

Annual Report 2013

The Universal Super Scheme

This report is relevant to
MLC Navigator Super Solutions



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Issued by:
The Trustee, MLC Nominees Pty Limited (MLC)
ABN 93 002 814 959 AFSL 230702

for 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.

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A year in review

The 2012/13 financial year has been positive for your super fund. Investment returns were strong, and changes were made to legislation which aim to deliver a stronger, more efficient super system.

Average super fund returns achieved double figures, boosted by sharp increases in growth assets. Global shares made significant gains, closely followed by Australian shares and property securities. Defensive assets were also supportive, with global fixed income rising solidly.

Also over the year, the Government made important changes to super legislation. These changes aim to deliver a stronger, more efficient super system, and will help you take greater control of your super by making it easier to consolidate your accounts, reduce the fees you pay and find your lost super. We believe these changes will also help members who don't take an active role in managing their super to maximise their retirement incomes.

We're investing significantly to comply with the changes to super legislation and, at the same time, we're improving our products and processes to make managing your money easier for you. You may have already noticed some changes, and there are more to come.



Nicole Smith
Chair
MLC Nominees Pty Limited

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 Board is liable for its activities and has professional indemnity insurance.

The Trustee Board has appointed MLC Limited (ABN 90 000 000 402) to carry out the day-to-day investment management and administration of The Universal Super Scheme.

Meet the Board

The directors are:

Nicole Smith (Chair)

BFA 1990, CA
GAICD

Michael Clancy

B Bus (Finance and Economics) 1992
CFA 1997

Michael Fitzsimons

Diploma of Financial Services
ANZIIF

John Reid

B Sc Mathematical Physics 1971
FIA (UK and Australia)

Peggy O'Neal

BA (Virginia) 1973
JD (Virginia) 1976
Diploma of Superannuation
Management (Macquarie) 1994
FAICD

Richard Rassi

B Comm (UNSW) 1983
Certificate of Superannuation
Management (Macquarie) 1993
FCA, FAICD

Trevor Hunt

B Bus (Accounting and
Economics) 1989

Trustee director movements

Geoff Webb retired effective 31 December 2012.

Richard Morath retired effective 31 December 2012.

Nicole Smith became Chair of the Board effective 1 January 2013.

Trevor Hunt was appointed non-executive director effective 1 March 2013.

Michael Clancy moved to non-executive status effective 19 April 2013.

John Reid moved to non-executive status effective 28 June 2013.

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. All investments are in life insurance policies, so this report doesn't include 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) (ABN 12 004 044 937).

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
- your account has been closed and you are eligible for a payment from MLC and we've not received any instructions from you, or
- other situations permitted under law.

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

We'll 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 (ATO)

The law and rules defining the transfer of unclaimed superannuation money to the ATO can be viewed on the ATO website at ato.gov.au

In summary, we're required by law to transfer your account to the ATO if one of the following situations occurs:

- your account balance is less than \$2,000 and
 - no contributions have been made to your account for 12 months and we have no way of contacting you, or
 - your account was set up through your employer and there have been no contributions made for over 5 years
- you're over 65 (male) or 60 (female), no contributions have been made to your account for over 2 years and you haven't contacted us for at least 5 years
- the ATO informs us that you were a former temporary resident and left the country over six months ago, or
- upon your death and after an extended period of time, we've tried but been unable to identify or contact the beneficiary of your account.

The law also requires us to transfer to the ATO the portion payable to your spouse as a result of Family Law ruling, if after an extended period of time we have not been able to contact your spouse, or your spouse's beneficiary/estate.

If your account is transferred to the ATO for any of these reasons, you will then have to contact the ATO on **131 020** 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 ATO.

If you have withdrawn your account balance (in whole or part) or commenced a pension, the ATO 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 ATO. 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 ATO website at ato.gov.au or call **13 10 20**.

Resolving complaints

We can usually resolve complaints over the phone. If we can't or you're not satisfied with the outcome, please write to us. We'll work to resolve your complaint as soon as possible. If you're not satisfied with our decision you can get further advice from the Superannuation Complaints Tribunal by calling **1300 884 114**, or emailing info@sct.gov.au

More information is available on sct.gov.au

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 investment options for you to invest in. Some of these will have similar investment objectives and strategies.

About your account value

For all investment options except the Capital Guaranteed Fund

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

MIF Capital Guaranteed Fund

The value of your account is the sum of all investments plus declared interest, less fees, taxes, switches, withdrawals, transfers and pension payments where applicable.

The earnings rate is calculated twice a year and is applied to your account retrospectively on 30 June and 31 December.

An interim rate is calculated throughout the year with the intention to reflect the period to date earnings.

If you withdraw before the earnings rate is declared, the interim rate will be applied to your account before your benefit is paid. To smooth out the ups and downs of the rate over time an interest equalisation reserve is maintained.

The reserve is topped up when the net earning rate is greater than the declared earnings rate, and amounts are taken out when the net earning rate is below the declared earnings rate. Over time, all net earnings are attributable to continuing capital guaranteed policyholders. The Trustee doesn't maintain reserves for the Plan. MLC Limited's policy is not to declare a negative earnings rate for this fund.

MIF Cash Fund

MLC Limited guarantees the unit price when withdrawals, switches or pension payments are made will always be the highest price achieved during the term of the investment.

Derivatives

Derivatives are contracts that have a value derived from another source such as an asset, market index or interest rate. There are many types of derivatives including swaps, and options. They are a common tool used to manage risk or improve returns.

Some derivatives allow investment managers to earn large returns from small movements in the underlying asset's price. However, they can lose large amounts if the price of the underlying asset moves against them.

Investment managers, including MLC, have derivatives policies which outline how derivatives are managed.

Information on MLC's derivative policy is available on mlc.com.au

How your money is invested

Standard Risk Measure

Investment risk is one of many things that should be considered when making an investment decision. The Standard Risk Measure is a simple measure designed to help you compare investment risk across the investment options.

The Standard Risk Measure is the estimated number of negative annual returns in any 20 year period. However, the number of negative returns that occur in a 20 year period may be different to the estimate.

The risk categories are:

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

The Standard Risk Measure is based on industry guidelines however it isn't a complete assessment of investment risk. For example:

- it doesn't capture the size of a possible negative return or the potential for sufficient positive returns to meet your objectives, and
- it doesn't take into account the impact of fees and tax. These would increase the chance of a negative return.

There are many ways you, and your financial adviser, can assess the impact of risk on your investment strategy. You should make sure you're comfortable with the risks and potential losses associated with the investment options you choose.

For information on how we calculate the Standard Risk Measure please go to mlc.com.au/srm

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 of 30 June 2013 is included in the Investment manager charges 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 Product Disclosure Statement available on mlc.com.au

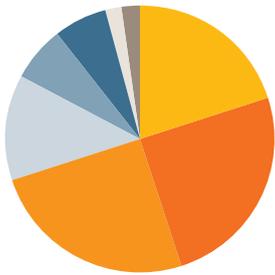
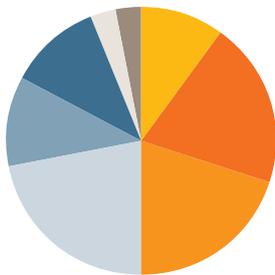
Investment manager charges

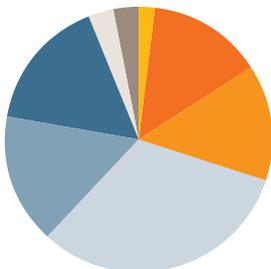
Investment manager charges are reflected in the daily unit price for each investment option and vary as investment costs change.

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Investment option profiles – Pre Select options

Information current as at 30 June 2013

	Pre Select Conservative Fund	Pre Select Balanced Fund
Investment objective	To provide medium-term returns higher than those generally associated with cash and fixed income securities, while providing lower volatility in short-term investment returns than funds with a greater proportion of growth assets.	To provide medium to long-term returns that are generally higher than those achievable by investing in capital guaranteed or capital stable funds.
About the investment option	Invests a high proportion of assets in defensive asset classes such as cash and fixed income securities with the balance in growth assets. The likelihood of the portfolio incurring a negative return in any particular year is moderate.	Maintains a balanced spread of investments between growth and defensive assets. The likelihood of the portfolio incurring a negative return in any particular year is moderate to high.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want to invest with a bias to defensive assets, with some exposure to growth assets, and are seeking stable returns. 	<ul style="list-style-type: none"> • you want to invest in an approximately equal mix of defensive and growth assets, and • you want a portfolio with some long-term capital growth potential and can tolerate moderate to large changes in value.
Minimum suggested time to invest	Three years	Five years
Target asset allocation as at 30 June 2013	<ul style="list-style-type: none"> ■ 20% Cash ■ 25% Australian fixed income ■ 25% Global fixed income (hedged) ■ 13% Australian shares ■ 6.5% Global shares (unhedged) ■ 6.5% Global shares (hedged) ■ 2% Australian property securities ■ 2% Global property securities (hedged) 	<ul style="list-style-type: none"> ■ 10% Cash ■ 20% Australian fixed income ■ 20% Global fixed income (hedged) ■ 22% Australian shares ■ 11% Global shares (unhedged) ■ 11% Global shares (hedged) ■ 3% Australian property securities ■ 3% Global property securities (hedged) 
Estimated number of negative annual returns	Medium, 2 years in 20	Medium to high, 3 years in 20
Investment manager charges (% pa)	0.60	0.65

Pre Select Growth Fund	Pre Select Australian Equity Fund
To produce higher returns than those expected from capital stable and balanced strategies over the long-term.	To provide medium to long-term capital growth by primarily investing in a well diversified portfolio of Australian equities listed on the Australian Securities Exchange (and other regulated exchanges).
Maintains a high proportion of growth assets in order to achieve high returns in the long-term. The likelihood of the portfolio incurring a negative return in any particular year is high.	Invests in a variety of Australian companies whose share price is expected to appreciate over time. These investments are made through specialist managers. The likelihood of this portfolio incurring a negative return in any particular year is high.
<ul style="list-style-type: none"> • you want to invest with a bias to growth assets, and • you want a portfolio with a bias to long-term capital growth potential and can tolerate large changes in value. 	<ul style="list-style-type: none"> • you want to invest in an actively managed Australian share portfolio that's diversified across investment managers, industries and companies.
Six years	Seven years
<ul style="list-style-type: none"> ■ 2% Cash ■ 14% Australian fixed income ■ 14% Global fixed income (hedged) ■ 32% Australian shares ■ 16% Global shares (unhedged) ■ 16% Global shares (hedged) ■ 3% Australian property securities ■ 3% Global property securities (hedged) 	100% Australian shares
High, 4 years in 20	High, between 5 and 6 years in 20
0.70	0.80

Investment option profiles – Self Select options

Information current as at 30 June 2013

	MIF Cash Fund	MIF Fixed Interest Fund
Investment objective	To achieve a return in the short-term that is competitive with that available from the short-term money-market (before taking into account fees and taxes).	To outperform the UBS Australian Composite Bond Index over the medium term (before taking into account fees and taxes) by using an active investment strategy.
About the investment option	Invests primarily in bank deposits and money-market securities issued by the Australian government, state government, banks and companies, but may also invest in longer maturity mortgage/asset backed securities and corporate bonds with floating interest rates.	Invests in a diversified portfolio of Australian fixed income securities.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want a low risk investment. 	<ul style="list-style-type: none"> • you want to invest in a defensive portfolio that's actively managed and diversified across bond sectors and securities.
Minimum suggested time to invest	One month	Three to five years
Target asset allocation as at 30 June 2013	100% Cash	100% Australian fixed income
Estimated number of negative annual returns	Low, less than 1 year in 20	Medium to high, 3 years in 20
Investment manager charges (% pa)	0.25	0.25

Vanguard® Australian Fixed Interest Index Fund	MIF Capital Stable Fund	MIF Balanced Fund
To track the return (income and capital appreciation) of the UBS Composite Bond Index before taking into account Fund fees, expenses and tax.	To provide medium-term returns higher than those generally associated with cash and fixed income securities, while providing lower volatility in short-term investment returns than Funds with a greater proportion of growth assets.	To provide medium to long-term returns that are generally higher than those achievable by investing in capital guaranteed or capital stable funds.
<p>The UBS Composite Bond Index is a value-weighted index of approximately 360 securities (bonds) issued by the Commonwealth Government of Australia, State Government authorities and treasury corporations, as well as investment-grade corporate issuers.</p> <p>Investment-grade issuers are defined as those rated BBB- or higher by Standard & Poor's or Baa3 or higher by Moody's. Bond indices change far more quickly than share indices because bonds have a finite life (maturity). Every maturity and inclusion of new issues changes in the composition of the index and requires Vanguard to modify the portfolio.</p>	Invests a high proportion of assets in defensive asset classes such as cash and fixed income securities with the balance in growth assets. The likelihood of the portfolio incurring a negative return in any particular year is moderate.	Maintains a balanced spread of investments between growth and defensive assets. The likelihood of the portfolio incurring a negative return in any particular year is moderate.
<ul style="list-style-type: none"> • you want a steady and reliable income stream, and • you have a medium-term investment horizon. 	<ul style="list-style-type: none"> • you want to invest with a bias to defensive assets, with some exposure to growth assets, and • you want stable returns. 	<ul style="list-style-type: none"> • you want to invest in an approximately equal mix of defensive and growth assets, and • you want a portfolio with some long-term capital growth potential and can tolerate moderate changes in value.
Three years	Three years	Five years
100% Australian fixed interest	24% Cash 50% Australian fixed income 12% Australian shares 9% Global shares 5% Australian property securities	16% Cash 40% Australian fixed income 26% Australian shares 13% Global shares 5% Australian property securities
Medium to high, between 3 and 4 years in 20	Medium, between 2 and 3 years in 20	Medium to high, between 3 and 4 years in 20
0.24	0.25	0.25

Self Select options

	Colonial First State Wholesale Diversified Fund	OnePath Wholesale Balanced Trust
Investment objective	To provide medium to long term capital growth, together with some income, by investing in cash, fixed interest, property and shares.	To achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 4.5% pa, over periods of four years or more.
About the investment option	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 Trust invests in a diversified mix of Australian and International assets spread across growth and defensive asset classes. The Trust blends active and passive management styles from a selection of leading investment managers.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want a portfolio that provides exposure to a range of asset classes, via a single investment option. 	<ul style="list-style-type: none"> • you want medium term returns through investing in a diversified range of asset classes balancing growth and defensive assets offering capital growth as well as yield.
Minimum suggested time to invest	Five years	Four years
Target asset allocation as at 30 June 2013	20–40% Cash and debt securities 25–35% Australian shares 15–25% Global shares 5–15% Global resource shares 0–10% Property securities 0–10% Global infrastructure securities	8% Cash 15% Australian fixed interest 20% International fixed interest 2% Australian property securities 4% Global property securities 20% Australian shares 19% International shares 12% Alternative assets
Estimated number of negative annual returns	Medium to high, between 3 and 4 years in 20	Medium to high, between 3 and 4 years in 20
Investment manager charges (% pa)	0.96	0.89

MIF Growth Fund	MLC Wholesale Property Securities Fund	Vanguard® Australian Property Securities Index Fund
To produce higher returns than those expected from capital stable and balanced strategies over the long term.	The fund is designed to be a complete portfolio for the Australian property securities asset class, and aims to deliver growth by using investment managers who invest and diversify across many listed Real Estate Investment Trusts and companies within that asset class.	To track the return (income and capital appreciation) of the S&P/ASX 300 A-REIT Index, before taking into account Fund fees, expenses and tax.
Maintains a high proportion of growth assets in order to achieve high returns in the long term. The likelihood of the portfolio incurring a negative return in any particular year is high.	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. Foreign currency exposures will generally be substantially hedged to the Australian dollar.	The S&P/ASX 300 A-REIT Index comprises between 20 and 30 property securities (shares) listed on the Australian Securities Exchange (ASX). The number of securities in the index may vary from time to time. These securities are Real Estate Investment Trusts and companies that own real estate assets and derive a significant proportion of their revenue from rental income. The Fund will hold all of the securities in the index most of the time, allowing for individual security weightings to vary marginally from time to time. The Fund may invest in securities that have been removed from or are expected to be included in the index.
<ul style="list-style-type: none"> • you want to invest with a bias to growth assets, and • you want a portfolio with a bias to long-term capital growth potential and can tolerate moderate to large changes in value. 	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • you want a long-term capital growth, some tax-effective income, and you have a higher tolerance for the risks associated with share market volatility.
Six years	Seven years	Five years
10% Cash 28% Australian fixed income 35% Australian shares 22% Global shares 5% Australian property securities	85–100% Australian property securities 0–15% Global property securities	100% Australian property securities
High, between 4 and 5 years in 20	High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
0.25	0.73	0.24

Self Select options

	Antares Australian Equities Fund	Antares High Growth Shares Fund
Investment objective	To outperform the S&P/ASX 200 Accumulation Index over a rolling five year period.	To outperform the S&P/ASX 200 Accumulation Index by 5% pa (before fees) over a rolling five year period.
About the investment option	<p>The Fund invests in a diversified portfolio of typically 30–50 companies across a range of industries that are considered to be undervalued in the expectation they'll move up to their fundamental value over the longer-term.</p> <p>Antares is wholly owned by the NAB Group.</p>	<p>The Fund invests in a diversified portfolio of Australian shares and uses a range of investment techniques such as short selling, enhanced long positions and active trading, aimed at enhancing returns.</p> <p>The Fund can hold short positions in up to 25% of the value of the Fund's net assets. The Fund can use the proceeds from short selling to make additional investments in other shares up to 25% of the value of the Fund's net assets giving the Fund a gross market exposure up to a maximum of 150% and net exposure of between 90–100%.</p> <p>Antares is wholly owned by the NAB Group.</p>
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want long-term capital gains available from equity investment, and • you're comfortable with short to medium-term fluctuations in capital value. 	<ul style="list-style-type: none"> • you are willing to accept higher risk in exchange for the potential to earn greater investment returns than the broader Australian equity market.
Minimum suggested time to invest	Five years	Five years
Target asset allocation as at 30 June 2013	<p>0–10% Cash and short-term securities</p> <p>90–100% Australian shares</p>	<p>90–125% Australian shares (Long)</p> <p>0–25% Australian shares (Short)</p> <p>0–10% Cash and short term securities</p>
Estimated number of negative annual returns	High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
Investment manager charges (% pa)	0.87	1.05

Colonial First State Wholesale Australian Share Fund	UBS Australian Share Fund	MLC Wholesale IncomeBuilder
To provide long-term capital growth with some income by investing in a broad selection of Australian companies.	To provide a total return (after management costs) in excess of the S&P/ASX 300 Accumulation Index when measured over rolling five year periods.	Aims to provide returns from companies that are expected to deliver a growing dividend stream over time.
The Fund generally invests in high quality companies with strong balance sheets and earnings. The Fund predominantly invests in Australian companies and therefore doesn't hedge currency risk.	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. Normally 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.	The fund invests primarily in Australian companies that have the potential to provide future growth in dividends. The fund is expected to generate tax-effective returns by: <ul style="list-style-type: none"> investing in companies expected to have high franking levels, and carefully managing the realisation of capital gains. The fund is expected to provide returns consistent with investing in a broad range of Australian companies.
<ul style="list-style-type: none"> you want a long-only Australian equity product to sit within the growth component of a balanced portfolio. 	<ul style="list-style-type: none"> you are seeking a well diversified portfolio of securities listed on the Australian Securities Exchange (or other regulated exchanges). 	<ul style="list-style-type: none"> you want to invest in shares in Australian companies that are expected to deliver a growing dividend stream over time.
Seven years	Five years	Seven years
100% Australian shares	0–10% Cash and short-term securities 90–100% Australian shares	100% Australian shares
High, between 5 and 6 years in 20	High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
0.97	0.90	0.72

Self Select options

	Perpetual Wholesale Industrial Fund	Antares Small Companies Fund (closed to new members)
Investment objective	To provide long-term capital growth and regular income through investment in quality Australian industrial shares.	To outperform the S&P/ASX Small Ordinaries Accumulation Index by 5% pa over a rolling five year period.
About the investment option	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality investments are carefully selected on the basis of four key criteria: <ul style="list-style-type: none"> • conservative debt levels • sound management • quality business, and • recurring earnings. Derivatives may be used in managing the Fund.	The Fund invests in a diversified portfolio of typically 60 smaller companies outside the S&P/ASX 100 Index.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want to invest a portfolio of Australian industrial shares. 	<ul style="list-style-type: none"> • you want higher returns than large cap Australian equities over time frames greater than five years, and • you're able to take higher levels of risk.
Minimum suggested time to invest	Five years	Five years
Target asset allocation as at 30 June 2013	0–10% Cash 90–100% Australian industrial shares	0–20% Cash 80–100% Australian shares
Estimated number of negative annual returns	High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
Investment manager charges (% pa)	0.99	0.98

Perpetual Wholesale Smaller Companies Fund	Aberdeen Actively Hedged International Equities Fund	AMP – Wholesale Global Equity – Value Fund
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 provide investors with high capital growth over the medium to long-term by seeking exposure to companies listed on securities exchanges around the world.	To provide long-term capital value and outperform the Morgan Stanley Capital International World ex-Australia Index (net dividends reinvested in Australian dollar terms) after costs over rolling five year periods.
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 shares, recurring earnings. Derivatives may be used.	The Fund invests primarily in a concentrated portfolio of around 40 to 60 listed international securities (other than those listed on the Australian Securities Exchange) with the potential for growth and increased earning potential. Currency hedging of the Fund's assets may vary between 0–50% hedged to the Australian dollar.	The Fund invests in companies that appear undervalued relative to long-term earnings potential. Companies will have a minimum market capitalisation at purchase of US\$750 million and will be attractively priced relative to their future earnings power. Investments in foreign markets will be exposed to relevant foreign currencies, active currently management is used with the objective to enhance return and potentially lower risk over the long term. When the Fund is not fully invested in the investments outlined above, it may hold cash.
<ul style="list-style-type: none"> • you want to invest in a smaller companies Australian share fund. 	<ul style="list-style-type: none"> • you want to invest in a portfolio of international shares. 	<ul style="list-style-type: none"> • you're prepared to accept a high level of volatility and risk as a trade-off for returns that might typically be expected to be above those returned by other asset classes over the longer-term.
Five years	Five years	Seven years
0–20% Cash 80–100% Australian smaller company shares	0–10% Cash 90–100% International shares	0–2% Cash 98–100% International shares
High, between 5 and 6 years in 20	High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
1.25	0.98	0.98

Self Select options

	Platinum International Fund	MIF Capital Guaranteed Fund
Investment objective	To provide capital growth over the long-term through searching out undervalued listed (and unlisted) investments around the world.	To avoid a decrease in the value of the fund's assets in both the short and long term, and to maintain a high level of liquidity.
About the investment option	<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.</p> <p>The Portfolio will typically have 50% or more net equity exposure. Derivatives may be used for risk management purposes and to take opportunities to increase returns.</p> <p>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>	Invests primarily in fixed income and may invest smaller amounts in growth assets.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you believe in long-term wealth creation through accessing international shares. 	<ul style="list-style-type: none"> • you want security and you place a high priority on avoiding capital loss and negative returns in the short-term.
Minimum suggested time to invest	Five years or more	Three years
Target asset allocation as at 30 June 2013	0-100% Cash 0-100% International shares 0-100% Australian shares	16% Cash 75% Australian fixed income 6% Australian shares 3% Australian property securities
Estimated number of negative annual returns	High, between 5 and 6 years in 20	Low, less than 1 year in 20
Investment manager charges (% pa)	1.54	0.25

MIF Fixed Interest Fund (capital protection portability only)	MIF Capital Stable Fund (capital protection portability only)	MIF Balanced Fund (capital protection portability only)
To outperform the UBS Australian Composite Bond Index over the medium-term (before taking into account fees and taxes) by using an active investment strategy.	To provide medium-term returns higher than those generally associated with cash and fixed income securities, while providing lower volatility in short-term investment returns than funds with a greater proportion of growth assets.	To provide medium to long-term returns that are generally higher than those achievable by investing in capital guaranteed or capital stable funds.
Invests in a diversified portfolio of Australian fixed income securities.	Invests a high proportion of assets in defensive asset classes such as cash and fixed income securities with the balance in growth assets. The likelihood of the portfolio incurring a negative return in any particular year is moderate.	Maintains a balanced spread of investments between growth and defensive assets. The likelihood of the portfolio incurring a negative return in any particular year is moderate.
<ul style="list-style-type: none"> • you want to invest in a defensive portfolio that's actively managed and diversified across bond sectors and securities. 	<ul style="list-style-type: none"> • you want to invest with a bias to defensive assets, with some exposure to growth assets, and • you want stable returns. 	<ul style="list-style-type: none"> • you want to invest in an approximately equal mix of defensive and growth assets, and • you want a portfolio with some long-term capital growth potential and can tolerate moderate changes in value.
Three to five years	Three years	Five years
100% Australian fixed income	24% Cash 50% Australian fixed income 12% Australian shares 9% Global shares 5% Australian property securities	16% Cash 40% Australian fixed income 26% Australian shares 13% Global shares 5% Australian property securities
Medium to high, between 3 and 4 years in 20	Medium, between 2 and 3 years in 20	Medium to high, between 3 and 4 years in 20
0.25	0.25	0.25

Self Select options

	MIF Growth Fund (capital protection portability only)	MIF Listed Property Trusts (capital protection portability only)
Investment objective	To produce higher returns than those expected from capital stable and balanced strategies over the long-term.	To provide long-term growth, and some income, by investing and diversifying across many Australian, and some global, listed property trusts.
About the investment option	Maintains a high proportion of growth assets in order to achieve high returns in the long-term. The likelihood of the portfolio incurring a negative return in any particular year is high.	Invests primarily in Australian property securities, including listed Real Estate Investment Trusts and companies across most major listed property sectors. It may have some exposure to property securities listed outside of Australia from time to time.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want to invest with a bias to growth assets, and • you want a portfolio with a bias to long-term capital growth potential and can tolerate moderate to large changes in value. 	<ul style="list-style-type: none"> • you want to invest in a property securities portfolio that invests across property sectors and REITs.
Minimum suggested time to invest	Six years	Seven years
Target asset allocation as at 30 June 2013	10% Cash 28% Australian fixed income 35% Australian shares 22% Global shares 5% Australian property securities	100% Australian property securities
Estimated number of negative annual returns	High, between 4 and 5 years in 20	High, between 5 and 6 years in 20
Investment manager charges (% pa)	0.25	0.25

MIF Australian Equity Fund (capital protection portability only)	MIF International Equity Fund (capital protection portability only)	MIF Industrials Fund (capital protection portability only)
To provide medium to long-term capital growth by primarily investing in a well diversified portfolio of Australian equities listed on the Australian Securities Exchange (and other regulated exchanges).	To provide medium to long-term capital growth by primarily investing in a well diversified portfolio of equities listed on stock exchanges around the world.	To provide long-term growth by investing and diversifying across many Australian industrial companies.
Invests in a variety of Australian companies whose share price is expected to appreciate over time.	Invests predominantly in companies listed (or expected to be listed) on share markets anywhere around the world, and is typically diversified across major listed industry groups. The likelihood of this portfolio incurring a negative return in any particular year is high. The portion of the currency exposure that is hedged to the Australian dollar may move within the range of 0% to 100%.	Primarily invests in a diversified portfolio of industrial equities listed on the Australian Securities Exchange (and other regulated exchanges).
<ul style="list-style-type: none"> • you want to invest in an Australian share portfolio that's diversified across industries and companies. 	<ul style="list-style-type: none"> • you want to invest in an international share portfolio that's diversified across countries, industries and companies, and • you're comfortable with exposure to foreign currencies. 	<ul style="list-style-type: none"> • you want to invest in an Australian industrial share portfolio that's diversified across industries and companies.
Seven years	Seven years	Seven years
100% Australian shares	100% Global shares	100% Australian shares
High, between 5 and 6 years in 20	High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
0.25	0.25	0.25

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