



With you



# 2011 Annual Report

**for The Universal Super Scheme**

**Preparation date:**  
15 December 2011

**Issued by:** The Trustee, MLC Nominees Pty Limited (MLC)  
ABN 93 002 814 959 R1056778

AFSL 230702 RSE L0002998  
Super Fund Number: 281 440 944

The Universal Super Scheme  
ABN 44 928 361 101

This annual report is your update on how your money is invested and a reminder of some things you should know.

We've also included an update on how we manage individual investment options.

**This is the annual report for The Universal Super Scheme and is relevant to:**

MLC MasterKey Super & Pension	The Employee Retirement Plan
MLC MasterKey Super & Pension Fundamentals	MLC Capital Guaranteed Personal Super Savings Plan
MLC MasterKey Superannuation	MLC Capital Guaranteed Personal Super Bond
MLC MasterKey Business Super	MLC Maturity Growth Superannuation Plan
MLC MasterKey Personal Super	MLC Whole of Life Superannuation
MLC MasterKey Allocated Pension	MLC Endowment Superannuation
MLC MasterKey Term Allocated Pension	MLC Pure Endowment Superannuation
MLC Personal Superannuation	MLC Life Cover Super
MLC Super Pension Plan	MLC Super Group Insurance

# A year in review

With the global events of the past year, you know how important it is for your money to be well-managed and working for you.

Recently, the Government announced reforms designed to make the super system stronger and more efficient, with the overall aim to maximise retirement income for Australians. These reforms are focused on creating better value, making it easier to consolidate super accounts and improving governance.

You can be assured that we place great emphasis on governance and that your interests are well-represented while these reforms are finalised by the Government.

Thank you for choosing us to help you achieve your retirement goals.

A handwritten signature in black ink that reads "Geoff Webb". The signature is written in a cursive, flowing style.

Geoff Webb  
**Chairman**  
**MLC Nominees Pty Limited**





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# Looking out for your interests

The directors of the Trustee Board have a variety of work and life experiences which help them represent your interests.

Made up of executive and non-executive directors who are personally responsible for any decisions they make, their duties include:

- providing investment choice
- ensuring your interests are maintained, and
- keeping you informed of any changes.

The Trustee is liable for its activities and has professional indemnity insurance.

The Trustee has appointed MLC Limited to carry out the day-to-day investment management and administration of The Universal Super Scheme.

## Meet the Board

The directors are:

Geoff Webb – Chairman  
B Ec (Hons) 1970,  
AIA (UK),  
AIAA (Australia),  
FAICD, FAIM

Patrick Burroughs  
BSSc (Hons) 1971,  
FCA, FAICD

Michael Clancy  
B Bus (Finance and Economics) 1992,  
CFA 1997

Michael Fitzsimons  
Diploma of Financial Services  
ANZIIF

Peggy Haines  
BA (Virginia) 1973,  
JD (Virginia) 1976,  
Diploma of Superannuation  
Management (Macquarie) 1994,  
FAICD  
Appointed 14 February 2011

Richard Morath  
BA 1968,  
FIA (UK and Australia), ASIA

John Reid  
B Sc. Mathematical Physics 1971,  
FIA (UK and Australia)

Nicole Smith  
BFA 1990, CA  
GAICD

## Annual audit

Each year we are audited by an independent company.

We're pleased to report we've met all our obligations and received a clean audit report.

Because we invest in life insurance products, we don't need to show statements of assets and income or the auditor's report and accounts. However, you can easily get a copy of this information by calling us.

The MLC group of companies is the wealth management division of the National Australia Bank (NAB).

# Some things you should know

## Transfers to an Eligible Rollover Fund

We may transfer your account balance to an Eligible Rollover Fund if:

- your investment switching activity is deemed to be contrary to the interests of other members, or
- your account has been closed and you are eligible for a payment from MLC and we've not received any instructions from you.

The Eligible Rollover Fund we currently use is the Australian Eligible Rollover Fund and it can be contacted on **1800 677 424**.

We will advise you in writing to your last known address if we intend to transfer your account balance and will proceed if you don't respond with instructions regarding an alternative super fund.

Please note, a transfer to an Eligible Rollover Fund may be detrimental to you as the Eligible Rollover Fund may have a different fee structure, different investment strategies and may not offer insurance benefits.

## Transfers to the Australian Taxation Office

We're required by law to transfer your account balance to the Australian Taxation Office if:

- we've lost contact with you and your account balance is less than \$200
- your account has been inactive for five years and your account balance is less than \$200
- your account has been inactive for five years and with the information reasonably available to us we're satisfied that it will never be possible to pay the account balance to you
- you were a temporary resident and have departed Australia and you haven't claimed your benefit within six months of becoming eligible.

You will then have to contact the Australian Taxation Office to claim your benefit.

## Surcharge assessment for prior years

The Superannuation Contributions Surcharge (surcharge) was removed in relation to contributions made from 1 July 2005. However a surcharge liability may still arise in respect of relevant contributions made in prior years.

The surcharge assessment may be sent to The Universal Super Scheme, in which case, the amount will generally be deducted from your account (unless it is a pension account) and paid to the Australian Taxation Office.

If you have withdrawn your account balance (in whole or part) or commenced a pension, the Australian Taxation Office may send the surcharge assessment to your new super arrangement or directly to you. Where you receive the assessment directly, you will be responsible for paying the surcharge to the Australian Taxation Office. If you have a pension account, you are generally able to ask us to pay you a lump sum in order to meet your surcharge liability.

If you have any questions about the surcharge please visit the Australian Taxation Office website at **ato.gov.au** or call **13 10 20**.

# Some things you should know

This section is specific to MLC MasterKey products and MLC Personal Superannuation.

It is a reminder about how your account operates.

## Protecting all investors

At MLC we look out for you, so we've introduced processes that protect the interests of all investors.

## Frequent switching

You should not invest in these products if you intend to switch your investments frequently in the pursuit of short-term gains.

We monitor all investment options for abnormal transaction activity because this sort of activity can have adverse impacts for other investors.

To maintain equity the Trustee has the right to deal with members who frequently switch by:

- delaying, limiting or rejecting their future switch requests
- cancelling membership and transferring their account balance to the Australian Eligible Rollover Fund.

## Prudent management

We reserve the right to refuse applications or vary the terms for processing any transaction in certain circumstances, such as when:

- there are significant falls in investment markets
- we have difficulty in completing transactions due to low liquidity, which could occur with investment options that use higher risk strategies.

We also reserve the right to suspend processing of requests for up to 5 business days at the end of the financial year.

Should this occur we'll use the unit price on the day we restart processing your request.



## Transaction cost policy

The Trustee is responsible for ensuring that the costs of buying and selling assets when members transact are shared in an equitable way. This is achieved by:

- meeting costs as they arise for an investment option as a whole by offsetting them against investment earnings. This is the approach when there is a single unit price, sometimes called no-spread unit pricing, or
- meeting costs as they arise due to member transactions by offsetting them against the individual member assets. This is the approach when investment options have a buy-sell spread in the unit price.

The transaction costs borne by an investment option are identical in each approach and, generally, both methods work well.

However, having a buy-sell spread in the unit price is acknowledged as industry best practice and is the more equitable method in certain extreme situations. An example of this is the 'last man standing' scenario, where an investment option has reduced to a small number of members.

Therefore, the investment options offered through products launched by us from December 2006 use unit pricing with buy-sell spreads (eg MLC MasterKey Super & Pension, MLC MasterKey Super & Pension Fundamentals).

For no-spread investment options, we allow for expected transaction costs in the valuation of assets when an investment option is in decline to protect members against any 'last man standing' issues.

We will be implementing the buy-sell pricing approach on an option by option basis in coming years as older products stop receiving substantial inflows.

When implemented, there will be a once off immediate fractional reduction in the unit price for the investment option.

This will be offset by improved investment earnings over following years (relative to the performance that would have been experienced had the transaction cost policy not been implemented).

**Note:** The transaction cost policy is a part of MLC's Policy on Determining Spreads.



# How your money is invested

In this section we tell you how the Trustee invests your money.

One of the Trustee's responsibilities is to make sure your investments are managed according to an agreed investment strategy and objective.

As you can see, we offer many products for you to invest in. Some of these will have similar investment objectives and strategies.

To make this section easier for you to read we've grouped products with common objectives and strategies together.

## Derivatives

Derivatives are a common tool used to enhance returns or manage risk.

They are contracts that have a value derived from an external reference (eg the level of a share price index).

There are many types of derivatives and they can be an invaluable tool for an investment manager.

However, they can incur significant losses. Exposure is also managed in line with the policies outlined in our Derivative Risk Statement. This is available on **[mlc.com.au](http://mlc.com.au)**

# How your money is invested

Product name	Investment objective
<b>MLC MasterKey &amp; MLC Personal Superannuation</b>	
MLC MasterKey Super & Pension MLC MasterKey Super & Pension Fundamentals MLC MasterKey Superannuation MLC MasterKey Business Super MLC MasterKey Personal Super MLC MasterKey Allocated Pension MLC MasterKey Term Allocated Pension MLC Personal Superannuation	To provide a selection of investment options so you can invest according to your individual needs and circumstances. You can find specific details about the individual investment options available on pages 15 to 53.

## Investment strategy

Each investment option available has an individual investment objective and strategy.

## About your account value

When money is paid into your account, units are allocated to your account and when money is paid out, units are deducted from your account.

The value of your account is based on:

- the number of units in your chosen investment options, and
- the price of those units.

The overall value of your account will change according to the unit price and the number of units you hold.

Unit prices are calculated as at the end of each business day and robust unit pricing policies are used to do this.

The unit price will reflect the performance of the underlying assets, income earned, fees, expenses and taxes paid and payable.

The performance of the underlying assets is influenced by movements in investment markets such as local and overseas share markets, bond and property markets.

If you would like to find out more about our unit pricing philosophy, go to **mlc.com.au**

### Fixed Rate Funds

A guaranteed interest rate is payable for the term selected. Interest is calculated daily and credited:

- annually on 30 June each year, or
- on withdrawal or switch, or
- on maturity.

An exit fee applies if you withdraw before the maturity date. This fee will reduce the earnings on your investment.

### NAB Term Deposits

A guaranteed interest rate is payable for the term selected. Interest is calculated daily and credited annually on the anniversary of the term, or on maturity.

Early withdrawals are only permitted in extreme circumstances and will result in reduced interest.



# How your money is invested

Product name	Investment objective
<b>The Employee Retirement Plan</b>	
The Employee Retirement Plan	<p>The Trustee invests in a policy issued by MLC Limited who, in turn, invests in a suitably structured portfolio of securities to deliver on the objectives of the Investment Facility and the Benefit Protection System.</p> <p>You can find more detail about the objectives of the Investment Facility and the Benefit Protection System on page 44.</p>
<b>MLC Super Pension Plan</b>	
MLC Super Pension Plan	To provide a fixed regular income stream for a selected period.
<b>MLC Capital Guaranteed products</b>	
MLC Capital Guaranteed Personal Super Savings Plan MLC Capital Guaranteed Personal Super Bond MLC Maturity Growth Superannuation Plan	To balance risk and return considerations while securing guarantees to members.
MLC Whole of Life Superannuation MLC Endowment Superannuation MLC Pure Endowment Superannuation	
<b>MLC Insurance products</b>	
MLC Life Cover Super MLC Super Group Insurance	Your contributions are used to pay the premiums for the insurance cover selected.

Investment strategy	About your account value
	<p>MLC Limited calculates an earning rate annually.</p> <p>This is referred to as the declared rate and may be positive or negative. It is applied retrospectively on 30 June each year to your account balance.</p> <p>Throughout the year an interim rate is calculated weekly with the intention to reflect the year to date earnings. As a result the interim rate may differ from the declared rate.</p> <p>If you withdraw before the earning rate is declared, the interim rate will be applied to your account before your benefit is paid.</p>
The Trustee has purchased an annuity policy with MLC Limited.	This plan provides a fixed regular income stream for a selected period.
The Trustee invests in policies issued by MLC Limited who, in turn, invests in a suitably structured portfolio of debt securities. Surplus assets, over and above those required to fund guaranteed benefits, are generally invested in a more diversified portfolio to increase potential returns.	<p>A declared rate of interest is allocated to your account after 30 June each year.</p> <p>Investment performance in these plans is included with your annual statement.</p> <p>If you withdraw during the year, an interim rate is calculated and applied to your daily account balance before your benefit is paid.</p> <p>The interim rate is set with the intention to reflect the year to date earnings, and as a result, may differ from the declared rate.</p>
	In most cases, these plans earn bonuses which are allocated annually. Your bonuses, where applicable, are advised each year in your annual statement.
	There are no investment earnings for insurance only plans.

# Investment option profiles

Information current  
as at 30 June 2011

These are important notes about the investment option profiles.

## Investment options

The Investment Menu may change at any time and is available on our website.

For more detailed information, including the latest available asset allocations, please visit our Fund Profile Tool on [mlc.com.au](http://mlc.com.au) or contact your financial adviser. You can also find more information about your investment returns on your Annual Statement.

## Closed investment options

Only members who have units in closed investment options can make additional contributions to those options. Please see pages 45 to 53.

## Fees and costs

On the following pages, investment fees are included for the following product groups:

### Super

- MLC MasterKey Super
- MLC MasterKey Super Fundamentals
- MLC MasterKey Superannuation
- MLC MasterKey Business Super
- MLC MasterKey Personal Super
- MLC Personal Superannuation

### Pension

- MLC MasterKey Pension
- MLC MasterKey Pension Fundamentals
- MLC MasterKey Allocated Pension
- MLC MasterKey Term Allocated Pension

A tax benefit applies to fees charged to your super account. All fees shown in the investment option profiles, are shown before the tax benefit. We charge the fees shown and then pass the tax benefit back to your super account as a credit, which effectively reduces the fees shown by 15%.

## Investment fees

The investment fees shown reflect actual fees for the year ending 30 June 2011.

Investment fees are reflected in the daily unit price for each investment option and vary as investment costs change.

Some investment managers provide a rebate on their investment management fee, which we pass entirely back to your account. The investment fees in the investment option profiles are shown after allowing for this rebate.

## Performance fees

An investment manager may charge a performance fee when its investment returns exceed a specified level. Where applicable, the actual performance fee for the year ending 30 June 2011 is included in the investment fees shown.

The actual performance fee charged in future periods may differ from that disclosed in this report.

You can get more information on how performance fees are calculated by going to the investment managers' Product Disclosure Statement available on [mlc.com.au](http://mlc.com.au)

# MLC Horizon Portfolios

## Investment objective

Each portfolio aims to grow your wealth for an expected level of risk.

## About the investment options

Where you are in life, and what your investment goals are, will influence the kind of investment you choose.

We designed the MLC Horizon Series of portfolios with this in mind as each portfolio offers a different risk and return expectation. So, whatever your circumstances are now, and as they change over time, you can choose the portfolio to suit your specific needs.

At the lower end of the risk and return potential is MLC Horizon 1. This invests in defensive assets such as bonds and cash. At the higher end of risk and return potential is MLC Horizon 7 which gears its investment into growth assets such as shares.

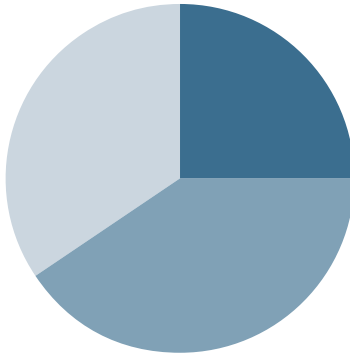
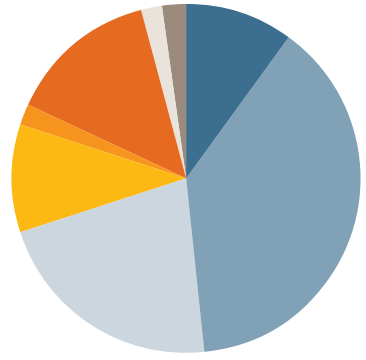


The portfolios are actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.

We're focussed on growing your wealth for an expected level of risk.




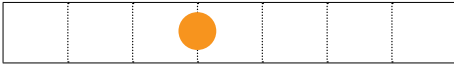
We won't chase risky returns when markets are very strong, which may temporarily result in a lower return than comparable funds that do.

At other times, and particularly when markets are weak, we aim to have higher returns than comparable funds.





# MLC Horizon portfolios

	MLC Horizon 1 Bond Portfolio	MLC Horizon 2 Capital Stable Portfolio
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest almost entirely in defensive assets</li> <li>• you give priority to preserving your capital</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest with a bias towards defensive assets, with some exposure to growth assets</li> <li>• preserving your capital is an important but not overriding concern</li> </ul>
<b>Minimum suggested time to invest</b>	Two years	Three years
<b>Target allocation of \$1,000</b> (at 30 June 2011)	<div> <div></div> Cash \$250 <div></div> Australian debt securities \$408 <div></div> Global debt securities (hedged) \$342 </div> 	<div> <div></div> Cash \$100 <div></div> Australian debt securities \$385 <div></div> Global debt securities (hedged) \$215 <div></div> Australian shares \$100 <div></div> Global shares (hedged) \$20 <div></div> Global shares (unhedged) \$140 <div></div> Global property securities (hedged) \$20 <div></div> Global private assets (hedged) \$20 </div> 
<b>We may adjust the target allocation within these ranges</b>	<b>Defensive</b> 95–100% <b>Growth</b> 0–5%	<b>Defensive</b> 65–75% <b>Growth</b> 25–35%
<b>Expected risk (volatility)</b>	 <div>Low      Moderate      High      Very high</div>	 <div>Low      Moderate      High      Very high</div>
<b>Investment fee for super (% pa)</b>	0.37	0.41
<b>Investment fee for pension (% pa)</b>	0.32	0.43



<b>MLC Horizon 3</b> <b>Conservative Growth Portfolio</b>	<b>MLC Horizon 4</b> <b>Balanced Portfolio</b>																																
<ul style="list-style-type: none"> <li>• you want to invest in an approximately equal mix of defensive and growth assets</li> <li>• you want a portfolio with some long-term capital growth potential and can tolerate moderate changes in value</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest with a bias towards growth assets</li> <li>• you want a portfolio with a bias towards long-term capital growth potential and can tolerate moderate to high changes in value</li> </ul>																																
Five years	Six years																																
<table> <tr><td>Australian debt securities</td><td>\$305</td></tr> <tr><td>Global debt securities (hedged)</td><td>\$195</td></tr> <tr><td>Australian shares</td><td>\$210</td></tr> <tr><td>Global shares (hedged)</td><td>\$30</td></tr> <tr><td>Global shares (unhedged)</td><td>\$160</td></tr> <tr><td>Global property securities (hedged)</td><td>\$30</td></tr> <tr><td>Global private assets (hedged)</td><td>\$60</td></tr> <tr><td>Other</td><td>\$10</td></tr> </table>	Australian debt securities	\$305	Global debt securities (hedged)	\$195	Australian shares	\$210	Global shares (hedged)	\$30	Global shares (unhedged)	\$160	Global property securities (hedged)	\$30	Global private assets (hedged)	\$60	Other	\$10	<table> <tr><td>Australian debt securities</td><td>\$179</td></tr> <tr><td>Global debt securities (hedged)</td><td>\$121</td></tr> <tr><td>Australian shares</td><td>\$310</td></tr> <tr><td>Global shares (hedged)</td><td>\$50</td></tr> <tr><td>Global shares (unhedged)</td><td>\$210</td></tr> <tr><td>Global property securities (hedged)</td><td>\$40</td></tr> <tr><td>Global private assets (hedged)</td><td>\$60</td></tr> <tr><td>Other</td><td>\$30</td></tr> </table>	Australian debt securities	\$179	Global debt securities (hedged)	\$121	Australian shares	\$310	Global shares (hedged)	\$50	Global shares (unhedged)	\$210	Global property securities (hedged)	\$40	Global private assets (hedged)	\$60	Other	\$30
Australian debt securities	\$305																																
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Other	\$30																																
																																	
<b>Defensive Growth</b> 45–55% 45–55%	<b>Defensive Growth</b> 25–35% 65–75%																																
 <div>Low      Moderate      High      Very high</div>	 <div>Low      Moderate      High      Very high</div>																																
0.52	0.58																																
0.53	0.59																																

# MLC Horizon portfolios

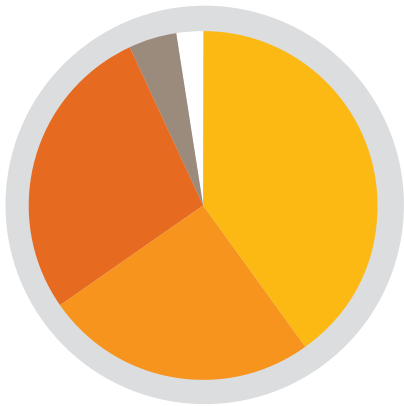
	MLC Horizon 5 Growth Portfolio	MLC Horizon 6 Share Portfolio
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest with a strong bias to growth assets</li> <li>• you want a portfolio with a strong bias towards long-term capital growth potential and can tolerate moderate to high changes in value</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in growth assets</li> <li>• you want a portfolio focussed on long-term capital growth potential and can tolerate high changes in value</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	Seven years
<b>Target allocation of \$1,000</b> (at 30 June 2011)	<div> <div> <div>Australian debt securities</div> <div>\$85</div> </div> <div> <div>Global debt securities (hedged)</div> <div>\$65</div> </div> <div> <div>Australian shares</div> <div>\$350</div> </div> <div> <div>Global shares (hedged)</div> <div>\$110</div> </div> <div> <div>Global shares (unhedged)</div> <div>\$270</div> </div> <div> <div>Global property securities (hedged)</div> <div>\$30</div> </div> <div> <div>Global private assets (hedged)</div> <div>\$60</div> </div> <div> <div>Other</div> <div>\$30</div> </div> </div> 	<div> <div> <div>Australian shares</div> <div>\$400</div> </div> <div> <div>Global shares (hedged)</div> <div>\$220</div> </div> <div> <div>Global shares (unhedged)</div> <div>\$290</div> </div> <div> <div>Global private assets (hedged)</div> <div>\$60</div> </div> <div> <div>Other</div> <div>\$30</div> </div> </div> 
<b>We may adjust the target allocation within these ranges</b>	<b>Defensive</b> 10–20% <b>Growth</b> 80–90%	<b>Defensive</b> 0–10% <b>Growth</b> 90–100%
<b>Expected risk (volatility)</b>	 <div>Low      Moderate      High      Very high</div>	 <div>Low      Moderate      High      Very high</div>
<b>Investment fee for super (% pa)</b>	0.59	0.60
<b>Investment fee for pension (% pa)</b>	0.62	0.64

# **MLC Horizon 7 Accelerated Growth Portfolio**

- you want a portfolio focussed on long-term capital growth
- you want to gear a portfolio of growth assets but don't want the burden of obtaining and managing your own loan
- you're comfortable with the risks of gearing including extra volatility and increased risk of capital loss. You understand that at its target gearing level (described below), the Portfolio's unit price would theoretically fall to zero if its asset values fell suddenly by 77%. Lesser falls may cause substantial reductions in unit prices which may trigger the suspension of withdrawals and applications

Ten years

■ Australian shares	\$520
■ Global shares (hedged)	\$330
■ Global shares (unhedged)	\$360
■ Global private assets (hedged)	\$60
□ Other	\$30
■ Borrowing	-\$300



## **Target gearing level**

As at 30 June 2011, for every \$1,000 you have invested, the Portfolio targets borrowings of \$300. The actual gearing level changes every day. That's why we monitor the Portfolio's actual gearing level against its target and regularly move the borrowings back to the target level.

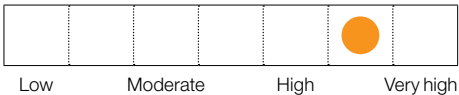
Seeking to maintain the target gearing level involves adjusting the borrowings as well as buying and selling assets. This increased trading will incur transaction costs and realise tax gains and losses.

We may change the target gearing level without prior notice to you.

In some circumstances it is possible that the Portfolio may not be geared for a, potentially extended, period of time.

Target gearing levels are available on **mlc.com.au**. You should check this to ensure you are comfortable with the target gearing level prior to investing in the Portfolio.

**Growth**      100–135%  
 Amounts invested above 100% are made by borrowing.  
 In extreme market conditions the amount invested may exceed 135%.



1.06	Gearing costs aren't included in the Indicative investment fee. They're paid from the Portfolio's assets and reflected in the unit price.
1.12	

# MLC Index Plus portfolios

## Investment objective



Each portfolio aims to grow your wealth for an expected level of risk.

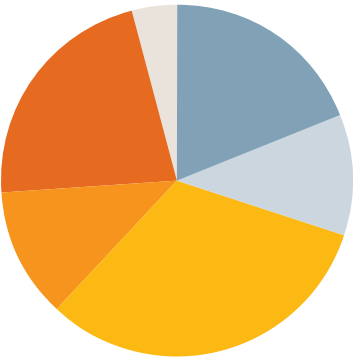
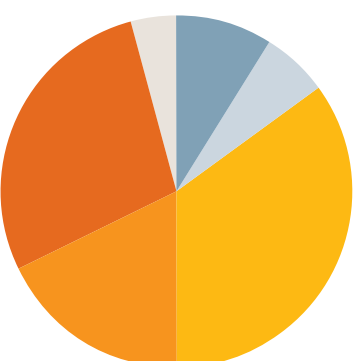


## About the investment options

Each MLC Index Plus portfolio offers a diversified investment solution. They are designed using all aspects of our approach to investing, except they have a greater focus on:

- investing in conventional asset classes and
- index (passive) rather than active managers (as shown in target allocation)

We expect index managers to provide similar returns to the market (before taking into account fees and taxes).


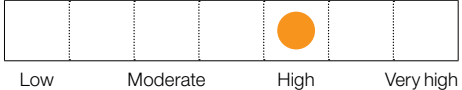
	<b>MLC Index Plus Conservative Growth Portfolio</b>												
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in an approximately equal mix of defensive and growth assets</li> <li>• you want a portfolio with some long-term capital growth potential and can tolerate moderate changes in value</li> <li>• you want to invest in conventional asset classes</li> </ul>												
<b>Minimum suggested time to invest</b>	Five years												
<b>Target allocation of \$1,000</b> (at 30 June 2011)	<table> <tr> <td>■ Australian debt securities – active</td><td>\$315</td></tr> <tr> <td>■ Global debt securities (hedged) – active</td><td>\$185</td></tr> <tr> <td>■ Australian shares – index</td><td>\$210</td></tr> <tr> <td>■ Global shares (hedged) – index</td><td>\$90</td></tr> <tr> <td>■ Global shares (unhedged) – index</td><td>\$170</td></tr> <tr> <td>■ Global property securities (hedged) – index</td><td>\$30</td></tr> </table> 	■ Australian debt securities – active	\$315	■ Global debt securities (hedged) – active	\$185	■ Australian shares – index	\$210	■ Global shares (hedged) – index	\$90	■ Global shares (unhedged) – index	\$170	■ Global property securities (hedged) – index	\$30
■ Australian debt securities – active	\$315												
■ Global debt securities (hedged) – active	\$185												
■ Australian shares – index	\$210												
■ Global shares (hedged) – index	\$90												
■ Global shares (unhedged) – index	\$170												
■ Global property securities (hedged) – index	\$30												
<b>We may adjust the target allocation within these ranges</b>	<table> <tr> <td><b>Defensive</b></td><td>45–55%</td></tr> <tr> <td><b>Growth</b></td><td>45–55%</td></tr> </table>	<b>Defensive</b>	45–55%	<b>Growth</b>	45–55%								
<b>Defensive</b>	45–55%												
<b>Growth</b>	45–55%												
<b>Expected risk (volatility)</b>													
<b>Investment fee for super (% pa)</b>	0.37												

MLC Index Plus Balanced Portfolio	MLC Index Plus Growth Portfolio
<ul style="list-style-type: none"> <li>• you want to invest with a bias to growth assets</li> <li>• you want a portfolio with a bias towards long-term capital growth potential and can tolerate moderate changes in value</li> <li>• you want to invest in conventional asset classes</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest with a strong bias to growth assets</li> <li>• you want a portfolio with a strong bias towards long-term capital growth potential and can tolerate moderate to high changes in value</li> <li>• you want to invest in conventional asset classes</li> </ul>
Six years	Seven years
<ul style="list-style-type: none"> <li>Australian debt securities – active \$189</li> <li>Global debt securities (hedged) – active \$111</li> <li>Australian shares – index \$320</li> <li>Global shares (hedged) – index \$120</li> <li>Global shares (unhedged) – index \$220</li> <li>Global property securities (hedged) – index \$40</li> </ul>	<ul style="list-style-type: none"> <li>Australian debt securities – active \$90</li> <li>Global debt securities (hedged) – active \$60</li> <li>Australian shares – index \$350</li> <li>Global shares (hedged) – index \$180</li> <li>Global shares (unhedged) – index \$280</li> <li>Global property securities (hedged) – index \$40</li> </ul>
	
<b>Defensive</b> 25–35% <b>Growth</b> 65–75%	<b>Defensive</b> 10–20% <b>Growth</b> 80–90%
 <div>Low      Moderate      High      Very high</div>	 <div>Low      Moderate      High      Very high</div>
0.38	0.40



# MLC Long-Term Absolute Return Portfolio

	<b>MLC Long-Term Absolute Return Portfolio</b>
<b>Investment objective</b>	Aims to maximise its return (above inflation, and after deducting investment fees and tax) over rolling 20 year periods, while ensuring a high likelihood of it being positive over that timeframe.
<b>About the investment option</b>	<p>The Portfolio is designed using three steps:</p> <ol style="list-style-type: none"> <li>1. It invests broadly across asset classes, many of which are unconventional (eg insurance related investments, private assets and inflation-linked bonds). This reduces its dependency on a single source of return. While investing in shares will generally be an important part of the Portfolio's strategy, its exposure to the Australian share market shouldn't dominate. The Portfolio also uses a number of investment managers who aren't limited to just one asset class, and may apply short-selling techniques to enhance returns. Over time, the Portfolio may take advantage of a variety of investment opportunities as they arise.</li> <li>2. This diversified strategy is then geared in order to meet its 20 year objective.</li> <li>3. We then take this strategy and adjust it to exploit swings in return and risk potential. We base these adjustments on our three to seven year assessment of the market environment.</li> </ol> <p>The resulting target asset allocation is shown on the following page.</p> <p>The Portfolio invests significantly in assets that can't easily be sold. And it may be significantly geared (it's allowed to invest up to \$1,000 for every \$1,000 you invest, and in extreme market conditions this level of gearing may be exceeded). The combination of these facts means that, from time to time, we may suspend your ability to put money into or take money out of the Portfolio.</p>
<b>The investment option may be suited to you if ...</b>	<p>You want to:</p> <ul style="list-style-type: none"> <li>• take a genuinely long-term investment approach</li> <li>• focus on achieving returns above inflation, and can tolerate significant short-term volatility to achieve those returns</li> <li>• access the benefits of a geared portfolio and are comfortable with the risks of gearing including extra volatility and increased risk of capital loss, outlined on page 6 and above</li> <li>• diversify across a wider range of asset classes, and</li> <li>• access long-term and/or unconventional asset classes and investment strategies while accepting that such strategies may take years to reward you.</li> </ul> <p>And you're willing to accept:</p> <ul style="list-style-type: none"> <li>• both financially and emotionally, that the Portfolio may have substantially different returns to other investments</li> <li>• the Portfolio may be illiquid for some time, potentially years, and,</li> <li>• at it's target gearing level (at 30 June 2011) the Portfolio's unit price would theoretically fall to zero if its asset values fell suddenly by 83%. Lesser falls may cause substantial reductions in unit prices which may trigger the suspension of withdrawals and applications.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven to ten years

<b>Target allocation of \$1,000</b> (at 30 June 2011)	<table border="0"> <tr> <td>Global shares (unhedged)</td><td>\$380</td></tr> <tr> <td>Australian shares</td><td>\$90</td></tr> <tr> <td>Emerging market shares (unhedged)</td><td>\$130</td></tr> <tr> <td>Global private assets (hedged)</td><td>\$100</td></tr> <tr> <td>Global property securities (hedged)</td><td>\$80</td></tr> <tr> <td>Australian inflation linked bonds</td><td>\$60</td></tr> <tr> <td>Global multi-sector bonds</td><td>\$60</td></tr> <tr> <td>Multi-asset class real return strategies</td><td>\$150</td></tr> <tr> <td>Insurance related investments (hedged)</td><td>\$80</td></tr> <tr> <td>Alpha</td><td>\$70</td></tr> <tr> <td>Borrowing</td><td>-\$200</td></tr> </table>  <p>The asset allocation and gearing level may have changed substantially from this.  Please see the latest information on <a href="http://mlc.com.au">mlc.com.au</a></p>	Global shares (unhedged)	\$380	Australian shares	\$90	Emerging market shares (unhedged)	\$130	Global private assets (hedged)	\$100	Global property securities (hedged)	\$80	Australian inflation linked bonds	\$60	Global multi-sector bonds	\$60	Multi-asset class real return strategies	\$150	Insurance related investments (hedged)	\$80	Alpha	\$70	Borrowing	-\$200
Global shares (unhedged)	\$380																						
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Insurance related investments (hedged)	\$80																						
Alpha	\$70																						
Borrowing	-\$200																						
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>																						
<b>Current expected return</b>	<p>An average of 5.5% pa above the rate of inflation over rolling 20 year periods. This expectation is after deducting investment fees and superannuation tax. It's an average of the large range of potential returns the Portfolio could deliver over a 20 year period. There's likely to be substantial periods where the Portfolio's actual return is:</p> <ul style="list-style-type: none"> <li>• different from average</li> <li>• negative, and the Portfolio falls in value.</li> </ul> <p>The expected return may change over time and is based on MLC's current estimate of long-term returns.</p>																						
<b>Investment fee for super (% pa)</b>	1.41																						
<b>Investment fee for pension (% pa)</b>	1.36																						

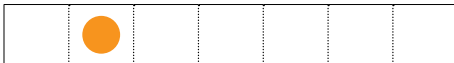
# MLC asset class portfolios

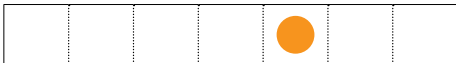
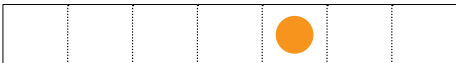
## Investment objective

Each fund is designed to be a complete portfolio for the respective asset class, and aims to deliver growth by using investment managers who invest and diversify across many companies and securities within that asset class.

## How you can assess performance

One way you can assess the performance of each fund is against its market benchmark over the long term. When making this assessment, be aware that the market benchmark doesn't take into account fees and taxes that may apply to your account.

	<b>MLC Diversified Debt Fund</b>
<b>About the investment option</b>	<p>The Fund is diversified across different types of debt securities in Australia and around the world. The securities are predominantly investment grade and typically longer dated.</p> <p><b>Foreign currency exposures will generally be substantially hedged to the Australian dollar.</b></p> <p>As a result of capital restructures of debt issuers, the Fund may have an incidental exposure to shares from time to time.</p>
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in a defensive portfolio that's actively managed and diversified across investment managers, countries, bond sectors and securities.</li> </ul>
<b>Minimum suggested time to invest</b>	Three to five years
<b>Target allocation of \$1,000</b> (at 30 June 2011)	50% Australian debt securities 50% Global debt securities
<b>Market benchmark</b>	50% UBS Composite Bond Index (All Maturities) & 50% Barclays Capital Global Aggregate Bond Index (hedged into Australian dollars)
<b>Expected risk (volatility)</b>	 <div> <div>Low</div> <div>Moderate</div> <div>High</div> <div>Very high</div> </div>
<b>Investment fee for super (% pa)</b>	0.42
<b>Investment fee for pension (% pa)</b>	0.42

MLC Property Securities Fund	MLC Global Property Fund
<p>The Fund invests primarily in Australian property securities, including listed Real Estate Investment Trusts and companies across most major listed property sectors. It does not normally invest in direct property, but may have some exposure to property securities listed outside of Australia from time to time.</p> <p><b>Foreign currency exposures will generally be substantially hedged to the Australian dollar.</b></p>	<p>The Fund invests primarily in property securities around the world, including listed Real Estate Investment Trusts and companies across most major listed property sectors. It does not normally invest in direct property.</p> <p><b>Foreign currency exposures will generally be substantially hedged to the Australian dollar.</b></p>
<ul style="list-style-type: none"> <li>• you want to invest in an actively managed property securities portfolio that invests in Australia, with some global exposure, and diversifies across property sectors and REITs.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed global property securities portfolio that's diversified across investment managers, countries, property sectors and REITs.</li> </ul>
Seven years	Seven years
85–100% Australian property securities 0–15% Global property securities	100% Global property securities
S&P/ASX 300 A-REIT Accumulation Index	FTSE EPRA/NAREIT Global Developed Index (hedged into Australian dollars)
 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
0.63	0.74
0.66	0.77

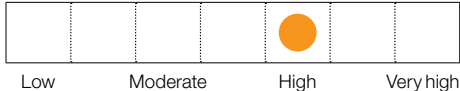
# MLC asset class portfolios

## Investment objective

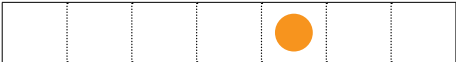

Each fund is designed to be a complete portfolio for the respective asset class, and aims to deliver growth by using investment managers who invest and diversify across many companies and securities within that asset class.

## How you can assess performance

One way you can assess the performance of each fund is against its market benchmark over the long term. When making this assessment, be aware that the market benchmark doesn't take into account fees and taxes that may apply to your account.

	<b>MLC Australian Share Fund</b>
<b>About the investment option</b>	The Fund invests primarily in companies listed (or expected to be listed) on the Australian Securities Exchange (and other regulated exchanges), and is typically diversified across major listed industry groups. It may have a small exposure to companies listed outside of Australia from time to time.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed Australian share portfolio that's diversified across investment managers, industries and companies.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years
<b>Target allocation of \$1,000</b> (at 30 June 2011)	100% Australian shares
<b>Market benchmark</b>	S&P/ASX 300 Accumulation Index
<b>Expected risk (volatility)</b>	 <p>A horizontal scale with four boxes labeled Low, Moderate, High, and Very high. An orange dot is positioned in the High box.</p>
<b>Investment fee for super (% pa)</b>	0.59
<b>Investment fee for pension (% pa)</b>	0.60



MLC Global Share Fund	MLC Hedged Global Share Fund
<p>The Fund invests primarily in companies listed (or expected to be listed) on share markets anywhere around the world, and is typically diversified across major listed industry groups.</p> <p><b>Foreign currency exposures will generally not be hedged to the Australian dollar.</b></p>	<p>The Fund invests primarily in companies listed (or expected to be listed) on share markets anywhere around the world, and is typically diversified across major listed industry groups.</p> <p><b>Foreign currency exposures will generally be substantially hedged to the Australian dollar.</b></p>
<ul style="list-style-type: none"> <li>• you want to invest in an actively managed global share portfolio that's diversified across investment managers, countries (developed and emerging), industries and companies. And you're comfortable the currency exposures aren't managed.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed global share portfolio that's diversified across investment managers, countries (developed and emerging), industries and companies. And you want currency exposures hedged to the Australian dollar.</li> </ul>
Seven years	Seven years
100% Global shares	100% Global shares
MSCI All Country World Index	MSCI All Country World Index (hedged into Australian dollars)
 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
0.74	0.73
0.78	0.75



# MLC asset class portfolios


## Investment objective

Each fund aims to deliver growth by using investment managers who invest and diversify across many companies and securities within the respective asset class.

## How you can assess performance

One way you can assess the performance of each fund is against its market benchmark over the long term. When making this assessment, be aware that the market benchmark doesn't take into account fees and taxes that may apply to your account.

	MLC Australian Share Value Style Fund	MLC Australian Share Growth Style Fund
<b>About the investment option</b>	The Fund invests primarily in companies listed (or expected to be listed) on the Australian Securities Exchange (and other regulated exchanges). It may have a small exposure to companies listed outside of Australia from time to time. We primarily use investment managers who have an investment style focusing on companies that they believe are undervalued in relation to their earning potential.	The Fund invests primarily in companies listed (or expected to be listed) on the Australian Securities Exchange (and other regulated exchanges). It may have a small exposure to companies listed outside of Australia from time to time. We primarily use investment managers who have an investment style focusing on companies that are expected to have strong earnings growth.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed, value biased, Australian share portfolio that's diversified across investment managers, industries and companies.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an actively managed, growth biased, Australian share portfolio that's diversified across investment managers, industries and companies.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	Seven years
<b>Target allocation of \$1,000 (at 30 June 2011)</b>	100% Australian shares	100% Australian shares
<b>Market benchmark</b>	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index
<b>Expected risk (volatility)</b>	 <div>Low   Moderate   High   Very high</div>	 <div>Low   Moderate   High   Very high</div>
<b>Investment fee for super (% pa)</b>	0.59	0.53
<b>Investment fee for pension (% pa)</b>	0.61	0.55

<b>MLC Global Share Value Style Fund</b>	<b>MLC Global Share Growth Style Fund</b>
<p>The Fund invests primarily in companies listed (or expected to be listed) on share markets anywhere around the world.</p> <p><b>Foreign currency exposures will generally not be hedged to the Australian dollar.</b></p> <p>We primarily use investment managers who have an investment style focusing on companies that they believe are undervalued in relation to their earning potential.</p> <ul style="list-style-type: none"> <li>• you want to invest in an actively managed, value biased, global share portfolio that's diversified across investment managers, countries (developed and emerging), industries and companies.</li> <li>• and you're comfortable the currency exposures aren't managed.</li> </ul>	<p>The Fund invests primarily in companies listed (or expected to be listed) on share markets anywhere around the world.</p> <p><b>Foreign currency exposures will generally not be hedged to the Australian dollar.</b></p> <p>We primarily use investment managers who have an investment style focusing on companies that are expected to have strong earnings growth.</p> <ul style="list-style-type: none"> <li>• you want to invest in an actively managed, growth biased, global share portfolio that's diversified across investment managers, countries (developed and emerging), industries and companies.</li> <li>• and you're comfortable the currency exposures aren't managed.</li> </ul>
Seven years	Seven years
100% Global shares	100% Global shares
MSCI All Country World Index	MSCI All Country World Index
 <p>Low   Moderate   High   Very high</p>	 <p>Low   Moderate   High   Very high</p>
0.78	0.67
0.83	0.70

	<b>MLC IncomeBuilder</b>
<b>Investment objective</b>	Aims to provide returns from companies that are expected to deliver a growing dividend stream over time.
<b>About the investment option</b>	<p>The Fund invests primarily in Australian companies that have the potential to provide future growth in dividends.</p> <p>The Fund is expected to generate tax-effective returns by:</p> <ul style="list-style-type: none"> <li>• investing in companies expected to have high franking levels, and</li> <li>• carefully managing the realisation of capital gains.</li> </ul> <p>The Fund is expected to provide returns consistent with investing in a broad range of Australian companies.</p>
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in shares in Australian companies that are expected to deliver a growing dividend stream over time.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years
<b>Target allocation</b> (at 30 June 2011)	100% Australian shares
<b>How you can assess performance</b>	You can assess performance based on the annual growth in dividends received from the underlying companies.
<b>Expected risk (volatility)</b>	 <p>Low   Moderate   High   Very high</p>
<b>Investment fee for super (% pa)</b>	0.71
<b>Investment fee for pension (% pa)</b>	0.71

# Cash & Term deposits

	MLC Cash Fund	NAB Term Deposits
<b>Investment objective</b>	Aims to provide competitive returns relative to the Reserve Bank of Australia's Cash Rate Target.	The interest rate on a term deposit is fixed for the term you select.
<b>About the investment option</b>	<p>The Fund invests in deposits with banks (including National Australia Bank) and other comparable high quality securities. It's possible, from time to time, for a high proportion of the Fund to be invested in securities issued by one bank.</p> <p>MLC Limited guarantees the value of your investment in the MLC Cash Fund (before the deduction of tax and fees).</p>	<p>The interest rate on a term deposit is fixed for the term you select. You can select a six month, one year or two year term. You can find current interest rates on <a href="http://mlc.com.au">mlc.com.au</a></p> <p><b>How much you can invest</b> You can invest up to 70% of your account balance in term deposits. You can't invest once you reach the age of 90 or as part of a regular contribution strategy.</p> <p>Term deposits are invested for a fixed term. Early withdrawals are only permitted in extreme circumstances and will result in reduced interest.</p> <p><b>Maintaining your account balance</b> When you invest in term deposits, you'll also need to make sure you maintain at least 10% of each of your super and pension account balances in other investment options (not term deposits).</p> <p>This allows us to process your withdrawals requests and pension payments and also pay fees and other costs for your account. If you make a one-off withdrawal request which would make your account balance fall below this 10% minimum, then we may not process it.</p> <p><b>How interest is paid</b> Interest will be paid into your nominated investment option on maturity. Interest on the two year term is paid annually on the anniversary into the MLC Cash Fund with the remaining interest paid on maturity.</p>
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>you want to invest in a low risk cash portfolio.</li> </ul>	<ul style="list-style-type: none"> <li>you want to achieve a fixed rate of return for a set period.</li> </ul>
<b>Minimum suggested time to invest</b>	One month	Fixed for the term you select.
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	100% Cash	100% Debt securities
<b>Market benchmark</b>	Reserve Bank of Australia's Cash Rate Target	Not applicable
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee for super (% pa)</b>	0.27	N/A
<b>Investment fee for pension (% pa)</b>	0.25	N/A

NAB Fixed Rate Funds

(only available for Pension investors)

To provide a guaranteed rate of interest for the term selected.

The rate you receive is the rate current on the date your investment in the selected Fund starts.

The rate is guaranteed for the investment term unless taxation conditions change.

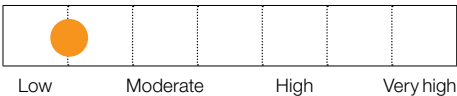
You can only invest up to 80% of your pension account in these Funds and you cannot invest once you reach age 90.

- you want to achieve a fixed rate of return for a set period.

Fixed for the term you select.

100% Debt securities

Not applicable

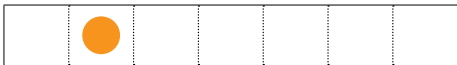



N/A


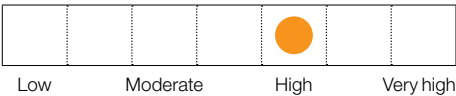
N/A

# Investment options not managed by MLC

## Debt securities

	<b>Vanguard® Australian Fixed Interest Index Fund</b>	<b>Vanguard® International Fixed Interest Index Fund (Hedged)</b>
<b>Investment objective</b>	To seek the return (income and capital appreciation) of the UBS Australian Composite Bond Index before taking into account Fund fees and expenses.	To track the return (income and capital appreciation) of the Barclays Capital Global Treasury Index hedged into Australian dollars before taking into account Fund fees and expenses.
<b>About the investment option</b>	The Fund aims to hold most of the securities in the Index, allowing for individual weightings to vary marginally from the Index from time to time. Bonds have a finite life which means the composition of the Index is constantly changing.	A representative sample of bonds is selected from the Index to form the portfolio. Bonds have a finite life which means the composition of the Index is constantly changing.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in an index Australian debt securities fund.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an index global debt securities fund.</li> </ul>
<b>Minimum suggested time to invest</b>	Five years	Five years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	100% Australian debt securities	100% Global debt securities
<b>Market benchmark</b>	UBS Australian Composite Bond Index	Barclays Capital Global Treasury Index hedged into Australian dollars
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	0.19	0.24
<b>Issuer fee (% pa)</b>	0.12	0.12



## Property securities

	<b>Legg Mason Property Securities Trust</b>	<b>Vanguard® Australian Property Securities Index Fund</b>
<b>Investment objective</b>	To provide before fees and taxes a return of 1.5% pa, in excess of the S&P/ASX 300 A-REIT Accumulation Index over rolling three-year periods.	To track the return (income and capital appreciation) of the S&P/ASX 300 A-REIT Index before taking into account Fund fees and expenses.
<b>About the investment option</b>	The Fund invests in a diversified portfolio of listed property trusts and property related listed equities. The investment process is based on long-term cash flow based analysis and bottom up selection. Key factors considered include asset quality, leasing and financing structures, development, risks and the quality of the management team.	The Fund will hold all of the property securities in the Index (at most times) allowing for individual security weightings to vary marginally from time to time. The Fund may invest in property securities that have been or are expected to be included in the Index.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you want to invest in an active Australian property securities fund.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an index Australian property securities fund.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	Seven years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	100% Australian property securities	100% Australian property securities
<b>Market benchmark</b>	S&P/ASX 300 A-REIT Accumulation Index	S&P/ASX 300 A-REIT Index
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	0.52	0.24
<b>Issuer fee (% pa)</b>	0.12	0.12



# Investment options not managed by MLC


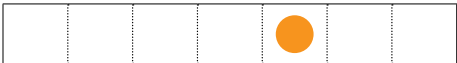
## Australian shares



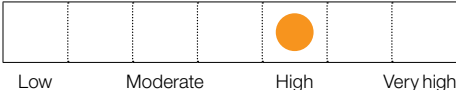
	<b>Alphinity Wholesale Concentrated Australian Share Fund</b>	<b>Arnhem Australian Equity Fund</b>
<b>Investment objective</b>	To outperform the S&P/ASX 200 Accumulation Index after costs over rolling five-year periods.	To provide investors with capital appreciation over the medium term (five years) by investing in Australian listed securities.
<b>About the investment option</b>	Alphinity believe that investing in companies with underestimated forward earnings expectations provides superior long term returns as the true earnings potential inevitably becomes apparent to the market. Concentrated portfolio of 20 to 30 stocks.	The Fund seeks to be fully invested in 30 to 40 companies that have strong or leading positions in structurally attractive, growing industries and above-average sustainable earnings growth. Risk is managed by favouring these companies over those that are in declining or unprofitable industries.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>you want to invest in an active core Australian shares fund that seeks to identify opportunities across market cycles.</li> </ul>	<ul style="list-style-type: none"> <li>you want to invest in an active Australian equities fund.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	At least five years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	60-100% Australian shares 0-40% Cash	100% Australian shares
<b>Market benchmark</b>	S&P/ASX 200 Accumulation Index	S&P/ASX 200 Accumulation Index
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	Management fee (% pa) 0.56 Performance fee (% pa) 0.00 <b>Investment fee (% pa) 0.56</b>	0.56
<b>Issuer fee (% pa)</b>	0.12	0.12

<b>Ausbil Australian Emerging Leaders Fund</b>	<b>Investors Mutual Australian Share Fund</b>	<b>Lodestar Australian Strategic Share Fund</b>
To provide returns above the benchmark over the medium to long term, before fees and tax.	To outperform the S&P/ASX 300 Accumulation Index over rolling four-year periods, after taking into account fees, but before tax.	To generate equity-like returns with lower volatility than the Australian equity market over a full investment cycle.
The Fund aims to invest in mid and small cap stocks which possess potential for superior growth. Ausbil believes that a company's share price ultimately follows earnings (and earnings revisions). At all times the Fund will favour sectors and specific companies which it believes will experience positive earnings revisions.	Invests in a diversified portfolio of high quality Australian companies that display four characteristics; a sustainable competitive advantage, recurring earnings, capable management and the ability to grow over time. Investors Mutual Limited believes in purchasing quality companies at attractive prices when a company's price is below its long term value.	The investment philosophy underpinning Lodestar's approach is the belief that markets are not perfectly efficient, resulting in securities becoming mispriced. Lodestar's fundamental research and technical and qualitative analysis assist in identifying these opportunities. Lodestar's investment process is driven by the team's 100-plus years of experience and uses both top-down (macroeconomic) and bottom-up (stock specific) perspectives.  The NAB group holds a minority interest in Lodestar.
<ul style="list-style-type: none"> <li>• you seek exposure to mid and small Australian equities.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an active Australian shares fund.</li> </ul>	<ul style="list-style-type: none"> <li>• you wish to benefit from an actively managed Australian Share Fund that manages risk through its flexibility to adjust equity market exposures and incorporate long/short strategies.</li> </ul>
Seven years	Seven years	At least five years
90–100% Australian shares 0–10% Cash	90–100% Australian shares 0–10% Cash	-50% to +150% Australian shares
70% S&P/ASX Midcap 50 30% S&P/ASX Small Ordinaries Accumulation Indexes	S&P/ASX 300 Accumulation Index	S&P/ASX 200 Accumulation Index
 Low      Moderate      High      Very high	 Low      Moderate      High      Very high	 Low      Moderate      High      Very high
Management fee (% pa) 0.75 Performance fee (% pa) 0.35 <b>Investment fee (% pa) 1.10</b>	0.72	Management fee (% pa) 1.03 Performance fee (% pa) 0.00 <b>Investment fee (% pa) 1.03</b>
0.12	0.12	Nil

# Investment options not managed by MLC



## Australian shares

	<b>MLC-Vanguard Australian Share Index Fund</b>	<b>Northward Capital Australian Equity Trust</b>
<b>Investment objective</b>	Aims to match the return of the S&P/ASX 200 Accumulation Index, before taking into account fees, expenses and tax.	To outperform the S&P/ASX 30 Accumulation Index, over rolling three-year periods after fees and expenses.
<b>About the investment option</b>	A representative sample of shares is selected from the Index to form the portfolio. Individual security weightings may vary marginally from the Index from time to time. The Fund may invest in securities that have been, or are expected to be, included in the Index.	Northward believes that a disciplined, fundamental research approach to identify undervalued quality companies will generate strong investment returns over the long term. Investment opportunities are identified using a multi portfolio manager investment approach driven by rigorous 'bottom up' company research.  The NAB group holds a minority interest in Northward.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>you want to invest in a portfolio of Australian shares that produces similar returns to the market.</li> </ul>	<ul style="list-style-type: none"> <li>you wish to benefit from an actively managed Australian equity portfolio managed by a specialist boutique investment manager.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	At least five years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	100% Australian shares	90–100% Australian shares 0–10% Cash
<b>Market benchmark</b>	S&P/ASX 200 Accumulation Index	S&P/ASX 300 Accumulation Index
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	Investment fee for super (%pa)      0.25 Investment fee for pension (%pa)      0.30	Management fee (% pa)      0.85 Performance fee (% pa)      0.00 <b>Investment fee (% pa)      0.85</b>
<b>Issuer fee (% pa)</b>	Nil	Nil


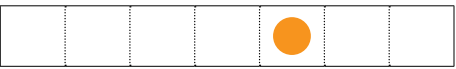
<b>Perennial Value Shares Wholesale Trust</b>	<b>Perpetual Wholesale Australian Fund</b>	<b>Perpetual Wholesale Ethical SRI Fund</b>
To provide a total return (after fees) that exceeds the S&P/ASX 300 Accumulation Index measured on a rolling three-year basis.	To provide long-term capital growth and income through investment in quality shares.	To provide long-term capital growth and income through investment in quality shares of socially responsible companies.
Perennial seeks to buy good businesses that are undervalued by the market, with a belief that good businesses are eventually recognised by markets and positively re-valued. The Trust will typically hold approximately 45 stocks listed on the Australian Securities Exchange and seeks to be fully invested with a cash exposure limited to 10%.	Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. Investments are carefully selected on the basis of four key investment criteria: conservative debt levels, sound management, quality business, and for industrial companies, recurring earnings. Derivatives may be used.	Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. Investments are carefully selected on the basis of four key investment criteria: conservative debt levels, sound management, quality business, and for industrial companies, recurring earnings. Perpetual screens for ethical and socially responsible investments. Derivatives may be used.
<ul style="list-style-type: none"> <li>• you have an investment horizon of five or more years and seek exposure to a portfolio of Australian 'value oriented' companies.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an active Australian shares fund.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an Australian shares fund that invests in socially responsible companies.</li> </ul>
Five years	Five years or more	Five years or more
100% Australian shares – The Trust seeks to be fully invested in Australian shares at all times, with a cash exposure not exceeding 10% for any length of time.	90–100% Australian shares 0–10% Cash	90–100% Australian shares 0–10% Cash
S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index	S&P/ASX 300 Accumulation Index
 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
0.72	0.86	0.80
0.12	0.12	0.12

# Investment options not managed by MLC

## Australian shares

	<b>Perpetual Wholesale Smaller Companies Fund No. 2</b>	<b>Schroder Wholesale Australian Equity Fund</b>
<b>Investment objective</b>	To provide long-term capital growth and income through investment in quality Australian shares which, when first acquired, do not rank in the S&P/ASX 50 Index.	To outperform the S&P/ASX 200 Accumulation Index after fees over the medium to long term.
<b>About the investment option</b>	Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. Investments are carefully selected on the basis of four key investment criteria: conservative debt levels, sound management, quality business, and for industrial companies, recurring earnings. Derivatives may be used.	Schroders' investment philosophy is value creation and the ability to generate returns on capital higher than the cost of capital. This leads to sustainable share price out-performance in the long term. The investment process is a combination of qualitative industry and company analysis, and quantitative financial forecasts and valuations.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>you want to invest in a smaller companies Australian shares fund.</li> </ul>	<ul style="list-style-type: none"> <li>you want to invest in an active Australian shares fund.</li> </ul>
<b>Minimum suggested time to invest</b>	Five years or more	Three to five years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	80–100% Australian smaller companies shares 0–20% Cash	100% Australian & New Zealand shares
<b>Market benchmark</b>	S&P/ASX Small Ordinaries Accumulation Index	S&P/ASX 200 Accumulation Index
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	1.25	0.57
<b>Issuer fee (% pa)</b>	0.12	0.12

## Global shares

	<b>AXA Wholesale Global Equity – Value Fund</b>	<b>BlackRock Global Allocation Fund</b>
<b>Investment objective</b>	To provide long-term capital growth and outperform the Morgan Stanley Capital International World ex-Australia Index (net dividends reinvested) after costs over rolling five-years.	To maximise total investment returns while managing risk and is generally diversified across markets, industries and issuers.
<b>About the investment option</b>	Invests in companies that appear undervalued relative to long-term earnings potential. Companies will have a minimum market capitalisation at purchase of US\$1 billion for developed countries or US\$500M for emerging countries. Investments in foreign markets will be exposed to relevant foreign currencies, hedging may be used. Cash may be held if appropriate investments aren't available.	The Fund will typically invest in global equities, fixed income and cash. The types of securities and markets will vary in response to changing market conditions and economic trends. Its investments are diversified across markets, industries and issuers spreading the risks associated with investing in only one asset class or market.
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>you want to invest in an active global shares fund.</li> </ul>	<ul style="list-style-type: none"> <li>you want to invest in an active global fund.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	Five years or more
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	95–100% Global shares 0–5% Cash	60% Equities 40% Fixed income
<b>Market benchmark</b>	MSCI World ex-Australia Index (net dividends reinvested)	The benchmark is a diversified allocation of 36% S&P 500 Index (Total Return hedged in AUD), 24% FTSE World Index ex US Index (Total Return hedged in AUD), 24% Merrill Lynch US Government Index (0–5 yr Treasury hedged in AUD) and 16% Citigroup World ex US Government Bond Index (hedged in AUD).
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	0.81	Management fee (% pa) 0.10 Performance fee (% pa) 1.70 <b>Investment fee (% pa) 1.80</b>
<b>Issuer fee (% pa)</b>	0.12	0.12

# Investment options not managed by MLC

## Global shares

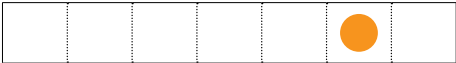
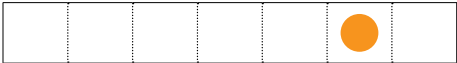
	<b>BlackRock Global Small Cap Fund (Unhedged)</b>	<b>MLC Capital International Global Share Fund</b>
<b>Investment objective</b>	The Fund is managed with the aim of consistently generating superior risk adjusted returns.	Aims to provide long-term growth from an actively managed share portfolio selected from share markets around the world.
<b>About the investment option</b>	The Fund will typically invest in small to medium sized companies around the world. The size of the companies range from US\$300M to US\$10B. The Fund may invest a maximum of 15% of assets in cash and liquid assets. The currency exposures of the fund are generally unhedged, however active currency management may be undertaken.	Invests in a diversified range of global shares in both developed and emerging markets, actively managed by Capital International. <b>Foreign currency exposures will generally not be hedged to the Australian dollar.</b>
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>you want to maximise capital growth through exposure to a globally diversified portfolio of shares of quality small and mid capitalisation companies listed on international stock exchanges.</li> </ul>	<ul style="list-style-type: none"> <li>you want to invest in an actively managed global share portfolio that's diversified across countries (developed and emerging), industries and companies. And you're comfortable the currency exposures aren't managed.</li> </ul>
<b>Minimum suggested time to invest</b>	Seven years	Seven years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	100% Global shares	100% Global shares
<b>Market benchmark</b>	S&P Global MidSmall Cap Index (unhedged in Australian dollars)	MSCI World Index
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	0.95	0.74
<b>Issuer fee (% pa)</b>	0.12	Nil

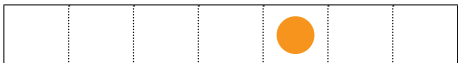
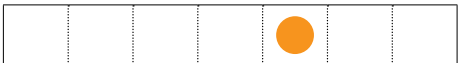
<b>MLC-Platinum Global Fund</b> <b>(only available to current investors in this Fund)</b>	<b>Platinum Asia Fund</b>	<b>Platinum International Fund</b>
<p>To provide capital growth over the long-term through searching out undervalued listed (and unlisted) investments around the world.</p>	<p>To provide capital growth over the long-term through searching out undervalued listed (and unlisted) investments in the Asian region.</p>	<p>To provide capital growth over the long-term through searching out undervalued listed (and unlisted) investments around the world.</p>
<p>The Fund primarily invests in listed securities. The Portfolio will ideally consist of 100 to 200 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The Portfolio will typically have 50% or more net equity exposure. Derivatives may be used for risk management purposes and to increase returns. The underlying value of derivatives may not exceed 100% of the Net Asset Value (NAV) of the Fund and the underlying value of long stock positions and derivatives will not exceed 150% of the NAV of the Fund. Currency exposures are actively managed.</p>	<p>The Fund primarily invests in Asian companies' listed securities. The Portfolio will ideally consist of 50 to 100 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The Portfolio will typically have 50% or more net equity exposure. Derivatives may be used for risk management purposes and to increase returns. The underlying value of Derivatives may not exceed 100% of the Net Asset Value (NAV) of the Fund and the underlying value of the long stock positions and derivatives will not exceed 150% of the NAV of the Fund. Currency exposures are actively managed.</p>	<p>The Fund primarily invests in listed securities. The Portfolio will ideally consist of 100 to 200 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The Portfolio will typically have 50% or more net equity exposure. Derivatives may be used for risk management purposes and to increase returns. The underlying value of derivatives may not exceed 100% of the Net Asset Value (NAV) of the Fund and the underlying value of long stock positions and derivatives will not exceed 150% of the NAV of the Fund. Currency exposures are actively managed.</p>
<ul style="list-style-type: none"> <li>• you believe in long term wealth creation through accessing international shares.</li> </ul>	<ul style="list-style-type: none"> <li>• you believe in long term wealth creation through accessing Asian shares.</li> </ul>	<ul style="list-style-type: none"> <li>• you believe in long term wealth creation through accessing international shares.</li> </ul>
<p>Seven years</p>	<p>Seven years</p>	<p>Five years or more</p>
<p>0–100% Global shares 0–100% Cash</p>	<p>0–100% Global shares 0–100% Cash</p>	<p>0–100% Global shares 0–100% Cash</p>
<p>Morgan Stanley Capital International All Country World Net Index (for performance comparisons only)</p>	<p>MSCI All Country Asia ex Japan Net Index (for performance comparisons only)</p>	<p>MSCI All Country World Net Index (for performance comparisons only)</p>
 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<p>1.16</p>	<p>1.54</p>	<p>1.54</p>
<p>Nil</p>	<p>Nil</p>	<p>Nil</p>



# Investment options not managed by MLC

## Global shares

	<b>PM CAPITAL Absolute Performance Fund</b>	<b>T. Rowe Price Global Equity Fund</b>
<b>Investment objective</b>	To provide positive investment returns over a 3–5 year investment horizon by investing in a concentrated portfolio of global equities.	To provide long-term capital appreciation by investing primarily in a portfolio of securities of listed companies throughout the developed and emerging world.
<b>About the investment option</b>	<p>PM CAPITAL believes that the best way to preserve and enhance wealth is to 'buy a good business at a good price'. The Fund will typically hold between 35–45 globally listed equities, and may:</p> <ul style="list-style-type: none"> <li>• invest in cash (up to 100% of assets) if it cannot find appropriate investments., or</li> <li>• use leverage,</li> <li>• use derivatives for, and</li> <li>• short sell stocks.</li> </ul>	<p>The portfolio manager leverages the highest conviction investment ideas of more than 100 in-house equity research professionals, to construct a global portfolio of between 60-100 companies. The portfolio manager seeks to understand the structural changes affecting industries and companies globally, and embraces a broad definition of growth to identify companies with superior prospects, assessing them on a bottom up fundamentals basis.</p> <p>The Fund's foreign currency exposures are unhedged.</p>
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"> <li>• you are comfortable with the risks involved in sharemarket investing and are prepared to take a genuine long term investment horizon.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an active global shares fund.</li> </ul>
<b>Minimum suggested time to invest</b>	Three years or more	Seven years
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	100% Global shares	100% Global shares
<b>Market benchmark</b>	MSCI All Country World Index	MSCI World ex-Australia Index (net dividends reinvested)
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	<p>Management fee (% pa) 1.09</p> <p>Performance fee (% pa) 0.33</p> <p><b>Investment fee (% pa) 1.42</b></p>	0.95
<b>Issuer fee (% pa)</b>	0.12	0.12

<b>Vanguard® International Shares Index Fund</b>	<b>Vanguard® International Shares Index Fund (Hedged)</b>
To track the return (income and capital appreciation) of the MSCI World (ex-Australia) Index (net dividends reinvested), in Australian dollars, before taking into account Fund fees and expenses.	To track the return (income and capital appreciation) of the MSCI World (ex-Australia) Index (net dividends reinvested), hedged into Australian dollars, before taking into account Fund fees and expenses.
The Fund will hold most of the securities in the Index, allowing for individual security weightings to vary from the Index from time to time. The Fund may invest in securities that have been or are expected to be included in the Index.	The Fund invests in the Vanguard International Shares Index Fund. The Fund uses forward foreign exchange contracts to offset depreciation and/or appreciation in the value of securities resulting from fluctuations of the currencies in the countries where the securities are held. Vanguard, as responsible entity of the Fund, may at its discretion commence investing directly in the securities in the Index or in other Vanguard Funds.
<ul style="list-style-type: none"> <li>• you want to invest in an index global shares fund.</li> </ul>	<ul style="list-style-type: none"> <li>• you want to invest in an index global shares fund.</li> </ul>
Seven years	Seven years
100% Global shares	100% Global shares
MSCI World (ex-Australia) Index (net dividends reinvested), in Australian dollars	MSCI World (ex-Australia) Index (net dividends reinvested), hedged into Australian dollars
 <div> <div>Low</div> <div>Moderate</div> <div>High</div> <div>Very high</div> </div>	 <div> <div>Low</div> <div>Moderate</div> <div>High</div> <div>Very high</div> </div>
0.26	0.29
0.12	0.12

# The Employee Retirement Plan

	Investment facility	Benefit Protection System (closed)																		
Investment objective	Aims to provide returns, after taking into account fees and taxes, above the Consumer Price Index over five year periods.	Aims to provide a level of return similar to cash rates (before taking into account fees and taxes) and a high level of capital security.																		
About the investment option	The Fund is actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.	The Fund invests in deposits with banks (including National Australia Bank) and other comparable high quality securities. It's possible, from time to time, for a high proportion of the Fund to be invested in securities issued by one bank.  MLC Limited guarantees the value of your investment in the MLC Cash Fund (before the deduction of tax and fees).																		
The investment option may be suited to you if ...	<ul style="list-style-type: none"><li>• you want to invest with a bias to growth assets</li><li>• you want a portfolio with a bias towards long-term capital growth potential and can tolerate moderate to large changes in value.</li></ul>	<ul style="list-style-type: none"><li>• you want to invest in a low risk cash portfolio.</li></ul>																		
Minimum suggested time to invest	Six years	One month																		
Target allocation of \$1,000 (as at 30 June 2011)	<table><tr><td>Australian debt securities</td><td>\$179</td></tr><tr><td>Global debt securities (hedged)</td><td>\$121</td></tr><tr><td>Australian shares</td><td>\$310</td></tr><tr><td>Global shares (unhedged)</td><td>\$210</td></tr><tr><td>Global shares (hedged)</td><td>\$50</td></tr><tr><td>Global property securities (hedged)</td><td>\$40</td></tr><tr><td>Global private assets (hedged)</td><td>\$60</td></tr><tr><td>Other</td><td>\$30</td></tr></table>	Australian debt securities	\$179	Global debt securities (hedged)	\$121	Australian shares	\$310	Global shares (unhedged)	\$210	Global shares (hedged)	\$50	Global property securities (hedged)	\$40	Global private assets (hedged)	\$60	Other	\$30	<table><tr><td>Cash</td><td>\$1,000</td></tr></table>	Cash	\$1,000
Australian debt securities	\$179																			
Global debt securities (hedged)	\$121																			
Australian shares	\$310																			
Global shares (unhedged)	\$210																			
Global shares (hedged)	\$50																			
Global property securities (hedged)	\$40																			
Global private assets (hedged)	\$60																			
Other	\$30																			
Cash	\$1,000																			
Expected risk (volatility)	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>																		
Investment fee for super (% pa)	Not applicable	Not applicable																		

# Closed investment options

## MLC Diversified Funds

	Accent Capital Guaranteed Fund	Accent Managed Fund																												
Investment objective	Aims to provide returns higher than cash over time and a high level of capital security.	Aims to grow your wealth for a moderate to high level of expected risk.																												
About the investment option	The Fund is actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.	The Fund is actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.																												
The investment option may be suited to you if ...	<ul style="list-style-type: none"><li>• you want to invest almost entirely in defensive assets</li><li>• you give priority to preserving your capital.</li></ul>	<ul style="list-style-type: none"><li>• you want to invest with a bias to growth assets</li><li>• you want a portfolio with a bias towards long-term capital growth potential and can tolerate moderate to large changes in value.</li></ul>																												
Minimum suggested time to invest	Two years	Six years																												
Target allocation of \$1,000 (as at 30 June 2011)	<table><tr><td>Cash</td><td>\$300</td></tr><tr><td>Australian debt securities</td><td>\$320</td></tr><tr><td>Global debt securities (hedged)</td><td>\$280</td></tr><tr><td>Australian shares</td><td>\$50</td></tr><tr><td>Global shares (hedged)</td><td>\$30</td></tr><tr><td>Global property securities (hedged)</td><td>\$20</td></tr></table>	Cash	\$300	Australian debt securities	\$320	Global debt securities (hedged)	\$280	Australian shares	\$50	Global shares (hedged)	\$30	Global property securities (hedged)	\$20	<table><tr><td>Australian debt securities</td><td>\$179</td></tr><tr><td>Global debt securities (hedged)</td><td>\$121</td></tr><tr><td>Australian shares</td><td>\$310</td></tr><tr><td>Global shares (unhedged)</td><td>\$210</td></tr><tr><td>Global shares (hedged)</td><td>\$50</td></tr><tr><td>Global property securities (hedged)</td><td>\$40</td></tr><tr><td>Global private assets (hedged)</td><td>\$60</td></tr><tr><td>Other</td><td>\$30</td></tr></table>	Australian debt securities	\$179	Global debt securities (hedged)	\$121	Australian shares	\$310	Global shares (unhedged)	\$210	Global shares (hedged)	\$50	Global property securities (hedged)	\$40	Global private assets (hedged)	\$60	Other	\$30
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Other	\$30																													
Expected risk (volatility)	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div> <p>MLC Limited guarantees the value of your investment in the Fund (before the deduction of tax and fees).</p>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>																												
Investment fee for super (% pa)	Not applicable	0.49																												

# Closed investment options

## MLC Diversified Funds

	Entrepreneur Capital Guaranteed Fund	Entrepreneur Managed Fund																												
Investment objective	Aims to provide returns higher than cash over time and a high level of capital security.	Aims to grow your wealth for a moderate level of expected risk.																												
About the investment option	The Fund is actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.	The Fund is actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.																												
The investment option may be suited to you if ...	<ul style="list-style-type: none"><li>• you want to invest almost entirely in defensive assets</li><li>• you give priority to preserving your capital.</li></ul>	<ul style="list-style-type: none"><li>• you want to invest with a bias to growth assets</li><li>• you want a portfolio with a bias towards long-term capital growth potential and can tolerate moderate to large changes in value.</li></ul>																												
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## National Balanced Fund

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Aims to grow your wealth for a moderate level of expected risk.

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The Fund is actively managed and broadly diversified within asset classes, across asset classes and across investment managers. These managers invest in many companies and securities around the world.

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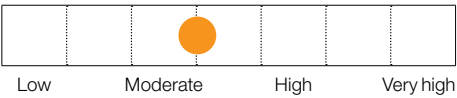
- you want to invest with a bias to growth assets
  - you want a portfolio with a bias towards long-term capital growth potential and can tolerate moderate to large changes in value.
- 

Six years

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Australian debt securities	\$179
Global debt securities (hedged)	\$121
Australian shares	\$310
Global shares (unhedged)	\$210
Global shares (hedged)	\$50
Global property securities (hedged)	\$40
Global private assets (hedged)	\$60
Other	\$30

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0.58

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0.56

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# Closed investment options

## Investment options not managed by MLC

	<b>BlackRock Balanced Fund</b> (formerly known as Merrill Lynch Balanced Fund)	<b>BT Wholesale Balanced Returns Fund</b> (formerly known as BT Balanced Fund)																												
<b>Investment objective</b>	To provide the highest possible returns consistent with a 'balanced' investment strategy encompassing: <ul style="list-style-type: none"><li>• an bias towards growth assets,</li><li>• a bias toward Australian assets, and</li><li>• active asset allocation, security selection and risk management.</li></ul>	To provide a return (before fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term.																												
<b>About the investment option</b>	The Fund invests in a diversified portfolio of physical instruments (including shares, debt securities, property trusts) derivatives, and structured investments (which combine physical instruments and derivatives. Foreign currency exposure is limited to 20% of the Funds assets. The Fund uses derivatives extensively.	The Fund is an actively managed diversified portfolio that invests in Australian and international shares, property and fixed interest securities, cash and alternative investments. The Fund has a higher weighting towards growth assets than defensive assets.																												
<b>The investment option may be suited to you if ...</b>	<ul style="list-style-type: none"><li>• a combination of capital growth and income with a greater weighting to growth assets.</li></ul>	<ul style="list-style-type: none"><li>• diversification across a broad range of asset classes, and</li><li>• potential for capital growth.</li></ul>																												
<b>Minimum suggested time to invest</b>	Five years	Five years																												
<b>Target allocation of \$1,000</b> (as at 30 June 2011)	<table><tr><td>Cash</td><td>5%</td></tr><tr><td>Australian debt securities</td><td>15%</td></tr><tr><td>International debt securities</td><td>10%</td></tr><tr><td>Australian shares</td><td>38%</td></tr><tr><td>International shares</td><td>26%</td></tr><tr><td>Property</td><td>6%</td></tr></table>	Cash	5%	Australian debt securities	15%	International debt securities	10%	Australian shares	38%	International shares	26%	Property	6%	<table><tr><td>Cash</td><td>10%</td></tr><tr><td>Australian fixed interest</td><td>17%</td></tr><tr><td>International fixed interest</td><td>7%</td></tr><tr><td>Australian shares</td><td>33%</td></tr><tr><td>International shares</td><td>18%</td></tr><tr><td>Australian property</td><td>4%</td></tr><tr><td>International property</td><td>3%</td></tr><tr><td>Alternative assets</td><td>8%</td></tr></table>	Cash	10%	Australian fixed interest	17%	International fixed interest	7%	Australian shares	33%	International shares	18%	Australian property	4%	International property	3%	Alternative assets	8%
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Australian property	4%																													
International property	3%																													
Alternative assets	8%																													
<b>Expected risk (volatility)</b>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div><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	BT Wholesale Active Balanced Fund (formerly known as BT Active Balanced Fund)	Colonial First State Wholesale Diversified Fund																								
Investment objective	To provide a return (before fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term.  The benchmark is a blend of indices based on the weighted average Neutral Position's asset allocation.	To provide medium-to-long term capital growth, together with some income, by investing in cash, fixed interest, property and shares.																								
About the investment option	The Fund is an actively managed diversified portfolio that invests in Australian and international shares, Australian and international fixed interest, Australian and international property securities, alternative investments and cash.  The international fixed interest, international property and international alternative investment exposures are generally fully hedged to the Australian dollar. Generally, the Fund's international share exposure will not be hedged to the Australian dollar.	The Fund invests in a diversified portfolio made up of 70% growth assets (shares and property) and 30% defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The fund may hedge some of its currency exposure.																								
The investment option may be suited to you if ...	<ul style="list-style-type: none"><li>• diversification across a broad range of asset classes</li><li>• potential for long term capital growth and income.</li></ul>	<ul style="list-style-type: none"><li>• you desire a portfolio that provides exposure to a range of asset classes, via a single investment option.</li></ul>																								
Minimum suggested time to invest	Five years	Five years																								
Target allocation of \$1,000 (as at 30 June 2011)	<table><tr><td>Cash</td><td>5%</td></tr><tr><td>Australian debt securities</td><td>15%</td></tr><tr><td>International debt securities</td><td>10%</td></tr><tr><td>Australian shares</td><td>38%</td></tr><tr><td>International shares</td><td>26%</td></tr><tr><td>Property</td><td>6%</td></tr></table>	Cash	5%	Australian debt securities	15%	International debt securities	10%	Australian shares	38%	International shares	26%	Property	6%	<table><tr><td>Cash and debt securities</td><td>30%</td></tr><tr><td>Australian shares</td><td>30%</td></tr><tr><td>Global shares</td><td>20%</td></tr><tr><td>Global resource shares</td><td>10%</td></tr><tr><td>Property securities</td><td>5%</td></tr><tr><td>Global infrastructure securities</td><td>5%</td></tr></table>	Cash and debt securities	30%	Australian shares	30%	Global shares	20%	Global resource shares	10%	Property securities	5%	Global infrastructure securities	5%
Cash	5%																									
Australian debt securities	15%																									
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Property	6%																									
Cash and debt securities	30%																									
Australian shares	30%																									
Global shares	20%																									
Global resource shares	10%																									
Property securities	5%																									
Global infrastructure securities	5%																									
Expected risk (volatility)	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>																								
Investment fee (% pa)	0.98	0.96																								
Issue fee (% pa)	0.12	0.12																								



# Closed investment options

## Investment options not managed by MLC

	INVESCO Diversified Growth Fund	Vanguard® Growth Index Fund																
Investment objective	To provide medium to long-term growth by investing in a range of assets, with an emphasis on growth assets.	To track the weighted average return of the various indices of the underlying Vanguard Funds, in proportion to the strategic asset allocation (SAA) for the Fund before taking into account fees, expenses and tax.																
About the investment option	The Fund invests in a range of asset classes, with a bias towards growth assets such as Australian and global shares. The Fund has exposure to foreign currency and hedging risks.	The Fund is designed to provide investors with a low-cost, diversified portfolio.																
The investment option may be suited to you if ...	<ul style="list-style-type: none"><li>are seeking an investment in a diversified fund with exposure to growth assets.</li></ul>	Buy and hold investors seeking long-term capital growth, and with a higher tolerance for the risks associated with share market volatility.																
Minimum suggested time to invest	Five years	Seven years																
Target allocation of \$1,000 (as at 30 June 2011)	<table><tr><td>Cash</td><td>5%</td></tr><tr><td>Australian Shares</td><td>38%</td></tr><tr><td>Global Shares</td><td>26%</td></tr><tr><td>Global Property Securities</td><td>8%</td></tr><tr><td>Australian Fixed Interest</td><td>19%</td></tr><tr><td>Commodities</td><td>4%</td></tr></table>	Cash	5%	Australian Shares	38%	Global Shares	26%	Global Property Securities	8%	Australian Fixed Interest	19%	Commodities	4%	<table><tr><td>70%</td><td>Growth asset classes (property securities and shares)</td></tr><tr><td>30%</td><td>Income asset classes (cash and fixed interest securities)</td></tr></table>	70%	Growth asset classes (property securities and shares)	30%	Income asset classes (cash and fixed interest securities)
Cash	5%																	
Australian Shares	38%																	
Global Shares	26%																	
Global Property Securities	8%																	
Australian Fixed Interest	19%																	
Commodities	4%																	
70%	Growth asset classes (property securities and shares)																	
30%	Income asset classes (cash and fixed interest securities)																	
Expected risk (volatility)	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div> <div>LowModerateHighVery high</div>																
Investment fee (% pa)	1.09	0.36																
Issue fee (% pa)	0.12	0.12																

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**Vanguard® High Growth Index Fund**

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To track the weighted average return of the various indices of the underlying Vanguard Funds in which the Fund invests, in proportion to the strategic asset allocation (SAA) for the Fund, before taking into account fees, expenses and tax.

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The Fund is designed to provide investors with a low-cost, diversified portfolio.

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The Fund is designed to provide investors with a low-cost, diversified portfolio.

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Seven years

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- 90% Growth asset classes (property securities and shares)
  - 10% Income asset classes (cash and fixed interest securities)
- 



0.37

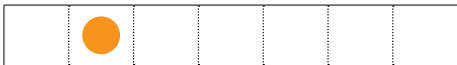

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0.12

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# Closed investment options

## Investment options not managed by MLC

	<b>Colonial First State Wholesale Income Fund (formerly known as UBS Hybrid Income Fund and UBS Diversified Credit Income Fund)</b>	<b>UBS Diversified Credit Fund</b>
<b>Investment objective</b>	To provide consistent monthly income, while minimising the risk of capital loss, by predominantly investing in a broad selection of Australian-based mortgages, fixed interest investments and cash.	Aims to provide investors with a total return (after taking into account fees) in excess of the returns measured by relevant debt market indices, over rolling three year periods.
<b>About the investment option</b>	<p>Colonial First State has suspended applications, withdrawals and switches relating to this fund. There is currently periodic redemption windows for investors to withdraw from the fund.</p> <p>The Fund invests in a broad selection of quality Australian-based mortgages, fixed interest investments and cash, placing emphasis on the management of credit risk. The Fund does not generally directly purchase securities that give rise to material currency risk. The Fund aims to hedge any currency risk that occurs.</p>	<p>UBS invests in an actively managed portfolio of Australian and international investment grade and non-investment grade securities. Securities held include domestic and European hybrids, domestic and international high yield securities, investment grade corporate bonds, emerging market debt and securitised assets. The Portfolio may invest in derivatives to gain or reduce exposure to relevant markets and currencies and manage investment risk. Derivatives holdings may result in notional exposures that are greater than the underlying value of assets in the Portfolio.</p> <p>The Portfolio is managed to a minimum of 90% \$A exposure. The Portfolio may also invest in other UBS managed funds to gain exposure to certain eligible securities.</p>
<b>The investment option may be suited to you if ...</b>	Colonial First State has suspended applications, withdrawals and switches relating to this fund.	UBS has suspended applications, withdrawals and switches relating to this fund.
<b>Minimum suggested time to invest</b>	Three years	Three years
<b>Target allocation of \$1,000 (as at 30 June 2011)</b>	100% Cash and Fixed Interest	100% Cash and Fixed Interest
<b>Expected risk (volatility)</b>	 <p>Low      Moderate      High      Very high</p>	 <p>Low      Moderate      High      Very high</p>
<b>Investment fee (% pa)</b>	0.60	0.58
<b>Issue fee (% pa)</b>	0.12	0.12

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## UBS Australian Share Fund

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To provide a total return (after total costs) in excess of the S&P/ASX 300 Accumulation Index when measured over rolling five year periods.

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This Fund is an actively managed portfolio of securities listed on the Australian Securities Exchange (or other regulated exchanges) or those we reasonably expect to list within six months. The Fund will hold between 30 and 60 stocks/ subfunds with at least 75% of the Fund invested in stocks that comprise the S&P/ASX 100 Index.

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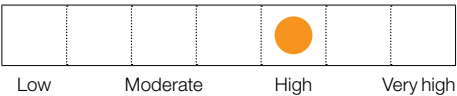
- a well diversified portfolio of securities listed on the Australian Securities Exchange (or other regulated exchanges)
- 

Five years

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0–10% Cash  
90–100% Australian shares

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0.80

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0.12

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With you

**For more information**

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