



Super move — enhancements to your plan

Notice to members of
BT Business Super ('BT Super')

 **BT** Financial Group



Contents

1_ Overview	
2_ Changes to Fees and other costs	
Reduced Administration fees	4
Reduced Investment Manager Charge	5
Member fee	5
3_ Enhancements and changes to insurance	
Reduced minimum level of cover	6
Increased maximum level of cover	6
Introduction of long-term Salary Continuance Insurance (SCI) cover	7
Introduction of CPI indexation to Salary Continuance Insurance (SCI) claims	7
Improved worldwide cover	8
Improved Accidental Cover for Death, Total & Permanent Disablement (TPD) and Salary Continuance Insurance (SCI)	9
Increased Automatic Acceptance Limits	10
Introduction of New Events cover	11
Introduction of a Hazardous Occupation classification	12
Improved definition of 'Pre-disability Salary'	13
Changes to the cessation of Salary Continuance Insurance (SCI) cover	14
Changes to the cessation of Salary Continuance Insurance (SCI) benefit payments	15
Modification of armed forces exclusion	15
Change to insurance eligibility criteria	16
Insurer payment	16
4_ Recent developments in superannuation	
Temporary residents	17
Payment of benefits as a result of terminal medical condition	19
Changes relating to same-sex relationships	20
Change to Superannuation Guarantee (SG) requirements	22
Increase in superannuation thresholds	23
5_ Other important changes	
Changes to disclosure for Investment Option profiles	24
Restriction on contribution, switching, and withdrawal	24

→ 1_ Overview

As part of BT Financial Group's commitment to continued development of its superannuation offering, we have made improvements to your BT Business Super plan to better service all of its members.

The changes to BT Business Super will deliver new and improved product and service offerings that include:

- an improved pricing structure for the majority of members
 - generally delivering lower fees to you; and
- enhancements to the insurance features available to you
 - providing you more flexible insurance options.

What's in this booklet?

This booklet includes detailed descriptions of the product and services changes as well as legislative and regulatory amendments applying to BT Business Super.

All changes will take effect on 1 June 2009 (unless otherwise stated).

Although it is important to read this whole booklet and consider the impact the changes may have on your own situation, some key sections include:

Changes to Fees and other costs	Page 4
Enhancements and changes to insurance	Page 6
Recent developments in superannuation	Page 17
Other important changes	Page 24

What do you need to do?

The changes to BT Business Super will automatically take effect from 1 June 2009; therefore you do not need to do anything.

As always, BT Business Super gives you the ability to choose investments covering a broad risk and return spectrum, flexibility when it comes to the type of contributions you make and an array of insurance options.

If you'd like to make additional contributions, apply for additional insurance cover, make a spouse contribution or anything else associated with your BT Business Super plan, please visit us online at www.bt.com.au or call BT Customer Relations on 132 135 from Monday to Friday 8.00am to 6.30pm (Sydney time).

Looking ahead

BT Financial Group is committed to ensuring that BT Business Super continues to deliver a competitive super solution. We'd like to take this opportunity to thank all our members and employers for their ongoing support.

→ 2_Changes to Fees and other costs

We are making changes to the fees for BT Business Super. This will lead to a reduction in fees for the majority of members.

Reduced Administration fees

We will reduce the Administration fee as specified in the table below.

New Administration fee		Previous Administration fee	
	Up to (% pa)		Up to (% pa)
First \$50,000	0.95	First \$10,000	1.25
Next \$100,000	0.75	Next \$40,000	1.00
Balance	0.25	Next \$100,000	0.75
		Balance	0.25

In some cases, a lower scale or a fixed Administration fee of up to 0.95% pa may apply. The Administration fee of up to 0.95% pa is deducted from each of your Investment Option(s) and is reflected in the unit price on a daily basis.

Where a lower fee has been negotiated by your employer, a rebate of the fee of the appropriate level will be credited to your account in the form of additional units.

This will occur at the end of the calendar month.

Reduced Investment Manager Charge

We will reduce the Investment Manager Charge applicable to selected Investment Options as specified in the table below. All new and existing investments in the following Investment Options will benefit from reduced charges.

Investment Option	New Investment Manager Charge (% pa)	Previous Investment Manager Charge (% pa)
BT Active Balanced	0.83	0.93
BT Core Global Shares	0.85	1.05
BT Global Property	0.87	0.97
BT Multi-manager Balanced	0.85	0.95
BT Multi-manager Conservative	0.80	0.84
BT Multi-manager Growth	0.90	0.99
BT Multi-manager High Growth	0.95	1.05

Reduced Administration fees and Investment Manager Charges may contribute to improved investment performance. Further changes to selected Investment Options have been made to aid investment performance. Refer to 'Changes to disclosure for Investment Option profiles' on page 24 for more information.

Member fee

From 1 July 2009, the Member fee for the Retained Benefits section will be aligned to the standard BT Business Super Member fee.

Member fee from 1 July 2009	Previous Member fee
\$4.50 ¹ per month	\$4.50 ¹ per month \$2.50 ¹ per month for Retained Benefit members

¹ This may increase each 1 July in line with the Consumer Price Index (CPI). The amount shown is for 2008/2009 financial year.



3 Enhancements and changes to insurance

The changes outlined in this section have been made to improve the insurance available to you through BT Super.

Unless otherwise stated, changes will take effect on 1 June 2009.

Reduced minimum level of cover

The minimum level of cover for Death and TPD has been removed. This provides you more flexibility to choose the right level of cover for you without being subject to a minimum restriction.

Type of cover	New minimum	Current minimum
Death	Nil	\$50,000
Total & Permanent Disablement (TPD)	Nil	\$50,000

Increased maximum level of cover

We increased the maximum level of Salary Continuance Insurance (SC) cover on 1 October 2008.

Now we're increasing the maximum level of Total & Permanent Disablement (TPD) cover.

Type of cover	New maximum	Current maximum
Salary Continuance Insurance (SC) cover	The maximum cover is 75% of your Salary or \$20,000 per month, whichever is the lesser.	The maximum cover is 75% of your Salary or \$15,000 per month, whichever is the lesser.
Total & Permanent Disablement (TPD) cover	<p>Members</p> <ul style="list-style-type: none"> – Up to \$3 million <p>Spouse members</p> <ul style="list-style-type: none"> – Non-working spouse members, up to \$1 million – Employed or self-employed spouse members, up to \$3 million. <p>TPD cover cannot be higher than your Death cover.</p>	<p>Members</p> <ul style="list-style-type: none"> – Up to \$2.5 million <p>Spouse members</p> <ul style="list-style-type: none"> – Non-working spouse members, up to \$1 million – Employed or self-employed spouse members, up to \$2.5 million. <p>TPD cover cannot be higher than your Death cover.</p>

Introduction of long term Salary Continuance Insurance (SCI) cover

From 1 October 2008, if you are a permanent employee under age 65 working 15 hours or more per week (excluding casual employees and contractors), you are eligible to apply for SCI cover for a benefit period longer than 2 years, subject to medical underwriting and acceptance by the Insurer.

The new SCI benefit periods are outlined in the table below.

Type of cover	New situation	Current situation
Salary Continuance Insurance (SCI) cover	Income benefit paid to you monthly in arrears after a waiting period of 30, 60 or 90 days for a period of: <ul style="list-style-type: none"> – up to two years – up to five years – up to age 65, or – until you are no longer eligible for payment of a benefit, if less than the applicable benefit period. 	The SCI benefit is paid up to two years or until you are no longer eligible for payment of a benefit.

Introduction of CPI indexation to Salary Continuance Insurance (SCI) claims

If you are receiving SCI benefits and your benefit period is either five years or to age 65, your monthly benefit will be indexed annually from the claim commencement date, as outlined in the table below.

This means that each year, the SCI benefit paid to you will increase in line with the Consumer Price Index (CPI), up to a maximum of 5% pa.

Type of cover	New situation	Current situation
Salary Continuance Insurance (SCI) cover	If you make a claim for SCI benefits and have a benefit period of either five years or to age 65, your monthly benefit will be indexed annually from the claim commencement date (the date a benefit is first due to you following the waiting period) by the lesser of the Consumer Price Index (CPI) increase, and 5% pa.	n/a



3_Enhancements and changes to insurance

Improved worldwide cover

Insurance cover exclusions will be amended to allow you to remain covered if you take up residence in any country other than Australia. This feature change allows you to retain your insurance cover within your BT Super employer plan if you relocate overseas for work.

Type of cover	New worldwide cover	Current worldwide cover
Death, Total & Permanent Disablement (TPD) and Salary Continuance Insurance (SCI) cover	Available 24 hours a day. In the event of a claim, the Insurer reserves the right to require that a claimant return to Australia (at the claimant's expense) for claim assessment and examination prior to payment of any TPD or SCI benefit or continued payment in the case of SCI benefits. The Insurer may not pay benefits or may cease to pay SCI benefits where a claimant does not return to Australia.	Available 24 hours a day whilst travelling.

Improved Accidental Cover for Death, Total & Permanent Disablement (TPD) and Salary Continuance Insurance (SCI)

We are introducing Accidental Total Disability cover while your application or increase for SCI cover is being assessed by the Insurer.

We are also increasing the maximum amount of Accidental Death and Accidental Total & Permanent Disablement cover provided while the Insurer considers your application.

Type of cover	New cover	Current cover
Accidental Death and Accidental Total & Permanent Disablement cover	The lesser of: <ul style="list-style-type: none"> – the insured amount applied for, or – \$1,000,000. 	The lesser of: <ul style="list-style-type: none"> – the insured amount applied for, or – \$500,000.
Salary Continuance Insurance (SCI) cover	If you are applying for SCI cover — up to 90 days free cover against Accidental Total Disability whilst the Insurer considers your application (you must be a member of BT Super). The cover is equal to the lesser of: <ul style="list-style-type: none"> – the insured amount applied for, or – \$20,000 per month. The monthly benefit is paid if, while the interim cover applies, you suffer from Accidental Total Disability and that disability continues after the waiting period selected in the application. The benefit will be paid until one of the following events occurs: <ul style="list-style-type: none"> – you are no longer accidentally totally disabled, – the six month accidental total disability benefit period ends, – your 65th birthday, or – your death. <p>Accidental Total Disability — means Total Disability directly, and independently of any other cause, from an unforeseen and unintended accident to the member caused by violent, external and visible means.</p>	n/a



3 Enhancements and changes to insurance

Increased Automatic Acceptance Limits

Automatic Acceptance Limits (AAL) for Death, TPD and SCI cover will increase. These changes will apply to existing members at your next annual review.

Increased AALs mean that you can obtain higher amounts of formula driven cover without the need to be underwritten.

The following table details the increase in prescribed limits to automatic cover.

Number of members	Death Only and Death & TPD cover		Salary Continuance Insurance cover		
	Current AAL	New AAL	Current AAL	2 year benefit period (per month)	5 year and to Age 65 benefit period (per month)
1–4	Nil	Nil	Nil	Nil	Nil
5–9	Up to 2 units ¹	Up to \$300,000	Up to \$3,000	Up to \$3,000	Up to \$3,000
10–19	Up to \$300,000	Up to \$300,000	Up to \$4,000	Up to \$4,000	Up to \$4,000
20–29	Up to \$400,000	Up to \$450,000	Up to \$5,000	Up to \$5,000	Up to \$5,000
30–39	Up to \$400,000	Up to \$550,000	Up to \$5,000	Up to \$6,000	Up to \$5,000
40–49	Up to \$400,000	Up to \$550,000	Up to \$5,000	Up to \$6,000	Up to \$6,000
50–79	Up to \$600,000	Up to \$650,000	Up to \$7,000	Up to \$7,000	Up to \$7,000
80–99	Up to \$600,000	Up to \$650,000	Up to \$7,000	Up to \$8,000	Up to \$8,000
100–199	Up to \$750,000	Up to \$750,000	Up to \$8,000	Up to \$9,000	Up to \$8,000
200–249	Up to \$850,000	Up to \$850,000	Up to \$9,000	Up to \$12,000	Up to \$9,000
250–499	Up to \$850,000	Up to \$850,000	Up to \$9,000	Up to \$12,000	Up to \$10,000
500–799	Up to \$900,000	Up to \$950,000	Up to \$10,000	Up to \$12,000	Up to \$11,000
800–999	Up to \$900,000	Up to \$1,200,000 or individual consideration	Up to \$10,000	Up to \$12,000	Up to \$11,000
1000+	Individual consideration	Up to \$1,200,000 or individual consideration	Up to \$10,000	Up to \$12,000	Up to \$11,000

¹ Each unit based on \$1 per week premium subject to a maximum of \$250,000.

Introduction of New Events cover New Events cover will allow you to receive insurance cover under automatic acceptance, if you are not At Work on the date insurance cover or increased cover¹ is due to commence.

Previously, you were not eligible to receive any type of insurance cover under automatic acceptance if you were not At Work. Any insurance cover was subject to Insurer approval.

New events cover means the Insured Member is only covered for claims arising from a sickness which first becomes apparent, or an injury which first occurs on or after the date cover is due to commence, and is not an injury or sickness which has caused the Insured Member to be not At Work on that date.

Members not At Work on the date cover is due to commence will receive cover for New Events only, until such time as they have been At Work and performing their normal duties and hours for at least two consecutive months, at which time they will then receive full cover.

'At Work' — means those members who are:

- employed by an employer on a permanent full-time, permanent part-time or casual basis to carry out identifiable duties; and actively performing all the duties of his/her usual occupation with the employer, without restriction or limitation due to injury or sickness, and working their normal hours on the date cover or increased cover is to commence. In the case of members employed on a part-time or casual basis, they must be capable of meeting this condition had they otherwise been required to work on the date cover or increased cover is to commence, and
- not in receipt of and/or entitled to claim income support benefits from any source including workers' compensation benefits, statutory transport accident benefits and disability income benefits.

A member will be considered to be At Work if on the date their cover or increased cover is to commence, they are on employer approved leave for reasons other than injury or sickness, and not taking into account the leave, capable of actively performing all the duties of his/her usual occupation without restriction or limitation due to injury or sickness, and capable of working their normal hours.

¹ Increased cover refers to new or additional cover obtained under a revised benefit design and does not include automatic increases

that occur as a result of the existing benefit formula.



3_Enhancements and changes to insurance

Introduction of a Hazardous Occupation classification

Members of BT Business Super plans commencing on or after 1 July 2007 working in occupations classified as 'hazardous' will be assessed for all purposes, including claims, according to the Activities of Daily Living (ADL) definition of TPD set out below, unless pre-approved by the Insurer.

New situation	Current situation
<p>Hazardous Occupations include:</p> <ul style="list-style-type: none"> – Specialist licensed occupations. Example includes pilot. – Occupations with additional hazards. Examples include miner, seafarer and professional sportsperson. – Highly repetitive occupations. Examples include process worker and long haul driver. <p>The complete table of occupation classifications is available on request by calling BT Customer Relations on 132 135.</p> <p>Activities of daily living (ADL) If you are an Insured Member and are a casual employee or contractor working less than 15 hours per week, or a non-working Insured Member (excluding non-working spouse members), or work in a 'hazardous occupation' and have been accepted by the Insurer for TPD cover under an Activities of Daily Living (ADL) definition:</p> <ul style="list-style-type: none"> – you are continuously and totally unable to perform at least two of the following activities of daily living, as certified by a Medical Practitioner appointed by the Insurer: <ul style="list-style-type: none"> – bathing – dressing – eating – toileting – transferring¹. 	n/a

1_The ability to move in and out of a chair without the standby assistance of another person.

**Improved definition of
'Pre-disability Salary'**

The definition of Pre-disability Salary will be amended to reflect your Salary immediately before the date of Total Disability.

In the event of an SCI claim, if you have received an increase in Salary since the last annual review, the Insurer will base your claim on your new, higher Salary amount, up to a maximum increase in sum insured of 25%.

New definition	Current definition
<p>'Pre-disability Salary' — means:</p> <ul style="list-style-type: none"> (i) Where the Insured Member is either self-employed, a working director or partner in a partnership, the income generated by the business or practice due to his/her personal exertion or activities, less his or her share of necessarily incurred business expenses, over the last 12 months immediately before the Insured Member's date of Total Disability; or (ii) Where the Insured Member is remunerated purely on the basis of commission, the average of the previous 3 years of commission earned immediately before the Insured Member's Date of Total Disability; or (iii) Where the Insured Member is other than that described in points (i) or (ii) above; <ul style="list-style-type: none"> — The annual wage or salary paid by the employer immediately before the Insured Member's date of Total Disability plus; — Any regular fees, regular commission, regular bonuses¹, regular overtime and fringe benefits (but excluding irregular bonuses, irregular overtime and unearned income such as investment or interest earnings) earned over the last 12 months immediately before the Insured Member's date of Total Disability. — In the event of claim, if an Insured Member's annual wage or salary has increased and caused their Salary Continuance amount insured to increase by more than 25% since the last annual review date, then the Insurer reserves the right to limit the increase in benefits to 25% above the Insured Member's Salary Continuance Insurance amount insured at the last annual review date. However, the Insurer will increase cover in excess of the 25% subject to the cover being underwritten and accepted by the Insurer. 	<p>'Pre-disability Salary'</p> <p>Monthly Salary earned by the member as reported by their employer at the last review date. If at the date of the disability a member's Salary is lower than the amount advised to us at the last review date or the date the member joined BT Super (whichever is later), the member's Salary may be adjusted to reflect the Salary earned in the period of 12 consecutive months immediately before the disability.</p>
<p>Note: Salary does not include superannuation contributions.</p>	

1_ 'Regular Bonuses' — the bonuses must be payable based on a formula, or targets, and must be paid annually or more frequently,

and one-off, discretionary bonuses are excluded.

3 Enhancements and changes to insurance

Changes to the cessation of Salary Continuance Insurance (SCI) cover

From 1 October 2008, SCI cover will cease as outlined in the table below.

New situation	Current situation
<p>Cover ends on the earliest of:</p> <ul style="list-style-type: none"> – you ceasing to be a member of BT Super – the date a TPD benefit is paid under the Policy in respect of members on a two year benefit period only – the date of death – if you are a spouse member, the date your spouse ceases to be a Member of BT Super – If you cease working for at least 15 hours per week with your participating employer – you turning 65 or attaining your normal retirement date (generally 65), if earlier – the date your employer ceases to participate in BT Super – if you are an existing member, where premiums have not been paid, the date the two calendar month grace period expires (the grace period commences from the day on which the last premium was paid). Cover will be cancelled with effect from the day immediately after the day on which the last premium is deducted, or – if you are a new member, where premiums have not been paid the date the five calendar month grace period expires (the grace period commences from the date insurance cover was due to commence). Cover will be cancelled with effect from the date insurance cover was due to commence. 	<p>Cover ends on the earliest of:</p> <ul style="list-style-type: none"> – you ceasing to be a member of BT Super, – the date a death or TPD benefit is paid under the Policy – you turning 65 or attaining your normal retirement date (generally 65), if earlier – you ceasing active permanent employment with your participating employer of at least 15 hours of each normal week – the date your employer ceases to participate in BT Super – if you are an existing member, where premiums have not been paid, the date the two calendar month grace period expires (the grace period commences from the day on which the last premium was paid). Cover will be cancelled with effect from the day immediately after the day on which the last premium is deducted, or – if you are a new member, where premiums have not been paid the date the five calendar month grace period expires (the grace period commences from the date insurance cover was due to commence). Cover will be cancelled with effect from the date insurance cover was due to commence.

Changes to the cessation of Salary Continuance Insurance (SCI) benefit payments

From 1 October 2008, SCI benefit payments will cease as outlined in the table below.

New situation	Current situation
Benefits are payable until the earliest of:	Benefits are payable until the earliest of:
<ul style="list-style-type: none"> – you no longer being classified as Totally Disabled or Partially Disabled – the expiry of the maximum payment period, either of two years, five years, or to age 65 depending on the benefit period chosen – the date a TPD benefit payment is paid under the Policy in respect of members on a two year benefit period only – you turning 65 or attaining your normal retirement date, if earlier, or – your death. 	<ul style="list-style-type: none"> – you no longer being classified as Totally Disabled or Partially Disabled, – the date you become entitled to receive a TPD benefit payment under the Policy, – the expiry of the two year maximum payment period, – you turning 65 or attaining your normal retirement date, if earlier, or – your death.

Modification of armed forces exclusion

The armed forces exclusion for Death, TPD and SCI cover is amended to apply only to those members that are engaged in active service.

This amendment clarifies the exclusion for reservists, who remain covered until they commence active service.

No benefit will be payable if a claim is caused by, or whilst on active service in the armed forces of any country or international organisation. In the case of Insured Members who are enrolled in the Australian Defence Force Reserves, the above exclusion is only applicable where the Insured Member has been called up for active service.



3_Enhancements and changes to insurance

Change to insurance eligibility criteria

Definitions of Permanent Employee and Casual Employee or Contractor have been introduced to clarify existing insurance eligibility criteria.

A Permanent Employee is defined as a person who is employed by the employer on a permanent basis, where leave (including paid sick and paid holiday leave) is included as a condition of employment.

A Casual Employee or Contractor is defined as a working employee who does not satisfy the conditions of permanent employment.

This is not a new change but a confirmation of existing conditions applying to BT Super. Your current level of insurance will not be impacted by this change.

Insurer payment

The Insurer may pay Westpac Life (as administrator of BT Business Super) an amount of up to 23% of premiums (formerly 15%) as a fee for services and reimbursement for expenses incurred in relation to the insurance arrangements for BT Business Super.

Additionally, the Insurer may pay BT Financial Group Pty Ltd (ABN 38 087 480 331) or other related companies (including Westpac Life) a fixed dollar payment per annum, an amount which represents up to 4% of total premiums as a fee for services and for expenses incurred in relation to the insurance arrangements for BT personal and corporate superannuation funds. For example, for an annual premium of \$100 this would equate to \$4 payable by the Insurer to companies within the BT Financial Group.

These payments are not additional fees or charges payable by you or your employer. The payments are retained by Westpac Life or another related entity and may change over time.



4_Recent developments in superannuation

Temporary residents

The Government has introduced changes which alter the circumstances under which temporary residents of Australia can access their super benefits.

Accessing your superannuation benefit

From 1 April 2009, if you are, or were, a temporary resident you can only access your preserved superannuation benefits if:

- you have departed Australia permanently and your visa has ceased
- you become permanently incapacitated, or
- you have a terminal medical condition.

In addition, your beneficiaries may access your benefits upon your death.

If you satisfied a condition of release prior to 1 April, you may still also be able to access your preserved superannuation benefits. You should speak to your financial adviser.

Who is classified as a Temporary Resident for the purposes of this legislation?

A temporary resident is a holder of a temporary visa under the Migration Act 1958.

This legislation does not effect:

- Australian citizens
- New Zealand citizens
- permanent residents of Australia, or
- holders of a retirement visa (Subclass 405 or 410).

→ 4_Recent developments in superannuation

Treatment of accounts of temporary residents who have left Australia

The Australian Government requires the BT Business Super Trustee to pay temporary residents' unclaimed superannuation to the ATO after at least 6 months have passed since the later of:

- the date a temporary resident's visa ceased to be in effect, and
- the date a temporary resident permanently left Australia.

The ATO identifies and informs the Trustee of the impacted members on a twice yearly basis. Once the benefit has been transferred to the ATO, members are required to claim the benefit directly from the ATO (www.ato.gov.au).

In the event that the benefit has not yet been transferred to the ATO, members are able to claim it from BT Super under the Departing Australia Superannuation Payments (DASP) regime.

The tax rates for a DASP, will increase for all payment requests received from 1 April as per the following table:

Components	New rates from 1 April 2009	Rates prior to 1 April 2009
Tax free component	0%	0%
Taxable component — taxed element	35%	30%
Taxable component — untaxed element	45%	40%

Full information regarding DASP procedures and current taxation rates can be found at www.ato.gov.au.

Payment of benefits as a result of terminal medical condition

A superannuation lump sum payment will be exempt from tax where a member suffers from a terminal medical condition. A member will be taken to be suffering from a terminal medical condition if two registered medical practitioners certify that the member suffers from an illness, or has incurred an injury that is likely to result in their death within a period of 12 months (the certification period). One of these certifying practitioners must be a specialist practicing in an area related to the member's injury or illness.

If a member satisfies this condition of release, all benefits which have accrued up to this time become unrestricted non-preserved. This condition of release also covers the certification period, meaning that any further benefits accrued within the 12 month certification period will also be treated as unrestricted non-preserved benefits.

What if you received a cash lump sum under another condition of release?

If you received a superannuation lump sum payment after 1 July 2007 under another condition of release and you have a terminal medical condition, you may be entitled to a refund of the tax withheld.

You will need medical certification stating that you had a terminal medical condition (as outlined above):

- at the time the payment was made, or
- within 90 days of receiving the payment, or
- for 2007/08 financial year only, by 30 June 2008.

If you are applying for a refund after 21 July of the following financial year in which you received the payment, you will need to apply for a refund from the Australian Taxation Office (ATO). More information can be found on their website at www.ato.gov.au.

4_Recent developments in superannuation

Changes relating to same-sex relationships

At the end of 2008, new legislation was introduced to eliminate discrimination against same-sex couples. This law reform package ensures that in relation to superannuation, taxation and family law matters, partners in and children of same-sex relationships are treated in the same manner as partners in and children of marital relationships.

In order to facilitate this change the definition of 'spouse' has been amended to include the following:

- your husband or wife via marriage; or
- your de facto partner or any other person with whom you are in a relationship (provided that this relationship is registered under a certain state or territory law); or
- another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

This broader definition of spouse means that the following is applicable to all spouses (including those in a same-sex relationship):

Spouse contributions

Your spouse may make contributions to your super, as long as the contribution is paid from an account in the name of the contributing spouse or a joint account where the contributing spouse is an account holder.

Under Government legislation, a spouse contribution made by a same-sex spouse prior to 1 July 2009 will be treated as a concessional contribution (subject to tax at a maximum rate of 15%) and the contributing spouse will not be eligible to claim the spouse contributions tax offset. On the basis that these tax concessions will not be available to same-sex spouses until 1 July 2009, BT Super will not accept spouse contributions from a same-sex spouse made before 1 July 2009.

Tax offset for spouse contributions

Your spouse may be able to claim a tax offset of up to \$540 for contributions they make to your superannuation account (note that the maximum offset will be available if your income is below \$10,800 pa and reduces to \$0 once your income is \$13,800 pa, and Government eligibility rules apply).

Contributions splitting

You are able to split certain superannuation contributions with your spouse as allowed under superannuation law. Full details about how to split contributions with your spouse are available in the BT Business Super Contributions Splitting Application form available at www.bt.com.au.

Nomination of beneficiaries

Your spouse may be nominated as a beneficiary to receive your Death Benefit.

Family Law

Your spouse is covered under the Family Law Act 1975 ('the Act'), which deals with the treatment of superannuation on relationship or marriage breakdown. The Act provides that a member's superannuation benefit may be split with the member's spouse or former spouse on marriage or relationship¹ breakdown. Alternatively, a payment flag may be imposed on the member's superannuation benefit.

In order for the Trustee to commence any payment split or impose a payment flag on your BT Super account, the Trustee must have been served with either:

- a superannuation agreement, made between you and your spouse or former spouse, and in accordance with the requirements of the Act, or
- an order of the Family Court of Australia, that specifies how your benefit is to be split with your spouse or former spouse or that a payment flag must be applied to your account.

The Act also specifies that the Trustee must be provided with certain evidence of marriage or relationship breakdown if you serve a superannuation agreement on the Trustee. You and/or your spouse or former spouse may arrange for the required documents to be served on the Trustee. Documents can only be served on the Trustee for the purposes of the Act at the following address:

**Family Law and Superannuation Officer
Legal Department
Westpac Securities Administration Limited
Level 20, 275 Kent Street
Sydney NSW 2000**

All documents served on the Trustee should be either an original or a certified copy.

If the Trustee is required to effect a payment split on your benefit, the value of your account will reduce by the amount that is paid to, or for the benefit of, your spouse or former spouse.

¹ Legislation to expand the Family Law Act to cover relationship breakdown as well as marriage breakdown came into effect on 1 March 2009

(with possible exception of South Australia and Western Australia.



4_Recent developments in superannuation

Change to Superannuation Guarantee (SG) requirements

From 1 July 2008, all employers are required to use ordinary time earnings as the earnings base on which superannuation guarantee (SG) contributions are calculated for employees.

New situation	Current situation
You are required to make contributions for your employees (where applicable). The amount is 9% of the employee's ordinary time earnings. The ordinary time earnings for an employee for a quarter is subject to a maximum amount called the maximum earnings base, which is currently \$38,180 for the 2008/09 financial year. ¹	You are required to make contributions for your employees (where applicable). The amount is 9% of the employee's notional earnings base. The notional earnings base for an employee for a quarter is subject to a maximum amount called the maximum contribution base, which is \$35,240 for the 2006/07 financial year. ¹

¹ This amount is indexed annually on 1 July in line with Average Weekly Ordinary Time Earnings (AWOTE).

Increase in superannuation thresholds

Each year, various thresholds used in the calculation of superannuation benefits and limits are indexed to keep pace with average weekly ordinary time earnings (AWOTE). Some of the thresholds that apply for the 2008/09 financial year are as follows:

Low rate cap	\$145,000
Concessional contributions cap:	
– Age 50 or over	\$100,000
– Under age 50	\$50,000
Non-concessional contributions cap¹	\$150,000
Capital Gains Tax (CGT) Cap (lifetime limit)	\$1,045,000
Government Co-contributions:	
– Maximum co-contribution ²	\$1,500
– Lower threshold	\$30,342
– Upper threshold (cut off)	\$60,342

1_In addition to the member caps described in the above table, superannuation funds are generally unable to accept single non-concessional contributions in excess of \$450,000 (or \$150,000 if you are 65 or over on 1 July of the financial year in which you

contribute) from a member in any financial year.
2_The maximum co-contribution payable is phased out by 5 cents for every dollar of total income over the lower threshold, until it reaches zero at the upper threshold.

→ **5_ Other important changes**

We recommend you read the changes below and if you have any questions about these changes and how they apply to you, speak to your plan's Financial Planner, or visit our website at www.bt.com.au.

Changes to disclosure for Investment Option profiles

From April 2009, a 35% hedge was introduced on the currency exposure of the international equity component of the Investment Options below.

We believe this change will provide a small reduction in currency-related performance volatility and some long term benefits to investment returns.

From the same date, the performance benchmark for the international equity component of these Investment options has been adjusted to reflect this level of hedging.

The Investment Option profile disclosure has been updated to provide members with additional information. The changes are detailed in the table below.

Restriction on contribution, switching, and withdrawal

Under certain circumstances allowed under superannuation law and the Trust Deed (for example, where it would prejudice the interests of other members of the fund), we may delay, suspend or not process your contribution, switching or withdrawal requests.

In certain circumstances we reserve the right to delay or suspend unit prices, apply a special price or not process future application, switching or redemption requests.

This is not a new change but a confirmation of existing conditions applying to BT Super.

Investment Option	Investment manager's currency strategy for non-Australian Investment Options
Westpac Balanced Growth	Partially hedged international shares; fully hedged international fixed interest.
Westpac Moderate Growth	Partially hedged international shares; fully hedged international fixed interest.
Westpac Dynamic Growth	Partially hedged international shares; fully hedged international fixed interest.

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The information provided in this Notice does not take into account your objectives, financial situation or needs. Because of this, you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation and needs. Therefore, it is recommended that you seek independent professional advice about any specific circumstances. Some information in this notice is factual only. It does not constitute financial product advice. Before acting on this information you should seek independent financial and taxation advice to determine its appropriateness to your objectives, financial situation and needs.

Westpac Securities Administration Limited ABN 77 000 049 472 AFSL 233 731 RSE L0001083 is the Trustee of BT Business Super ABN 81 236 903 448 RSE R1003970 and issuer of this Notice. In this Notice, a term or expression starting with a capital letter which is defined in the PDS, has the same meaning given to it in the PDS.

An investment in BT Super or any of its Investment Options 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 of withdrawal proceeds and loss of income and principal invested. The Bank is not the issuer of the product. Neither Westpac nor any other company in the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of this product or any of its Investment Options or any related assets.

Important information regarding your insurance cover in BT Super The 'Enhancements and changes to insurance' section aims to provide you with important information about the enhancements and changes to the insurance cover arrangements for BT Super, effective 1 June 2009. However, the full terms and conditions of the insurance cover are set out in the policy document (the Policy) issued by American International Assurance Company (Australia) Limited, trading as AIG Life ABN 79 004 837 861, AFSL 230 043 (the Insurer) to the Trustee. The Insurer is located at 549 St Kilda Road, Melbourne Australia, 3004. Phone: 1800 333 613.

Please note that while every effort has been made to ensure that the information in this Notice is accurate, the Policy will prevail to the extent of any inconsistency with the information in this Notice. You can obtain a copy of the Policy from www.bt.com.au or by calling BT Customer Relations on 132 135.

In this section of the Notice, a term or expression starting with a capital letter which is defined in the Policy, has the meaning given to it in the Policy. The information outlined in this Notice is subject to the Insurer remaining the insurer and continuing to offer the insurance under the terms and conditions in the Policy. Subject to any automatic acceptance provisions, the availability of insurance is subject to the Insurer's underwriting procedures and written acceptance by the Insurer or the Trustee. The Insurer will assess all claims based on its criteria and in accordance with the Policy. The Trustee is only liable to pay an insurance benefit upon acceptance of the claim by the Insurer and on receipt of the benefit amount from the Insurer. In addition, if you become entitled to a TPD insurance benefit, you must also satisfy the definition of Permanent Incapacity contained in superannuation legislation for the Trustee to release the insurance benefit to you. We will advise you of any significant alteration to the terms and conditions of the insurance cover. Neither the Trustee, nor any of its associated entities, guarantee the Insurer's performance under the Policy.



For more information

- Please contact your plan's Financial Planner¹
- You can log on to BT Online www.bt.com.au
- Call BT Customer Relations on 132 135
- Monday to Friday
8.00am to 6.30pm (Sydney time).

¹Westpac Financial Planners are representatives of Westpac Banking Corporation AFSL No. 233714.