

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS (THIRD REPORT)

Westpac Banking Corporation

WBC23QW: Please provide the committee with details of the services provided by each associated entity, platform or service provider that manages or holds any element of the funds of the Westpac Mastertrust.

Answer: The providers are shown in the legal structure diagram provided in response to WBC22QW and further detail on each entity is set out in the table below.

# ¹	Provider	Services Provided	Detail on Services Provided	Legal Arrangement
1	Westpac Securities Administration Limited (WSAL)	Trustee/RSE licensee	WSAL is the RSE licensee and the trustee of WMT. As the trustee, WSAL is responsible for managing the fund in compliance with superannuation law. This includes the management of service providers, determining product design and managing any changes required to the products as a result of changes to the legislation or regulations.	Westpac MasterTrust – Superannuation Division trust deed

¹ The numbering in this table corresponds with the numbering in the legal structure diagram in Appendix 1 to WBC22QW.

# ¹	Provider	Services Provided	Detail on Services Provided	Legal Arrangement
2	Westpac Life	Life insurance investment policy issuer	<p>All assets of WMT are invested in life insurance investment policies issued by Westpac Life. Westpac Life invests the assets in its No.2 statutory fund. The investment options invested through this policy includes the MySuper investment options and a broad range of investment options with asset classes including cash, fixed interest, property and shares.</p> <p>The risk-only products available under WMT (i.e. BT Protection Plans) do not have any assets invested or held through the life insurance policies (with the exception that Statutory Fund 1 does hold assets for capital and operational purposes) as these products do not have an investment component. The Term Life as Super and Income Protection as Super are issued under statutory fund No.1.</p>	Life insurance investment policies
3	BTIM, BTFM, BTFM2 and external fund managers	Funds management	<p>The WMT products provide a range of investments to members including the MySuper investment options (for BT Business Super) and a broad range of investment options with asset classes including cash, fixed interest, property and shares.</p> <p>The investment options are professionally managed by entities internal to Westpac (such as BT Funds Management Limited) as well as external entities.</p>	WMT as investor in the underlying investment options
4	HSBC	Custodian	HSBC as the custodian holds legal title to the assets of WMT.	Custodial Agreement

# ¹	Provider	Services Provided	Detail on Services Provided	Legal Arrangement
5	Westpac Life Insurance Services Limited	Administrator	Westpac Life is responsible for the administration of the WMT products (excluding risk-only products available under the BT Protection Plans). The Administrator has been appointed by WSAL as the trustee to administer the products, underlying systems and to provide associated services.	Administration Deed Insurance Management Services Agreement
6	AIA Australia Limited ABN 79 004 837 861, AFSL 230043 (AIA)	Group Insurance	For BT Business Super only, insurance is provided under a group policy issued by AIA to WSAL. AIA will be the insurer for the period up to and including 31 December 2017. Westpac Life will be the issuer of the BTBS group policies with effect from 1 January 2018.	No.1 statutory fund Group Life (Death & TPD) Insurance Policy 'Standard Cover' (MP8119) Group Life (Death & TPD) Insurance Policy 'Tailored Cover' (MP9878) BT Business Super: Group Salary Continuance Insurance Policy (MP9878) Group Insurance Takeover Deed in respect of the change of insurer with effect from 1 January 2018

# ¹	Provider	Services Provided	Detail on Services Provided	Legal Arrangement
7	Westpac Life Insurance Services Limited	Retail Insurance Group Insurance	The Westpac Lifetime Superannuation Service and the two risk-only policies available under the BT Protection Plans (Term Life as Super and Income Protection as Super) are provided under insurance policies issued by Westpac Life to WSAL.	No.1 statutory fund Income Protection as Superannuation Insurance Offer Agreement Service and Administration Deed