

Changes impacting your Asgard Employee Super Account

Issue date: 27 January 2015

Preparation date: 18 December 2014

The information in this notice details all the important changes that have recently come into effect in relation to your account.

We have updated the Product Disclosure Statement ('PDS') effective 1 July 2014 with the material changes described in this notice. You can obtain a copy of the updated PDS from Investor *Online* or by calling our Customer Relations team.

Please take time to carefully read the information in this notice. Should you require any further information or clarification, please speak to your financial adviser. Of course, we are here to help too. You can call our Customer Relations team on **1800 998 185** or email us at **asgard.investor.services@asgard.com.au** if you have any questions.

Nominated Bank Account

In order to protect you and your account from the risk of fraud, from 16 February 2015 you need to provide us with details of an account you hold with a financial institution ('Nominated Bank Account') before any direct credit payment request via electronic funds transfer ('EFT') on your account can be processed.

Furthermore, you will no longer have the cheque option for withdrawal payment requests.

We encourage you to speak with your financial adviser and set up your Nominated Bank Account (if you do not already have one) as soon as possible if you are likely to make a cash withdrawal (excluding rollovers to another superannuation fund) in the near future. This will help ensure that any future payment requests are actioned and paid in a timely manner.

To set up a new or to change your existing Nominated Bank Account, simply complete and mail the 'Nominated Bank Account addition or amendment' form along with the required original certified identification documents (as specified in the form) to us for processing prior to submitting any cash payment requests.

You can view your Nominated Bank Account details via the Account details screen on Investor *Online*.

For more information in relation to these changes or to obtain a free copy of the 'Nominated Bank Account addition or amendment' form, please speak to your financial adviser, or contact our Customer Relations team.

Deferred settlement trading

We are clarifying our disclosure to confirm that we do not facilitate trading of listed securities (where this feature is offered through your account) if they are trading on a deferred settlement basis.

Related party investment arrangements and transactions

Some of the managed investments and term deposits available through the products are issued or managed by companies within the Westpac Group. These Westpac Group companies receive fees in relation to your investment in the relevant managed investments and term deposits, which may include contribution fees, management fees, performance fees, withdrawal fees and other fees as specified in the product disclosure statement or other disclosure document for the relevant managed investments and term deposits. Companies within the Westpac Group may also hold on deposit and manage the monies in your cash balance on a daily basis and may perform other services in relation to assets. Related parties will receive fees for services they provide. All arrangements are on an arm's length basis.

Where a managed investment is issued or managed by a company in the Westpac Group, the same investment selection criteria applicable to managed investments issued or managed by unrelated parties applies. We also have policies that govern how we manage actual and perceived conflicts of interest that may arise and these policies apply to the managed investment selection process.

What will occur if you no longer have a financial adviser

As you know, your account was designed to be used by you together with your financial adviser. Without a financial adviser, you could lose access to valuable assistance in situations where you may need it the most.

If you no longer have a financial adviser, and you choose not to appoint a new financial adviser, you must notify us by contacting our Customer Relations team, who will send you a form to complete and return. In some cases, your financial adviser may notify us that they no longer provide advice or other related services to you, in which case we will let you know.

If you do not appoint a new financial adviser, certain fees and costs may increase and the investment options available to you may change. You will only be able to provide instructions in a limited manner (and where possible, only by completing a form), and will lose access to a number of automated and other account features.

For more information on the consequences of not having a financial adviser, please contact our Customer Relations team.

Change in Neutral Asset Allocations for MySuper Lifestage Investments

Effective from 19 December 2014, the asset allocation neutral positions of the Unlisted Property asset class within the Lifestage Investment Options were revised from those disclosed in the PDS. There are no changes to the asset allocation neutral positions for any other asset classes. There are no investment fee changes to the MySuper Lifestage Investment Options.

Interest paid on your cash balance

From 1 March 2015 the interest rate declared and paid on your cash balance will be reduced, reflecting the lower earnings on the underlying bank accounts which are held with St.George and/or Westpac.

This interest rate reduction is a result of the increased funding costs banks will be subject to, given the higher capital reserve requirements applying under APRA's Prudential Standard known as 'APS 210'. Both Westpac and St.George (where your current cash balance is held), are impacted by this new legislative requirement.

As a result, the declared interest rate payable on your cash balance is reducing by 0.10%.

From 2 February 2015, the PDS for the relevant products (excluding the Asgard Trustee Funds Account) will be updated to reflect this change.

For the current interest rate declared on your cash balance, speak with your financial adviser, or contact our Customer Relations team.

CUSTOMER RELATIONS

Phone: 1800 998 185

Email: asgard.investor.services@asgard.com.au

Post: PO Box 7490
Cloisters Square WA 6850

IMPORTANT INFORMATION

BT Funds Management Limited ABN 63 002 916 458, AFSL 233724 ('BTFM') is the trustee of, and the issuer of interests in, Asgard Employee Super Account, which is part of the superannuation fund known as the Asgard Independence Plan Division Two, ABN 90 194 410 365 ('the Fund'). Asgard Capital Management Limited ABN 92 009 279 592 ('ACML') is the custodian and administrator of the Fund.

A Product Disclosure Statement ('PDS') is available for each of the products and can be obtained by calling 1800 998 185 or through *Investor Online*. You should consider the PDS before deciding whether to acquire, continue to hold or dispose of interests in the product.

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. Because of this you should, before acting on the information, consider its appropriateness, having regard to these factors and, where appropriate, consult your financial adviser or obtain other independent professional advice before acting on the information. Information regarding legislative changes is intended as a guide only; it is not exhaustive and does not constitute legal advice. It is based on our interpretation of the law currently in force on the date of this notification. Consequently, it should not be relied upon as a complete statement of all relevant laws, the application of which may vary, depending on your particular circumstances.

BTFM and ACML are members of the Westpac Banking Corporation ('Westpac') group of companies. Unless otherwise disclosed in the PDS, investments through a super/pension product account are not deposits with, investments in, or other liabilities of, Westpac or any other company within the Westpac Group. They are subject to investment risk, including possible delays in repayment and loss of income and principal invested. Neither Westpac nor any other company within the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of the specific investments you select or the account generally.

Asgard

AS40069_1214sx