

→ **BT Investment Funds**  
**Fifth Supplementary Product Disclosure Statement**  
**Dated: 27 November 2009**

Issued by: BT Funds Management Limited (ABN 63 002 916 458, AFSL 233724), BT Funds Management No. 2 Limited (ABN 22 000 727 659, AFSL 233720) and Westpac Financial Services Limited (ABN 20 000 241 127, AFSL 233716).

This is a Fifth Supplementary Product Disclosure Statement ('Fifth SPDS') to the BT Investment Funds Product Disclosure Statement dated 6 September 2006 and should be read in conjunction with the Product Disclosure Statement as amended by the Supplementary Product Disclosure Statement dated 13 August 2007, the Second Supplementary Product Disclosure Statement dated 31 December 2008, the Third Supplementary Product Disclosure Statement dated 27 April 2009 and the Fourth Supplementary Product Disclosure Statement dated 10 July 2009 ('PDS').

This Fifth SPDS provides important information affecting new and existing investors in relation to the following Investment Options:

- BT External Diversified 3 (ARSN 105 252 524) which is referred to in the PDS as the Investment Option known as UBS Defensive Investment, and
- BT External Australian Shares 2 (ARSN 105 252 202) which is referred to in the PDS as the Investment Option known as UBS Australian Share.

**Changes effective 27 November 2009**

Effective 27 November 2009, the following changes will be made to UBS Defensive Investment and UBS Australian Share:

- change of investment manager
- change of Investment Option name
- change of Investment Option profile.

**Change of investment manager**

The investment manager of UBS Defensive Investment will change to Perpetual Investment Management Limited ('Perpetual Investments').


The investment manager of UBS Australian Share will change to Integrity Investment Management Australia Limited ('Integrity').

The PDS is amended by adding the following investment manager profiles to the section 'Investment Option profiles' commencing in page 13 of the PDS:

**Investment in the BT Investment Funds**


BT Funds Management Limited, BT Funds Management No. 2 Limited and Westpac Financial Services Limited are members of the Westpac Group. An investment in any Investment Option offered in the PDS is not an investment in, deposit with, or any other liability of, Westpac Banking Corporation ABN 33 007 457 141 (the Bank) or any other company in the Westpac Group. It is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested. The Bank is not the issuer of any Investment Option. Neither the Bank nor any other company in the Westpac Group stands behind or otherwise guarantees the capital value or investment performance of any Investment Option offered in the PDS.

## Perpetual Investments

	<b>Established</b> 1971
	<b>Funds under management and administration</b> \$28.4b (as at August 2009)

Perpetual Investments is one of Australia's leading investment managers, with \$28.4 billion in funds under management (as at 31 August 2009). Perpetual Investments is part of the Perpetual Group, which has been in operation for more than 120 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual Investments has been able to help generations of Australians manage their wealth.

## Integrity

	<b>Established</b> 2007
	<b>Funds under management and administration</b> \$3.1b (as at September 2009)

Integrity Investment Management Australia Limited is a specialist Australian shares manager. The firm was founded in 2007 by Paul Fiani, formerly Managing Director and Head of Australian Equities at UBS Global Asset Management, and now manages over \$3.1 billion for its clients, which include some of Australia's largest superannuation funds and companies.

### Change of Investment Option name

As a result of the change in investment manager above, from 27 November 2009:

- UBS Defensive Investment will be known as Perpetual Conservative Growth and accordingly, all references in the PDS to UBS Defensive Investment are replaced with Perpetual Conservative Growth.
- UBS Australian Share will be known as Integrity Australian Share and accordingly, all references in the PDS to UBS Australian Share are replaced with Integrity Australian Share.

### Change of Investment Option profile

The table below replaces the information relating to 'UBS Defensive Investment' in the section entitled 'Investment Option profiles' on page 19 of the PDS:

Fund (from 27 November 2009)	Perpetual Conservative Growth
<b>Investment objective</b>	The Fund aims to achieve moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed income securities.
<b>Investment strategy</b>	The Fund invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments) <sup>1</sup> . Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the Fund may adjust its exposure to these three asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes or in part to external managers. Derivatives may be used in managing each asset class. <sup>2,3</sup>
<b>Investment manager</b>	Perpetual Investments
<b>Benchmark</b>	Composite <sup>4</sup>

1\_Perpetual may allocate up to 30% of the portfolio to other investments which may include infrastructure, mortgages (including mezzanine mortgages) and alternative investments such as private equity, opportunistic property, hedge funds, specialist credit, commodities, and diversified beta funds. The additional exposure to other assets enhances the Fund's diversification and may help reduce volatility.

2\_Derivatives may be used to manage actual and anticipated interest rate and credit risk, currency risk and credit exposure. They may also be used for hedging, arbitrage, as a replacement for trading a physical security and for managing the duration of the fund.

3\_Derivatives may be used to:  
— Adjust currency exposure (where appropriate)

— Hedge selected shares or securities against adverse movements in market prices  
— Gain exposure to the relevant indices  
— Gain short term exposure to the market  
— Build positions in selected companies or issuers of securities as a short term strategy to be reversed as the physical positions are built up  
— Create a short term exposure to a stock for Funds authorised to take net negative positions.



<b>Asset allocation neutral position (NP) and ranges</b>		<b>Range</b>
	Australian shares <sup>5</sup>	0–25
	International shares <sup>6</sup>	0–20
	Property	0–10
	Fixed Income	25–55
	Enhanced cash <sup>7</sup>	15–45
	Other investments <sup>1</sup>	0–30
<b>Investment manager's currency strategy</b>	Currency hedges may be used from time to time	
<b>Distribution frequency</b>	Quarterly	
<b>Average annual % returns to 31 May 2006</b>	Due to the change of investment manager on 27 November 2009, long term performance is not directly comparable.	
<b>1 year returns % to 31 May</b>	Due to the change of investment manager on 27 November 2009, long term performance is not directly comparable.	

The table below replaces the information relating to 'UBS Australian Share' in the section entitled 'Investment Option profiles' on page 30 of the PDS:

Fund (from 27 November 2009)	Integrity Australian Share	
<b>Investment objective</b>	The Fund aims to outperform its benchmark through the full investment cycle.	
<b>Investment strategy</b>	The Fund invests in a diversified portfolio of stocks listed on the Australian Securities Exchange to protect clients from having too much exposure to one single stock or sector.	
<b>Investment manager</b>	Integrity Investment Management Australia Limited	
<b>Benchmark</b>	S&P/ASX 300 Accumulation Index	
<b>Asset allocation neutral position (NP) and ranges</b>	<b>Range</b>	
	Australian shares	90–100
	Cash and other	0–10
<b>Investment manager's currency strategy</b>	Not applicable	
<b>Distribution frequency</b>	Half-yearly (June and December)	
<b>Average annual % returns to 31 May 2006</b>	Due to the change of investment manager on 27 November 2009, long term performance is not directly comparable.	
<b>1 year returns % to 31 May</b>	Due to the change of investment manager on 27 November 2009, long term performance is not directly comparable.	

## Consents

Integrity Investment Management Australia Limited and Perpetual Investment Management Limited have provided their consent to the statements about them in the form and context in which they are included in this Fifth SPDS, and have not withdrawn their consent before the date of this Fifth SPDS.

4\_A composite benchmark comprises of indices matched to the relevant sectors, weighted accordingly to asset allocation of the Fund.

5\_The Fund gains its exposure to Australian shares by investing in an underlying Australian share fund which has an investment universe that allows

it to invest in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks outside of Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practicable. The investment guidelines showing the Fund's

maximum investment in international shares do not include this potential additional exposure.

6\_International shares may also include emerging market shares.

7\_This Fund may invest in enhanced cash funds that allow gearing.

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