

# BT Appoints Watson Wyatt as Multi-Manager Investment Consultant



BT Financial Group has appointed internationally recognised investment consultant, Watson Wyatt, to provide independent consulting services and manager research to its Investment Solutions Team.

Complementing the capabilities of BT's Investment Solutions team, research provided by Watson Wyatt will be used in the selection of investment managers for the group's Multi-manager and Partner funds and for the ongoing monitoring and review of managers within these products.

Watson Wyatt will also provide BT's Investment Solutions Team with capital markets, asset allocation and risk management advice as part of the consulting agreement.

BT's relationship with Watson Wyatt will provide the opportunity to form a strong partnership with an innovative and thought leading consultant, whose global research capabilities complement and enhance our own Investment Solutions team.

The consultant change takes effect on 1 July 2007. There will be no investment manager changes as a result of the appointment.

## Why is BT changing investment consultants?

Watson Wyatt replaces Intech Investment Consultants which was recently acquired by Skandia through its global parent, Old Mutual Group. BT has undertaken this change because Intech now forms the Australian Investment & Consulting Division of Skandia, with whom BT competes in the retail channel.

The consultancy change reflects BT's priority to act in the best interest of investors at all times and to partner with a leading investment consultant who can provide impartial and independent advice in the manager selection process.

BT's long relationship with Intech will continue in a number of areas, including product distribution in the retail and wholesale channels. BT Multi-manager funds will also continue to invest in the Intech International Shares High Opportunities Trust.

**Why did BT choose Watson Wyatt?**

Watson Wyatt Australia is a wholly owned subsidiary of Watson Wyatt Worldwide Inc, a public company listed on the New York and London Stock Exchanges. Watson Wyatt's only business is the provision of independent consulting advice. Their focus on delivering high quality, tailored advice to meet the needs of their clients has established their competitiveness as a provider of investment advice, with no conflicts from an implemented investment business.

Highly regarded in the institutional market, Watson Wyatt is a global player with significant research resources on the ground in the United States and Europe, as well as Australia. This scale allows them to undertake in-depth asset class and manager research across every major market.

**When does the consultant change take effect?**

Watson Wyatt's appointment will be effective from 1 July 2007. Intech will continue to provide BT with quality investment consulting advice until this time.

**How long is your contract with Watson Wyatt?**

The contract with Watson Wyatt is for a three year term.

**Why should I/my client stay in the BT Multi Manager funds?**

BT will continue to provide investors access to multi-manager investment funds that diversify across asset classes, investment managers and investment processes. Under our new consulting relationship, BT Investment Solutions team will work closely with Watson Wyatt to continue to provide the best outcome for clients.

**Ongoing management process – Multi Managers**

Multi-manager funds allow investors to select a single investment option that diversifies across asset classes, investment managers, and investment manager styles.

The multi-manager investment options provide exposure to a range of complementary investment managers who are considered amongst the best in their particular asset class. This provides diversification across various market and economic conditions, which helps to provide consistency in returns.

**How will you keep the process independent?**

Manager selection is a collaborative process between the Investment Solutions team and Watson Wyatt's Manager Research team.

For asset classes where Watson Wyatt has a demonstrated research capability and breadth of coverage, only Watson Wyatt 'Approved' managers (rated '1' or '2'), may populate the Investment Solutions 'Approved Managers List'.

Managers, to be eligible for selection, will be required (as they are now) to pass two layers of governance – firstly to earn a 'recommended rating' from Watson Wyatt, and secondly to be approved by the BT Investment Solutions team.



**What to do next**

- See your adviser.
- Visit [www.bt.com.au](http://www.bt.com.au).
- Call 132 135.
- Visit your local BT Investor Centre.