

# BT Super for Life

Annual Report  
for the year ended 30 June 2009

 BT Financial Group



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BT Funds Management Limited ABN 63 002 916 458, AFSL No. 233724, RSE No. L0001090 ('Trustee', 'we', 'our' or 'us') is the Trustee of BT Super for Life ABN 53 398 474 034, RSE No. R1071221.

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 (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 is not the issuer of BT Super for Life. Neither the Bank nor any other company in the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of any investment option offered through BT Super for Life, including the BT Super for Life — Super cash investment option.

The information contained in this document is general information only and does not take into account your individual objectives, financial situation or needs. You should assess whether this information is appropriate to you, having regard to your objectives, financial situation and needs and talk to your financial adviser before making an investment decision. A Product Disclosure Statement (PDS) is available for BT Super for Life on this website: [btsuperforlife.com.au](http://btsuperforlife.com.au), by calling 1300 653 553 or visiting any Westpac branch. You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of interests in BT Super for Life.

BT Super for Life is a regulated superannuation fund under the Superannuation Industry (Supervision) Act 1993 (SIS) and is not subject to a direction under section 63 of SIS. BT Super for Life is governed by the terms of the BT Super for Life Trust Deed.

The Annual Report was prepared on 4 November 2009.

Any statements as to past performance are not necessarily indicative of future performance.

# Your 2008/2009 Annual Report

## Dear investor

For many super investors, the first few months of 2009 certainly had its challenges. The Australian market continued its downward trend, falling 20% for the year ended 30 June 2009<sup>1</sup>. However, since it reached its low in early March, the Australian share market has risen 54% to the end of September 2009, when I am writing this message. The US market has also bounced back significantly. It's this kind of activity that reinforces our long-held belief that when markets turn, the change can come very quickly. After the tumultuous ride over the past eighteen months, investors of all ages can take some comfort from these gains.

While the 2008/09 financial year will be the second year in a row of negative returns for super funds, our view is that investing in your super is still the best way to prepare financially for life after work. It's also one of the best ways to grow your wealth in a tax-effective environment.

We think markets will probably continue to bounce around for a while but we do not expect a huge fall again. They have already made the necessary adjustments because by nature, markets are forward-thinking. In fact, we believe shares represent good value at the moment, relative to other asset classes.

As markets do begin to show signs of a recovery, it's a good idea to make sure you have a strategy in place to benefit from this growth. This can include some of the smart ideas that are always relevant, like understanding your investment strategy, cutting out unnecessary fees by consolidating multiple accounts and making sure you're contributing enough each year to reach your goals. It's also worth looking into savings incentives like the government co-contribution scheme and salary sacrificing. You can also find more information about these topics by visiting [www.bt.com.au](http://www.bt.com.au).

## BT Super for Life — Retirement investors

If you are an investor in the BT Super for Life — Retirement account and are drawing down an income — times like these can be particularly troubling, as the value of your capital may have dipped and returns are lower than you had perhaps anticipated.

Some important points to remember about your BT Super for Life — Retirement account include that all earnings on the underlying investments of your pension fund are tax-free; and the income you draw from your pension is tax-free if you are 60 and over (and concessional taxed if you are yet to turn 60).

If you've been in Super Cash and you're thinking about getting back into higher growth investments, BT Super for Life has a range of options to suit your risk profile, which have performed well against their benchmarks. Visit [www.btsuperforlife.com.au](http://www.btsuperforlife.com.au) for more information.

It is also important to understand that the interest earned on cash-based investments outside of the superannuation environment — such as term deposits — may not be tax free, or concessional taxed.

## More information?

If you have questions about how your investment with BT Super for Life has performed, our Customer Relations Consultants would be very happy to hear from you on 1300 653 553. They can also help you with any questions you have about the Annual Report or your superannuation generally.

I'd also encourage you to visit our website at [www.bt.com.au](http://www.bt.com.au), as we have a lot of information there on what's happening in the market and why, and tips for investors on how to survive these tough conditions. You can also register there to receive regular market updates via email from us, which will help keep you up-to-date.

I'd like to take this opportunity to thank you for your continued support of BT. I know it's been a tough year for investors, but I can assure you that we are very focused on ensuring we do the best job we can for you in what are quite difficult conditions.

I'm keen to hear your views about your experiences as a BT Super for Life investor and if there are other ways we can help you make the right decisions for your super. You can now contact me by email at [robcoombe@btfinancialgroup.com](mailto:robcoombe@btfinancialgroup.com).

## Rob Coombe



Chief Executive Officer  
BT Financial Group

<sup>1</sup>As measured by the S&P/ASX200 Accumulation Index.

# Industry awards

While awards aren't everything, it's reassuring to know that with BT Super for Life, you're investing your money with a company and product recognised for innovation, cost-effectiveness, value for money and customer service.

## SuperRatings Gold Rating

In 2009 the BT Super for Life — Savings account and the BT Super for Life — Retirement account were both awarded SuperRatings prestigious Gold Rating.



This rating is based on SuperRatings' assessment of BT Super for Life's performance in a number of areas such as investment performance, fees and charges, customer education, insurance, administration, and governance.

SuperRatings' Managing Director comments on the status of the Gold Ratings awarded to BT Super for Life "Like all SuperRatings' awards, after exhaustive research and analysis only a limited number of funds have been awarded our prestigious Gold Rating".

## SuperRatings Infinity Recognised

In 2009, BT Super for Life was awarded an 'Infinity Recognised' logo for clearly demonstrating excellent sustainable business practices and responsible investment principles. Only 10 funds received this award.



The 'Infinity Recognised' logo was awarded after SuperRatings conducted its annual Infinity rating review. This review assessed super funds with respect to their actions in addressing climate change through adopting sustainable processes and responsible investment principles.

SuperRatings' research methodology incorporated two key assessment areas; internal fund operations and investment principles. The methodology was intended to recognise the funds that have adopted leading sustainable operational processes and demonstrated responsible investment practices.

Out of this process, the 'Infinity Recognised' logo is awarded to the elite group of funds leading the industry in terms of sustainable practices.

# Insurance through BT Super for Life

Insurance through BT Super for Life offers you and your family:

- a range of policies that provide comprehensive protection
- premiums are deducted from your Super balance which can give tax advantages and there is no change to your take home pay
- standard cover that is automatically accepted — no questions asked.

Underinsurance in Australia sees 96% of Australian families lacking in adequate life insurance cover to protect their families for 10 years or more, according to research undertaken by TNS research.

Arranging insurance through BT Super for Life does not affect your take home pay and can offer tax effective cover to ensure that you and your family are protected should the unexpected happen. Importantly, the insurance is underwritten by Westpac Life, so you can insure with confidence.

When most people are asked about their family's most important asset, they mention their family home. In reality, your most important asset could be your income. Death or disablement can occur without warning. How your family survives such an event can depend on the insurance protection you arrange now.

Ask yourself the following questions:

- How would your family pay their bills if you died or were permanently disabled?
- Could your family maintain mortgage payments?
- Would your family still be able to afford your current lifestyle, for example choice of school?
- What happens to your business if you die or become permanently disabled?

Life insurance can provide you with the comfort of knowing that insurance benefits will help your family continue paying a mortgage and help meet day-to-day expenses should you die or suffer permanent disablement. While money can never replace the loss of loved ones, it's comforting to know the people who depend on you will be assisted financially.

Insurance available through BT Super for Life:

- Standard Death or Standard Death and Total and Permanent Disablement (TPD) cover
- Customised Death, Terminal Illness, TPD, and/or Salary Continuance Insurance (SCI)

Death and TPD cover provides a lump sum benefit if you die, or become totally and permanently disabled.

Terminal Illness cover provides a lump sum benefit if you suffer a sickness or illness with a life expectancy of 12 months or less.

Salary Continuance Insurance cover provides a regular monthly benefit if you become disabled due to Sickness or Injury and are unable to work.

## How to apply

To apply for Standard Death or Standard Death and TPD cover, simply log in to your BT Super for Life account and choose Insurance on the left hand menu and submit your application.

For Customised Death, Terminal Illness, TPD, and/or Salary Continuance insurance, log onto your account and download the relevant forms.

Please ensure that you read the Product Disclosure Statement (PDS) for terms and conditions that apply to the relevant insurance cover. A copy of the PDS can be found at [www.btsuperforlife.com.au](http://www.btsuperforlife.com.au).

# Recent developments in superannuation and changes to BT Super for Life

## Concessional contributions cap

For the 2009/10 financial year, the concessional contributions cap (that is, the amount you can contribute pre-tax) has been reduced from \$50,000 to \$25,000 per individual. In subsequent years, this concessional contributions cap will be indexed to Average Weekly Ordinary Time Earnings (AWOTE), rounded down to the nearest \$5,000.

If you are aged 50 or over, the annual cap is \$50,000 (not indexed) until 30 June 2012.

From 1 July 2009, the non-concessional contributions cap will be set at six times the concessional contributions cap. This means for 2009/10 the non-concessional cap will remain at \$150,000 (six times the concessional contributions cap of \$25,000).

For more information see the Frequently Asked Questions section online.

## Government superannuation co-contribution

A temporary reduction of the co-contribution matching rate from \$1.50 to \$1.00 will apply for the period 1 July 2009 to 30 June 2012 after which it will gradually return to the current rate as shown in the table below.

|                         | 2009-10 to 2011-12 | 2012-13 and 2013-14 | 2014-15 onwards |
|-------------------------|--------------------|---------------------|-----------------|
| Matching rate           | 100%               | 125%                | 150%            |
| Maximum co-contribution | \$1,000            | \$1,250             | \$1,500         |

This means, for 2009/10, if you meet the Government co-contribution eligibility criteria, make a personal after-tax contribution and your total income is less than \$31,920 the Government will contribute \$1.00 for each dollar you contribute up to \$1,000 pa. The maximum co-contribution payable is phased out by 3.333 cents for every dollar you earn over \$31,920, until your total income reaches \$61,920.

## Updated Superannuation thresholds for 2009/10

Some other superannuation thresholds are updated each financial year. The Frequently Asked Questions section online now reflects any threshold changes for the 2009/10 year.

## Minimum pension payments

The Federal Government has reduced minimum pension payment requirements by 50% for the 2009/10 financial year. This relief is in recognition of the decline in account balances many customers have experienced due to recent market conditions.

Currently, Government superannuation legislation requires that a minimum percentage of the member's account balance is withdrawn from all Retirement and Transition to Retirement accounts by the end of each financial year.

As a result of this change, we have updated the minimum income amount on all existing Retirement and Transition to Retirement accounts, to the revised minimums for 2009/10.

To see your minimum payment amount for 2009/10, log on to your BT Super for Life account; click on Withdrawals, then Yearly minimum income.

## 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 incentives are 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.

## 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 spouse contribution \$3000 and 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 Contributions splitting application form available to download from your BT Super for Life account in internet banking.

### **Family Law**

Your spouse is covered under the Family Law Act 1975, 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 relationship breakdown<sup>1</sup>. Alternatively, a payment flag may be imposed on the account holder's superannuation benefit.

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

- a superannuation agreement in writing, 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 BT Super for Life must be provided with certain evidence of marriage or relationship breakdown if you serve a superannuation agreement on BT Super for Life. You and/or your spouse or former spouse may arrange for the required documents to be served on BT Super for Life. All documents served on BT Super for Life should be either an original or a certified copy.

If BT Super for Life is required to affect 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.

### **Payment of benefits as a result of a terminal medical condition**

If you are diagnosed as suffering from a terminal medical condition, you are now able to access your preserved superannuation benefits and any benefit payment you receive because of this condition will be exempt from tax.

You will be taken to be suffering from a terminal medical condition if two registered medical practitioners certify that you suffer from an illness, or have incurred an injury that is likely to result in your 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 your injury or illness.

If you satisfy this condition of release, all benefits which have accrued up to this time become unrestricted non-preserved.

<sup>1</sup> 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).

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](http://www.ato.gov.au).

## **Upcoming legislative change**

### **Unclaimed money**

On 12 May 2009, as part of the 2009 Federal Budget, the Government announced their intention to introduce new unclaimed money requirements effective from 1 July 2010. If these requirements are legislated, superannuation providers will be required to transfer to unclaimed monies, accounts of lost members with balances of less than \$200, and accounts which have been inactive for a period of five years and have insufficient records to identify the owner of the account. It is proposed that former members of these accounts will be able to reclaim their money from the ATO.

### **Trans-Tasman retirement savings portability scheme**

On 12 May 2009, the Government announced that it has agreed in principle to establish a 'trans-Tasman retirement savings portability scheme'. The scheme aims to permit transfers of superannuation savings between certain Australian superannuation funds and New Zealand KiwiSaver funds. To date, while a Memorandum of Understanding has been signed by Australia and New Zealand, no legislation has been introduced to Parliament and the start date of the scheme has not yet been determined.

# Understanding your investment

## Investing in BT Super for Life

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

#### BT Super for Life — Lifestage Funds

The default option is the Lifestage Funds, invested according to the decade of your birth. As you are starting to get closer to retirement, we invest the assets more conservatively than we would for someone who had years to wait until retirement. The Lifestage Funds invest across a mix of different asset classes including fixed interest, cash, shares and property. The funds are invested through a multi-manager approach, giving you access to a broad range of expert investment managers.

As time passes, the assets will continue to be invested more conservatively, to protect your investments from the ups and downs of the market and give you a more stable performance. You do not need to actively manage your Lifestage Fund, we do the adjusting for you.

### Alternative 2

If you prefer to take a more active role in deciding how your money is invested, you can specify an investment mix yourself by making your own choice from the investment options we offer, suited to your own investment style.

You can select a mix from four different funds — Growth, Moderate, Conservative and Super Cash, deciding on what percentage you would like in each. These funds are managed by BT Investment Management, who also employ a range of investment managers who they determine to be the best in their field.

Importantly, you can change how you wish your money to be invested at anytime online, by logging into your account. More information about these investment options can be found online at [www.btsuperforlife.com.au](http://www.btsuperforlife.com.au).

No transaction fee applies for switches between Investment options, however a buy/sell spread may apply. There is no limit to the number of switches that you can perform on your account. You can switch between Investment options online by logging in to internet banking.

For the investment objectives and strategies for each individual Investment option, please see 'Investment options' on pages 11 and 12.

## Changes to Investment option details

We have the right to change the investment option objective and investment strategy (including the benchmark), asset allocation, target position, investment manager(s) and possible variation and currency strategy (if any), without prior notice in some cases. We will inform account holders of any significant material change to the investment option details in our next regular communication or as otherwise required by relevant law.

## Net earnings

The earnings rate for investors in the Investment option is reflected in the price of the units (except Super Cash), rather than being credited or debited against the accounts for investors. A change in the value of an investor's unit price generally reflects the earnings of the supporting assets in the Investment option (except Super Cash).

## Method of allotment of earnings in all Investment options

All income, including realised and unrealised capital gains and losses, and expenses for all Investment options are brought to account and are fully reflected in the unit price of that option. Income tax as appropriate is provided for in the unit price or interest rate for each Investment option.

## Types of risks

There will always be the risk of fluctuations in the value of an investment. Investment risk can be managed and even minimised but it cannot be completely eliminated. It is important to understand that not all risks are foreseeable. There is always the chance that you may lose money on any investment you make.

Some common types of investment risks are outlined in the table below.

| Risk type                    | Description  |
|------------------------------|--|
| Security specific risk       | An investment in, or exposure to, a company or managed fund may be affected by unexpected changes in that company's or managed fund's operations (due to quality of management, use of technology etc.) or its business environment.   |
| Market risk                  | Markets are affected by a multitude of factors including economic and regulatory conditions, market sentiment, political events and environmental and technology issues. These could have a negative effect on the returns of all investments in that market and this may affect investments differently at various times.   |
| Currency risk                | If an investment is held in international assets, a rise in the Australian dollar relative to other currencies may negatively impact investment values or returns.   |
| Interest rate risk           | Changes in interest rates can have a negative impact either directly or indirectly on investment value or returns of all types of assets.  |
| Derivatives and gearing risk | Underlying funds may use derivatives and gearing (borrowing). The value of derivatives is linked to the value of the underlying assets and can be highly volatile. Potential gains and losses from derivative transactions can be substantial.   |
| Alternative investments risk | Underlying funds may invest in 'alternative investments'. Alternative investments is a category that includes a range of sophisticated investments including hedge funds, venture capital, private equity, leveraged and management buyouts, commodities and futures trading funds. Like shares, property, fixed interest and cash, alternative investments are subject to certain risks that may include periods of large market falls, high volatility or reduced liquidity (ie the ability to sell investments immediately). Certain alternative investments carry significant risk. In addition, losses may arise due to other factors, including poor judgement, misconduct or fraud. Some investment strategies are reliant on key individuals. Some alternative investments may be based in countries where the level of regulatory supervision is lower than in Australia. |
| Credit risk                  | There is always a risk of loss arising from the failure of a debtor or other party to a contract to meet their obligations. This potentially arises with various investments including derivatives and fixed interest and mortgage securities.   |
| Liquidity risk               | This is the risk that an investment may not be easily converted into cash with little or no loss of capital and minimum delay because of either not enough buyers in the market for the particular investment or disruptions in the marketplace. Securities in small companies in particular may, from time to time and especially in falling markets, become less liquid.   |
| Legal and regulatory risk    | Changes are frequently made to superannuation law, which may affect your ability to access your investments. Changes can also occur in the taxation of superannuation, which may affect the value of your investment.  |

# Performance information

## How we calculate performance

Performance figures are calculated in accordance with the Investment & Financial Services Association (IFSA) standards. Fund performance is calculated after management fees and before tax. The administration fee is not taken into account. Total returns are calculated:

- using withdrawal prices appropriate for the month end
- for BT Super for Life — Savings investment options only, taking into account earnings tax up to a maximum of 15% plus withholding tax paid on foreign income (if any)
- for BT Super for Life — Retirement investment options, no allowance is made for tax you may pay as an investor other than withholding tax on foreign income (if any)

The latest performance information is available from our website at [www.btsuperforlife.com.au](http://www.btsuperforlife.com.au) or by calling BT Customer Relations on 1300 653 553.

**Investment returns shown are historical. Investment returns can go up and down and past performance is not a reliable indicator of future performance. Future performance is not guaranteed.**

Patrick Farrell is the new Head of Investment Solutions. His team is responsible for assessing, selecting, monitoring and reporting on the managers who manage different investments in the BT Multi-manager investment options. Here he shares his views on the global financial crisis, the recent market 'bounce' and the medium term outlook.

The market bounce which began in March this year has been welcomed all round the world, particularly by those investors who are close to, or in, retirement. That's no surprise because 2008 was an extraordinarily difficult year.

## Why did markets continue to fall in the early part of 2009?

In early 2009, global share markets kept falling, driven by forced selling by investors and institutions with high levels of debt, high levels of gearing and by a lack of confidence that market conditions would improve. In other circumstances many of the investors who were forced into selling might have been able to ride out the market falls and stick to their long-term view. Unfortunately, the combination of high levels of debt and falling markets left them with very few options. When investors are forced into selling, it's usually liquid assets (by definition, any asset that is easily converted into cash) that are the first to go. That often means listed shares, and that's one of the reasons we saw share markets continue to fall.

Fortunately, as BT Chief Economist, Chris Caton keeps saying, 'bear markets don't last forever'. We've now witnessed a turn in the market. Since 9 March, the US S&P500 index is up around 36% and Australian markets are up around 30%. Meanwhile oil prices are up over 100% from their lows. Just as the length and severity of the downturn caught many experts by surprise, so has the speed and extent of the recent bounce.

As is often the case in investment markets, last year's best performing asset class is now the one to suffer. Government bonds were the standout asset class of 2008 but their performance has dipped dramatically over the past quarter. Returns from corporate bonds, amongst the big losers in 2008, have now bounced sharply upwards.

## Where are we now?

Global share markets are now back at somewhere near fair value and we believe it's unlikely markets will again retreat to the lows reached in March. Markets may move higher, but it will be a staggered progress rather than a straight line. Good news about company earnings or economic strength will have a positive effect, but we'll also see periods when markets will settle instead of rising. Volatility will remain a feature.

From where we are now, there could be some pullbacks — or downward movement — but those pullbacks will be muted as people start to buy good quality shares at lower prices. We're likely to see higher highs and higher lows. The next boost may come as the huge wave of government economic stimulus starts to take effect. Cash rates around the world are now near all time lows (Australia's official cash rate, for example, is down to 3.50% from 7.25% in September). Those two forces should eventually overpower lingering negative sentiment and drive share markets in 2010.

In 2011 governments may start to remove some of that economic stimulus. Cash and bond rates will probably move higher and government spending will tighten. Those conditions are normally not so good for shares. However, given what global economies have been through over the past two years, finance ministers and central bankers won't be too quick to move.

1\_ This information has been prepared without taking account of 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.

## Performance as at 30 June 2009

### BT Super for Life – Savings as at 30 June 2009

| Lifestage fund        | Fund size<br>30 June 2009<br>(\$m) | Fund performance to 30 June 2009 |        |        |        |                 | One year<br>return to<br>30 June 2008 <sup>1</sup> |
|-----------------------|------------------------------------|----------------------------------|--------|--------|--------|-----------------|--|
|                       |                                    | 1 mth                            | 3 mths | 6 mths | 1 year | Since<br>incep. |  |
| 1990's Lifestage fund | 1.66                               | 1.26                             | 10.10  | 3.21   | -16.64 | -19.44          | n/a  |
| 1980's Lifestage fund | 39.80                              | 1.30                             | 10.11  | 3.13   | -17.08 | -19.74          | n/a  |
| 1970's Lifestage fund | 63.11                              | 1.26                             | 10.64  | 3.37   | -17.07 | -19.74          | n/a  |
| 1960's Lifestage fund | 51.21                              | 1.21                             | 9.81   | 3.24   | -15.56 | -18.07          | n/a  |
| 1950's Lifestage fund | 36.39                              | 1.14                             | 8.44   | 3.21   | -11.93 | -13.88          | n/a  |
| 1940's Lifestage fund | 13.09                              | 1.32                             | 7.06   | 3.20   | -7.79  | -9.61           | n/a  |

| Choose your own fund                  | Fund size<br>30 June 2009<br>(\$m) | Fund performance to 30 June 2009 |        |        |        |                 | One year<br>return to<br>30 June 2008 <sup>1</sup> |
|---------------------------------------|------------------------------------|----------------------------------|--------|--------|--------|-----------------|--|
|                                       |                                    | 1 mth                            | 3 mths | 6 mths | 1 year | Since<br>incep. |  |
| BT Super for Life – Growth fund       | 1.56                               | 0.28                             | 8.96   | -0.71  | -13.51 | -18.16          | n/a  |
| BT Super for Life – Moderate fund     | 7.39                               | 0.60                             | 4.31   | -1.12  | -9.57  | -12.10          | n/a  |
| BT Super for Life – Conservative Fund | 1.56                               | 0.45                             | 1.90   | 1.42   | -0.33  | -1.88           | n/a  |

### BT Super for Life – Super Cash

The one year return to 30 June 2009 for BT Super for Life – Savings: Super Cash was 4.35%

The one year return to 30 June 2009 for BT Super for Life – Retirement: Super Cash was 5.14%

### Interest rates since inception

| Effective date   | Interest Rate <sup>2</sup> |
|------------------|----------------------------|
| 12 October 2009  | 3.05%                      |
| 9 April 2009     | 2.85%                      |
| 9 March 2009     | 3.10%                      |
| 6 February 2009  | 3.65%                      |
| 8 December 2008  | 4.65%                      |
| 12 November 2008 | 5.65%                      |
| 9 October 2008   | 6.40%                      |
| 3 June 2008      | 7.40%                      |
| 5 March 2008     | 6.00%                      |
| 7 February 2008  | 5.70%                      |
| 9 November 2007  | 5.50%                      |
| 29 October 2007  | 5.25%                      |

### BT Super for Life – Retirement as at 30 June 2008

| Lifestage fund        | Fund size<br>30 June 2009<br>(\$m) | Fund performance to 30 June 2009 |        |        |        |                 | One year<br>return to<br>30 June 2008 <sup>1</sup> |
|-----------------------|------------------------------------|----------------------------------|--------|--------|--------|-----------------|--|
|                       |                                    | 1 mth                            | 3 mths | 6 mths | 1 year | Since<br>incep. |  |
| 1950's Lifestage fund | 2.16                               | 1.13                             | 8.62   | 3.13   | -12.51 | -15.24          | n/a  |
| 1940's Lifestage fund | 3.60                               | 1.19                             | 6.77   | 3.16   | -7.37  | -7.07           | n/a  |

<sup>1</sup> BT Super for Life launched on 29 October 2007 therefore there is no one year returns to 30 June 2008.

<sup>2</sup> Please note:

Interest rates shown are gross annualised rates before the deduction of management costs (currently nil) and earnings tax (currently 15% for BT Super for Life – Savings and 0% for BT Super for Life – Transition to Retirement and Retirement).

Interest rates are determined in advance and may increase or decrease at any time without notice.

Past interest rates or performance are not an indication of future interest rates or performance.

| Choose your own fund                  | Fund size<br>30 June 2009<br>(\$m) | Fund performance to 30 June 2009 |        |        |        |                 | One year<br>return to<br>30 June 2008 <sup>1</sup> |
|---------------------------------------|------------------------------------|----------------------------------|--------|--------|--------|-----------------|--|
|                                       |                                    | 1 mth                            | 3 mths | 6 mths | 1 year | Since<br>incep. |  |
| BT Super for Life – Growth fund       | 1.56                               | 0.28                             | 9.29   | -0.92  | -15.25 | -20.17          | n/a  |
| BT Super for Life – Moderate fund     | 7.39                               | 0.65                             | 4.36   | -1.18  | -10.40 | -13.48          | n/a  |
| BT Super for Life – Conservative Fund | 1.56                               | 0.55                             | 2.19   | 1.76   | 0.10   | -1.97           | n/a  |

## Performance as at 30 September 2009

The market recovery since 30 June 2009 can be seen in the performance figures of the BT Super for Life investment options as at 30 September 2009:

### BT Super for Life – Savings

| Lifestage fund        | Fund performance to 30 June 2009 |        |        |        |                 |
|-----------------------|----------------------------------|--------|--------|--------|-----------------|
|                       | 1 mth                            | 3 mths | 6 mths | 1 year | Since<br>incep. |
| 1990's Lifestage fund | 3.32                             | 14.76  | 26.34  | 0.55   | -10.99          |
| 1980's Lifestage fund | 3.34                             | 14.89  | 26.51  | 0.04   | -11.22          |
| 1970's Lifestage fund | 3.32                             | 15.07  | 27.31  | 0.11   | -11.16          |
| 1960's Lifestage fund | 3.09                             | 13.90  | 25.07  | 0.42   | -10.03          |
| 1950's Lifestage fund | 2.63                             | 11.27  | 20.66  | 1.00   | -7.17           |
| 1940's Lifestage fund | 2.09                             | 8.56   | 16.23  | 2.00   | -4.42           |

| Choose your own fund                  | Fund performance to 30 June 2009 |        |        |        |                 |
|---------------------------------------|----------------------------------|--------|--------|--------|-----------------|
|                                       | 1 mth                            | 3 mths | 6 mths | 1 year | Since<br>incep. |
| BT Super for Life – Growth fund       | 1.09                             | 11.02  | 20.96  | -1.53  | -11.30          |
| BT Super for Life – Moderate fund     | 2.45                             | 10.37  | 15.13  | 1.29   | -5.90           |
| BT Super for Life – Conservative Fund | 1.81                             | 5.76   | 7.77   | 5.25   | 1.27            |

### BT Super for Life – Retirement

| Lifestage fund        | Fund performance to 30 September 2009 |        |        |        |                 |
|-----------------------|---------------------------------------|--------|--------|--------|-----------------|
|                       | 1 mth                                 | 3 mths | 6 mths | 1 year | Since<br>incep. |
| 1950's Lifestage fund | 3.04                                  | 13.05  | 22.80  | 2.30   | -7.69           |
| 1940's Lifestage fund | 2.43                                  | 9.77   | 17.21  | 9.77   | -0.80           |

| Choose your own fund                  | Fund performance to 30 September 2009 |        |        |        |                 |
|---------------------------------------|---------------------------------------|--------|--------|--------|-----------------|
|                                       | 1 mth                                 | 3 mths | 6 mths | 1 year | Since<br>incep. |
| BT Super for Life – Growth fund       | 1.20                                  | 12.02  | 22.43  | -2.09  | -12.80          |
| BT Super for Life – Moderate fund     | 2.78                                  | 11.67  | 16.54  | 1.76   | -6.62           |
| BT Super for Life – Conservative Fund | 2.00                                  | 6.37   | 8.70   | 6.32   | 1.49            |

Performance figures are calculated in accordance with the Investment & Financial Services Association (IFSA) standards. Total returns are calculated using withdrawal prices appropriate for the month end and take into account management costs and, in the case of Savings investment options only, take into account earnings tax up to a maximum of 15% plus withholding tax paid on foreign income (if any). In the case of Retirement investment options, no allowance is made for tax you may pay as an investor other than withholding tax on foreign income (if any).

Past performance is not a reliable indicator of future performance.

<sup>1</sup> BT Super for Life launched on 29 October 2007 therefore there is no one year returns to 30 June 2008.

# Investment options profiles

## Lifestage funds

| 1990's Lifestage Fund |   |
|-----------------------|---|
| Description           | 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 |
| Investment manager    | BT and external managers  |
| Benchmark             | A range of indices  |

### Asset allocation as at 30 June 2009

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 41.55          |
| International Equities       | 40.70          |
| Australian Property          | 2.89           |
| International Property       | 3.00           |
| Australian Fixed Interest    | 2.58           |
| International Fixed Interest | 4.13           |
| Cash                         | 5.15           |

| 1980's Lifestage Fund |   |
|-----------------------|---|
| Description           | 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 |
| Investment manager    | BT and external managers  |
| Benchmark             | A range of indices  |

### Asset allocation as at 30 June 2009

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 41.33          |
| International Equities       | 40.48          |
| Australian Property          | 2.86           |
| International Property       | 2.98           |
| Australian Fixed Interest    | 2.51           |
| International Fixed Interest | 4.03           |
| Cash                         | 5.81           |

| 1970's Lifestage Fund |   |
|-----------------------|---|
| Description           | 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 |
| Investment manager    | BT and external managers  |
| Benchmark             | A range of indices  |

### Asset allocation as at 30 June 2009

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 41.15          |
| International Equities       | 40.31          |
| Australian Property          | 2.81           |
| International Property       | 2.92           |
| Australian Fixed Interest    | 2.22           |
| International Fixed Interest | 3.56           |
| Cash                         | 7.04           |

| 1960's Lifestage Fund |  |
|-----------------------|--|
| Description           | Retirement is still in the distance but approaching. It's time to hold a more balanced mix of growth and conservative assets |
| Investment manager    | BT and external managers   |
| Benchmark             | A range of indices   |

### Asset allocation as at 30 June 2009

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 36.75          |
| International Equities       | 35.99          |
| Australian Property          | 2.82           |
| International Property       | 2.92           |
| Australian Fixed Interest    | 4.04           |
| International Fixed Interest | 6.48           |
| Cash                         | 11.00          |

# Investment options profiles (cont'd)

| 1950's Lifestage Fund |   |
|-----------------------|---|
| Description           | Retirement is approaching so your asset mix should now lean towards more conservative investments, while still seeking growth |
| Investment manager    | BT and external managers  |
| Benchmark             | A range of indices  |

| 1940's Lifestage Fund |  |
|-----------------------|--|
| Description           | You have probably retired. You need a conservative asset mix, but still need to retain a level of growth |
| Investment manager    | BT and external managers   |
| Benchmark             | A range of indices   |

## Asset allocation as at 30 June 2009

### BT Super for Life – Savings

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 28.16          |
| International Equities       | 27.56          |
| Australian Property          | 2.87           |
| International Property       | 2.96           |
| Australian Fixed Interest    | 7.76           |
| International Fixed Interest | 12.45          |
| Cash                         | 18.24          |

## Asset allocation as at 30 June 2009

### BT Super for Life – Savings

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 17.14          |
| International Equities       | 16.73          |
| Australian Property          | 2.97           |
| International Property       | 3.03           |
| Australian Fixed Interest    | 12.76          |
| International Fixed Interest | 20.46          |
| Cash                         | 26.92          |

## Asset allocation as at 30 June 2009

### BT Super for Life – Retirement

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 27.19          |
| International Equities       | 26.60          |
| Australian Property          | 2.85           |
| International Property       | 2.93           |
| Australian Fixed Interest    | 7.99           |
| International Fixed Interest | 12.81          |
| Cash                         | 19.64          |

## Asset allocation as at 30 June 2009

### BT Super for Life – Retirement

| Asset type                   | Allocation (%) |
|------------------------------|----------------|
| Australian Equities          | 17.14          |
| International Equities       | 16.73          |
| Australian Property          | 2.93           |
| International Property       | 2.99           |
| Australian Fixed Interest    | 12.48          |
| International Fixed Interest | 20.01          |
| Cash                         | 27.73          |

## Choose your own funds

| <b>BT Super for Life – Growth Fund</b> |   |
|--|---|
| Who is this fund for?                  | For account holders who are comfortable with a very aggressive approach to investing with a higher risk and higher potential return |
| Investment style                       | Almost entirely invested in growth assets   |
| Intended outcome                       | To provide a return (before fees and taxes) that exceeds the fund's benchmark over 5 years or more                                  |
| Benchmark                              | BT Classic Investment Funds – BT Split Growth Fund  |
| Investment manager                     | BT Investment Management  |

### Asset allocation as at 30 June 2009

| Asset type                 | Allocation (%) |
|----------------------------|----------------|
| Australian Equities        | 19.21          |
| Global Equities            | 78.58          |
| Australian Listed Property | 0.68           |
| Global Property            | 0.00           |
| Australian Fixed Interest  | 0.00           |
| Global Fixed Interest      | 0.00           |
| Cash                       | 1.54           |

| <b>BT Super for Life – Conservative Fund</b> |   |
|--|---|
| Who is this fund for?                        | For conservative account holders who want very low levels of risk and to preserve their capital against inflation |
| Investment style                             | A mixture of growth and conservative assets, with a significant emphasis on conservative assets                   |
| Intended outcome                             | To provide a real return over inflation over 3 years or more  |
| Benchmark                                    | BT Ethical Conservative   |
| Investment manager                           | BT Investment Management  |

### Asset allocation as at 30 June 2009

| Asset type                 | Allocation (%) |
|----------------------------|----------------|
| Australian Equities        | 26.28          |
| Global Equities            | 0.00           |
| Australian Listed Property | 1.24           |
| Global Property            | 0.00           |
| Australian Fixed Interest  | 61.16          |
| Global Fixed Interest      | 0.00           |
| Cash                       | 11.32          |

| <b>BT Super for Life – Moderate Fund</b> |  |
|--|--|
| Who is this fund for?                    | For account holders who are comfortable with a reasonably aggressive approach to investing with a moderate high level of risk and potential return |
| Investment style                         | A mixture of growth and conservative assets, with a significant emphasis on growth assets  |
| Intended outcome                         | To provide a return (before fees and taxes) that exceeds the fund's benchmark over 5 years or more.  |
| Benchmark                                | BTCS Balanced  |
| Investment manager                       | BT Investment Management   |

### Asset allocation as at 30 June 2009

| Asset type                 | Allocation (%) |
|----------------------------|----------------|
| Australian Equities        | 34.60          |
| Global Equities            | 20.32          |
| Australian Listed Property | 6.20           |
| Global Property            | 2.49           |
| Australian Fixed Interest  | 24.62          |
| Global Fixed Interest      | 0.00           |
| Cash                       | 11.77          |

| <b>BT Super for Life – Super Cash</b> |  |
|---------------------------------------|--|
| Who is this fund for?                 | For conservative account holders who want very low levels of risk and to preserve their capital    |
| Investment style                      | Invests in cash via a life policy with Westpac Life Insurance Services Limited                     |
| Intended outcome                      | Account holders earn interest on money invested. Interest is calculated daily and credited monthly |
| Benchmark                             | n/a  |

### Asset allocation as at 30 June 2009

| Asset type                 | Allocation (%) |
|----------------------------|----------------|
| Australian Equities        | 0.00           |
| Global Equities            | 0.00           |
| Australian Listed Property | 0.00           |
| Global Property            | 0.00           |
| Australian Fixed Interest  | 0.00           |
| Global Fixed Interest      | 0.00           |
| Cash                       | 100.00         |

# Investments exceeding 5%

The following Investment options have a holding of 5% or more in any one asset and the details of that holding at 30 June 2009. Investment options that do not have holdings exceeding 5% are not shown.

## Direct investments

| Investment option                                      | Direct asset                      | %     | Indirect asset   | %     |
|--|-----------------------------------|-------|--|-------|
| <b>Lifestage Funds</b>                                 |                                   |       |  |       |
| <b>BT Super for Life 1940's Lifestage – Retirement</b> | BT Multi-Manager Accumulator Fund | 26.14 | BT Wholesale Multi-Manager International Share Fund      | 7.32  |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 7.33  |
|  | BT Multi-Manager Protector Fund   | 73.40 | BT Wholesale Multi-Manager Fixed Interest Fund           | 43.98 |
|  |                                   |       | BT Institutional Enhanced Cash Fund                      | 14.58 |
| <b>BT Super for Life 1940's Lifestage – Savings</b>    | BT Multi-Manager Accumulator Fund | 25.88 | BT Wholesale Multi-Manager International Share Fund      | 7.25  |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 7.25  |
|  | BT Multi-Manager Protector Fund   | 75.05 | BT Wholesale Multi-Manager Fixed Interest Fund           | 44.97 |
|  |                                   |       | BT Institutional Enhanced Cash Fund                      | 14.90 |
| <b>BT Super for Life 1950's Lifestage – Retirement</b> | BT Multi-Manager Accumulator Fund | 52.09 | BT Wholesale Multi-Manager International Share Fund      | 14.59 |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 14.60 |
|  |                                   |       | BT Enhanced Sustainability Australian Share Fund         | 9.28  |
|  |                                   |       | BT Institutional International Sustainability Share Fund | 5.58  |
|  | BT Multi-Manager Protector Fund   | 47.01 | BT Wholesale Multi-Manager Fixed Interest Fund           | 28.17 |
|  |                                   |       | BT Institutional Enhanced Cash Fund                      | 9.34  |
| <b>BT Super for Life 1950's Lifestage – Savings</b>    | BT Multi-Manager Accumulator Fund | 54.43 | BT Wholesale Multi-Manager International Share Fund      | 15.25 |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 15.26 |
|  |                                   |       | BT Enhanced Sustainability Australian Share Fund         | 9.70  |
|  |                                   |       | BT Institutional International Sustainability Share Fund | 5.83  |
|  | BT Multi-Manager Protector Fund   | 45.66 | BT Wholesale Multi-Manager Fixed Interest Fund           | 27.36 |
|  |                                   |       | BT Institutional Enhanced Cash Fund                      | 9.07  |
| <b>BT Super for Life 1960's Lifestage – Savings</b>    | BT Multi-Manager Accumulator Fund | 76.50 | BT Wholesale Multi-Manager International Share Fund      | 21.43 |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 21.44 |
|  |                                   |       | BT Enhanced Sustainability Australian Share Fund         | 13.63 |
|  |                                   |       | BT Institutional International Sustainability Share Fund | 8.20  |
|  | BT Multi-Manager Protector Fund   | 23.78 | BT Wholesale Multi-Manager Fixed Interest Fund           | 14.25 |
|  |                                   |       |  |       |
| <b>BT Super for Life 1970's Lifestage – Savings</b>    | BT Multi-Manager Accumulator Fund | 87.74 | BT Wholesale Multi-Manager International Share Fund      | 24.58 |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 24.59 |
|  |                                   |       | BT Enhanced Sustainability Australian Share Fund         | 15.64 |
|  |                                   |       | BT Institutional International Sustainability Share Fund | 9.41  |
|  | BT Multi-Manager Protector Fund   | 13.05 | BT Wholesale Multi-Manager Fixed Interest Fund           | 7.82  |
|  |                                   |       |  |       |
| <b>BT Super for Life 1980's Lifestage – Savings</b>    | BT Multi-Manager Accumulator Fund | 87.87 | BT Wholesale Multi-Manager International Share Fund      | 24.61 |
|  |                                   |       | BT Wholesale Multi-Manager Australian Share Fund         | 24.63 |
|  |                                   |       | BT Enhanced Sustainability Australian Share Fund         | 15.66 |
|  |                                   |       | BT Institutional International Sustainability Share Fund | 9.42  |
|  | BT Multi-Manager Protector Fund   | 14.77 | BT Wholesale Multi-Manager Fixed Interest Fund           | 8.85  |
|  |                                   |       |  |       |

| Investment option   | Direct asset   | %     | Indirect asset   | %     |
|---|--|-------|--|-------|
| <b>Lifestage Funds</b>  |  |       |  |       |
| <b>BT Super for Life<br/>1990's Lifestage – Savings</b>           | BT Multi-Manager<br>Accumulator Fund                     | 88.30 | BT Wholesale Multi-Manager International Share Fund                      | 24.73 |
|   |  |       | BT Wholesale Multi-Manager Australian Share Fund                         | 24.75 |
|   |  |       | BT Enhanced Sustainability Australian Share Fund                         | 15.74 |
|   |  |       | BT Institutional International Sustainability Share Fund                 | 9.47  |
|   | BT Multi-Manager<br>Protector Fund                       | 15.16 | BT Wholesale Multi-Manager Fixed Interest Fund                           | 9.08  |
| <b>BT Super for Life –<br/>Conservative Fund –<br/>Retirement</b> | BT Wholesale Ethical<br>Conservative Fund                | 99.61 | BT Institutional Ethical Sector Trust                                    | 28.51 |
|   |  |       | BT Institutional Liquidity Management Trust                              | 34.13 |
| <b>BT Super for Life –<br/>Conservative Fund –<br/>Savings</b>    | BT Wholesale Ethical<br>Conservative Fund                | 100   | BT Institutional Ethical Sector Trust                                    | 28.62 |
|   |  |       | BT Institutional Liquidity Management Trust                              | 34.26 |
| <b>BT Super for Life – Growth<br/>Fund – Retirement</b>           | BT Classic Investment<br>Funds – BT Split Growth<br>Fund | 99.48 | BT Wholesale Core Hedged Global Share Fund                               | 20.17 |
|   |  |       | BT Institutional Core Global Share Sector Trust                          | 58.16 |
| <b>BT Super for Life – Growth<br/>Fund – Savings</b>              | BT Classic Investment<br>Funds – BT Split Growth<br>Fund | 100   | BT Wholesale Core Hedged Global Share Fund                               | 20.28 |
|   |  |       | BT Institutional Core Global Share Sector Trust                          | 58.46 |
| <b>BT Super for Life –<br/>Moderate Fund – Retirement</b>         | BT Institutional Ethical<br>Balanced Fund                | 99.65 | Australian Commonwealth Government Bond 6%<br>15.02.2017                 | 9.83  |
|   |  |       | Australian Commonwealth Government Bond 5.25%<br>15.03.2019              | 5.88  |
|   |  |       | Australian Commonwealth Government Bond 6.25%<br>15.04.2015              | 5.49  |
|   |  |       | BT Institutional Ethical Sector Trust                                    | 36.97 |
|   |  |       | AMP Wholesale Responsible Investment Leaders<br>International Share Fund | 20.34 |
|   |  |       | BT Institutional Liquidity Management Trust                              | 10.58 |
| <b>BT Super for Life –<br/>Moderate Fund – Savings</b>            | BT Institutional Ethical<br>Balanced Fund                | 100   | Australian Commonwealth Government Bond 6%<br>15.02.2017                 | 9.86  |
|   |  |       | Australian Commonwealth Government Bond 6.25%<br>15.04.2015              | 5.90  |
|   |  |       | Australian Commonwealth Government Bond 5.25%<br>15.03.2019              | 5.51  |
|   |  |       | BT Institutional Ethical Sector Trust                                    | 37.10 |
|   |  |       | AMP Wholesale Responsible Investment Leaders<br>International Share Fund | 20.41 |
|   |  |       | BT Institutional Liquidity Management Trust                              | 10.62 |
| <b>BT Super for Life – Super<br/>Cash – Savings</b>               | Westpac Life Insurance<br>Services Limited               | 100   | n/a  |       |
| <b>BT Super for Life – Super<br/>Cash – Retirement</b>            | Westpac Life Insurance<br>Services Limited               | 100   | n/a  |       |

# Fees and other costs of investing in BT Super for Life

The table below shows the significant fees and other costs that you may be charged. 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   | How and when paid  |
|---|--|--|
| <b>Fees when your money moves in and out of BT Super for Life</b>   |  |  |
| <b>Establishment fee</b><br>The fee to open your account with BT Super for Life                                   | Nil  | n/a  |
| <b>Contribution fee</b><br>The fee on each amount contributed to your investment – either by you or your employer | Nil  | n/a  |
| <b>Withdrawal fee</b><br>The fee on each amount you take out of your BT Super for Life account                    | Nil  | n/a  |
| <b>Termination fee</b><br>The fee to close your BT Super for Life account   | Nil  | n/a  |
| <b>Management costs – the fees and costs for managing your investment</b>   |  |  |
| <b>Administration fee</b><br>The fee to cover the general administration of BT Super for Life                     | \$5.00 per month   | Deducted from your account on the first day of every month   |
| <b>Management fee</b><br>The fee for managing BT Super for Life's investment options                              | 0% of BT Super for Life – Super Cash<br>0.99% pa of your account balance on all other investment options | Calculated on the daily asset value and reflected in the unit price daily and generally deducted monthly |
| <b>Service fees</b>   |  |  |
| <b>Investment switching fee</b><br>The fee for changing investment options  | Nil  | n/a  |

## Other fees and charges

### Transaction costs and buy/sell spreads

When we buy or sell investments for account holders we incur transaction costs. These transaction costs include stamp duty, brokerage and costs incurred when buying and selling units in underlying investment funds. Part of these costs are met by the buy/sell spread. It is not a fee paid to us but it is an additional cost to you when you add, withdraw or change investment options. You should consider these costs when making any investment decisions such as changing investment options.

### Insurance premiums

If you have insurance cover through BT Super for Life, the relevant premium(s) for your insurance will be deducted from your Investment option(s) on a pro-rata basis at the end of each month, or when your cover ceases, via a redemption of units.

# Other important information

## Complaints resolution

Complaints resolution is a priority for us. If you have any concerns or complaints with the financial products or services we provide, please contact us and we will do our best to resolve it quickly and fairly through our internal dispute resolution process.

As a first step, please contact us by calling BT Contact Centre on 1300 653 553. Alternatively, you can contact us in writing by emailing us at: [customer.relations@btsuperforlife.com.au](mailto:customer.relations@btsuperforlife.com.au).

We will let you know that we have received your complaint and a Complaints Officer will work with you to try to resolve your complaint within 30 days of receipt.

If you are not satisfied with our response, or have not received a response within 90 days, you can refer your complaint externally by contacting the Superannuation Complaints Tribunal (Tribunal) by calling 1300 780 808 or writing to Locked Bag 3060, GPO Melbourne VIC 3001. The Tribunal is an independent body established by the government to help members of superannuation funds resolve complaints. The Tribunal will attempt to resolve your complaint through conciliation, helping you and the Trustee to reach an agreement. If your dispute cannot be resolved through conciliation, the Tribunal may ask for submissions and make a binding determination.

## Eligible Rollover Fund

Currently your benefit may be transferred to an ERF in the following circumstances:

- if you request to transfer your benefit to another fund and that request cannot be processed due to insufficient information, or the other fund returns the money to BT Super for Life because they have been unable to process the request
- if circumstances under 'Cooling-off' apply
- in any other circumstances permitted under superannuation law.

The Eligible Rollover Fund (ERF) currently selected for BT Super for Life is:

SuperTrace Eligible Rollover Fund  
Locked Bag 5429  
Parramatta NSW 2124

If your benefit is transferred to SuperTrace:

- you will cease to be a BT Super for Life account holder and any insurance cover provided will also cease on the date of transfer or at the end of the continuation period that may apply, if later

- you will need to contact the SuperTrace Administrator on 1300 788 750 in order to claim your benefit back or deal with your benefit
- you will not be able to make contributions to the ERF
- you will not have investment choice — the trustee of the ERF will nominate the investment strategy that will apply
- the ERF will normally ensure that your benefits will not be eroded by administration fees and charges, however, other fees may apply. Please refer to the ERF's product disclosure statement for more information.

## Superannuation Contributions Surcharge

If you are liable for superannuation contribution surcharge the amount will be deducted from your account.

## Derivatives

BT Super for Life does not hold derivative securities.

## Indemnity insurance

The Trustee is indemnified by a policy of insurance under a Westpac Group Directors and Officers Policy.

## Financial information

As permitted under the Corporations Act, audited fund accounts and the auditor's report have not been included with this Annual Report. Copies of complete audited financial statements and the auditor's report will be available after 31 October 2008 from BT Funds Management Limited, Level 20, 275 Kent Street Sydney NSW 2000 or by calling Customer Relations on 1300 653 553, Monday to Friday 8.00am to 6.30pm (Sydney time).

## Committees

The Board delegated committees are:

- BT Financial Group Risk Review Committee
- BT Financial Group Product and Investment Committee
- Super and Investment Solutions Risk Review Sub Committee
- Super and Investment Solutions, and Customer Service Product Sub-Committee
- Unit Pricing Sub-Committee.

## Further information

You are welcome to call us at any time if you have any questions regarding this report or require further information about BT Super for Life. Details of how we can be contacted are on the back cover.

## Statement of Financial Position<sup>1</sup>

|   | Consolidated<br>30 June 2009<br>\$'000 | Parent<br>30 June 2009<br>\$'000 |
|---|--|----------------------------------|
| <b>Assets</b>                                 |  |                                  |
| <b>Investments</b>                            |  |                                  |
| Cash and cash equivalents                     | 9,482                                  | 1,465                            |
| Margin Accounts                               | 203                                    | —                                |
| Derivatives                                   | 120                                    | —                                |
| Equity securities                             | 38,510                                 | —                                |
| Fixed interest securities                     | 10,171                                 | —                                |
| Unlisted unit trusts                          | 188,388                                | 221,467                          |
| Life insurance policies                       | 207,856                                | 207,856                          |
|   | <b>454,730</b>                         | <b>430,788</b>                   |
| <b>Other assets</b>                           |  |                                  |
| Receivables                                   | 9,297                                  | 10,894                           |
| Deferred tax assets                           | 2,229                                  | 2,229                            |
|   | <b>11,526</b>                          | <b>13,123</b>                    |
| <b>Total assets</b>                           | <b>466,256</b>                         | <b>443,911</b>                   |
| <b>Liabilities</b>                            |  |                                  |
| Distribution payable                          | 337                                    | —                                |
| Payables                                      | 2,684                                  | 5,749                            |
| Income tax payable                            | 9,786                                  | 9,786                            |
| Net assets attributable to minority interests | 25,073                                 | —                                |
| <b>Total liabilities</b>                      | <b>37,880</b>                          | <b>15,535</b>                    |
| <b>Net assets available to pay benefits</b>   | <b>428,376</b>                         | <b>428,376</b>                   |
| Represented by:                               |  |                                  |
| <b>Liability for accrued benefits</b>         |  |                                  |
| Allocated to members' accounts                | 428,376                                | 428,376                          |

<sup>1</sup> This annual report contains abridged financial information for the financial year ended 30 June 2009 in relation to BT Super for Life. The full accounts are available on request by contacting BT Customer Relations on 1300 653 553.

## Operating statement

|  | Consolidated<br>year ended<br>30 June 2009<br>\$'000 | Parent<br>year ended<br>30 June 2009<br>\$'000 |
|--|--|--|
| <b>Investment income</b>   |  |  |
| Interest income  | 424  | —  |
| Dividends  | 886  | —  |
| Distributions from unit trusts   | 5,860  | 6,488  |
| Changes in the net market value of investments   | (23,456)   | (17,779)                                       |
| Net responsible entity fee   | 543  | —  |
| Other investment income  | 164  | 7  |
|  | <b>(15,579)</b>                                      | <b>(11,284)</b>                                |
| <b>Contributions revenue</b>   |  |  |
| Member's contributions   | 331,245  | 331,245  |
| Employer contributions   | 63,550   | 63,550   |
|  | <b>394,795</b>                                       | <b>394,795</b>                                 |
| <b>General administration expenses</b>   |  |  |
| Trustee's fees   | 966  | 783  |
| Insurance premium expenses   | 1,112  | 1,112  |
| Other expenses   | 29   | —  |
|  | <b>2,107</b>   | <b>1,895</b>                                   |
| <b>Benefits accrued as a result of operations before tax</b>                                   | <b>377,109</b>                                       | <b>381,616</b>                                 |
| Income tax expense/(benefit)   | 8,674  | 8,674  |
| <b>Benefits accrued as a result of operations after tax</b>                                    | <b>368,435</b>                                       | <b>372,942</b>                                 |
| <b>Benefits accrued as a result of operations after tax attributable to minority interests</b> | 5,333  | —  |
| <b>Distribution to minority interests</b>  | (826)  | —  |
| <b>Benefits accrued as a result of operations after tax attributable to parent entity</b>      | <b>372,942</b>                                       | <b>372,942</b>                                 |



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**Contact BT Super for Life**

→ Phone 1300 653 553 Monday to Friday  
8.00am — 6.30pm (Sydney time)

→ Email [customer.relations@  
btsuperforlife.com.au](mailto:customer.relations@btsuperforlife.com.au)

→ Online [www.btsuperforlife.com.au](http://www.btsuperforlife.com.au)