

BT Business Super

Important information and changes for members

17 May 2010



As part of BT's commitment to the continued development of its superannuation offering, we have made improvements to BT Business Super (BT Super) to better service all our members.

Changes to your BT Super when you change jobs

What happens when you leave your employer?

From 1 July 2010 we are reducing the minimum balance required to become a Retained Benefits member when you leave your plan's employer from \$1,000 to \$500. We are also enhancing the process required to become a Retained Benefits member, making it easier to keep your super with BT when we receive notice that you have left your plan's employer, or are a sole trader or business partner who has ceased actively working in the business.

When we receive notice of the above:

- 1_ If your balance is \$500 or more, you will automatically become a Retained Benefits member of BT Super at that time; or
- 2_ If your balance is less than \$500, we will write to you requesting that you either:
 - a. increase your balance above \$500 within 45 days to automatically become a Retained Benefits member within BT Super, or
 - b. nominate an alternate super fund for the transfer of your balance.

After 45 days from when we send you this information, if your balance remains below \$500 and you have not provided instructions for your super balance, you will be transferred to our eligible rollover fund (currently SuperTrace). Please note, we may vary the minimum transfer amount of \$500 at any time and may do this for individual members or groups of members at our discretion (with or without notice).

The above will also apply to your spouse if they have a spouse account with BT Super.

What are the benefits of remaining in BT Super as a Retained Benefits member?

When you become a Retained Benefits member of BT Super, you:

- keep the same BT Super member number,
- keep your existing Investment Option(s) and future investment strategy,
- keep the insurance cover that you currently hold, and, from 1 July 2010, this also includes the automatic continuation of your Salary Continuance Insurance cover (if applicable),

- keep your nominated beneficiaries,
- keep your existing PIN and Password, including online access and linked accounts, and
- continue to have access to many of the other features and benefits you already enjoy, including the BT Benefits program.

It's also easy for your new employer to contribute to your BT Super account. Simply provide your new employer with the pre-populated Choice form, which you will receive from us on confirmation of becoming a Retained Benefits member. You can also obtain this form from our website at www.bt.com.au or by calling our Contact Centre on 132 135.

Important information on processing times

Interim process for the release of unit prices and processing transactions for BT Super during July 2010

To enable BT to deliver these and future product changes, we will be rolling out significant system enhancements.

These system enhancements will be taking place during the month of July 2010. To achieve this, we will be unable to process contributions/applications, investment switches and withdrawals from an Investment Option in BT Super during this time. This means that, while you will still be able to submit requests to BT for investment switches, additional contributions/applications and withdrawals, these requests will not be able to be processed by BT during this period (system enhancement period).

We anticipate that this system enhancement period will last for approximately 2 weeks, commencing Thursday 1 July 2010. However, it is possible that the system enhancement period will be extended until 30 July 2010. During the system enhancement period, unit prices will not be released for the Investment Options within BT Super. We will process all valid transaction requests received during the system enhancement period with an effective date of the first Business Day following the end of the system enhancement period.

What does this mean for you?

The earliest day for which BT Super unit prices are expected to be released, following the end of the 2009/2010 financial year, is Friday 16 July 2010. In this case, all valid transaction requests received from 4.00pm on Wednesday 30 June 2010 up until the end of the system enhancement period will receive an effective date of Friday 16 July 2010. However, the system enhancement period may be extended until Friday 30 July 2010. In this case, transactions will be processed with an effective date of the first Business Day following the end of the extended system enhancement period.

Following the system enhancement period, most transaction requests submitted via BT Online will be processed automatically through our system. Manual transactions will be processed in the order received until all transactions are complete and our standard processing times can be restored. It is therefore recommended that, where possible, you submit any transaction request via BT Online at www.bt.com.au.

Note

This means that there may be a delay in cashing or rolling over your benefit once we resume processing following the system enhancement period.

There is also the potential for an effect on underlying fund performance, either positive or negative, depending on market movements between the Business Day applied to a transaction and the date of processing due to:

- units being issued for transactions (contributions/applications, investment switches and withdrawals) on the basis set out above during the system enhancement period; and
- the potential for large volumes of transactions received during the system enhancement period which will be processed at the end of this period.

The delays detailed on the previous page are relevant for you to consider when submitting any transaction requests over the financial year end period, eg requests for cash withdrawals, investment switches, etc. We recommend you take the advance notice of these expected delays into consideration and take any action that you consider appropriate prior to the system enhancement period.

You may also want to consider obtaining professional financial advice regarding the implications of not being able to transact during the system enhancement period. If you would like to be put in touch with a Financial Planner, please call the BT Contact Centre on 132 135.

Withdrawal transactions – changes to processing cut-off times and unit pricing

From 1 July 2010 we will be aligning the processing cut-off times and allocation of unit prices for receipt of withdrawal requests by BT with those applicable for receipt of contribution and switching requests.

Accordingly, subject to the interim process for the release of unit prices during the system enhancement period as set out above, the following cut-off times and unit pricing rules will apply for receipt of valid withdrawal requests for BT Super:

If a valid withdrawal request is received by BT either in writing, via BT Online or over the phone, before 4.00pm (Sydney time) on a given Business Day,¹ the withdrawal request will be processed using the exit price for the relevant Investment Option(s) issued for that Business Day. If a valid withdrawal request is received at or after 4.00pm (Sydney time) on a given Business Day, it will be processed using the exit price for the relevant Investment Option(s) issued for the following Business Day.

Other important changes and enhancements

Update your address online

We have made it even easier for you to make sure that your details with us are up-to-date whenever they change. You can now update your address by simply logging in to www.bt.com.au.

Notify us online when you leave your employer

If you have ceased employment with your plan's employer, you can notify us easily online at www.bt.com.au. Simply log on and follow the directions, including how you can arrange for your new employer to contribute to your BT Super.

Additional contribution methods for employer and spouse contributions

We're making it easier and more convenient for you and your employer to add to your BT Super.

- **Direct Credit Employer contributions** — Employers will be able to direct credit contributions into your BT Super.
- **BPAY Spouse contributions** — If your spouse wishes to contribute to your BT Super account, they will be able to make a BPAY contribution, using the following Biller code: 117085.

The Customer Reference Number for the BPAY transaction is the same as your Member Number.

Change to frequency of contributions tax deduction

From 1 July 2010, contributions tax will generally be deducted from your BT Super quarterly (rather than at the end of each financial year) and/or prior to any withdrawal from BT Super. The first quarterly deduction will be effective 30 September 2010. Note — This does not increase the amount of contributions tax you pay — it simply means we will deduct smaller amounts throughout the year, rather than a lump sum at the end of each financial year.

¹ 'Business Day' — means a day on which banks are open for business in Sydney other than a Saturday or Sunday.

Correcting transactions from prior financial years

From 1 July 2010, we will generally not correct transactions relating to prior financial years where they have been processed in accordance with the instructions we received. However, if we are notified that we have made an error in actioning a transaction request in a previous financial year, we will correct it to ensure you are not disadvantaged.

We therefore ask that you review your previous BT Super transactions, either via our secure website, www.bt.com.au or by referencing your Annual Statement, to ensure that your transactions for previous financial years have been processed as per your instructions. If any amendments are required, please ensure you notify us as soon as possible but no later than 15 June 2010.



For more information

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

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. Westpac Securities Administration Limited ABN 77 000 049 472 AFSL 233731 RSE L0001083 is the Trustee of BT Business Super ABN 81 236 903 448 RSE R1003970 and issuer of this Notice. The information provided in this Notice is factual only. It does not constitute financial product advice. It 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. 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.

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