



Annual Report 2014

The Universal Super Scheme

This report is relevant to
MLC Navigator Super Solutions

Preparation date
1 November 2014

Issued by The Trustee,
MLC Nominees Pty Limited (MLC)

ABN 93 002 814 959
AFSL 230702

The Universal Super Scheme (The 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.***

***MLC Navigator Super Solutions was terminated
on 31 October 2014, and all members were moved
to MasterKey products within The Universal
Super Scheme.***

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A year in review

The 2014 financial year was another period of strong performance, particularly for share investors. Very low interest rates meant returns from cash and bonds weren't as strong, but still solid.

These robust returns were achieved despite economic challenges and global events that unsettled investment markets from time to time.

While the global economy generally improved, future developments in the global investment environment are uncertain.

We remain committed to giving you the choice and confidence to achieve your investment goals. We continue to refine our investment menu, offering a range of investment options including multi-asset portfolios and single asset class funds managed by a range of investment managers.

With ongoing Government superannuation reforms, market fluctuations, the rising cost of living and increased life expectancy, it's never been more important to regularly review your wealth strategy. This can help ensure you live comfortably now and into your retirement.

Remember, it's never too late to make your super work for you, regardless of your age or current super balance. We're here to help you grow your wealth and save for your retirement. For more information, go to saveretirement.com.au



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

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

Trevor Hunt

B Bus (Accounting and
Economics) 1989

Evelyn Horton

Masters of Social Science
(Economics) 1995
B Economics 1986 (ANU)
GAICD

Terry McCredden

B Comm (Hon) 1977 (University
of Melbourne)

Trustee director movements

Michael Fitzsimons retired effective 30 August 2013.

Richard Rassi retired effective 30 May 2014.

Evelyn Horton was appointed non-executive director effective 28 May 2014.

Terry McCredden was appointed non-executive director effective 28 May 2014.

Annual audit

Each year we are audited by an independent company. We're pleased to report we've met all our financial obligations and received an unqualified audit report. All member benefits are wholly determined by reference to life insurance policies, so this report doesn't include statements of assets and income, the auditor's report and accounts or holdings of investments greater than 5%. 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 Limited (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 the 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 **13 10 20** 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, options and futures. 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.

The Trustee currently permits derivatives to be used for the purposes of the provision of investment protection, hedging, efficient portfolio management, and investment return generation (where consistent with investment objectives).

Some of the available investment options may invest in financial derivatives. How investment managers in derivatives is included in their Product Disclosure Statement on our website.

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

How your money is invested

Standard Risk Measure

We use the Standard Risk Measure (SRM) to help you compare the investment risk across the Investment Options we offer.

The SRM is the estimated number of negative annual returns in any 20 year period. Because it is an estimate, the actual number of negative returns that occur in a 20 year period may be different.

The risk categories are:

Risk band	Risk label	Estimated number of negative annual returns in 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 SRM 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
- 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 SRM 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 any of the investment managers of a multi-manager portfolio charge a performance fee, a fee which is proportional to the assets held with that investment manager will be charged. These proportional fees are added together to give one performance fee for the multi manager portfolio. Where applicable, an estimate of this fee is included in the investment fees shown in the product's **Investment Menu**.

The actual performance fee charged in future periods may differ from the estimated fee.

You can get more information on how performance fees are calculated by going to the investment managers' Product Disclosure Statements 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.

Indirect costs

When investing your money, we may incur costs and expenses that won't be charged to you as a fee but will reduce the net return of the investment option. These indirect costs are reflected in the daily unit price and any reporting on the performance of the investment option. Indirect costs are not paid to MLC.



Investment option profiles – Pre Select options

Information current as at 30 June 2014

The following is a description of the Funds. All you need to do is choose one or more of the Funds that best suit your needs.

Diversified

	Pre Select Conservative 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.																		
About the Fund	Invests a high proportion of assets in defensive asset classes such as cash and fixed income securities with the balance in growth assets.																		
The Fund 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. 																		
Minimum suggested time to invest	3 years																		
Target asset allocation as at 30 June 2014¹	<table border="1"> <thead> <tr> <th>Asset Class</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>20%</td> </tr> <tr> <td>Australian fixed income</td> <td>25%</td> </tr> <tr> <td>Global fixed income (hedged)</td> <td>25%</td> </tr> <tr> <td>Australian equities</td> <td>13%</td> </tr> <tr> <td>Global equities (unhedged)</td> <td>6.5%</td> </tr> <tr> <td>Global equities (hedged)</td> <td>6.5%</td> </tr> <tr> <td>Australian listed property</td> <td>2%</td> </tr> <tr> <td>Global listed property (hedged)</td> <td>2%</td> </tr> </tbody> </table>	Asset Class	Percentage	Cash	20%	Australian fixed income	25%	Global fixed income (hedged)	25%	Australian equities	13%	Global equities (unhedged)	6.5%	Global equities (hedged)	6.5%	Australian listed property	2%	Global listed property (hedged)	2%
Asset Class	Percentage																		
Cash	20%																		
Australian fixed income	25%																		
Global fixed income (hedged)	25%																		
Australian equities	13%																		
Global equities (unhedged)	6.5%																		
Global equities (hedged)	6.5%																		
Australian listed property	2%																		
Global listed property (hedged)	2%																		
Estimated number of negative annual returns	Medium, between 2 and 3 years in 20																		
Investment manager charges (%pa)	0.60% pa ²																		
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable																		

¹ Updated actual asset allocations are available at mlc.com.au.

² Rounded to the nearest two decimal places using conventional rounding.

Pre Select Balanced Fund																	
Investment objective	To provide medium to long term returns that are generally higher than those achievable by investing in conservative funds.																
About the Fund	Maintains a balanced spread of investments between growth and defensive assets.																
The Fund may be suited to you if...	<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	5 years																
Target asset allocation as at 30 June 2014¹	<table border="1"> <tbody> <tr> <td>● Cash</td> <td>10%</td> </tr> <tr> <td>● Australian fixed income</td> <td>20%</td> </tr> <tr> <td>● Global fixed income (hedged)</td> <td>20%</td> </tr> <tr> <td>● Australian equities</td> <td>22%</td> </tr> <tr> <td>● Global equities (unhedged)</td> <td>11%</td> </tr> <tr> <td>● Global equities (hedged)</td> <td>11%</td> </tr> <tr> <td>● Australian listed property</td> <td>3%</td> </tr> <tr> <td>● Global listed property (hedged)</td> <td>3%</td> </tr> </tbody> </table>	● Cash	10%	● Australian fixed income	20%	● Global fixed income (hedged)	20%	● Australian equities	22%	● Global equities (unhedged)	11%	● Global equities (hedged)	11%	● Australian listed property	3%	● Global listed property (hedged)	3%
● Cash	10%																
● Australian fixed income	20%																
● Global fixed income (hedged)	20%																
● Australian equities	22%																
● Global equities (unhedged)	11%																
● Global equities (hedged)	11%																
● Australian listed property	3%																
● Global listed property (hedged)	3%																
Estimated number of negative annual returns	Medium to high, between 3 and 4 years in 20																
Investment manager charges	0.65% pa ²																
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable																

¹ Updated actual asset allocations are available at mlc.com.au.

² Rounded to the nearest two decimal places using conventional rounding.

Investment option profiles – Pre Select options

Information current as at 30 June 2014

Diversified continued

Pre Select Growth Fund																			
Investment objective	To produce higher returns than those expected from conservative and balanced strategies over the long term.																		
About the Fund	Maintains a high proportion of growth assets in order to achieve high returns in the long-term.																		
The Fund 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 large changes in value. 																		
Minimum suggested time to invest	6 years																		
Target asset allocation as at 30 June 2014¹	<table border="1"> <thead> <tr> <th>Asset Class</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>2%</td> </tr> <tr> <td>Australian fixed income</td> <td>14%</td> </tr> <tr> <td>Global fixed income (hedged)</td> <td>14%</td> </tr> <tr> <td>Australian equities</td> <td>32%</td> </tr> <tr> <td>Global equities (unhedged)</td> <td>16%</td> </tr> <tr> <td>Global equities (hedged)</td> <td>16%</td> </tr> <tr> <td>Australian listed property</td> <td>3%</td> </tr> <tr> <td>Global listed property (hedged)</td> <td>3%</td> </tr> </tbody> </table>	Asset Class	Percentage	Cash	2%	Australian fixed income	14%	Global fixed income (hedged)	14%	Australian equities	32%	Global equities (unhedged)	16%	Global equities (hedged)	16%	Australian listed property	3%	Global listed property (hedged)	3%
Asset Class	Percentage																		
Cash	2%																		
Australian fixed income	14%																		
Global fixed income (hedged)	14%																		
Australian equities	32%																		
Global equities (unhedged)	16%																		
Global equities (hedged)	16%																		
Australian listed property	3%																		
Global listed property (hedged)	3%																		
Estimated number of negative annual returns	High, between 4 and 5 years in 20																		
Investment manager charges	0.70% pa ²																		
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable																		

¹ Updated and actual asset allocations are available at mlc.com.au.

² Rounded to the nearest two decimal places using conventional rounding.

Australian equities

	Pre Select Australian Equity Fund
Investment objective	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).
About the Fund	Invests in a variety of Australian companies whose share price is expected to appreciate over time. These investments are made through specialist investment managers.
The Fund may be suited to you if...	<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.
Minimum suggested time to invest	7 years
Target asset allocation as at 30 June 2014¹	100% Australian equities
Estimated number of negative annual returns	Very high, 6 years in 20
Investment manager charges	0.80% pa ²
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable

¹ Updated and actual asset allocations are available at mlc.com.au.

² Rounded to the nearest two decimal places using conventional rounding.

Investment option profiles – Self Select options

Information current as at 30 June 2014

	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 Bloomberg AusBond Composite 0+ Yr 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	1 month	3 to 5 years
Target asset allocation as at 30 June 2014	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
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable	Not applicable

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 conservative funds.
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. 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 the composition of the index and requires Vanguard to modify the portfolio.	Invests a high proportion of assets in defensive asset classes such as cash and fixed income securities with the balance in growth assets.	Maintains a balanced spread of investments between growth and defensive assets.
<ul style="list-style-type: none"> • you want a medium-term investment horizon, seeking a steady and reliable income stream. 	<ul style="list-style-type: none"> • you want to invest with a bias to defensive assets, with some exposure to growth assets, and • you 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.
3 years	3 years	5 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 years.	Medium, between 2 and 3 years in 20	Medium to high, between 3 and 4 years in 20
0.39	0.25	0.25
Not available	Not applicable	Not applicable

Self Select options

	Colonial First State Wholesale Diversified Fund	OnePath Wholesale Balanced Trust
Investment objective	To provide long term capital growth. The Fund aims to outperform the composite benchmark over rolling three year periods before fees and taxes.	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 option's broad asset allocation is to be 70% invested in growth assets (shares and property) and 30% in 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. We seek to add value through a disciplined approach to the selection of the investments held by the option. For risk management purposes, the option 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	5 years	4 years
Target asset allocation as at 30 June 2014	20–40% Fixed interest and Cash 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
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not available	Not available

MIF Growth Fund	MLC Wholesale Property Securities Fund														
To produce higher returns than those expected from conservative and balanced strategies over the long term.	The trust 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.														
Maintains a high proportion of growth assets in order to achieve high returns in the long term.	The trust 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.														
<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. 														
6 years	7 years														
<table border="0"> <tr><td>10%</td><td>Cash</td></tr> <tr><td>28%</td><td>Australian fixed income</td></tr> <tr><td>35%</td><td>Australian shares</td></tr> <tr><td>22%</td><td>Global shares</td></tr> <tr><td>5%</td><td>Australian property securities</td></tr> </table>	10%	Cash	28%	Australian fixed income	35%	Australian shares	22%	Global shares	5%	Australian property securities	<table border="0"> <tr><td>85–100%</td><td>Australian property securities</td></tr> <tr><td>0–15%</td><td>Global property securities</td></tr> </table>	85–100%	Australian property securities	0–15%	Global property securities
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														
High, between 4 and 5 years in 20	High, between 5 and 6 years in 20														
0.25	0.73														
Not applicable	Not applicable														

Self Select options

	Vanguard® Australian Property Securities Index Fund	Antares Australian Equities Fund
Investment objective	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.	To outperform the S&P/ASX 200 Accumulation Index (before fees) over a rolling five year period.
About the investment option	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 the index from time to time. The Fund may invest in securities that have been removed from or are expected to be included in the index.	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. Antares is wholly owned by the NAB Group.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want long-term capital growth, some tax-effective income, and you have a higher tolerance for the risks associated with share market volatility. 	<ul style="list-style-type: none"> • you want long-term capital gains available from equity investment, and • you're comfortable with fluctuations in capital value.
Minimum suggested time to invest	5 years	5 years
Target asset allocation as at 30 June 2014	100% Australian property securities	0–10% Cash and short-term securities 90–100% 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)	0.44	0.87
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not available	Not available

Antares High Growth Shares Fund	Colonial First State Wholesale Australian Share Fund
To outperform the S&P/ASX 200 Accumulation Index by 5% pa (before fees) over a rolling five-year period.	To provide long-term capital growth with some income by investing in a broad selection of Australian companies.
<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 shares 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> <p>This Fund is considered a hedge fund by the Australian Securities and Investments Commission because it uses some sophisticated investment techniques. More information about this Fund is available in the investment manager's Product Disclosure Statement available on mlc.com.au</p>	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.
<ul style="list-style-type: none"> • you're willing to accept higher risk in exchange for the potential to earn greater investment returns than the broader Australian equity market. 	<ul style="list-style-type: none"> • you want a long-only Australian equity product to sit within the growth component of a balanced portfolio.
5 years	7 years
90–125% Australian shares (Long) 0–25% Australian shares (Short) 0–10% Cash	100% Australian shares
High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
1.00	0.97
Not available	Not available

Self Select options

	UBS Australian Share Fund	MLC Wholesale IncomeBuilder
Investment objective	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.
About the investment option	The 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.
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want 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.
Minimum suggested time to invest	5 years	7 years
Target asset allocation as at 30 June 2014	90–100% Australian shares* 0–10% Cash *Effective exposure includes derivatives	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)	0.90	0.72
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not available	Not applicable

Perpetual Wholesale Industrial Fund	Antares Small Companies Fund (closed to new members)
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 (before fees) over a rolling five year period.
<p>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:</p> <ul style="list-style-type: none"> • conservative debt levels • sound management • quality business, and • recurring earnings. <p>Derivatives may be used in managing the Fund.</p>	The Fund invests in a diversified portfolio of typically 60 smaller companies outside the S&P/ASX 100 Index. Antares is wholly owned by the NAB Group.
<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.
5 years	5 years
0–10% Cash 90–100% Australian industrial shares	0–20% Cash 80–100% Australian shares
High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
0.99	0.98
Not available	Not available

Self Select options

	Aberdeen Actively Hedged International Equities Fund	Platinum International Fund										
Investment objective	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 capital growth over the long-term through searching out undervalued listed (and unlisted) investments around the world.										
About the investment option	<p>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.</p> <p>Currency hedging of the Fund's assets may vary between 0–50% hedged to the Australian dollar.</p>	<p>The Fund primarily invests in listed securities. The Fund 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 Fund 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>This Fund is considered a hedge fund by the Australian Securities and Investments Commission because it uses some sophisticated investment techniques. More information about this Fund is available in the investment manager's Product Disclosure Statement available on mlc.com.au</p>										
The investment option may be suited to you if ...	<ul style="list-style-type: none"> • you want to invest in a portfolio of international shares. 	<ul style="list-style-type: none"> • you believe in long-term wealth creation through accessing International shares. 										
Minimum suggested time to invest	5 years	5 years										
Target asset allocation as at 30 June 2014	<table> <tr> <td>0–10%</td> <td>Cash</td> </tr> <tr> <td>90–100%</td> <td>International shares</td> </tr> </table>	0–10%	Cash	90–100%	International shares	<table> <tr> <td>0–100%</td> <td>Global shares</td> </tr> <tr> <td>0–100%</td> <td>Australian shares</td> </tr> <tr> <td>0–100%</td> <td>Cash</td> </tr> </table>	0–100%	Global shares	0–100%	Australian shares	0–100%	Cash
0–10%	Cash											
90–100%	International shares											
0–100%	Global shares											
0–100%	Australian shares											
0–100%	Cash											
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)	0.98	1.54										
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not available	Not available										

MIF Capital Guaranteed Fund	MIF Fixed Interest Fund (capital protection portability only)	MIF Capital Stable Fund (capital protection portability only)
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.	To outperform the Bloomberg AusBond Composite 0+ Yr 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.
Invests primarily in fixed income and may invest smaller amounts in growth assets.	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.
<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. 	<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 • are seeking stable returns.
3 years	3 to 5 years	3 years
16% Cash 75% Australian fixed income 6% Australian shares 3% Australian property securities	100% Australian fixed income	24% Cash 50% Australian fixed income 12% Australian shares 9% Global shares 5% Australian property securities
Low, less than 1 year in 20	Medium to high, between 3 and 4 years in 20	Medium, between 2 and 3 years in 20
0.25	0.25	0.25
Not applicable	Not applicable	Not applicable

Self Select options

	MIF Balanced Fund (capital protection portability only)	MIF Growth Fund (capital protection portability only)
Investment objective	To provide medium to long-term returns that are generally higher than those achievable by investing in conservative funds.	To produce higher returns than those expected from conservative and balanced strategies over the long-term.
About the investment option	Maintains a balanced spread of investments between growth and defensive assets.	Maintains a high proportion of growth assets in order to achieve high returns in the long-term.
The investment option may be suited to you if ...	<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. 	<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.
Minimum suggested time to invest	5 years	6 years
Target asset allocation as at 30 June 2014	16% Cash 40% Australian fixed income 26% Australian shares 13% Global shares 5% Australian property securities	10% Cash 28% Australian fixed income 35% Australian shares 22% Global shares 5% Australian property securities
Estimated number of negative annual returns	Medium to high, between 3 and 4 years in 20	High, between 4 and 5 years in 20
Investment manager charges (% pa)	0.25	0.25
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable	Not applicable

MIF Listed Property Trusts (capital protection portability only)	MIF Australian Equity Fund (capital protection portability only)
To provide long-term growth, and some income, by investing and diversifying across many Australian, and some global, listed property trusts.	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).
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.	Invests in a variety of Australian companies whose share price is expected to appreciate over time.
<ul style="list-style-type: none"> • you want to invest in a property securities portfolio that invests across property sectors and REITs. 	<ul style="list-style-type: none"> • you want to invest in an Australian share portfolio that's diversified across industries and companies.
7 years	7 years
100% Australian property securities	100% Australian shares
High, between 5 and 6 years in 20	High, between 5 and 6 years in 20
0.25	0.25
Not applicable	Not applicable

Self Select options

	MIF International Equity Fund (capital protection portability only)	MIF Industrials Fund (capital protection portability only)
Investment objective	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.
About the investment option	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 portion of the currency exposure that is hedged to the Australian dollar may move within the range of 0% to 100% at our discretion.	Primarily invests in a diversified portfolio of industrial equities listed on the Australian Securities Exchange (and other regulated exchanges).
The investment option may be suited to you if ...	<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.
Minimum suggested time to invest	7 years	7 years
Target asset allocation as at 30 June 2014	100% Global shares	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)	0.25	0.25
Estimated indirect cost ratio (% pa) Actual fees may be different to the estimates shown.	Not applicable	Not applicable



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