

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS
REVIEW OF THE FOUR MAJOR BANKS AND OTHER FINANCIAL INSTITUTIONS
SUPERANNUATION SECTOR**

BT - Westpac

BT3QW: Details of all ASIC fines and infringement notices incurred over the past five years.

Answer: BT Funds Management Limited (**BTFM**) has received two infringement notices from ASIC within the 5 year period:

1. A4447122 issued to BTFM on 19 May 2015 under section 12GXA of the Australian Securities and Investments Commission Act 2001 (ASIC Act). There was a \$10,200 penalty payable under the notice in relation to the alleged contravention of s12DB(1)(e) ASIC Act (false or misleading representation that the BT super product advertised had generated greater returns than **all** industry funds over the period); and
2. A4447124 issued to BTFM on 19 May 2015 under section 12GXA of the ASIC Act. There was a \$10,200 penalty payable under the notice in relation to the alleged contravention of s12DB(f) ASIC Act (false or misleading representation likely to lead ordinary and reasonable consumers to believe BT had an affiliation with Industry Super Australia Pty Ltd when BT did not).

In both instances, BTFM complied with the terms of each infringement notice by paying the penalty under the notice and no further action was taken by ASIC with respect to the alleged contraventions.

Background

In mid-2014 BT Financial Group (**BT**) launched an advertising campaign for a limited period highlighting the past investment performance of one of its superannuation products BT Super for Life in comparison to other superannuation funds, including industry superannuation funds. The campaign included television and social media advertisements.

ASIC investigated the advertising and it was identified that some online search advertising made available through google.com.au (and potentially yahoo.com.au through commercial arrangements with Google) made certain representations that were potentially false and misleading. This was a result of internal administrative errors and process breakdowns between BT and a third-party supplier publishing some of the online advertisements.

The infringement notices were issued following this investigation.