



15 September 2023

Dear Investor

## Important upcoming changes to the MLC Wholesale Inflation Plus – Assertive Portfolio

Account number(s):

We are making some changes to the **MLC Wholesale Inflation Plus - Assertive Portfolio** ARSN 117 295 315 (Trust).

As an investor in the Trust, we want to let you know what the changes are and why we are making them. The enclosed fund profile information page explains how the changes impact you and your investment.

You should read the information in this notice and consider if your investments are still suitable for you. Subject to final implementation review and approval, the changes will be effective from **30 November 2023**. No further action is required from you.

### Why we are making changes

IOOF and MLC are now part of one organisation—Insignia Financial<sup>1</sup>. The combination of our IOOF and MLC investment teams created an opportunity to align and improve product features. As we align our investment divisions, philosophy, and processes, we are making some changes so we can bring you a more contemporary investment offering.

Our changes aim to improve the way the Trust delivers to its investment objective and investors' interests.

### What are the changes?

- **Name of the Trust**  
For simplicity and to provide greater clarity on the investment objective and strategy of the Trust, we are changing the name of the Trust from MLC Wholesale Inflation Plus – Assertive Portfolio to MLC Real Return Assertive.
- **Suggested minimum timeframe to invest**  
The Trust discloses a range of 7 to 10 years as a suggested minimum timeframe for investment, we will remove the range and provide a more specific time period of 7 years that aligns with the Trust's investment objectives.

There is no change to either the risk profile or the nature of your investment because of these updates.

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<sup>1</sup> In this communication, MLC refers to MLC Investments Limited (the responsible entity of the Trust) together with the MLC Wealth business acquired by Insignia Financial Ltd from National Australia Bank Limited on 31 March 2021 (as relevant) and IOOF refers to Insignia Financial Ltd. References to "us" and "we" used throughout this letter, is a reference to MLC, as relevant.

- **Classification of asset classes**

Strategic asset allocations are disclosed using asset classes, which aim to group similar types of investments according to risks and benefits. We will update the asset class classifications of the Trust by disclosing the 'Private Equity' asset class as part of the broader 'Alternatives' asset class.

This change aims to promote asset class naming standardisation to assist in product comparison across similar products offered by MLC, IOOF and in the marketplace.

There is no change to either the risk profile or the nature of your investment because of these updates.

Please read the enclosed fund profile information pages to see how these changes apply to the Trust.

### Where to find more information

Subject to final implementation review and approval, these changes will be effective from 30 November 2023, and will be included in a new Product Disclosure Statement (PDS) also effective from 30 November 2023. To obtain a copy of the new PDS, please go to [mlcam.com.au](http://mlcam.com.au) from this date.

### Updated fees and costs information as part of our annual review

Separately to the proposed product changes described above, the fees and costs information in the PDS for the Trust has been updated to reflect the fees and costs information for the financial year to 30 June 2023. The updated fees and costs information can be found at [www.mlcam.com.au/MLCWholesale/pds](http://www.mlcam.com.au/MLCWholesale/pds) or you can request a copy free of charge by calling or emailing us.

The updated information reflects a variation in the estimated indirect costs, performance fees and transaction costs incurred by the Trust, which will impact the overall returns you receive from the Trust.

It is important to note that the update to fees and costs information is not a result of any specific decision we made. Rather, it reflects actual costs incurred by the Trust for the previous financial year (involving estimates where appropriate) and was determined as part of our standard annual review process.

The updated fees and costs are reflected in the enclosed fund profile information pages in the 'Before 30 November 2023' column.

### We are here to help

If you have any questions, please speak to your financial adviser or call our Client Services team on **1300 738 355** between 8.30am and 5.30pm AEST/AEDT Monday to Friday.

You can also email us at [client.services@mlcam.com.au](mailto:client.services@mlcam.com.au).

Yours sincerely



Amna Khan  
General Manager  
MLC Asset Management Product

### Important information

This information is provided on behalf of MLC Investments Limited, ABN 30 002 641 661 AFSL 230705 (MLCI) as Responsible Entity of the Trust. MLCI is a company within the Insignia Financial group which consists of Insignia Financial Ltd (ABN 49 100 103 722) and its related bodies corporate (Insignia Financial Group). The information in this communication is general in nature and provided for information purpose only. It is not intended to provide you with any financial advice or influence your investment decisions. It does not take into account your objectives, financial situation or needs. Because of that, before acting on this information, you should consider its appropriateness, having regard to your objectives, financial situation and needs, plus consider the relevant Product Disclosure Statement (PDS) in deciding whether to acquire or continue to hold an interest in the Trust. The PDS, together with the Target Market Determination for the Trust is available at [www.mlcam.com.au](http://www.mlcam.com.au) Any projection or other forward-looking statement (Projection) in this document is provided for information purposes only. No representation is made as to the accuracy of any such Projection or that it will be met. Actual events may vary materially. Opinions constitute our judgement at the time of issue and are subject to change. This information has been prepared based on information believed to be accurate as at 15 September 2023, however no guarantee of accuracy or reliability is given and to the extent permitted by law, no liability is accepted by MLCI or any other company within the Insignia Financial Group for any loss or damage incurred as a result of reliance on the information. Past performance is not a reliable indicator of future performance.

**MLC Wholesale Inflation Plus – Assertive Portfolio ARSN 117 295 315**

	<b>Before 30 November 2023</b>	<b>From 30 November 2023<sup>1</sup></b>
<b>Fund name</b>	MLC Wholesale Inflation Plus – Assertive Portfolio	<b>MLC Real Return Assertive</b>
<b>Investment objective</b>	<p>Aims to deliver a return of 4.5% pa above inflation (after management costs), subject to limiting the risk of negative returns over 7 year periods.</p> <p>This careful risk management approach means there may be times, such as when interest rates are unusually low, when the Trust requires an extended time period to achieve its return objective. In most circumstances the Trust is expected to provide positive returns over 7 year periods, although there will sometimes be negative returns over shorter periods.</p>	No change
<b>Minimum suggested investment timeframe</b>	7 - 10 years	<b>7 years</b>
<b>Risk measure</b>	Estimate of 5 to 6 negative annual returns in any 20-year period.	No change
<b>The Trust may be suited to you if:</b>	<ul style="list-style-type: none"> <li>• you are aiming to achieve a return above inflation but, more importantly, are concerned about losing money over a 5 year period</li> <li>• you understand the return achieved by the Trust may be significantly higher or lower than its objective</li> <li>• you want our investment experts to flexibly adjust the portfolio's asset allocation in accordance with their changing view of potential opportunities and risks in investment markets</li> <li>• you want to manage investment risk by diversifying across asset classes and strategies, and</li> <li>• you understand you may receive fluctuating levels of income.</li> </ul>	No change
<b>Benchmark</b>	Inflation is measured by the Consumer Price Index, calculated by the Australian Bureau of Statistics.	No change
<b>Management fees and costs<sup>2</sup></b> The fees and costs for managing your investment.	<p><b>Class A (APIR MLC0667AU)</b></p> <p>Estimated to be 1.01% pa of the Trust's net asset value, comprised of:</p> <p>1 A management fee of 0.95% pa of the Trust's net asset value</p> <p>2 Estimated indirect costs<sup>3</sup> of 0.06% pa of the Trust's net asset value</p> <p><b>Class B (APIR MLC0668AU)</b></p> <p>Estimated to be 1.95% pa of the Trust's net asset value, comprised of:</p> <p>1 An investment fee of 0.95% pa of the Trust's net asset value</p> <p>2 Estimated indirect costs<sup>3</sup> of 0.06% pa of the Trust's net asset value</p> <p>3 An administration fee of 0.94% pa of the Trust's net asset value</p>	No change
<b>Performance fees<sup>4</sup></b> Amounts deducted from your investment in relation to the performance of the product	Estimated to be 0.03% pa of the Trust's net asset value.	No change

<p><b>Transaction costs<sup>3</sup></b></p> <p>The costs incurred by the scheme when buying or selling assets</p>	<p><b>Class A (APIR MLC0667AU)</b></p> <p>Estimated to be 0.05% pa of the Trust's net asset value.</p> <p><b>Class B (APIR MLC0668AU)</b></p> <p>Estimated to be 0.06% pa of the Trust's net asset value.</p>	<p>No change</p>																																																															
<p><b>Buy-sell spread<sup>5</sup></b></p>	<p>Estimated to be 0.10% of the application amount on investments made in the Trust and 0.10% of the withdrawal amount on withdrawal from the Trust</p>	<p>Subject to change as part of standard buy-sell spread reviews.</p>																																																															
<p><b>Strategic asset allocation and ranges</b></p> <p>The actual asset allocation will move within these ranges.</p> <p>*Private equity will be moved and reclassified to the Alternatives asset class</p>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Minimum allocation</th> <th>Maximum allocation</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0%</td> <td>30%</td> </tr> <tr> <td>Fixed income</td> <td>0%</td> <td>50%</td> </tr> <tr> <td>Alternatives</td> <td>0%</td> <td>50%</td> </tr> <tr> <td>Infrastructure</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>Property</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>Global shares</td> <td>10%</td> <td>80%</td> </tr> <tr> <td>Australian shares</td> <td>0%</td> <td>40%</td> </tr> <tr> <td>Private equity*</td> <td>0%</td> <td>20%</td> </tr> <tr> <td><b>Growth assets</b></td> <td><b>40%</b></td> <td><b>100%</b></td> </tr> <tr> <td><b>Defensive assets</b></td> <td><b>0%</b></td> <td><b>60%</b></td> </tr> </tbody> </table>	Asset class	Minimum allocation	Maximum allocation	Cash	0%	30%	Fixed income	0%	50%	Alternatives	0%	50%	Infrastructure	0%	20%	Property	0%	20%	Global shares	10%	80%	Australian shares	0%	40%	Private equity*	0%	20%	<b>Growth assets</b>	<b>40%</b>	<b>100%</b>	<b>Defensive assets</b>	<b>0%</b>	<b>60%</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Minimum allocation</th> <th>Maximum allocation</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0%</td> <td>30%</td> </tr> <tr> <td>Fixed income</td> <td>0%</td> <td>50%</td> </tr> <tr> <td>Alternatives*</td> <td>0%</td> <td><b>65%</b></td> </tr> <tr> <td>Infrastructure</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>Property</td> <td>0%</td> <td>20%</td> </tr> <tr> <td>Global shares</td> <td>10%</td> <td>80%</td> </tr> <tr> <td>Australian shares</td> <td>0%</td> <td>40%</td> </tr> <tr> <td><b>Growth assets</b></td> <td><b>40%</b></td> <td><b>100%</b></td> </tr> <tr> <td><b>Defensive assets</b></td> <td><b>0%</b></td> <td><b>60%</b></td> </tr> </tbody> </table>	Asset class	Minimum allocation	Maximum allocation	Cash	0%	30%	Fixed income	0%	50%	Alternatives*	0%	<b>65%</b>	Infrastructure	0%	20%	Property	0%	20%	Global shares	10%	80%	Australian shares	0%	40%	<b>Growth assets</b>	<b>40%</b>	<b>100%</b>	<b>Defensive assets</b>	<b>0%</b>	<b>60%</b>
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<sup>1</sup> The implementation of the changes to the Trust contained in this document is subject to final implementation review and approval. Unless otherwise stated above, all other information in the Product Disclosure Statement (PDS) and respective information incorporated by reference remains unchanged.

<sup>2</sup> The management fees and costs, indirect cost, performance fees and transaction costs amounts disclosed in the 'Before 30 November 2023' column reflect the fees and costs included in an update to the Trust's PDS on 15 September 2023 available on [www.mlc.com.au/MLCWholesale/pds](http://www.mlc.com.au/MLCWholesale/pds). Where applicable, all fees are shown inclusive of GST and net of Reduced Input Tax Credits.

<sup>3</sup> Indirect costs and transaction cost amounts included in this document are based on actual costs incurred for the financial year to 30 June 2023 and involve estimates where information was unavailable at the date this document was issued and are included in the 'Before 30 November 2023' column.

<sup>4</sup> Estimated performance fees are calculated by reference to the average of the last five years' experience to 30 June 2023 where available or for new arrangements, a reasonable estimate for the current financial year has been used, adjusted to reflect a 12 month period and are included in the 'Before 30 November 2023' column.

<sup>5</sup> Buy-sell spreads may change from time to time. The latest buy-sell spreads can be found on our website at [mlcam.com.au](http://mlcam.com.au).