

BT Cash

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About this Additional Information Booklet

The information in this document forms part of the Product Disclosure Statement ('PDS') issued by BT Funds Management Limited ABN 63 002 916 458 AFSL 233724 ('BTFM', 'we', 'us', 'our') for BT Cash (ARSN 164 257 854). This is important information you should read before making a decision to invest in BT Cash.

The information in this document is general information only and doesn't take into account your personal objectives, financial situation or needs. Therefore, before acting on the information, you should consider the appropriateness of the information having regard to your objectives, financial situation and needs. You should consult a licensed financial adviser for financial advice that's tailored to suit your personal circumstances.

Eligibility

You can only invest in BT Cash if you've received the PDS in Australia, whether in hard copy or electronically. If you are outside Australia, you should obtain advice about any local restrictions that apply before investing in BT Cash and you must appoint an Australian resident attorney to act on your behalf.

You are investing in BT Cash through the Panorama service operated and administered by BT Portfolio Services Ltd ABN 73 095 055 208 AFSL Number 233715 ('BTPS'). BTPS invests in BT Cash on your behalf. You can also

invest in BT Cash through BT Managed Portfolios ARSN 604 066 686, a registered managed investment scheme that is available through Panorama. Westpac Financial Services Ltd ABN 20 000 241 127 ('WFSL') is the responsible entity of BT Managed Portfolios. The terms 'you' and 'your' as used in the PDS and in this Additional Information Booklet refer to you as the investor through Panorama. For more information on Panorama, please refer to the Panorama Investor Guide which is available from your adviser or by contacting us.

Updated information

Information in this Additional Information Booklet may change. If it's not materially adverse information it may be updated by us. Updated information can be found by contacting your adviser, visiting our website at panorama.com.au/invest/documents, or by calling us on 1300 881 716. You can request a paper copy of any updated information at any time, free of charge.

Role of Westpac

BTFM is a subsidiary of Westpac Banking Corporation ('Westpac') ABN 33 007 457 141 AFSL Number 233714. BT Cash invests in deposits with Westpac and Westpac provides the Westpac payment services in relation to BT Cash as set out in the PDS, the Westpac Payment Services Terms and Conditions and this Booklet. However, your investment in BT Cash doesn't represent an investment in, deposit with, or any other liability of Westpac or any other member of the Westpac Group. It's subject to investment risk, including possible delays in payment of withdrawal proceeds and loss of income and principal invested. Neither Westpac nor any other company in the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of BT Cash. The Financial Claims Scheme does not apply to your investment as your account in BT Cash is not a deposit with an Australian authorised deposit taking institution.

1. How BT Cash works

Processing investments and withdrawals

Investments made by you will only be credited to your account in BT Cash ('your BT Cash Hub') once we receive the funds from your financial institution.

If we are unable to process an investment (for example, the account number is incorrect), the funds will be returned. We have the right to reject any investment received.

Service interruptions

While we try to ensure our online services are available 24/7, there may be times where they're not available. If our online services aren't available we are not responsible for any loss because you were unable to perform transactions during that time.

Linked accounts

You need to link at least one bank account to your Panorama account. This account is used for investments into and withdrawals from your BT Cash Hub. If you provide more than one linked account (you can link up to 5 accounts) you must nominate one account as your 'primary linked account'.

You can use linked accounts for direct debit investments. When you add a linked bank account, you will be asked to agree to the Terms and Conditions of the Direct Debit Request Service Agreement online to give BTPS the authority to initiate the withdrawals from your linked account and investment into your BT Cash Hub.

Closing your BT Cash Hub

If you request to close your BT Cash Hub we'll pay any remaining balance to your primary linked account. Any income payments received after your BT Cash Hub is closed will also be paid to your primary linked account.

If you close your BT Cash Hub, it's important you cancel any regular transactions you had set up on that account.

If you were making regular investments using direct credit, you need to contact your financial institution to stop the investments. If you were making regular withdrawals using direct debit you may need to change your details or cancel any direct debit with the organisation/s you had authorised to debit your BT Cash Hub.

Restrictions applying to BT Cash – when illiquid

We can suspend withdrawals from BT Cash in certain circumstances, such as if BT Cash becomes a managed investment scheme that is not liquid as defined in the *Corporations Act 2001*.

During any periods when BT Cash is not liquid, different withdrawal procedures will apply as specified under the *Corporations Act 2001*.

Other restrictions

Delays in withdrawals may occur where we are unable to satisfy withdrawal requests due to circumstances outside our control. Should this occur, the period allowed for satisfying the withdrawal request may be extended by the number of days during which the circumstances apply. We will advise you if this situation occurs.

Neither we nor any other company in the Westpac Group is obliged to satisfy withdrawal requests out of our own resources.

Account adjustments

If an amount is incorrectly debited or credited to your account, we will try to correct this at the earliest possible time. These adjustments may be made without your consent.

Dormant and inactive accounts

If there's no money in your BT Cash Hub we reserve the right to close it.

1. How BT Cash works

Westpac payment services

Whenever you make a withdrawal request online and use the BPAY® or direct credit Westpac payment services, you will instruct BTPS to withdraw the amount from your BT Cash Hub and will direct Westpac to pay it in accordance with your instructions.

Whenever you make withdrawals using direct debit, you will give a direct debit authority to a third party who will request payment from Westpac. Whenever Westpac receives a payment request, you are deemed to have given a withdrawal request to BTPS at the same time to withdraw the amount from your BT Cash Hub and you direct Westpac to pay the withdrawal amount in accordance with the direct debit request.

Unless BTFM rejects the withdrawal request, BTPS will pay the withdrawal amount by making funds available to Westpac in order to enable Westpac to pay the amount in accordance with your instructions. If BTFM rejects a withdrawal request from your BT Cash Hub, the payment under the Westpac payment service will not be made, or in the case of direct debit, will be reversed. BTFM may reject the withdrawal request, for example, if your account balance is insufficient. You should ensure your account balance is always sufficient to meet any direct debit payments you arrange to be made from your BT Cash Hub.

All withdrawal payments will be made by Westpac from a bank account that is a basic deposit product and that is maintained with Westpac for BT Cash. When you make direct debit payments, the BSB number you provide to third parties to allow them to debit your BT Cash Hub will be the BSB number of the bank account held with Westpac.

Additional information is available in the Westpac Payment Services Terms and Conditions at panorama.com.au/invest/documents.

2. Benefits of investing in BT Cash

Additional disclosure information

BT Cash is a disclosing entity for the purposes of the *Corporations Act 2001* (Cth), and as such is subject to regular reporting and continuous disclosure obligations. Continuous disclosure notices and Annual Reports regarding BT Cash are available at panorama.com.au. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office.

The constitution of BT Cash

BT Cash is governed by a document known as its constitution. We are responsible for operating BT Cash in accordance with the general law, with its constitution, with the requirements in the Corporations Act, any relief from these requirements and any other guidance issued by the Australian Securities and Investments Commission.

These documents, legislation, regulations and guidance set out our rights as the 'responsible entity' of BT Cash. They also set out the rights and obligations of the members of BT Cash. The members of BT Cash are investors who hold an account directly in BT Cash. When you invest in BT Cash through Panorama, BTPS will acquire and hold an account in BT Cash on your behalf as part of your Panorama account. As an account holder, BTPS will be a member of BT Cash.

You can obtain a free copy of the constitution by calling us on 1300 881 716.

The main rights of members under the constitution

The constitution sets out the way in which:

- > members' accounts are to be administered
- > any income is distributed to members, and
- > the proceeds of withdrawals from members' accounts is to be calculated when members withdraw or BT Cash is wound up.

The constitution limits the liability of each member to BTFM, any creditor of BT Cash and any person claiming through them to the balance in the member's account.

The rights of members to requisition, attend and vote at meetings of members are mainly contained in the Corporations Act.

The main duties and rights of BTFM under the constitution

As the responsible entity we:

- > are responsible for managing BT Cash
- > have the powers to invest in Westpac deposit products or other financial products that invest in Westpac deposits products. If we cease to be a Westpac subsidiary or if Westpac is in distress as defined in the constitution, we may invest in other types of assets
- > have the power to borrow, give security, give guarantees and indemnities

- > have discretion to refuse applications, withdrawals and transfers
- > can change the constitution, but we need approval at a meeting of interest holders if the change will adversely affect the rights of BT Cash members
- > can terminate BT Cash at any time and will give members notice of any intention to do so. If we terminate BT Cash, members share pro-rata in the net proceeds available from the sale of the assets
- > can retire, in which case a new responsible entity will be appointed
- > can charge fees and recover expenses
- > can deduct any amount owing to us from members' withdrawal proceeds or money payable pursuant to a withdrawal offer.

Liabilities and indemnities under the constitution

The constitution limits BTFM's liabilities in relation to BT Cash so that we may be liable only to the extent the Corporations Act imposes a liability on us.

We are also entitled to be indemnified out of the assets of BT Cash for liabilities we incur in connection with the proper performance of our duties in relation to BT Cash.

Social Security

An investment in BT Cash may affect your entitlement to a pension or other social security benefit. We suggest you seek advice from a financial adviser or Centrelink if you would like to know more.

3. How we invest your money

Labour, environmental, social and ethical considerations

We don't take labour standards, environmental concerns, or social and ethical considerations into account when making investment decisions or appointing investment managers. Our priority is to maximise returns within the stated risk framework.

Switching

BT Cash offers only one investment option so no switching between investment options is available.

Changes to investment strategy

In some cases we can change the investment strategy of BT Cash without prior notice. We will inform you of any material change to the investment strategy of BT Cash in the next regular communication or as otherwise required by law.

Related party transactions and conflicts of interests

BT Cash may invest in other financial products of which we, or a related entity, are issuer, trustee, responsible entity or manager ('related funds').

Subject to the constitution of BT Cash, we may appoint any of our related entities (including Westpac) to provide services (including banking services) or perform functions in relation to BT Cash, including acting as our delegate. We may also enter into financial or other transactions with related entities in relation to the assets of BT Cash, and may sell assets of BT Cash to, or purchase assets from, a related entity.

A related entity may earn fees, commissions or other benefits in relation to any such appointment or transaction and may retain them for its own benefit. Such arrangements will be based on arm's length terms or as otherwise permissible under the law.

In the course of managing BT Cash, we may encounter conflicts between our duties in relation to BT Cash and our duties in relation to other funds and our interests. We'll resolve such conflicts fairly and reasonably and in accordance with our conflicts policies and our obligations under the law.

4. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (<http://www.moneysmart.gov.au>) has a managed funds fee calculator to help you check out different fee options.

This document shows 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.

Taxes are set out in part 7 of the PDS.

You should read all the information about fees and costs because it's important to understand their impact on your investment.

4. Fees and costs

BT CASH

TYPE OF FEE OR COST ¹	AMOUNT	HOW AND WHEN PAID
Fees when your money moves in or out of the managed investment product²		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution³ fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs		
The fees and costs for managing your investment	<p>Management fee</p> <p>The management fee in any period is the difference between:</p> <ul style="list-style-type: none"> > the total return (being the income) earned on the assets of BT Cash; and > the total income distributed to investors in BT Cash. <p>The total income distributed to investors will be based on the distribution rates determined by BTFM from time to time. Distribution rates are variable and may change without notice.</p>	<p>The management fee is deducted from the overall BT Cash assets and not from your account balance.</p> <p>The fee accrues daily and is paid to BTFM monthly after the end of each month.</p>
Service fees		
Investment switching fee The fee for changing investment options	Nil	Not applicable

1. Unless otherwise stated, all fees in this Additional Information Booklet are Goods and Services Tax ('GST') inclusive and net of any Reduced Input Tax Credits that may be claimed.

2. In this 'Fees and costs' section, 'managed investment product' or 'fund' refers to BT Cash.

3. In this 'Fees and costs' section, 'contribution' refers to an investment into BT Cash.

4. Fees and costs

Example of annual fees and costs for the fund

This table gives an example of how the fees and costs of the fund can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – BT CASH		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
Plus Management costs	1% ¹	And , for every \$50,000 you have in the fund you will be charged \$500 each year.
Equals Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of: \$500² What it costs you will depend on the investment option you choose and the fees you negotiate with your fund or financial adviser.³

Additional explanation of fees and costs

Contribution (or entry) and withdrawal fees

BT Cash currently charges no contribution or withdrawal fees. There are no current proposals to introduce those fees, however BTFM has the right to introduce them in the future. If these fees are to be introduced, we'll give you at least 30 days' prior notice.

If, at some time in the future, these fees are introduced, the maximum contribution (or entry) and withdrawal fees are limited by the fund constitution to 5% of the investment amount/withdrawal amount (including Goods and Services Tax ('GST')).

The management fee is a 'performance fee'

The management fee is classified as a 'performance fee' because it is calculated by reference to the income earned from the assets of BT Cash, as set out in the fees

and costs table above. A separate performance fee is not charged.

BT Cash expenses

BTFM is entitled to be reimbursed from BT Cash for authorised expenses incurred for the management and administration services it provides. Currently, routine BT Cash expenses, including trustee, registry, custodian, accounting, audit and legal expenses, are paid out of our management fee. If extraordinary or unusual expenses are incurred, we may choose to recover costs from the assets of BT Cash and these will be reflected in the account balance of your BT Cash Hub.

Changes in fees and costs

We may change fees or charges as permitted by the constitution. If we change existing or introduce new fees or charges, in a way that increases fees or charges deducted from your account, we will provide you with 30 days' written notice.

1. This is provided only as an indicative example of the management fee which may be charged. It is not an estimate and the actual fee will vary.
2. This example assumes that no income distributions have been paid during the year and the contribution was made on the last day of the year. This fee is deducted from the total returns earned by BTFM on the assets of BT Cash. It is not deducted from your account balance.
3. This is prescribed disclosure wording. BT Cash is a single investment option. You are not able to negotiate the management costs which apply.

5. How managed investment schemes are taxed

Investing in BT Cash via Panorama means you and your adviser receive online access to consolidated reporting on your annual tax position soon after the end of the financial year. See the Panorama Investor Guide for further information.

General information on tax

GST

GST isn't imposed on investments to or withdrawals from your BT Cash Hub or on income distributions you receive within BT Cash. However, it will be charged on fees payable to us.

BT Cash may be entitled to claim a Reduced Input Tax Credit ('RITC') refund for part of the GST incurred in relation to the fees.

Non-residents of Australia

Income distributed to you may be subject to Australian withholding tax. You're also subject to the tax laws in your country of residence. We recommend you seek independent professional tax advice before investing.

Tax File Number ('TFN') or Australian Business Number ('ABN') notification

You're not obliged to provide your TFN or ABN but, if you provide neither and don't claim an exemption, we're required to deduct tax from income distributions paid to you at the highest marginal tax rate, plus the Medicare levy, to meet Australian Taxation Office requirements.

Australian companies and other entities that invest with us for business purposes can supply us with their ABN instead of their TFN.

For more information



panorama.com.au



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