



Important information – updated from 9 June 2017 for MLC MasterKey Investment Service

13 June 2017

Monday, 5 June 2017 we announced that the last distribution for the 2017 financial year had been made to investors in the MLC-Vanguard Australian Share Index Fund offered through the MLC MasterKey Investment Service.

The distribution paid on 28 May 2017 for the MLC-Vanguard Australian Share Index Fund (Fund) was much larger than in previous years. It also included a large capital gain component.

We also announced that we were actively re-evaluating the distribution to determine the applicable taxation implications for investors. After careful analysis we have revised the taxation components for the 2017 financial year as follows:

Component	Original	Estimated*
Discounted assessable capital gains (cpu)	23.5 cpu	9.0 cpu
Discounted assessable capital gains (%)	42.4%	16.2%
Return of capital (tax-deferred component)*	0.2 cpu	29.4 cpu

* The tax-deferred component is not included in preparation of tax return for the year. However, the amount received reduces the cost base of units in the Fund, meaning that the amount is assessed as part of the capital gain when investors eventually sell their units.

Investors were previously informed of a discounted assessable capital gains component of 23.5 cents per unit. This has now been revised to an estimated tax-assessable capital gains component of 9.0 cents per unit and an estimated tax-deferred return of capital component of 29.4 cents per unit.

Next steps

MLC will issue a tax statement to investors in August 2017, which will provide all of the final information that you will require to submit your financial year 2017 tax return.

No further action is required by investors, however, as always we encourage you to seek financial advice about what these adjusted taxation components mean for you.

Over the next week we will be updating the above taxation components (including the adjusted cost base) information for the Fund on investor online at mlc.com.au. Investors will be able access this information from the “Unrealised CGT” and “Realised CGT” report.

If you have any questions please call us on 132 652 between 8am and 7pm (AEST), Monday to Friday.

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