

→ **BT Wholesale Partner International
Shares Value 1 Fund
Product Disclosure Statement (PDS) Update, 14 December 2009**

This notice updates the information contained in the BT Wholesale Partner International Shares Value 1 Fund Product Disclosure Statement (PDS) dated 23 September 2005 issued by BT Funds Management Limited (BT) ABN 63 002 916 458, Australian Financial Services Licence No 233724.

This PDS Update has been issued by BT following a change to the underlying investment manager for the BT Wholesale Partner International Shares Value 1 Fund. We have also updated the reference made in the PDS to the use of asset consultants.

1_ Investment approach

The last sentence in the paragraph under the "Investment approach" section on page 4 of the PDS is replaced with the following.

We may also use the services of an asset consultant in our investment process to provide independent consulting services and manager research.

2_ Investment manager

The Investment manager section on page 4 of the PDS is replaced with the following.

Investment manager

Tradewinds Global Investors, LLC

Tradewinds is a specialist global equities manager based in Los Angeles. As at 30 September 2009, they manage over \$24 billion USD in assets across an array of actively managed strategies on behalf of institutional, high net-worth and managed account clients.

Tradewinds is an independently managed subsidiary of Nuveen Investments, an investment management firm established in 1898. On November 13, 2007, Nuveen Investments was acquired by investors led by Madison Dearborn Partners, LLC ("MDP"), which is a private equity firm based in Chicago.

Tradewinds' investment process

Tradewinds is a research driven, fundamentals based manager employing a value-orientated investment process that is designed to find appealing investment opportunities across all market capitalisations anywhere across the globe. The process employs seasoned, successful investment professionals forming strong convictions leading to a portfolio that can be very different to that of the benchmark.

Tradewinds opportunistically seeks to identify undervalued companies considering absolute valuation and security pricing in the context of industry and market conditions. The investment process seeks to add value through bottom-up research aimed at selecting undervalued securities that are believed to be mispriced, misperceived or under-followed, and that have the prospect of strong or improving business fundamentals. Tradewinds' disciplined, value-oriented investment strategy focuses on rigorous financial statements and valuation analysis, qualitative factors and portfolio downside protection. Tradewinds maintains a long-term but flexible investment approach and a focus on securities it believes can appreciate over an extended time, regardless of interim fluctuations.

3_ Investment manager

The Consents section on page 16 of the PDS is replaced with the following.

Consents

Tradewinds has consented to being named in this PDS and to statements based on information provided by them being included in this PDS in the form and context in which they appear.

Tradewinds have not issued, or caused the issue of this PDS, is not responsible for any statements which are not referable to them and have not withdrawn their consent before the date of on which this PDS was updated to include information about them.