

PIC Wholesale Index Plus Conservative Growth Portfolio

Product Disclosure Statement

APIR code: MLC5068AU

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Contents

1. About MLC Investments Limited
2. How the PIC Wholesale Index Plus Conservative Growth Portfolio works
3. Benefits of investing in the PIC Wholesale Index Plus Conservative Growth Portfolio
4. Risks of managed investment schemes
5. How we invest your money
6. Fees and costs
7. How managed investment schemes are taxed
8. How to apply
9. Other information

1. About MLC Investments Limited

But first, a word on Private Investment Consulting

Private Investment Consulting (PIC) offers an exclusive program of services and PIC Trusts to a select group of financial advisers. Clients of these advisers and wholesale clients may invest in the PIC Trusts. These clients may include sophisticated, high net worth and institutional investors.

MLC Investments Limited (MLC) is the Responsible Entity of the MLC Wholesale Index Plus Conservative Growth Portfolio (ARSN 618 813 077) (MLC Trust). The PIC Wholesale Index Plus Conservative Growth Portfolio (Trust) is a PIC branded version of the MLC Trust offered to sophisticated and wholesale clients. When you invest in the Trust you acquire units in the MLC Trust.

MLC is 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.

Important information

This Product Disclosure Statement (PDS) summarises significant information about the PIC Wholesale Index Plus Conservative Growth Portfolio (Trust).

It also contains a number of references to important information in the PIC Trusts 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/private_investment_consulting or you can request a copy free of charge by calling us or your investor directed portfolio service, IDPS-like scheme, master trust or wrap operator (collectively referred to as an 'IDPS' in this PDS). To invest directly in the Trust, you must have received the PDS (electronically or otherwise) within Australia. 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 (MLC) is the responsible entity of the MLC Wholesale Index Plus Conservative Growth Portfolio (ARSN 618 813 077) (MLC Trust) (Responsible Entity). The PIC Wholesale Index Plus Conservative Growth Portfolio is a PIC branded version of the MLC Trust. When you invest in the Trust you acquire units in the MLC Trust. MLC is the issuer of this PDS and the Product Guide and 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 Responsible Entity.

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.

Our investment experts 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 their assessment of world markets changes, our portfolios are evolved to manage new risks and capture new opportunities.

We use specialist investment managers in our portfolios. Our investment experts research hundreds of investment managers from around the world and select the managers they believe are the best for our portfolios. 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/mlcit/private_investment_consulting. 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 PIC Wholesale Index Plus Conservative Growth Portfolio works

The Trust is one of three PIC Index Plus portfolios.

Each PIC Index Plus portfolio has a different asset allocation which is expected to deliver a different level of volatility and return. You can choose the portfolio with the asset allocation that suits your investment needs. The Trust has approximately equal exposure to growth and defensive assets.

Each asset class in the Trust is benchmarked against a market index. We aim to meet the returns of these market indices over 3 year periods.

At the same time, we aim to reduce the Trust's exposure to asset classes when we consider their risks are too high. We do this by actively managing the asset allocation. As markets evolve and asset class risks and opportunities change, we adjust the mix of assets within defined ranges.

To keep costs down for our investors, we tend to use lower cost investment managers who don't require extensive resources to select investments. These include:

- index (passive) managers, and
- index enhanced managers, who use aspects of both index and active investing. We currently use index enhanced managers to select shares and listed property securities for the Trust.

We also use active managers in asset classes where we believe it makes the greatest difference to the Trust's risks or returns. For example, we actively manage the Trust's fixed income investments. We believe simply investing in indices could overly expose the Trust to one of the main risks of investing in fixed income - rising interest rates. When interest rates rise, the value of fixed income securities can fall.

We're always looking for ways to improve the Trust, so our use of active and index approaches changes over time.

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. The terms and conditions of the Trust are set out in the constitution for the MLC Trust, this PDS and the Product Guide.

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 PIC Trusts. The PDSs for other trusts in the suite are available at www.mlcinvestmenttrust.com.au/mlcit/private_investment_consulting

You should read the relevant PDS before making an investment decision in respect of these PIC Trusts.

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 Application/Instruction Form or providing written notice. The Application/Instruction Form is available on request from us on **1300 738 355**.

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 September, December and March 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). As the Trust is an Attribution Managed Investment Trust (AMIT), we have the discretion to accumulate income (instead of distributing all of the income) and if we do so, the accumulated income will be reflected in the unit price. We intend to continue our current practice to distribute all of the income (including any capital gains) 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 and be a 'wholesale client' as defined by the Corporations Act 2001 (Cth). You also need to maintain a minimum balance of \$500,000. We may accept lower amounts at our discretion. We may redeem your unitholding if your account balance falls below \$500,000.

You must complete and sign the Trust's application forms and send them to us with your initial application money. You can make additional investments by electronic funds transfer (EFT).

Once your application is accepted, you hold units in the Trust and have the rights of a unitholder.

! 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/private_investment_consulting. 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 PIC Wholesale Index Plus Conservative Growth Portfolio

The Trust is diversified across a range of asset classes and investment managers. You can use it for your whole portfolio or add it to your other investments.

Experience and track record

We use a market-leading investment approach to design and manage the Trust. Our investment experts have been successfully managing portfolios for over 30 years, helping clients achieve their investment goals.

Risk-management focus

The Trust's risk is actively managed using a unique Investment Futures Framework (Framework), which guides our forward looking approach to managing risk. In an unpredictable and constantly changing world, the Framework helps continually identify the very wide range of potential market scenarios – good and bad – that could occur. The Framework also helps our investment experts analyse how these scenarios could affect the risks and returns of the asset classes in the Trust. The insights from

this analysis are used to work out the combination of asset classes that will best achieve the Trust's objective. This helps prepare the Trust for future market ups and downs.

Defined asset allocation

MLC manages the Trust's growth and defensive assets within defined ranges. See 'Benchmark asset allocation and ranges' in section 5.

Multi-manager approach

We use specialist investment managers from around the world to choose investments for the Trust and manage risk. We combine investment managers with index, index enhanced and active approaches to select investments. We use active managers where we believe it makes the greatest difference to the Trust's risks or returns.

Keeping costs down for investors

To keep costs down for our investors, we tend to use lower cost investment managers, including index and index enhanced investment specialists.

Broad diversification

The Trust is diversified across a wide range of mainstream asset classes, with some exposure to alternative assets and strategies to reduce the Trust's exposure to risk. Our specialist investment managers invest widely across countries, industries and companies.

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
- investments and withdrawals by other investors, 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 returns will vary over time
- investments with higher long-term return potential usually have higher levels of short-term risk
- returns aren't guaranteed, and you may lose some of your money
- future returns may differ from past 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:

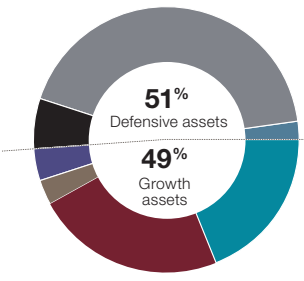
- derivatives, and
- currency management.

! 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/private_investment_consulting. 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.

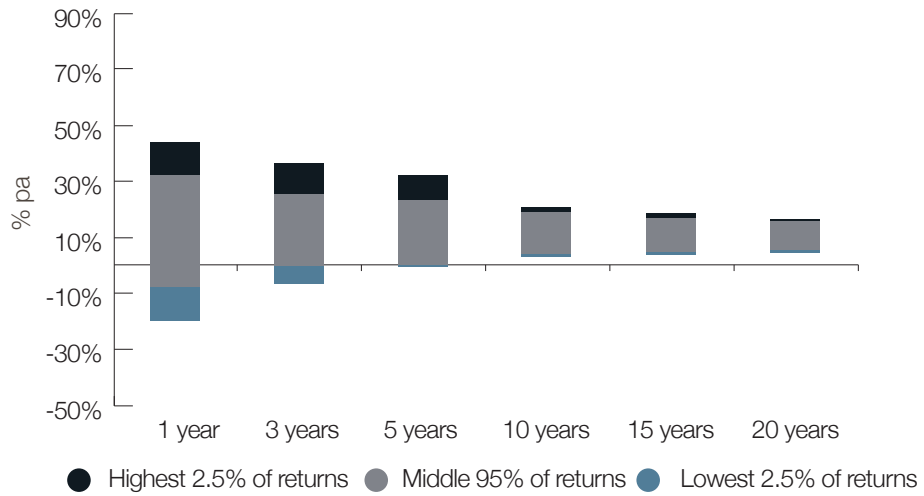
PIC Wholesale Index Plus Conservative Growth Portfolio																															
Investment objective:	<p>Aims to provide a return that meets its benchmark, before fees, over 3 year periods.</p> <p>At the same time, we aim to reduce risk in the Trust if market risk is high by changing the Trust's asset allocation. As a result of reducing the allocation to higher risk assets, there may be smaller losses than the benchmark in weak or falling markets and potentially lower returns than the benchmark in strong markets.</p> <p>While the Trust isn't managed to achieve a particular return above inflation, an average return of 4% pa above inflation (before fees) is consistent with historical long-term returns from investment markets, using an asset allocation similar to the Trust's.¹ More information about long-term returns is provided below.</p>																														
How the Trust is managed:	<p>Investment markets are the main driver of the Trust's investment returns. The Trust's returns are benchmarked against a combination of investment market indices. To meet the benchmark return while reducing the Trust's exposure to market risks, our investment experts:</p> <ul style="list-style-type: none"> • Research and select mostly mainstream asset classes, with some exposure to alternative assets and strategies. • Actively manage the Trust's exposure to risk by adjusting the allocations to the asset classes within the defined ranges shown in the benchmark asset allocation below. • Research investment managers from around the world and select the managers they believe are the best for the portfolio. We use specialist index and index enhanced managers in certain asset classes, and selectively use active managers where our investment experts believe it makes the greatest difference to the Trust's risks or returns. Our managers choose many companies and securities in Australia and overseas for investment. <p>The asset allocation has an approximately equal exposure to growth and defensive assets.</p> <p>The Trust uses all aspects of MLC's approach to investing, outlined in the Product Guide.</p>																														
The Trust may be suited to you if:	<ul style="list-style-type: none"> • you want a diversified portfolio that has similar weightings to growth and defensive assets • you want to rely largely on the market for returns • you want some long-term capital growth, and • you understand that there can be moderate to large fluctuations in income and the value of your investment. 																														
Minimum suggested time to invest:	4 years																														
Benchmark asset allocation and ranges:	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark asset allocation</th> <th>Ranges</th> </tr> </thead> <tbody> <tr> <td>● Cash</td> <td>6%</td> <td>0-20%</td> </tr> <tr> <td>● Fixed income</td> <td>43%</td> <td>15-60%</td> </tr> <tr> <td>● Defensive alternatives and other</td> <td>2%</td> <td>0-10%</td> </tr> <tr> <td>Total defensive assets</td> <td>51%</td> <td>40-60%</td> </tr> <tr> <td>● Australian shares</td> <td>19%</td> <td>5-35%</td> </tr> <tr> <td>● Global shares</td> <td>23%</td> <td>10-35%</td> </tr> <tr> <td>● Listed property securities</td> <td>3%</td> <td>0-15%</td> </tr> <tr> <td>● Growth alternatives and other</td> <td>4%</td> <td>0-10%</td> </tr> <tr> <td>Total growth assets</td> <td>49%</td> <td>40-60%</td> </tr> </tbody> </table>  <p>The Trust will be managed within these ranges. The benchmark asset allocation and ranges may change over time. The most up to date information is available at www.mlcinvestmenttrust.com.au/mlcit/private_investment_consulting on our Fund Profile Tool.</p> <p>In addition, some global assets are not hedged to the Australian dollar. For benchmark currency hedging levels for global assets please refer to our Fund Profile Tool at www.mlcinvestmenttrust.com.au/mlcit/private_investment_consulting</p>	Asset class	Benchmark asset allocation	Ranges	● Cash	6%	0-20%	● Fixed income	43%	15-60%	● Defensive alternatives and other	2%	0-10%	Total defensive assets	51%	40-60%	● Australian shares	19%	5-35%	● Global shares	23%	10-35%	● Listed property securities	3%	0-15%	● Growth alternatives and other	4%	0-10%	Total growth assets	49%	40-60%
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Benchmark:	A combination of market indices, weighted according to the benchmark asset allocation. This 'composite benchmark' is explained in the Product Guide. Details of the Trust's current benchmark are available from our Fund Profile Tool at www.mlcinvestmenttrust.com.au/mlcit/private_investment_consulting																														

¹ Historical returns aren't a reliable indicator of the Trust's future investment returns.

Long-term returns:

The graph below shows how broad the ranges of investment market returns have been over more than 100 years. It illustrates that historically the longer the investment time period the narrower the range of returns.

Ranges of returns for the Trust’s benchmark asset allocation based on investment market returns from 1900 to 2018 (before fees)



Time period	Highest return	Middle return	Lowest return	Most of the returns are between
1 year return (%)	44	8	-20	31 and -7
20 years return (% pa)	16	8	4	15 and 5

Source: Calculated by NSL using the benchmark asset allocation as at 30 June 2018 and investment market data from Global Financial Data, Inc. and FactSet.

These historical ranges of returns are for investment markets weighted according to the Trust’s benchmark asset allocation. Historical returns aren’t a reliable indicator of the Trust’s future investment returns.

As the Trust relies largely on investment markets to generate returns, it’s impossible to predict the actual return the Trust will deliver in future.

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 PIC Trust. 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/private_investment_consulting

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/private_investment_consulting
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.

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	0.36% pa of the Trust's net asset value.
Estimated indirect costs⁴	0.00% pa of the Trust's net asset value. This is made up of: <ul style="list-style-type: none"> • Estimated performance related costs: 0.00% pa • Estimated other indirect costs: 0.00% 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 2018 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: PIC Wholesale Index Plus Conservative Growth Portfolio		Balance of \$500,000 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 \$500,000 you have in the Trust you will be charged:
Management fee	0.36%	\$1,800
Indirect costs	0.00%	+ \$0
Total	0.36%	= \$1,800 each year.
EQUALS Cost of the Trust		If you had an investment of \$500,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees from: \$1,800. 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 Responsible Entity, fees paid to investment managers appointed directly by the Responsible Entity 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/mlcit/private_investment_consulting 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 2018 are approximately 0.12% pa of the Trust's net asset value. Of this amount, we estimate that 0.07% was recovered through buy/sell spreads with the remaining 0.05% 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: 0.05% of each amount you invest into the Trust.
- Sell spread: 0.05% 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 \$2.50 and for every \$5,000 you withdraw from the Trust you will incur costs of \$2.50.

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 Responsible Entity are:

- a Management fee of 3% pa of the Trust's net asset value (as defined under the constitution) and
- a contribution fee of 5% of the subscription amount (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 or buy/sell spreads. For updated details go to www.mlcinvestmenttrust.com.au/mlcit/private_investment_consulting

! 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/private_investment_consulting

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/private_investment_consulting. 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.

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. If you invest via an IDPS, and require further information you should contact your IDPS operator.

No cooling off rights

The right to 'cool off' does not apply to direct investments in this Trust.

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

We are required to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and as such we may need to collect information from you or anyone acting on your behalf, to comply with our obligations.

Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

We are required to collect information about your tax residency status, including whether you are a US citizen or resident for US tax purposes, and other relevant information to determine your reporting status under the FATCA and the CRS rules. 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 if lodged before 1 November 2018. See www.fos.org.au for more information.
- Australian Financial Complaints Authority if lodged on or after 1 November 2018. See www.afca.org.au for more information.

9. Other information

! You should read the important information about **Keeping you informed** before making a decision. Go to the Product Guide available at www.mlcinvestmenttrust.com.au/mlcit/private_investment_consulting. The material relating to **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/mlcit/private_investment_consulting