capital value or investment performance of BT Super.

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