



MLC Wholesale Inflation Plus - Moderate Portfolio

Product Disclosure Statement

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Important information

This Product Disclosure Statement (PDS) summarises significant information about the MLC Wholesale Inflation Plus - Moderate Portfolio (Trust).

It also contains a number of references to important information in the MLC Investment Trust Product Guide (Product Guide) marked with an **I** symbol. The Product Guide is a separate document which forms part of this PDS. This PDS and the Product Guide contain important information you should consider before making an investment decision in relation to the Trust. The information provided in this PDS is general information only and does not take into account your personal financial situation or needs. We recommend you obtain financial advice for your own personal circumstances before making any investment decision.

These documents are available from www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements or you can request a copy free of charge by calling us or your investor directed portfolio service, master trust or wrap operator (collectively referred to as an 'IDPS' in this PDS). If you are accessing the Trust through the ASX mFund Settlement Service (mFund), you can also access this PDS at mFund.com.au. To invest directly in the Trust, you must have received the PDS (electronically or otherwise) within Australia or New Zealand and meet the eligibility requirements set out in the accompanying Product Guide. The content in these documents may change from time to time. You should check you have the most up to date version before making an investment decision. All amounts in these documents are in Australian dollars unless stated otherwise.

MLC Investments Limited, the trustee and responsible entity of the Trust, is a fully owned subsidiary within the National Australia Bank Limited Group of companies (NAB Group). No company in the NAB Group guarantees the capital value, payment of income or performance of the Trust. An investment in the Trust does not represent a deposit with or liability of the NAB Group and is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

References in this document to 'MLC', 'we', 'our' or 'us' should be read as references to MLC Investments Limited in its capacity as trustee and responsible entity.

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1. About MLC Investments Limited

MLC Investments Limited (MLC) is the trustee and responsible entity for the MLC Wholesale Inflation Plus - Moderate Portfolio (Trust).

As the responsible entity, we're responsible for all aspects of operating the Trust, including administration of the assets and investment policy.

MLC is a member of the National Australia Bank Limited Group of companies (NAB Group).

We believe the best way to manage our portfolios is to employ the skills of multiple specialist investment managers. We've appointed the NAB Group's retail multi-asset management business, NAB Asset Management Services Limited (NSL) to advise on and manage the Trust's investments. Our investment experts have extensive knowledge and experience at designing and managing portfolios using a multi-manager investment approach.

While NSL's name has changed through time, it's the same team of investment experts that's been advising on and managing our portfolios for decades.

Who you go through life with makes all the difference

MLC has been looking after the investment needs for generations of Australians.

Our experience has taught us the right solution for each investor is unique and their needs change over time.

We specialise in creating a diverse range of investment solutions so you can grow your wealth the way you want to.

And, we'll continually enhance our products and services to make the most of changing investment opportunities.

Investing with us

Our portfolios have different investment objectives because we know everyone has different ideas about how their money should be managed.

Our portfolios make sophisticated investing straightforward.

We use a market-leading investment approach to structure our portfolios with the aim of delivering more reliable returns in many potential market environments.

And, as our assessment of world markets changes, we evolve our portfolios to manage new risks and capture new opportunities.

We use specialist investment managers in our portfolios. Our investment experts have the experience and resources to find some of the best managers from around the world. Our investment managers may be specialist in-house managers, external managers or a combination of both.

Importantly, we stay true to the objectives of our portfolios so you can keep on track to meeting your goals.

Keeping up to date

The latest information on the Trust is available on our Fund Profile Tool at www.mlcinvestmenttrust.com.au. It's an easy to use, interactive tool that gives you greater insight into how your money is managed, where your money is invested, current investment managers and how your investments are performing.

2. How the MLC Wholesale Inflation Plus - Moderate Portfolio works

We've designed the MLC Inflation Plus portfolios to give you more confidence your investment will deliver the return you need to help meet your financial goals.

The Trust is one of three MLC Inflation Plus portfolios. Each aims to achieve a different return above inflation over a different time frame. This Trust aims to achieve its return above inflation over five years. Compared with the other MLC Inflation Plus portfolios, it has a moderate volatility and return profile.

Inflation, or the rise in living costs, reduces the purchasing power of your money over time. So to grow your long-term wealth, your investment needs to provide returns above inflation.

The Trust's focus on achieving above-inflation returns and managing the risk of significant negative returns means we manage it differently to most traditional diversified funds.

We invest in a broader range of assets and strategies. We also have the flexibility to make large changes to the Trust's asset allocation to manage risk and capture opportunities for returns.

As a result, we expect the Trust will provide a smoother pattern of returns for investors than a traditional diversified fund.

Our approach to investing is described in the Product Guide. We use a market-leading portfolio design process and our investment experts have extensive investment experience.

About the Trust

The Trust operates like most other managed investment schemes. Your money is pooled together with other investors' money to buy investments which are managed on behalf of all investors.

When you invest in a managed investment scheme, such as the Trust, you gain exposure to investments that you may not ordinarily have access to, if you invest on your own.

When your money is paid into the Trust, you are issued with units and when money is paid out, your units are cancelled.

The unit price will reflect, among other things, the performance of the underlying assets, which are in turn influenced by movements in investment markets. For unlisted assets we have policies and guidelines to manage asset valuations including valuation lags.

Our unit pricing philosophy is available at www.mlc.com.au. For more details on our policies relating to unit pricing please contact us.

The Trust is part of a larger suite of wholesale trusts collectively known as the MLC Investment Trust. The PDSs for other trusts in the suite are available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

You will need to read the relevant PDS before making an investment decision in respect of these trusts.

The Trust is governed by its constitution and is registered with the Australian Securities and Investments Commission (ASIC). ASIC takes no responsibility for this PDS or the operation of the Trust by MLC.

About mFund

The Trust is available through mFund, a managed fund settlement service operated by the Australian Securities Exchange (ASX). mFund uses the ASX electronic settlement system known as CHES to automate and track the process of applying for and withdrawing units in managed funds. It allows you to apply for or withdraw units in the Trust via an accredited mFund broker (broker), or your financial adviser who uses a stockbroking service on your behalf.

Your holding of mFund units is linked to your Holder Identification Number (HIN). Your HIN is used for all investments and transactions made through the ASX.

mFund does not provide a market for trading units in the Trust. Units settled through mFund are issued and redeemed by us.

Please note that we will not accept any instructions directly from you if your investment in the Trust is held through mFund.

If you invest in the Trust through mFund, the processes of the ASX and the broker you use will impact the time your application and withdrawal requests are received by us. Please contact your broker or financial adviser for their cut-off times as they may be different from those outlined in this PDS.

There are also some risks associated with the ASX's systems and brokers. For example, the ASX's systems could fail, there could be errors or irregularities, or your broker could cease offering the settlement service. In addition, the ASX may suspend or revoke the admission of the Trust to mFund.

You should contact your financial adviser or broker for further information.

Investing via an IDPS

The most common way to access the Trust is via an IDPS.

If you invest in the Trust through an IDPS, then you don't hold units in the Trust and you have none of the rights of a unitholder. Instead, the IDPS holds units on your behalf.

Investing through an IDPS may result in different conditions applying from those referred to in this PDS including:

- minimum balance requirements
- fees and other costs
- cooling-off rights
- how to transact on your investment
- timing of processing of transactions and payment of distributions and withdrawals, and
- provision of statements and other information.

You should contact your financial adviser or IDPS operator for further information.

We authorise the use of this PDS as disclosure to persons who wish to access the Trust through an IDPS.

This PDS must be read together with offer documents provided by the IDPS operator.

Applications and withdrawals

We have the discretion to accept or refuse any initial application or additional investment without explanation.

You can request a partial or a full withdrawal to a nominated bank account at any time by either mailing or faxing to Registry Services a completed Withdrawal Form or providing written notice. The Withdrawal Form is available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements or on request from us on **1300 738 355**. If your investment is held through mFund you can only request a withdrawal of your investment through mFund.

Generally, withdrawal requests will be actioned by us promptly to enable us to make payments within 10 Business Days. Actioning of withdrawal requests and payment may be

delayed, for example, if underlying assets need to be sold. In certain circumstances, such as when there are adverse market conditions, we may suspend withdrawals. In certain circumstances, we may also process requests in instalments over a period of time and may also suspend processing of requests we have already accepted. In certain circumstances we may refuse a withdrawal request.

In circumstances where withdrawals are delayed, suspended or being paid in instalments, the unit prices used for a withdrawal will be those available on the day the withdrawal takes effect, rather than the day of the withdrawal request.

In the unlikely event that the Trust becomes illiquid (as defined in the Corporations Act 2001 (Cth)), you may only withdraw your funds in accordance with any withdrawal offer that we make.

Income distributions

The income of the Trust will generally be calculated effective the last Sunday of December and 30 June each year. We generally aim to pay income distributions within 7 Business Days of the calculation date.

Distributions are generally calculated based on the Trust's net income at the end of the distribution period divided by the number of units on issue.

There may be periods in which no distributions are made or the Trust may make additional distributions.

Our current practice is to generally distribute all of the net taxable income of the Trust to investors each financial year (including net capital gains and any net gains on currency management where applicable). If we elect for the Attribution Managed Investment Trust regime (AMIT regime) to apply to the Trust, we have the discretion to accumulate income (instead of distributing all of the income). In that case, the accumulated income will be reflected in the unit price. We intend to continue our current practice to distribute all of the net taxable income for each year. We will notify you if this changes.

Investing directly in the Trust

To invest directly in the Trust you must have received this PDS (electronically or otherwise) within Australia. You also need to maintain a minimum balance of \$20,000. We may accept lower amounts at our discretion. We may redeem your unitholding if your account balance falls below \$20,000.

You must complete and sign the Trust's application forms and send them to us with your initial application money, or you can apply for units in the Fund through mFund. You can make additional investments by electronic funds transfer (EFT). If your investment is held through mFund you must make additional investments through mFund.

Once your application is accepted, you hold units in the Trust and have the rights of a unitholder. This applies whether your investment is made using the Initial Application Form, the Additional Investment Form or through mFund.

New Zealand investors may also be eligible to invest in the Trust provided they satisfy the eligibility criteria described in the Product Guide.

! You should read the important information about **How the Trusts work** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

The material relating to **How the Trusts work** may change between the time when you read this statement and the day when you acquire the product.

3. Benefits of investing in the MLC Wholesale Inflation Plus - Moderate Portfolio

More confidence that you'll achieve your financial goals

We've designed the Trust to give investors more confidence that they'll receive a return above inflation over a five year timeframe, regardless of ups and downs in investment markets.

Most traditional diversified funds aim to match or outperform a market benchmark. However, even an above-benchmark return won't always be the return investors need, especially when markets are weak. Instead, the Trust's focus is maintaining and growing your real wealth.

We aim to achieve a return above inflation by carefully managing risk, particularly by avoiding the big losses that can set back an investment.

We focus strongly on managing the Trust's risk of negative returns over five years, mainly through:

- flexible asset allocation – as our views on the market evolve, we can change the mix of assets so the Trust is better positioned to achieve its objective, and
- diversification – we invest in a wide range of assets and strategies. This gives us more potential sources of returns.

Although our investment experts carefully manage the Trust, we can't remove all risk that at times, the Trust may not achieve its objective.

A smoother path to your financial goals

Traditional diversified funds usually have tight asset allocation ranges. This prevents the manager making large adjustments to the mix of assets to manage changing market risk. It also means the fund's returns tend to reflect market movements.

In contrast, in managing the Trust our investment experts can move flexibly between asset classes to manage risk. This means we expect the Trust to perform better in weak

markets than a traditional diversified fund. As there's a trade-off between risk and return, this may also mean the Trust lags in strong markets.

We anticipate the outcome for investors will be a pattern of returns that's smoother and less influenced by market movements than a traditional diversified fund.

A proven investment strategy

Since 2005, we have successfully used this flexible, outcome-focussed approach to manage an MLC Inflation Plus portfolio.

A market-leading approach to portfolio design

The approach we use to design and manage the portfolio recognises we live in a complex, changing world.

Key to our approach is a unique Investment Futures Framework, which guides our forward-looking approach to managing risk.

Our investment experts constantly explore the many ways events could unfold in markets worldwide and the potential impact on our portfolios.

Through this careful analysis, our experts discover changing risks and opportunities. We can then adjust the portfolio to manage the risks and capture the potential returns.

This means our portfolios are better positioned to deliver more reliable medium to long-term returns to investors.

4. Risks of managed investment schemes

Before you do any investing, there are some things you need to consider, including the level of risk you are prepared to accept. Factors that will affect your decision include:

- your investment goals
- the savings you'll need to reach your goals
- your age and how many years you have to invest
- where other parts of your wealth are invested
- the return you may expect from your investments, and
- how comfortable you are with investment risk.

Investment risk

Even the simplest investment comes with a level of risk. Different investments have different levels of risk, depending on the assets that make up the investment.

The value of an investment with a higher level of risk will tend to rise and fall more often and by greater amounts; that is, it is more volatile.

While the idea of investment risk can be confronting, it's a normal part of investing. Without it you may not get the returns you need to reach your financial goals. This is known as the risk/return trade-off.

Many factors influence an investment's value. These include, but aren't limited to:

- market sentiment

- changes in inflation
- growth and contraction in Australian and overseas economies
- legislative changes
- changes in interest rates
- defaults on loans
- company specific issues
- liquidity (the ability to buy or sell investments when you want to)
- changes in the value of the Australian dollar, and
- a counterparty not meeting its obligations eg when buying securities, the seller may not deliver on the contract by failing to provide the securities.

When considering your investment it's important to understand that:

- its value, and the returns, will vary over time
- investments that potentially have higher long-term returns usually have higher levels of short-term risk
- returns aren't guaranteed and you may lose some of your money
- previous returns shouldn't be used to predict future returns
- laws of overseas jurisdictions can impact returns on international investments, and
- laws affecting your investment may change in future.

Investment techniques

Our investment experts and investment managers may use different investment techniques that can change the value of an investment. Investment techniques used in

- the Trust include:
- derivatives, and
 - currency management.

! You should read the important information about **Risks of managed investment schemes** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

The material relating to **Risks of managed investment schemes** may change between the time when you read this statement and the day when you acquire the product.

5. How we invest your money

MLC's multi-manager approach makes sophisticated investing easy to access, so you can get your investment plan into action right away.

You should consider the likely return, risk and your investment timeframe when making your decision. The table in this section sets out these key aspects of the Trust for your consideration.

MLC Wholesale Inflation Plus - Moderate Portfolio			
Investment objective:	<p>Aims to deliver a return of 5% pa above inflation, before fees, over 5 year periods by limiting the risk of negative returns over this time frame.</p> <p>This careful risk management approach means there may be times when the Trust doesn't achieve its return objective. In most circumstances the Trust is expected to provide positive returns over 5 year periods, although there will sometimes be negative returns over shorter periods.</p>		
How the Trust is managed:	<p>The key aspects of the way the Trust is managed are:</p> <ul style="list-style-type: none"> • flexible asset allocation – the asset allocation is actively managed in accordance with MLC's changing view of potential risks and opportunities in investment markets. • diversification – the Trust invests across a wide range of assets and strategies. These may include both mainstream (eg shares and government bonds) and alternative investments (eg hedge funds) that may not be widely used in other investment funds. To manage the assets and strategies, MLC carefully selects specialist investment managers from around the world. • strong focus on risk management – the Trust has the flexibility not to invest in an asset class if that would cause too much risk of a negative return over 5 years. This means the Trust may have low exposure to growth assets in some market conditions. <p>MLC expects that by managing the Trust in this way, movements in the Trust's value (both up and down) should be less significant.</p> <p>The Trust uses all aspects of MLC's approach to investing, as outlined in the Product Guide.</p>		
The Trust may be suited to you if:	<ul style="list-style-type: none"> • you're focused on achieving a return above inflation over a 5 year period • you understand the return achieved by the Trust may be significantly higher or lower than its objective • you understand that the Trust's asset allocation will change significantly over time, and • you want to manage investment risk by diversifying across asset classes and strategies. 		
Minimum suggested time to invest:	5 to 7 years		
Asset allocation ranges:		Minimum	Maximum
	Cash	0%	100%
	Australian fixed income	0%	60%
	Global fixed income	0%	60%
	Australian shares	0%	50%
	Global shares	0%	50%
	Listed property securities	0%	40%
	Alternatives	0%	30%
	Total fixed income and cash	5%	100%
	Total shares and listed property securities	0%	80%
	Total alternatives	0%	30%

MLC Wholesale Inflation Plus - Moderate Portfolio

	The Trust will be managed within these ranges. The most up to date information on the asset allocation and investment managers is available at www.mlcinvestmenttrust.com.au on our Fund Profile Tool.
Benchmark:	The measure of inflation is the Consumer Price Index, calculated by the Australian Bureau of Statistics.
Estimated number of negative annual returns:	Between 3 and 4 in 20 years

Switching

Direct investors may be able to switch from the Trust to another Trust in the MLC Investment Trust suite. A switch will be treated as a withdrawal from one Trust and an investment in another Trust. Buy/sell spreads may apply. If you invest via an IDPS, please contact your IDPS for details of how to switch.

Changes to the Trust

We may make changes to the Trust (and the information in this PDS) at our discretion including, but not limited to, terminating the Trust. Some changes may be made without prior notice, including but not limited to closing the Trust to new applications, and changes to the investment strategy, asset allocation, investment managers and service providers.

Where possible, we will give direct investors prior written notice of any materially adverse change. If you invest via an IDPS, you can contact your IDPS to obtain copies of these notices. Changes that are not materially adverse will be made available under 'Latest News' at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements. mFund investors may also refer to the website mFund.com.au

You should check the website for the latest information or you can obtain a paper copy of any updated information free of charge on request.

! You should read the important information about **How we invest your money**, including **Ethical investing** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

The material relating to **How we invest your money** may change between the time when you read this statement and the day when you acquire the product.

6. Fees and costs

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the Trust or your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website www.moneySMART.gov.au has a managed funds fee calculator to help you check out different fee options.

The fees and costs outlined in this PDS are for the Trust only.

You should read all of the information about fees and costs because it is important to understand their impact on your investment in the Trust.

If you are investing in the Trust via an IDPS, you will need to consider the fees and other costs of the IDPS when calculating the total cost of your investment.

If you consult a financial adviser you may also pay an additional fee that will be set out in the Statement of Advice between you and your financial adviser. If investing through mFund, additional fees may also be payable directly to your broker, or your financial adviser who uses a stockbroking service on your behalf. You should consider the Financial Services Guide provided by your broker (or adviser).

This section shows the fees and other costs that you may be charged in relation to the Trust. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

The information in this table can be used to compare fees and costs between different simple managed investment schemes.

All fees are shown inclusive of GST and net of Reduced Input Tax Credits (where applicable).

Type of fee or cost	Amount
Fees when your money moves in or out of the managed investment product.	
Establishment fee The fee to open your investment.	Nil
Contribution fee The fee on each amount contributed to your investment.	Nil
Withdrawal fee The fee on each amount you take out of your investment.	Nil
Exit fee The fee to close your investment.	Nil
Management costs^{1,2}	
The fees and costs for managing your investment.	
Management fee³	0.90% pa of the Trust's net asset value.
Estimated indirect costs⁴	0.21% pa of the Trust's net asset value. This is made up of: <ul style="list-style-type: none"> Estimated performance related costs: 0.05% pa Estimated other indirect costs: 0.16% pa

¹ See 'Additional explanation of fees and costs' for further details.

² Rounded to two decimal places.

³ Wholesale clients (as defined in the Corporations Act 2001 (Cth)) may be able to negotiate this fee by contacting Client Services.

⁴ The estimated indirect costs are based on costs incurred for the 12 months to 30 June 2017 and include estimates where information was unavailable at the date this PDS was issued.

Example of annual fees and costs for the Trust

This table gives an example of how the fees and costs for this managed investment product can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE: MLC Wholesale Inflation Plus - Moderate Portfolio		Balance of \$50,000 with a contribution of \$5,000 during the year¹
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
PLUS		
Management costs		And , for every \$50,000 you have in the Trust you will be charged:
Management fee	0.90%	\$450
Indirect costs	0.21%	+ \$105
Total	1.11%	= \$555 each year.
EQUALS		
Cost of the Trust		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from: \$555. What it costs you will depend on the fees you negotiate with the Trust, your IDPS operator or your financial adviser.

¹This example assumes the \$5,000 additional investment occurs at the end of the year.

Additional explanation of fees and costs

Management costs

The Management costs are fees and costs for investing the Trust's assets.

The Management costs do not include buy/sell spreads, borrowing costs or transaction costs.

Management costs are made up of the Management fee and indirect costs described below.

Management fee

The Management fee includes fees charged by the Trustee, fees paid to investment managers appointed directly by the Trustee and other expenses incurred in operating the Trust, such as custody costs, registry costs, auditing fees and tax return fees.

Indirect costs

The Trust may also incur costs and expenses that won't be charged as a Management fee but are expected to reduce the net return of the Trust. These indirect costs are reflected in the daily unit price and any reporting on the performance of the Trust.

Indirect cost amounts included in this document are based on actual costs incurred for the previous financial year and involve estimates where information was unavailable at the date this PDS was issued. Amounts may vary from time to time and you will not be given advance notice of any changes to these amounts. You should refer to www.mlcinvestmenttrust.com.au for updated amounts.

Indirect costs are made up of:

- Performance related costs

Performance related costs are amounts that investment managers may charge when their performance exceeds a specified level. This is independent of the overall performance of the Trust and therefore the amounts may be payable to the investment managers even if the Trust itself produces negative performance. Different performance related costs may be charged by different investment

managers and will vary depending upon the investment managers' performance.

- Other indirect costs

Underlying investment funds will generally charge a Management fee and expense recoveries.

Transaction costs

When assets in the Trust or in underlying investments are bought or sold, costs such as brokerage, stamp duty and settlement costs are incurred. Costs may also be incurred when the market process for purchasing assets causes the price paid to be higher than the value of the assets immediately after the purchase transaction, for example where bid/ask spreads are incurred.

The estimated transaction costs for the financial year to 30 June 2017 are approximately 0.35% pa of the Trust's net asset value. Of this amount, we estimate that 0.06% was recovered through buy/sell spreads with the remaining 0.29% being an estimate of the amount of transaction costs that reduced the return of the Trust.

These costs are not included in the Management costs and are an additional cost to you. No part of the transaction costs are paid to us or any investment managers.

Buy/sell spreads

You incur the buy/sell spread when you buy or sell units in the Trust.

The current buy/sell spreads are:

- Buy spread: 0.10% of each amount you invest into the Trust.
- Sell spread: 0.10% of each amount you withdraw from the Trust.

This means that for every \$5,000 you contribute to the Trust you will incur costs of \$5.00 and for every \$5,000 you withdraw from the Trust you will incur costs of \$5.00.

Changes to fees and costs

We may vary fees or introduce new fees up to the maximums described in the constitution, without your consent.

Under the constitution the maximum fees payable to the Trustee are:

- an investment fee of 3% pa of the class current value (as defined under the constitution), plus
- an administration fee of 2% pa of the class current value (as defined under the constitution) (currently not charged), plus
- a contribution fee of 6% of the class current unit value (as defined under the constitution) (currently not charged).

We are entitled to recover expenses directly from the Trust. Currently we pay them out of the Management fee. If this changes we will notify you. For more information see 'Reimbursable expenses' in the Product Guide.

If you invest directly in the Trust we will give you 30 days' notice of any increase in fees. No prior notice will be given in respect of changes to indirect costs, transaction costs, buy/sell spreads or borrowing costs. For updated details go to www.mlcinvestmenttrust.com.au

! You should read the important information about **Fees and costs** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

The material relating to **Fees and costs** may change between the time when you read this statement and the day when you acquire the product.

7. How managed investment schemes are taxed

Investing in a managed investment scheme is likely to have tax consequences. Because this PDS and the Product Guide are not tax guides and tax laws are complex and change from time to time, we strongly recommend that you obtain professional tax advice in relation to your own personal circumstances. This applies whether you are an Australian

resident or a non-resident for tax purposes.

Australian taxation information

The Trust itself should not be liable for tax on its net earnings. Managed investment schemes do not pay tax on behalf of investors. Rather investors should include their proportion of the Trust net earnings as income in their tax returns. Any net losses are retained by the Trust and used to offset future matching gains.

The unit price of units issued before a distribution will include income accumulated in the Trust. The income that has been accumulating will generally be distributed. You may potentially have taxation liabilities on that income.

Depending on an investor's circumstances, a revenue or capital gain or loss may arise when units in the Trust are sold, switched or redeemed.

! You should read the important information about **How managed investment schemes are taxed** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

The material relating to **How managed investment schemes are taxed** may change between the time when you read this statement and the day when you acquire the product.

8. How to apply

Investing directly

To invest directly, you must complete and sign the application forms for the Trust and send them to us with your application money and identification documentation as applicable. Contact us to obtain the application forms.

You can also invest directly in the Trust through mFund by placing a buy order for units in the Trust through your broker (or financial adviser who uses a stockbroking service on your behalf). You should contact your financial adviser or broker for further information.

Investing via an IDPS

To invest in the Trust via an IDPS, you will need to contact your IDPS operator and complete the relevant IDPS application form and any other documentation required by the IDPS operator. You will also need to contact your IDPS operator in relation to making additional contributions to your investment.

You should contact your IDPS about any complaint you have. Your IDPS will work with us to assist you in resolving any complaints relating to your investment in the Trust.

The remaining information in this section only applies to direct investors in the Trust (including mFund investors). If you invest via an IDPS, and require further information you should contact your IDPS operator.

Cooling-off right

Unless you are a 'wholesale client' (as defined in the Corporations Act 2001 (Cth)), you have a 'cooling-off right' whereby you can change your mind about your initial investment in the Trust and ask for your money to be repaid.

The cooling-off period does not apply if you transact on your account within 14 days of opening it.

Privacy

We collect and hold information necessary to provide you with the relevant services and information related to your investment. If you do not provide your personal information we may not be able to provide you with these services. We are subject to the NAB Group's Privacy Policy which is available by contacting Client Services or visiting our website at www.mlc.com.au/privacy. We may disclose your personal information within the NAB Group and to others. More information about how we collect, use, share and handle your personal information is in our Privacy Policy, including how you may access or correct your information, the countries we may send your information to and how you may make a complaint about a privacy issue.

Anti-Money Laundering, Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), the FATCA and the CRS rules.

Under these laws we may need to collect additional information from you or anyone acting on your behalf, as part of the initial application process and post account set up.

If investing via mFund your broker will conduct anti-money laundering and counter-terrorism financing checks and will also ask some basic questions about your foreign tax residency status, including whether you are a US person and other information required for FATCA and CRS. If you identify yourself as a foreign resident for tax purposes, your account information may be reported to the relevant tax authorities.

Resolving complaints

Our Client Services team can usually resolve complaints over the phone. If we can't or you're not satisfied with the outcome, then you will need to write to us (address details are at the end of this PDS). We will work to resolve your complaint as soon as possible. If you are a retail client (as defined in the

Corporations Act 2001 (Cth)) and you are not satisfied with the outcome of your complaint, you can refer the matter to the Financial Ombudsman Service. See fos.org.au for more information.

9. Other information

! You should read the important information about **Notice to residents of New Zealand** and **Keeping you informed** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements

The material relating to **Notice to residents of New Zealand** and **Keeping you informed** may change between the time when you read this statement and the day when you acquire the product.

Contact details

If you invest via an IDPS you should contact your IDPS for all enquiries.

If you invest directly, the contact details are:

Registry Services

National Australia Bank Asset Servicing - Registry Services

GPO Box 1406
Melbourne VIC 3001 Australia

Telephone: 1300 761 354

Fax: 1300 365 601

Client Services

Level 21
255 George Street
Sydney NSW 2000 Australia

Telephone: 1300 738 355

Fax: (02) 9936 4500

Email: info@mlc.com.au

Responsible Entity

MLC Investments Limited

105-153 Miller Street
North Sydney NSW 2060 Australia

Website

www.mlcinvestmenttrust.com.au

mFund website

mFund.com.au