



BT Business Super

A guide for employees
October 2009

 **BT** Financial Group

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A product disclosure statement (PDS) for BT Business Super is available and can be obtained by calling BT Customer Relations on 132 135 or visiting www.bt.com.au. You should consider the PDS in deciding whether to acquire, or continue to hold, interests in BT Business Super. This brochure is not a substitute for the BT Business Super PDS and should be used as a guide only. An investment in BT Business Super is not a deposit with or any other liability of Westpac Banking Corporation (ABN 33 007 457 141) or any other company in the Westpac Group of companies. It is subject to investment risk, including possible delays in repayment and loss of income and principal invested. None of Westpac Banking Corporation or its related entities stand behind or otherwise guarantee the capital value or investment performances of any investment portfolios offered in BT Business Super.

The information contained in this flyer is current as at October 2009.

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→ Why invest in super?

BT Business Super can help you get the most from your super.

How you decide to invest your super today and whether you add to your super can make a huge difference to your savings at retirement. In fact, when the time comes to retire, your super is likely to be your main source of income and could be an asset that is worth more than your family home.

The long-term nature of super and the power of compound interest, combined with the attractive tax environment that has been created to encourage us to invest, gives us a real chance to make a financial difference to our future.

The challenge is to change the way we think about our super. Many of us find it hard to think of super as our money. Super is viewed almost like a tax; as money over which we have no control. However, although you can't access your super, you can still influence the outcome of this long-term investment.

As with any investment, you need to make informed decisions. To understand your super you'll need access to information, know what investment options are available and what other features and benefits are open to you. To assist you, we have included a 'Features at a glance' table at the back of this booklet which summarises the many benefits available in BT Business Super.

Taking an active role in the management of your super can make a big difference to how comfortably you retire. Taking control of your super now will probably be one of the most important investment decisions you'll ever make, so read on to find out how BT can help you get the most from your super.



→ Strategies for your super

There are a number of simple steps you can take today that will help maximise your investment for tomorrow.

Consolidate your super

Start boosting your financial prospects without adding an extra cent just by bringing your entire super together. Each time you change jobs you may end up with another super account to keep track of. Not only can this create more paperwork, but your superannuation savings may also be eroded by multiple account fees. Having multiple super accounts also means that you are more likely to lose track of funds as you change jobs or addresses. Remember, having several super accounts can make it harder to maintain a focused investment strategy.

BT offers a free consolidation service that can help bring all of your super accounts into your current fund whilst taking a lot of the legwork out of it for you.

Visit www.bt.com.au/consolidation to use our Easy Rollover Tool. The tool will create pre-populated forms for you, you just need to sign and send off to your old super fund with proof of identity. If you do not have access to the internet, simply complete the Rollover Authority Form at the back of your Product Disclosure Statement (PDS) Part 1 – Member Booklet, or call us for a form on 132 135. We can guide you through the process of rolling over.

Invest for your timeframe and risk tolerance

Your super is a long-term investment so, depending on your individual circumstances such as your timeframe and tolerance to risk, you may consider investing in assets that have the potential to increase in value over time, or 'growth assets' as they are also known, such as shares and property. BT Business Super offers you access to more than 30 investment options across all the major asset classes and from many different fund managers, giving you the opportunity to select an investment that's right for you. You can use the BT Risk Profiler available on www.bt.com.au to help you assess your personal preferences towards risk and return.

Different asset classes will experience various levels of volatility over time. Generally speaking, it is the same asset classes that have historically experienced high ups and downs in the short term (typically shares and property) that have outperformed the other more conservative asset classes (bonds and cash) over the long term. Particularly for super, it's important to stay focussed on your long term investment horizon and try not to get too caught up in short term market movements.

All investing involves a trade-off between risk and return. Tips for investing your super include consider the length of time you will be invested, what your individual comfort level might be with seeing your super go through ups and downs in the short term (some people are more comfortable with this than others), considering diversification across different asset classes or different fund managers, and try to avoid chasing returns (next year's best performer may not be the same as this year's). Above all, seek advice.

Pay for insurance through super

Protecting your wealth and family in case of sickness, injury or death is an important part of a good investment strategy. Paying for this insurance through BT Business Super allows you to pay your premiums using pre-tax dollars. And, because large super funds have significant group buying power, you could receive discounted group rates on insurance premiums.

You should refer to 'Part 2 – Insurance Booklet' of the BT Business Super PDS for full details on the insurance cover arrangements for the Fund.

¹It is recommended you check whether your previous super fund will charge you any exit fees or other charges for leaving the fund, and also to consider any insurance cover you may have attached to your other super fund which would cease upon rolling out, and take both of these factors into consideration in your decision to rollover.



Contribute more

Will you have enough to provide the lifestyle you want when you stop working? Many financial commentators suggest adding to the 9% of your salary that your employer would typically provide to make sure you have enough for your retirement. A few dollars invested today can make a big difference to the amount you retire with.

Add to your spouse's super

If your spouse is not working or earns less than \$13,800 a year, you may be eligible to receive a tax rebate of up to 18% (ie \$540) on the first \$3,000 of post-tax super contributions you make on their behalf. With BT Business Super you can also set up a superannuation account for your spouse, into which you and your spouse can make contributions. Spouse accounts can also accept contributions from your spouse's employer and Government co-contributions.

Before-tax contribution (Concessional contribution)

This is called 'salary sacrificing' and involves redirecting a portion of your pre-tax income to super, rather than having it as take-home pay. The benefit of this is that instead of having to pay your marginal rate of tax on that portion of money, you generally only pay 15% contributions tax. Speak to your employer's payroll area to see whether they allow you to make before-tax contributions by salary sacrificing.

There are some limits on how much can be contributed to super per year on a concessional basis. Salary sacrifice and SG contributions are counted towards your concessional contributions cap (for 2009/10, this cap is \$25,000, or \$50,000 if you are aged 50 and over). Your employer is not responsible for monitoring your contributions caps. You will need to monitor your contributions going into super so that you do not exceed your contributions caps. Your adviser can help you with this.

After- tax contributions (Non-concessional contribution)

These contributions are called 'non-concessional' contributions, but are also referred to as 'after-tax' contributions because they are sourced from monies that have already incurred your marginal rate of tax. People disposing of assets may consider placing the proceeds into super in order to take advantage of super's concessional rate of tax on earnings.

Non-concessional contributions also have annual limits on how much can be invested per year. The amount of non-concessional contributions an individual can invest into super is capped at \$150,000 per year (or up to \$450,000 over 3 financial years for individuals aged under 65).*

This type of contribution does not then incur any contributions tax when invested into super. The other benefit of investing after-tax income into super is that the earnings only attract a maximum rate of tax of 15%, as opposed to earnings on other types of investments, which are taxed at your marginal tax rate.

Government Co-contributions

If you make personal after-tax super contributions and your total income** is under \$61,920, you may be eligible for the Government co-contribution scheme. If you are eligible, the Government will match \$1 for every \$1 of personal after-tax contributions made to superannuation, up to a maximum of \$1,000. You do not need have to contribute the full \$1,000 to be eligible – any amount up to \$1,000 will attract the super co-contribution.

* Those aged over 65 can only contribute if they meet the work test, which requires people aged 65 to 74 to have been gainfully employed for at least 40 hours in a 30-day period in a financial year in which the contribution was made.

** Total income = assessable income + reportable fringe benefit + reportable employer superannuation contributions (RESC). RESC are generally salary sacrifice contributions. RESC specifically excludes superannuation guarantee (SG) payments and mandated employer contributions.

→ **Investment option**

BT offers an extensive scope of investment options, managed by a range of leading investment companies.

Asset class	Investment option
Diversified Funds	Westpac Dynamic Growth
	BT Multi-manager Growth
	MLC Growth
	BT Active Balanced
	Westpac Balanced Growth
	BT Multi-manager Balanced
	Schroder Balanced
	Colonial First State Diversified
	Westpac Moderate Growth
	BT Multi-manager Conservative
	Diversified Shares
International Shares	BT Core Global Shares
	Westpac International Shares
	Partner International Shares Core 1
	Partner International Shares Value 1
	Partner International Shares Growth 1
	Intech High Opportunity
	Aberdeen International Shares
	MLC Global Shares
Australian Shares	BT Australian Sustainability Share
	Westpac Australian Shares
	Partner Australian Shares Core 1
	Partner Australian Shares Growth 1
	Partner Australian Shares Value 1
	Colonial First State Australian Shares
	Aberdeen Australian Small Companies
	ING Blue Chip Australian Shares
	Investors Mutual Australian Share
Property	BT Global Property
	Westpac Australian Property Securities
Fixed Interest	Westpac Australian Fixed Interest
	Westpac International Fixed Interest
	Macquarie Diversified Fixed Interest
Cash	Westpac Money Market

Performance figures are updated each month at www.bt.com.au.

→ **Features at a glance**



Extensive range of investment choices

You can choose from more than 30 investment options, managed by a range of leading investment companies, covering a broad risk and return spectrum.

Flexible contribution options

We accept a wide range of contribution and rollover options, including before-tax contributions (salary sacrifice), Government co-contributions, rollover of Eligible Termination Payments and Capital Gains Tax exempt rollovers.

Cost effective insurance options

You can choose from cost-effective insurance options for Death Only Insurance, Death and Total and Permanent Disablement (TPD) insurance, and Death and TPD plus Salary Continuance Insurance.

24 hour access to information

You have access to 24 hour access to information through BT Link – BT's automated phone service – and BT Online – BT's online transaction facility, at www.bt.com.au.

BT Benefits

We've negotiated some great deals and exclusive offers for you and your family. With BT Benefits you can take advantage of:

- health and wellbeing discounts
- travel and accommodation offers
- retail and entertainment savings
- discounts on Westpac general insurance.

Log onto BT Online www.bt.com.au with your secure password and follow the link to the BT Benefits webpage. (If you need to reset your BT Online password, call BT Customer Relations on 132 135)

Other important features	
Spouse accounts	You can set up a superannuation account for your spouse, into which you and your spouse can make contributions.
Free superannuation consolidation service ¹	Consolidation can save you time and money. We can help you bring together your multiple superannuation accounts.
Extra benefits	<ul style="list-style-type: none"> → No withdrawal fees on transfer to any BT or Westpac superannuation or retirement product. → No switching fee for switches made between investment options. → New contributions, rollovers or transfers can be split between up to six investment options. → No limit on the number of investment options for your account balance. → Ability to make a binding nomination of beneficiaries in the event of your death.
Retained benefits section	<p>On leaving your employer:</p> <ul style="list-style-type: none"> → Ability to remain in the BT Plan and have your new employer pay into your account. → Death and Total & Permanent Disablement insurance can continue.

¹It is recommended you check whether your previous super fund will charge you any exit fees or other charges for leaving the fund, and also to consider any insurance cover you may have attached to your other super fund which would cease upon rolling out, and take both of these factors into consideration in your decision to rollover.



More information?

- Call BT Customer Relations on 132 135.
- Visit www.bt.com.au.

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