



MLC Investments Limited
ABN 30 002 641 661
AFSL 230705

Client Services
Level 21,
255 George Street
Sydney NSW 2000
Australia

1 July 2017

Dear Investor,

Re: MLC Investment Trust (each a 'Trust' and together the 'Trusts') Update

As a result of the introduction of a new tax system for managed investment trusts under the Attribution Managed Investment Trust ('AMIT') regime, we'd like to let you know about some changes we've made to the Product Disclosure Statements and the MLC Investment Trust Product Guide.

Those changes, together with several unrelated foreign tax and reporting changes, are outlined in the accompanying update dated 1 July 2017.

You can get a copy of the Product Disclosure Statements and the MLC Investment Trust Product Guide from www.mlcinvestmenttrust.com.au/mlcit/product_disclosure_statements or you can request a copy free of charge by calling us.

We've also modified the constitutions of all Trusts covered by this update because the AMIT regime will operate a bit differently from the existing regime. The modifications are summarised in the table on the next page:

Modification	Description of the modification
Distributable income, distribution and accumulation, attribution	<ul style="list-style-type: none"> • The existing provisions for the determination of distributable income are retained and will apply for financial years to which the AMIT regime does not apply. <p>New provisions:</p> <ul style="list-style-type: none"> • provide for distributable income for financial years to which the AMIT regime applies to include the “trust components” that have an assessable income character, together with additional amounts MLC Investments Limited (‘MLCI’) considers appropriate (eg amounts relating to the discount capital gains concession); • give MLCI an express power to defer distribution of the distributable income for financial years to which the AMIT regime applies to a later distribution period in the same financial year, or accumulate and not distribute the distributable income at all; • provide the basis for attribution of components of taxable income to unit holders. It addresses specific requirements of the AMIT regime, such as a “fair and reasonable basis” for attributions and that attributions must not be based on the “tax characteristics” of the unit holder; • provide for the basis for attribution of the components of taxable income to unit holders to reflect any election which MLCI may make for separate classes of units in the Trust to be treated as separate tax entities under the AMIT regime; and • provide that, in “exceptional circumstances”, MLCI may determine that on redemption of units, the unit holder will be attributed with taxable income which has arisen for the Trust since the commencement of the current financial year and has not already been distributed. MLCI may do so only where it has reasonably determined that the amount attributed is connected to the redemption price of the units redeemed.
Rights and powers	<p>New provisions:</p> <ul style="list-style-type: none"> • provide MLCI with general powers, which include electing in to the AMIT regime and powers otherwise necessary or desirable to operate the Trust under the AMIT regime; • provide MLCI with specific powers which are expected to be necessary for the Trust to operate under the AMIT regime, including determining taxable income components, making attributions to unit holders and issuing unit holder statements for that purpose; • seek to exclude MLCI from liability in respect of, or as a consequence of, the exercise of powers provided to it for the purposes of the AMIT regime, but this will generally only be available where MLCI has properly performed its duties; • seek to provide for MLCI to require unit holders and former unit holders to give certain indemnities for tax and related costs and expenses incurred by MLCI, but only to the extent that such tax and related costs and expenses were incurred by the MLCI in the proper performance of its duties; and • seek to impose certain procedural requirements on unit holders and former unit holders if they are seeking to exercise their objection rights under the AMIT regime, and provide MLCI with certain powers with respect to how such objections are dealt with.
Incidental changes	<p>Other changes considered by MLCI as being necessary or incidental to the Trust being able to be operated as an AMIT, for example, to include specific definitions referable to the AMIT regime.</p>

Please call Client Services on 1300 738 355, if you have any questions relating to these changes.

We appreciate your business.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Antony Gold', with a stylized flourish at the end.

Antony Gold
Head of Product Services
MLC Investments Limited

Issued by:
The Responsible Entity, MLC Investments Limited
ABN 30 002 641 661, AFSL 230705



MLC Investment Trusts

Distributions, the Attribution Managed Investment Trust ('AMIT') regime, Foreign Account Tax Compliance Act ('FATCA') and Common Reporting Standard ('CRS')

Update effective from 1 July 2017

This information is provided to update the information set out in the following Product Disclosure Statements ('PDS') and the MLC Investment Trust Product Guide dated 1 July 2014 ('Product Guide'):

Product Name	ARSN	PDS Date
MLC Horizon portfolios		
MLC Wholesale Horizon 1 Bond Portfolio	117 295 495	1 July 2014
MLC Wholesale Horizon 2 Income Portfolio	117 295 584	1 July 2014
MLC Wholesale Horizon 3 Conservative Growth Portfolio	096 796 379	1 July 2014
MLC Wholesale Horizon 4 Balanced Portfolio	087 446 375	1 July 2014
MLC Wholesale Horizon 5 Growth Portfolio	087 446 633	1 July 2014
MLC Wholesale Horizon 6 Share Portfolio	096 796 075	1 July 2014
MLC Wholesale Horizon 7 Accelerated Growth Portfolio	102 215 501	1 July 2014
MLC Inflation Plus portfolios		
MLC Wholesale Inflation Plus – Conservative Portfolio	165 016 035	1 July 2014
MLC Wholesale Inflation Plus – Moderate Portfolio	165 016 151	1 July 2014
MLC asset class funds		
MLC Wholesale Australian Share Fund	087 447 078	1 July 2014
MLC Wholesale Australian Share Index Fund	150 845 971	1 July 2014
MLC Wholesale Diversified Debt Fund	130 171 078	1 July 2014
MLC Wholesale Global Property Fund	124 947 164	1 July 2014
MLC Wholesale Global Share Fund	087 446 875	1 July 2014
MLC Wholesale Hedged Global Share Fund	124 946 998	1 July 2014
MLC Wholesale IncomeBuilder	087 447 265	1 July 2014
MLC Wholesale Property Securities Fund	087 447 425	1 July 2014

As a result of the introduction of a new tax system for managed investment trusts under the Attribution Managed Investment Trust ('AMIT') regime, the following information is updated in each PDS or the Product Guide.

Income distributions

The information under the sub-heading 'Income distributions' in each PDS has been updated with a new paragraph at the end of the section:

Our current practice is to generally distribute all of the net taxable income for each financial year. If we elect for the Attribution Managed Investment Trust regime ('AMIT regime') to apply to the Trust, we have the discretion to accumulate income (instead of distributing all of the income). In that case, the accumulated income will be reflected in the unit price. We intend to continue our current practice to distribute all of the income for each year. We will notify you if this changes.

How managed investment schemes are taxed

The information under the heading 'How managed investment schemes are taxed' in each PDS has been updated. The information under the heading no longer applies and should be deleted and replaced with the following new information:

7. How managed investment schemes are taxed

Investing in a managed investment scheme is likely to have tax consequences. Because this PDS and the MLC Investment Trust Product Guide are not tax guides and tax laws are complex and change from time to time, we strongly recommend that you obtain professional tax advice in relation to your own personal circumstances. This applies whether you are an Australian resident or a non-resident for tax purposes.

The Trust itself should not be liable for tax on its net earnings. Managed investment schemes do not pay tax on behalf of investors. Rather investors should include their proportion of the Trust net earnings as income in their tax returns. Any net losses are retained by the Trust and used to offset future matching gains.

The unit price of units issued before a distribution will include income accumulated in the Trust. The income that has been accumulating will generally be distributed. You may potentially have taxation liabilities on that income.

Depending on an investor's circumstances, a revenue or capital gain or loss may arise when units in the Trust are sold, switched or redeemed.

Overview of the AMIT regime

A new regime for the taxation of managed investment schemes ('AMIT regime') has been introduced and this section describes the changes that will occur if we elect for the AMIT regime to apply to the Trust. We anticipate electing to have the AMIT regime apply for the Trust for the 2017/2018 and later years of income. An election into the AMIT regime will apply for the entire financial year of the Trust in the financial year for which the election is made. We will notify you if an election is made.

Under the AMIT regime, investors are taxed on income that is "attributed" to them, rather than a proportional share of taxable income of the Trust. We are required to undertake this attribution on a fair and reasonable basis.

It is not necessary to distribute all taxable income in order to ensure that tax is not imposed on an AMIT. If we elect into the AMIT regime for the Trust, we will have the discretion to accumulate income in the Trust. This means that we would not have to distribute all of the Trust's taxable income, and the accumulated income will instead be reflected in the unit price.

We currently distribute all of the net taxable income for each financial year and intend to continue to distribute all income even if we elect for the AMIT regime to apply to the Trust. We will notify you if this changes.

If we elect into the AMIT regime, the details of the taxable income attributed to you will be set out in an AMIT Member Annual Statement (**'AMMA Statement'**), which will contain all necessary tax information in a similar manner to the current tax statements. The tax payable (if any) depends on your individual tax profile and applicable tax rate.

If you disagree with our attribution of taxable income, you can object to the Commissioner of Taxation. If you decide to take this course, it is important that you obtain professional tax and legal advice. The Constitution provides for you to give us notice before making an objection, so please do so and we will work with you to try to resolve the issue.

Investing directly

The information under the sub-heading 'Investing directly' in each PDS has been updated. The information in the second paragraph under the sub-heading no longer applies and should be deleted and replaced with the following new sub-heading and information at the end of the section:

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

We are required to collect information about your tax residency status, including whether you are a US citizen or resident for US tax purposes, and other relevant information to determine your reporting status under the FATCA and the CRS rules. If you identify yourself as a foreign resident for tax purposes, your account information may be reported to the relevant tax authorities.

Income distributions

The information under the sub-heading 'Income distributions' in the Product Guide has been updated. The information under the sub-heading no longer applies and should be deleted and replaced with the following new information:

Income distributions

If you invest in the Trusts via an IDPS, please contact your IDPS operator for details of how to receive any income distributions from the Trusts.

Our current practice is to generally distribute the net taxable income of the Trusts to investors each year (including net capital gains and any net gains on currency management where applicable). If we elect for the Attribution Managed Investment Trust regime (**'AMIT regime'**) to apply to the Trusts we have the discretion to accumulate income (instead of distributing all of the income). In that case, the accumulated income will be reflected in the unit price. We intend to continue our current practice to distribute all of the income for each year. We will notify you if this changes.

To be eligible to receive a distribution you must hold units in the Trusts on the distribution calculation date. You can request to have income distributions:

- reinvested in the Trusts, or
- paid into your bank account.

We may, in our absolute discretion, accept or reject any such request. If you do not make a selection we will reinvest the income distribution back into the relevant Trusts.

If you elect to have any income distributions reinvested, units will be issued at the unit price applicable at the distribution calculation date. Transaction cost allowances do not currently apply to the issue of these units.

Keeping you informed

The information under the sub-heading 'Keeping you informed' in the Product Guide has been updated. The information under this sub-heading replaces the existing information as follows:

Deleted:

Annual taxation statement	Provides details of the income and capital gains paid for the financial year.
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and replaced with the following new information:

Annual taxation statement (or AMMA Statement, if applicable)	Provides details of the share of the income distributed or attributed to you, as applicable, during the financial year to assist you in completing your tax return.
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Important information

This information is provided by MLC Investments Limited (ABN 30 002 641 661, AFSL 230705), a member of the National Australia Bank Limited (ABN 12 004 044 937, AFSL 230686) (NAB) group of companies (NAB Group), 105–153 Miller Street, North Sydney 2060.

NAB does not guarantee or otherwise accept any liability in respect of any financial product referred to in this communication.

This information is directed to and prepared for Australian and NZ residents (as applicable) only.

This information may constitute general advice. It has been prepared without taking account of an investor's objectives, financial situation or needs and because of that an investor should, before acting on the advice, consider the appropriateness of the advice having regard to their personal objectives, financial situation and needs.

You should obtain a Product Disclosure Statement (PDS) relating to the financial products mentioned in this communication issued by MLC Investments Limited, and consider it before making any decision about whether to acquire or continue to hold these products. A copy of the PDS is available upon request by phoning NAB Asset Management Client Services on 1300 738 355 or emailing info@nabam.com.au.

Any opinions expressed in this communication constitute our judgement at the time of issue and are subject to change.