

Guide to BT Margin Lending

May 2016

Prepare for the best.



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Part 1

What's a margin loan?

What's a margin loan?

A margin loan lets you borrow money to invest in shares, managed funds, managed accounts and wraps. Borrowing to invest is also known as gearing and just like investing in property, where the loan is secured against the property, your margin loan is secured against your shares, managed funds, managed accounts or wraps, but given the nature of the security, there can be margin calls where the value of the security goes down.

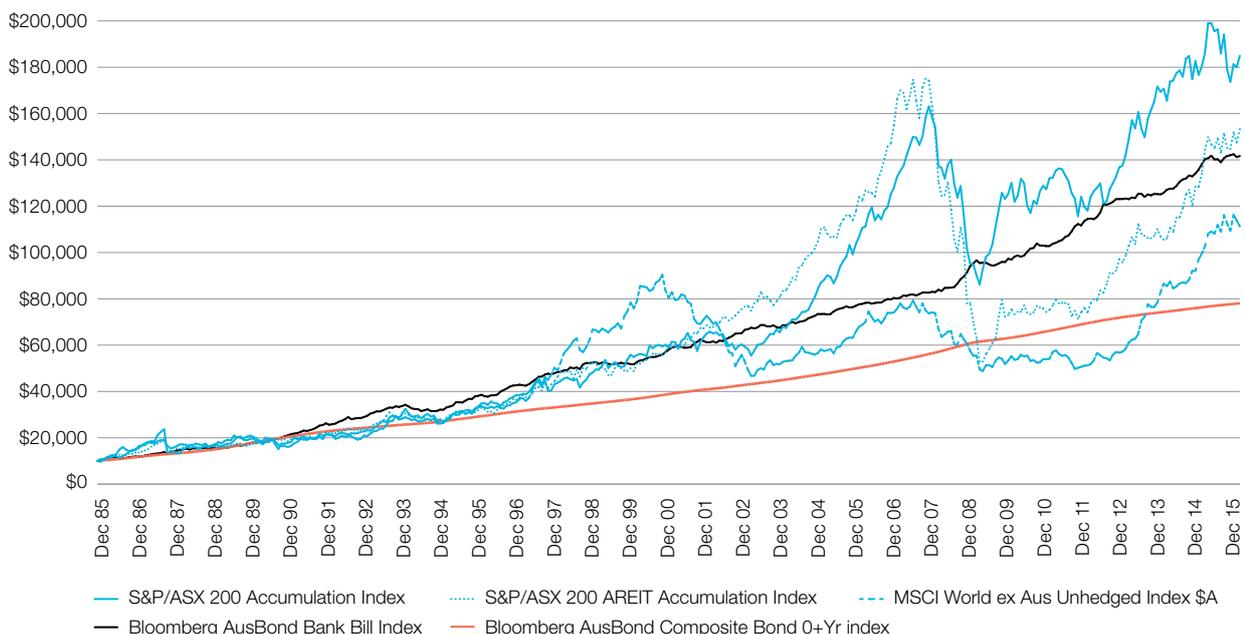
How shares can enhance your returns

Investing in shares, either directly or through managed funds, can be a rewarding strategy for long-term capital growth and returns.

The below chart compares \$100,000 invested in the S&P/ASX 200 Accumulation Index against other asset classes from December 1985. As you can see, while stock market investments are often more volatile in the short term, over the longer term they have tended to perform stronger against, and often outperform other asset classes.

Investing more to earn more

A margin loan therefore can give you more to invest, and the potential for increased returns. The illustration on the following page shows, when implemented successfully, a margin loan can increase the return on an investment. However it should be noted that a gearing strategy may also increase the potential for losses.



Source: Bloomberg & Advance Asset Management

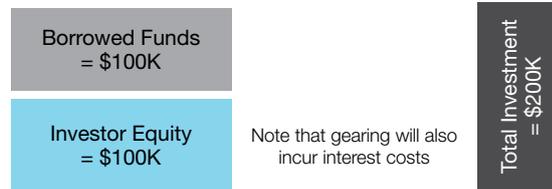
Investment with no gearing

1. Investment at outset



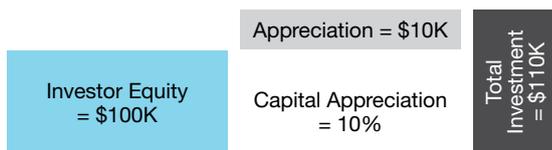
When an investment is made with no gearing, the size of the total investment is equal to the investor's own equity contribution – in this case, \$100,000.

Investment with 50% gearing

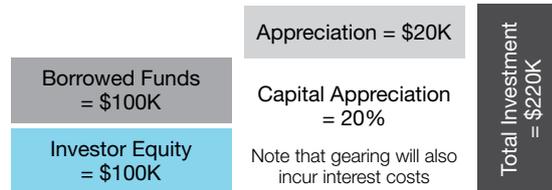


When an investment is made with gearing, the total investment value is equal to the sum of the investor's own equity contribution and borrowed funds – in this case \$200,000. The investment gearing level is calculated by dividing Borrowed Funds by the Total Investment ($\$100K / \$200K = 50\%$).

2. Investment value rises by 10%

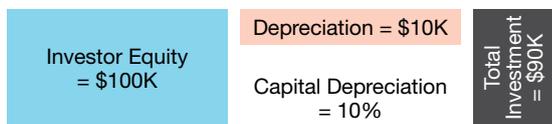


When an investment is made with no gearing, the size of any capital appreciation is equal to the size of the gain divided by the Investor's Equity ($\$10K / \$100K = 10\%$).

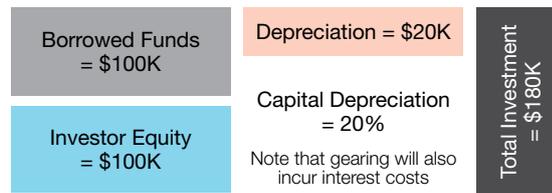


Assuming the makeup of the underlying portfolio is identical, the impact of adding borrowed funds to an investment is to increase the size of any gains. Where the investment has a geared component, capital appreciation is still calculated relative to the Investor's Equity ($\$20K / \$100K = 20\%$).

3. Investment value falls by 10%



When an investment is made with no gearing, the size of any capital depreciation is equal to the size of the loss divided by the Investor's Equity ($\$10K / \$100K = 10\%$).



Assuming the makeup of the underlying portfolio is identical, the impact of adding borrowed funds to an investment is to increase the size of any loss. Where the investment has a geared component, capital depreciations are still calculated relative to the Investor's Equity ($\$20K / \$100K = 20\%$).

Part 2

Key benefits of using a margin loan to boost your investment potential

Unlock the equity in your existing investments

Because you can borrow cash against your existing investments, a margin loan enables you to raise cash for investment purposes without having to sell your investments and therefore not trigger a capital gains tax event.

Creating wealth and achieving your retirement goals

You may use a margin loan as a means of building your wealth and supporting your retirement goals by having more to invest and therefore potentially increasing returns.

Greater diversification of your portfolio to manage volatility

Diversification is a recognised strategy to potentially reduce investment risk without sacrificing long term returns. Because a margin loan can give you more funds to invest, you can spread your investment across a broader range of assets or industry sectors to build a more diversified portfolio.

With a BT Margin Loan, you can choose investments from the wide range of financial products on our approved securities list (ASL), which includes shares, managed funds, managed accounts, ETFs and wraps. This means greater flexibility to build your portfolio using the diversification and risk exposure that best suits your objectives.

Margin lending can be tax-effective and assist in tax planning

Tax deductible interest

- > Interest paid on your loan is generally tax-deductible if the loan has been used to acquire shares/units with the intention to produce assessable income such as dividends or assessable distributions.

Capital Gains Tax Event

- > By borrowing against your existing portfolio, you can increase the size of your investment without having to sell your existing portfolio and potentially create a capital gains tax event.

Franking Credits

- > Australian shares often generate franked dividends which yield imputation credits that may be used to offset tax liability on distributions grossed up by franking credits and to the extent there is an excess then to offset other tax liabilities. The utilisation of franking credits is subject to the holding period rule.

Tax Planning

- > Interest can be paid up to 12 months in advance and you may be able to get an additional tax deduction for the prepaid interest in the current financial year (subject to your ability to satisfy the tax prepayment rules), therefore reducing your tax liability in the current year.
- > Releasing equity in your investments through gearing allows you to sell your assets and defer capital gains tax to a time when your marginal tax rate is lower, such as in retirement.

Tax laws are complex and may change over time, possibly with retrospective application. You should consult a tax specialist or your financial adviser regarding your tax situation.

Regular investing

- > Particularly in times of high volatility, a regular investment approach may smooth out returns. This can be achieved through a regular gearing plan that can be established on your BT Margin Loan, whereby each month, you both drawdown against your margin loan and contribute your own funds towards additional investments.

Flexibility

- > A BT Margin Loan can assist you in managing your cashflow to meet your individual requirements by offering a choice of fixed or variable interest rates, the option to prepay interest on fixed loans, or capitalise interest where your loan limit allows it.

Using call options to enhance your investment strategies

- > A BT Margin Loan lets you write call options against stocks held as security on your loan. This allows you to access investment strategies that may provide additional income opportunities.

Part 3

Understanding the risks of margin lending

As we have mentioned, while gearing can magnify the potential for gains, it also magnifies the potential for losses. It's therefore important to understand both the risks involved and how you can manage those risks. For this reason, we recommend that you discuss these with your financial adviser and ensure that you're familiar with the terms and conditions of BT Margin Loan.

Like any investment, investing in a BT Margin Loan involves some risks. Some of these risks are:

- > While borrowing to invest more money in shares and managed funds can increase your potential returns, it can also increase potential losses.
- > The value of securities may not go up, or, if they go up, the increase in value may not be sufficient to cover the costs of the investment. If the value of the securities falls, you may go into margin call which, if not satisfied, could result in securities being sold to satisfy the margin call.
- > Interest, fees and charges apply. You need to ensure that you can fund your obligations under your loan and any interest on the loan (including the payment of any interest, fees and charges).
- > If you do not meet your obligations as and when they fall due, your securities may be sold to satisfy these obligations.

- > You should also consider the taxation consequences. Investors should seek independent professional tax advice on any taxation matters.

This is not a full description of all risks associated with investing in a BT Margin Loan.

As a falling market may affect the value of the investments in your portfolio, it's essential to understand the concepts of LVRs, the buffer and margin calls.

Careful management of your loan can help to mitigate your risks.

Strategies for minimising risk

One way to manage the risk of a margin call is to borrow less than the available funds in your loan account.

The following example shows how, rather than gearing to the maximum LVR of 70%, you may choose to gear to, say 50% or 30%. This means that the market value of your portfolio has to fall a lot further to trigger a margin call.

	70% geared	50% geared	30% geared
Own funds invested	\$30,000	\$30,000	\$30,000
Borrowed funds	\$70,000	\$30,000	\$12,857
Portfolio value	\$100,000	\$60,000	\$42,857
Maximum LVR	70%	70%	70%
Borrowing limit	\$70,000	\$42,000	\$30,000
Portfolio value fall needed to trigger a margin call	12.5% to \$87,500	37.5% to \$37,500	62.5% to \$16,071

In addition to this 'borrow less' strategy, other ways to reduce your risk include:

- > **Develop a plan** – think about how you would deal with a margin call, such as which additional securities you could lodge, which securities you would be prepared to sell and what money you could access at short notice.
- > **Make regular interest payments** – while adding interest costs to your loan balance (capitalising the interest) may be convenient, paying your interest reduces the likelihood of your current LVR exceeding your maximum LVR.
- > **Keep an eye on your investments** – to ensure your level of borrowing is appropriate for your situation; you and your adviser should evaluate your portfolio on an ongoing basis.
- > **Reinvest your income** – you can offset interest charges and increase your borrowing limit by reinvesting your share dividends and managed fund distributions.
- > **Diversify your investments** – this means spreading your investments across market sectors, which may reduce the risk that poor performance in one investment will reduce your total return.

You should also make sure we have your latest contact details in case your loan enters the buffer or triggers a margin call. Sign up for free email and/or SMS alerts so we can contact you wherever you are.

Some key Concepts

Buffer – is an amount above your borrowing limit, which lets you absorb small market fluctuations without triggering a margin call. The current buffer for standard BT Margin Loans is generally 10% of total market value.

Loan to value ratio (LVR) – is the percentage of an investment's market value that we'll lend you. An LVR is allocated to each of the approved shares and managed funds held on your margin loan. These can be changed at any time without notice.

Margin call – is triggered when your loan balance exceeds your borrowing limit by more than the buffer. If you receive a margin call, you need to bring your loan balance back under your borrowing limit – usually within a two-day period – or we may sell your securities to do this. You can sign up for our email/SMS buffer and margin call alerts to get instant information.

Further details on LVRs, buffers and margin calls are found in Part 6. A full glossary is also available on page 15.

Part 4

A BT Margin Loan at a glance

Loan Types

Standard BT Margin Loan

- > minimum loan is \$20,000
- > no minimum requirement for cash advances or loan draw-downs
- > no minimum amount for loan repayments
- > cash advances for investment purposes
- > extensive list of approved securities.

Who can borrow?

- > Individuals and joint parties – Australian residents for tax purposes
- > Australian Proprietary companies
- > Family, discretionary or testamentary trusts.

Credit assessment: When you request a credit limit, we'll assess your financial situation to determine whether the credit limit is suitable for you.

Flexible security structure: The security can be in the names of individuals, joint borrowers and third party security providers. This could help with your tax planning.

Fees

- > No monthly account-keeping fees
- > No establishment fees (unless you are applying as a company or trustee)

Interest rate options

Choose between variable rate or fixed rate:

- > **Variable rate** – calculated daily on loan balance and charged monthly in arrears, or
- > **Fixed rate** – either paid in advance, or monthly in arrears, or monthly in arrears on nominated terms from three months to five years. Prepaid interest is non refundable and there may be break costs if the fixed term is broken early.

Payment options: Interest can be paid by direct debit or BPAY®. You can also capitalise the interest to your variable rate loan subject to the facility terms and conditions.

How much can you borrow?

The amount you can borrow with a BT Margin Loan is determined by your credit limit and the value and composition of the shares, managed funds or cash you provide as security.

You'll be assessed for your requested credit limit based on your financial position. The credit limit is the maximum your loan can reach, regardless of your borrowing limit.

To work out your borrowing limit (or maximum LVR), we apply a percentage or LVR to the value of the security. As long as your loan is within your credit limit, you can borrow up to the maximum LVR in your loan account.

Your Contribution

Using an existing portfolio

If you use your existing portfolio of investments as security for your loan, then your borrowing limit is determined by the LVR associated with the existing portfolio of investments combined with our assessment of your ability to afford the facility.

The table below shows the amount you may be able to borrow based on the LVR on existing stocks.

How much you can borrow to invest using existing shares or managed funds as security

How much you can borrow ¹	Value of your security = \$30,000		
	If your existing security has an LVR of 50%	If your existing security has an LVR of 60%	If your existing security has an LVR of 70%
	\$30,000	\$45,000	\$70,000

¹ Table assumes that borrowed funds are used to buy investments with the same LVR as the existing security, and that the new investments are also added to the loan account as security.

If you have shares with a value of \$30,000 and an LVR of 60%, the amount you can borrow is $60\% \times \$30,000 = \$18,000$.

If you're going to invest all of that \$18,000 of available funds into further security for the loan (and that security has an LVR of 60%), you can continue to borrow up to a maximum of \$45,000. This is called the multiplier effect.

The formula to work out how much you can borrow to invest against an existing portfolio is below:

$\frac{\text{Security value} \times \text{LVR}}{(1 - \text{LVR of security you will invest in})}$	=	Total amount you can borrow
$\frac{\$30,000 \times 0.60}{(1 - 0.60)}$	=	\$45,000

Example 1: Susie and Matt have a portfolio of managed funds worth \$30,000, with an LVR of 70%. If they lodged their managed funds as security for a margin loan, they could borrow $70\% \times \$30,000 = \$21,000$.

If they used the \$21,000 of available funds to invest into the same managed funds, they could borrow up to \$70,000 (using the formula above). Their total investments would be \$100,000 of managed funds, with a loan of \$70,000.

Using cash as your initial contribution

If you don't have an existing portfolio and would like to use cash, the amount you can borrow to invest is determined by the LVR of the security you intend to buy.

How much you can borrow to invest using cash as your initial contribution

How much you can borrow ¹	Value of your security = \$30,000		
	If the security you intend to buy has an LVR of 50%	If the security you intend to buy has an LVR of 60%	If the security you intend to buy has an LVR of 70%
	\$30,000	\$45,000	\$70,000

Example 2: John has \$30,000 in cash and wants to use a margin loan to invest in shares. He lodges the cash in his margin loan account and chooses to buy shares with an LVR of 60%. He is able to borrow up to \$45,000 to buy up to a total of \$75,000 worth of shares.

The formula to work out how much you can borrow is below:

$\frac{\text{Initial cash contribution}}{(1 - \text{LVR of security you will invest in})}$	=	How much you can invest in total
<p>How much you can borrow = how much you can invest in total – your initial cash contribution</p>		

Part 5

Managing your Margin Loan

Draw down your loan when you're ready: You can set up your facility and add securities when you're ready to invest.

Acceptable securities list (ASL): You can choose from a comprehensive range of investments, including shares, managed funds, ETFs, managed accounts and wraps, with a range of LVRs.

Trading: You can trade while your account stays within the agreed limits.

Adviser of your choice: You can use the stockbroker¹ or financial adviser of your choice.

Online access to your account: A secure password gives you and your adviser online access to a wide range of account details, 24 hours a day, 7 days a week².

Updated stock prices: See the true market value³ of your ASX-listed securities.

Simulate trades: We have a tool that lets you see the impact on your account of buying or selling securities (before you trade).

Investment strategy options

Regular gearing: Investing borrowed funds supplemented by your own funds is an effective way to build up your investments on a regular basis.

- > available with Standard BT Margin Loan
- > minimum loan is \$2,500
- > minimum initial investment \$1,000 per managed fund
- > minimum monthly loan advance \$250
- > minimum monthly investment of \$250 per managed fund.

Flexibility

No limit to the number of times you can transact.

1. Some online-only brokers are not available.

2. Subject to systems availability and maintenance.

3. Pricing is delayed 20 minutes behind the ASX.

Managing the risks

Buffer: The buffer lets you absorb small market movements above your borrowing limit without triggering a margin call. You can choose to be alerted via SMS or email (or both) if your account is within the buffer.

Margin call alerts: A margin call is triggered when your loan balance exceeds your borrowing limit by more than the buffer. You can choose to be alerted via SMS or email (or both) if your account has reached a margin call.

Statements and reporting

Your quarterly statement provides complete details of your BT Margin Loan, together with your overall portfolio position.

Statements can also be seen online and are available on request from our Account Management Team. You can also nominate your adviser to receive copies of your statements.

Statements clearly itemise:

- > Opening and closing balances, and available funds
- > Current market value of each security
- > Total market value of your portfolio
- > Maximum LVR of your portfolio – with and without the buffer
- > Your credit limit
- > Transactions for the month
- > Interest charged
- > Any payments made by you.

Cash Management Account

Opening a Cash Management Account (CMA)¹ and linking it to your margin loan lets you earn interest on any cash you have ready for future investment opportunities. You can also have your dividends directly credited to your CMA, which can be convenient if you regularly trade. The CMA is also a quick way to deposit money to your loan using internet banking or BPAY.²

As your CMA forms part of the security for your loan, withdrawals from this account must be arranged through us.

We'll open a CMA for you if you choose to take up regular gearing, as this is the account from which your regular contributions are deducted.

1. Accounts are held by BT (Queensland) Pty Ltd on trust for you.

2. Registered to BPAY Limited ABN 69 079 137 518.

Part 6

Understanding LVRs, the buffer and margin calls

What's a loan-to-value ratio (LVR)?

An LVR is assigned to each investment in your portfolio. The LVR is the percentage of the investment's market value that we'll lend you. These can be changed at any time without notice.

Your maximum LVR is the weighted average LVR in your portfolio.

What's the buffer?

As stock markets are by nature volatile, we provide a buffer to allow for small fluctuations in the market value of your portfolio to avoid triggering a margin call. This buffer is based on the market value of all the acceptable securities in your portfolio, multiplied by the percentage that we assign to each security. Our buffer is generally 10% of your portfolio market value. This means that small changes in the market or your loan balance won't trigger a margin call.

You're unable to borrow more money if this would put you into your buffer. If your loan reaches more than 50% of the buffer, we'll alert you via email or SMS.

What's a margin call?

A margin call is triggered when your loan balance exceeds your borrowing limit by more than the buffer we allow. If you get a margin call, you need to bring your loan balance back under your borrowing limit within a short period.

There are two ways to clear a margin call:

- > add more approved security, which can include cash; or
- > repay part of your loan.

If you don't meet your margin call within the required time-frame, we'll sell your securities to reduce your loan to within your borrowing limit.

That's why it's important you regularly monitor your loan account. The table on the following page illustrates how a fall in the market can increase the risk of a margin call.

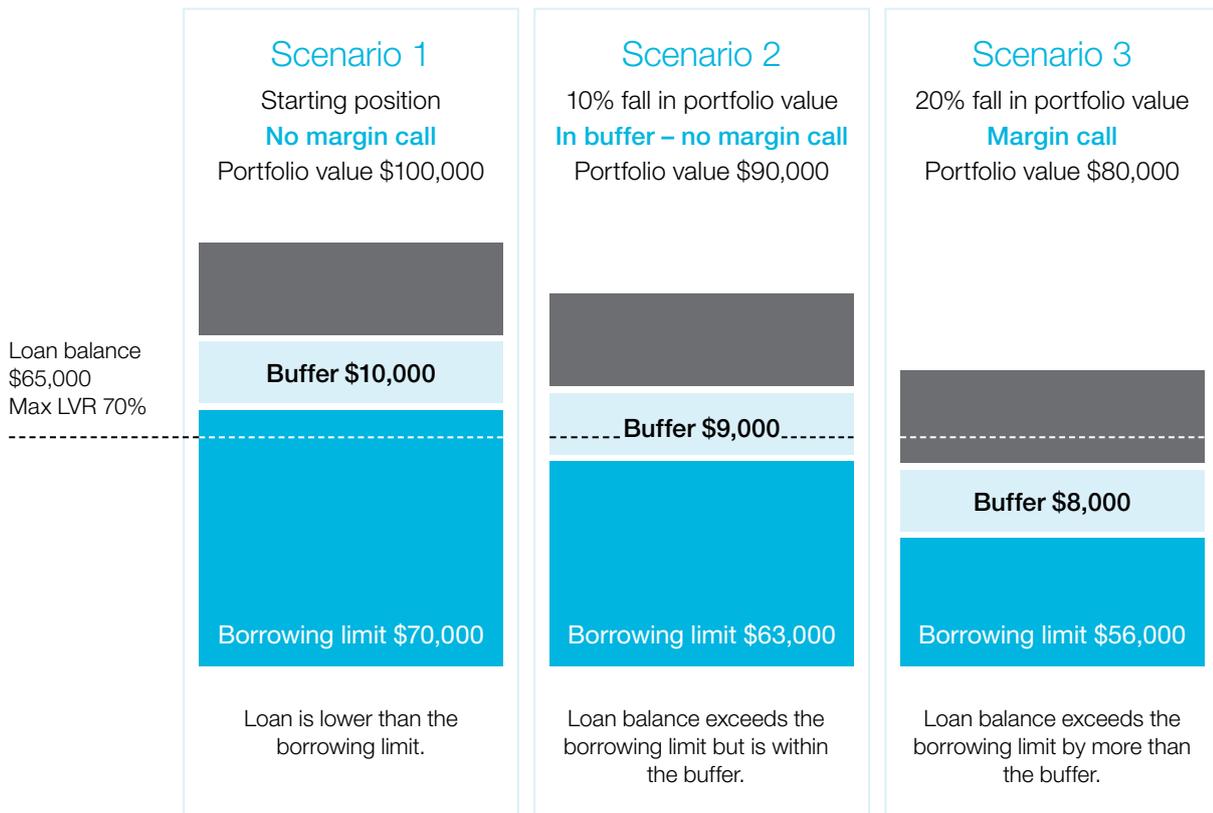
Scenario 1 shows the portfolio's value is \$100,000 with a loan balance of \$65,000.

Scenario 2 shows the portfolio's value at \$90,000 after a 10% fall, with the loan balance still at \$65,000 and within the buffer.

Scenario 3 shows the portfolio's value at \$80,000 after a 20% fall, with the loan balance still at \$65,000 and now in margin call. The loan needs to be restored to within the borrowing limit. This would mean paying \$9,000 cash, contributing sufficient additional security, or selling sufficient security and using the proceeds to pay down the loan.

It's also important to note that a margin loan is a 'full recourse' loan. This means that if the value of your investments falls to zero, you'll still be liable to repay the total loan balance.

How market falls can increase the risk of a margin call



Scenario 1 shows the portfolio's value is \$100,000 with a loan balance of \$65,000.

Scenario 2 shows the portfolio's value at \$90,000 after a 10% fall, with the loan balance still at \$65,000 and within the buffer.

Scenario 3 shows the portfolio's value at \$80,000 after a 20% fall, with the loan balance still at \$65,000 and now in margin call. The loan needs to be restored to within the borrowing limit. This would mean paying \$9,000 cash, contributing sufficient additional security, or selling sufficient security and using the proceeds to pay down the loan.

Part 7

Additional Margin Lending Strategies

Regular gearing – helping you build your wealth step by step

Regular gearing lets you take advantage of the benefits of margin lending by investing in managed funds on a regular basis. With flexible monthly contributions, consisting of borrowed funds and your own money, you can boost your investments for the future. You pay no additional fees.

Most of the funds in our ASL let you invest through regular gearing. While the maximum amount you can borrow is determined by the LVR of your portfolio, you can choose the level of borrowing that suits you (subject to your credit limit).

One of the major benefits of regular gearing is that it lets you take advantage of dollar cost averaging. This means taking advantage of longer-term market movements without trying to time the market. One month your money may buy more units in a managed fund and the next a little less. Overtime, the highs and lows usually even out.

Example – how a regular gearing investment plan can work for you

Say you have \$10,000 equity and want to invest into an Australian share fund. If you can afford to invest an additional \$500 per month and want to maximise your return over a ten-year period, you may consider the following options:

Option 1 – No regular gearing plan

Invest the initial \$10,000 and \$500 per month into the Australian share fund.

After ten years the total net value of the investment would be \$125,369.

Option 2 – Regular gearing plan

Combine the initial \$10,000 with a loan of \$10,000 to make an initial investment of \$20,000. You invest \$500 per month, as well as using regular gearing to invest an additional \$500 per month, ie borrow \$500 to create a total investment of \$1,000 per month. Based on the assumptions outlined in the table that follows, after ten years the total net value of the investment would be \$146,259 after paying back the loan balance of \$69,500.

The below table shows the potential returns from investing using a regular gearing plan.

Portfolio	Option 1 No regular gearing	Option 2 Regular gearing
Initial Investment	\$10,000	\$20,000
Regular monthly investment	\$500	\$1,000
After ten years		
Total amount invested	\$69,500	\$139,000
Value of investment portfolio	\$125,369	\$250,739
<i>Less loan balance</i>	Nil	-\$69,500
Value of investment portfolio (net of loan only)	\$125,369	\$181,239
<i>Interest paid (8.80%)</i>	Nil	-\$34,980
Value of investment portfolio (net of loan and interest)	\$125,369	\$146,259
Return on investment	80%	110%

Assumptions:

1. Initial own investment \$10,000 for both strategies.
2. Monthly contributions of \$500 for both strategies.
3. Initial borrowed funds \$10,000 for regular gearing strategy with monthly loan draw downs of \$500.
4. Growth of 10% p.a. (this assumption is for illustrative purposes only, it is not a reflection of actual market performance)
5. Margin loan interest of 8.80% which is equal to the average BT margin lending headline rate over the 10 year period January 2006 – December 2015.
6. Franking credits, tax and other fees and charges have been excluded. Taxation consequence of dividends have been ignored.
7. Any change in assumptions could significantly alter the results.
8. Capital gains tax consequences are not considered in this example. It is recommended you should seek independent professional tax advice before investing.

Call options – the option to maximise your investments

Writing call options gives you the potential to earn additional income from the investments in your portfolio. When you write a call option on shares in your portfolio, you're selling the right – but not the obligation – to buy those shares at a specified price within an agreed time-frame. In return, you're paid a guaranteed premium.

The agreed selling price of the shares (known as the exercise or strike price) is available to the buyer, should they proceed, up until the agreed expiry date.

If the share price remains around the same as or slightly lower than the selling price on or before the expiry date, the buyer is unlikely to exercise their right to buy your shares. This means you keep your shares while still earning income from the call options premium – income that can be used to help pay loan interest, reduce your loan balance or be re-invested.

However, if the share price is higher than the selling price on or before the expiry date, the buyer is likely to exercise their right to buy your shares. This means you sell your shares at a lower price than the market price.

Your financial adviser can advise you on the benefits and risks of using a call options strategy in your margin loan account.

Applying for a BT Margin Loan

Speak to a Financial Adviser

Talk to a financial adviser if you need help, a financial adviser can recommend an investment strategy that covers tax planning, risk management, choice of investments and the amount of gearing appropriate for your situation.

To apply directly

To apply Call us on 1800 816 222, Monday to Friday, 8.00am to 6.30pm (Sydney time) or go to www.bt.com.au/MLapply.

Glossary

Approved securities list (ASL) — is our current list of all securities, and their loan to value ratios (LVRs), that you can borrow against with your margin loan. See it here: www.bt.com.au/MLas

Available funds — is the amount available to draw down from your loan for further investment. This is determined by the lower of your borrowing limit and credit limit, less the loan balance.

Borrowing limit — is the maximum your loan balance can reach based on the securities in your portfolio (different from your credit limit — see below). It's calculated by multiplying each investment's market value by its LVR. The borrowing limit will fluctuate based on changes in the market value and LVR.

Buffer — is an amount above your borrowing limit, which lets you absorb small market fluctuations without triggering a margin call. The current buffer for standard BT Margin Loans is generally 10% of total market value.

Credit limit — is the maximum amount we will lend a borrower under the facility. The credit limit you request in your application is subject to approval based on an assessment of your financial position.

Facility — is another way of referring to your margin loan account.

Loan balance — is the amount you've borrowed.

Loan to value ratio (LVR) — is the percentage of an investment's market value that we'll lend you. An LVR is allocated to each of the approved shares and managed funds held on your margin loan. These can be changed at any time without notice.

Margin call — is triggered when your loan balance exceeds your borrowing limit by more than the buffer. If you receive a margin call, you need to bring your loan balance back under your borrowing limit — usually within a two-day period — or we may sell your securities to do this. You can sign up for our email/SMS buffer and margin call alerts to get instant information.

Security — is any assets that are offered to secure the loan and which may be sold if the loan balance is not paid back in the event of a default or margin call.

Third party security — is simply using another person's (or company's) investments as security for your loan.

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For more information



bt.com.au



GPO Box 3917 Sydney NSW 2001



(02) 9274 5782

If you are a direct investor



1800 816 222

Monday to Friday 8.00am to 6.30pm (Sydney time)



client.marginlending@btfinancialgroup.com

If you are a financial adviser



1800 671 409

Monday to Friday 8.00am to 6.30pm (Sydney time)



adviser.marginlending@btfinancialgroup.com

BT Securities Limited ABN 84 000 720 114 AFSL 233722 and Westpac Banking Corporation ABN 33 007 457 141 AFSL 233714 ('Westpac') are together the issuers of the BT Margin Lending Margin Loan – Product Disclosure Statement dated 1 July 2013 ('BTML PDS'). The BTML PDS is available at www.bt.com.au. This information is for informational purposes only. It should not be considered a comprehensive statement on any matter and does not constitute financial product advice. Before acting on this information you should seek independent financial and taxation advice. 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. Examples and projections given are for illustrative purposes only and cannot be relied upon as any indication of the outcomes of investment. Any projections given above are predictive in character. Whilst every effort has been taken to ensure that the assumptions on which any examples or projections are based are reasonable, the examples or projections may be affected by incorrect assumptions or by known or unknown risks and uncertainties. The results ultimately achieved may differ substantially from these examples or projections. Neither Westpac Banking Corporation nor any of its respective directors, officers, employees, associates or its subsidiaries guarantee or give any assurance in regard to the capital value, income return or performance of any securities or investments acquired through or in relation to a BT Margin Loan.