

Changes to your MLC MasterKey Personal Super Plan

Reference guide

This guide will help explain the improvements we're making to your account on 8 September 2012.

Some aspects of your account will remain the same, others have been changed and you'll also be able to take advantage of new features. If you have any questions please speak with your adviser or call us on 132 652 between 8 am and 6 pm (AEST) Monday to Friday.

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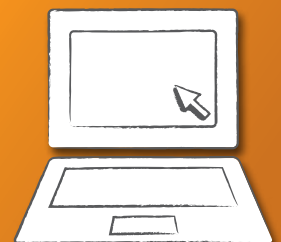
An easy to use online service

Managing your super account is even easier with our improved online service for members.

It's now much simpler to:

- get an instant overview of your account
- access your account information, including your insurance
- make contributions to your super and view tax components
- change your investment options
- view statements and letters and choose to receive your statements online, and
- keep track of your investments.

You can also bring all your super together with our online consolidation tool. Log in or register on mlc.com.au today.



This document is a summary of significant information and contains references to further important information on mlc.com.au

This information is general and does not take into account your personal financial situation or needs. We recommend you obtain financial advice for your own personal circumstances.

Your investments

Your investment options are changing

Updating your investment choices

To give you access to some of the best opportunities to get your money working for you, we're updating your Investment Menu. The new Investment Menu reflects our experience and resources in finding some of the best investment managers from around the world.

New investment options

We're adding the following 10 new investment options. To find out more about them, please visit mlc.com.au

New investment options
MLC Diversified Debt Fund
MLC Global Property Fund
MLC Hedged Global Share Fund
Altrinsic Global Equities Trust
Antares Elite Opportunities Fund
Antares High Growth Shares Fund
Fairview Equity Partners Emerging Companies Fund
Northward Capital Australian Equity Trust
Pengana Asian Equities Fund
Platinum Asia Fund

Investment options we are removing

We're also removing the 5 investment options shown in the table below.

Current investment option	Investment option you'll switch to
BlackRock Balanced Fund	MLC MasterKey Horizon 4 Balanced Portfolio
Colonial First State Diversified Fund	MLC MasterKey Horizon 4 Balanced Portfolio
National Balanced Fund	MLC MasterKey Horizon 4 Balanced Portfolio
UBS Diversified Credit Fund	MLC MasterKey Horizon 1 Bond Portfolio
UBS Australian Share Fund	Antares Elite Opportunities Fund

These investment options were closed to new contributions some time ago and the Trustee doesn't believe it's in members' interests to continue to invest in them.

If you currently invest in an investment option that is being removed

You have two choices:

- **Take no action** and we'll automatically switch your balance to an investment option with a similar asset allocation and risk profile as shown in the table above.

For these options, transaction costs will apply when we switch your money into these new investment options, except if you are invested in National Balanced Fund or UBS Diversified Credit Fund.

We'll move your investments into your new investment options as quickly as possible. To make sure your investments are managed effectively during this transition period, please be aware there may be a delay in processing transactions received from 29 August 2012 to 11 September 2012.

Information about your new investment options is available on **mlc.com.au**. After we've switched your investment options, we'll write to you confirming the transaction.

- **Switch to another investment option** by logging in to **mlc.com.au** by 29 August 2012.

Before making any investment decision we recommend that you speak with your adviser.

A new simplified and transparent fee structure

This will give you an understanding of changes to your fees and costs.

We're changing the fees for MLC MasterKey Personal Super to make them simpler and more transparent. How the new fee structure affects you depends on your account balance and the investment options you hold.

The changes include:

- reducing the number of fees from 10 to 6
- showing clearly online and on your statements what you pay to us as an Administration fee, your investment fees, and what is paid to your adviser
- reducing the Administration fee if your account balance is \$50,000 or more, and
- introducing a fairer way to allocate transaction costs.

What are the fee changes?

The following tables show the changes to fees and costs for MLC MasterKey Personal Super. All fees shown are before the tax benefit which will be credited back to your account and effectively reduces your fees by up to 15%.

All fees are shown inclusive of GST and net of Reduced Input Tax Credits (where applicable).

On 7 September we'll deduct any fees owing up to that date, and from 8 September your new fees will be calculated.

Current	New
Fees when money moves into or out of the fund	
Contribution fee	
<p>0%.</p> <p>A Contribution fee of up to 5.88% can be negotiated by you with your adviser.</p> <p>The Contribution fee is calculated as a percentage of your investment and deducted from your account by selling units at the time the contribution is invested.</p>	<p>This fee is now called the 'Adviser contribution fee' – refer to 'Advice fees' on page 6.</p>
Termination fee	
<p>\$76.47.</p> <p>The termination fee is deducted from the amount paid when you make a full withdrawal.</p> <p>The fee is currently not charged:</p> <ul style="list-style-type: none"> • where a Death, Total and Permanent Disablement or financial hardship payment is paid, or • if your account remains in MLC MasterKey Personal Super for one year or more. 	<p>\$75.00.</p> <p>There is no change to how the fee is applied.</p>

Current	New																						
Management costs																							
Administration fee																							
<p>The Administration Fee is 1.53%. Depending on the value of your account you may receive a rebate on the Administration fee, as follows:</p> <table border="1"> <thead> <tr> <th style="background-color: #f4a460;">Account balance</th> <th style="background-color: #f4a460;">Administration fee rebate (% pa)</th> <th style="background-color: #f4a460;">Percentage fee (% pa)</th> </tr> </thead> <tbody> <tr> <td>Less than \$200,000</td> <td>0.00</td> <td>1.53</td> </tr> <tr> <td>\$200,000 to \$399,999</td> <td>0.20</td> <td>1.33</td> </tr> <tr> <td>\$400,000+</td> <td>0.38</td> <td>1.15</td> </tr> </tbody> </table> <p>The relevant percentage amount is applied to your entire account balance and is reflected in the daily unit price for each investment option. Any rebates are credited to your account monthly.</p> <p>The Administration fee includes an Asset based commission of up to 0.66% pa.</p> <p>Under current arrangements, the fee can't exceed 2.56% pa.</p>	Account balance	Administration fee rebate (% pa)	Percentage fee (% pa)	Less than \$200,000	0.00	1.53	\$200,000 to \$399,999	0.20	1.33	\$400,000+	0.38	1.15	<p>The Administration fee is calculated in two parts:</p> <ul style="list-style-type: none"> a percentage based on your account balance, as follows: <table border="1"> <thead> <tr> <th style="background-color: #f4a460;">Account balance</th> <th style="background-color: #f4a460;">Percentage fee (% pa)</th> </tr> </thead> <tbody> <tr> <td>First \$49,999</td> <td>1.05</td> </tr> <tr> <td>Next \$50,000</td> <td>0.65</td> </tr> <tr> <td>Next \$100,000</td> <td>0.40</td> </tr> <tr> <td>Remaining balance over \$199,999</td> <td>0.25</td> </tr> </tbody> </table> <p>plus</p> <ul style="list-style-type: none"> a fixed fee of \$2 per week if your account balance is below \$50,000 when the fee is deducted. <p>The percentage fee is deducted monthly from your account using your average account balance in the previous month.</p> <p>The total Administration fee is capped at \$3,500 pa.</p>	Account balance	Percentage fee (% pa)	First \$49,999	1.05	Next \$50,000	0.65	Next \$100,000	0.40	Remaining balance over \$199,999	0.25
Account balance	Administration fee rebate (% pa)	Percentage fee (% pa)																					
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Account fee																							
<p>A monthly fee of \$6.47.</p> <p>It is deducted monthly from your account.</p>	Nil.																						
Additional management fee																							
<p>0.13% per month.</p> <p>If your account balance falls below \$5,000, this fee will be charged on the difference between your account balance and \$5,000.</p>	Nil.																						
Issuer fee																							
Up to 0.12% pa.	Nil.																						

A new simplified and transparent fee structure

Current	New												
Advice fees													
Adviser contribution fee													
<p>This fee is currently called the 'Contribution fee'.</p>	<p>Up to 5.88% of each contribution. You may be able to negotiate a lower fee with your adviser.</p> <p>The fee is calculated as a percentage of your investment and is deducted from your account at the time the contribution is invested.</p>												
Asset based commission													
<p>When you transfer to MLC MasterKey Personal Super, MLC will pay your adviser an asset based commission from the Administration fee charged to your account.</p> <p>The commission is paid monthly and is based on the balance of your account in that month, as shown in the table below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #f4a460;">Account balance</th> <th style="background-color: #f4a460;">Rate of asset based commission (% pa)</th> </tr> </thead> <tbody> <tr> <td>Less than \$50,000</td> <td>0.44</td> </tr> <tr> <td>\$50,000 to \$99,999</td> <td>0.50</td> </tr> <tr> <td>\$100,000 to \$199,999</td> <td>0.55</td> </tr> <tr> <td>\$200,000 to \$399,999</td> <td>0.60</td> </tr> <tr> <td>\$400,000 and over</td> <td>0.66</td> </tr> </tbody> </table> <p>You can negotiate this fee and it will reduce the Administration fee you pay.</p>	Account balance	Rate of asset based commission (% pa)	Less than \$50,000	0.44	\$50,000 to \$99,999	0.50	\$100,000 to \$199,999	0.55	\$200,000 to \$399,999	0.60	\$400,000 and over	0.66	<p>Plan service fee</p> <p>Up to 1.5% pa of your account balance. It may be a dollar amount, as long as it doesn't exceed this limit.</p> <p>It is deducted monthly from your account and is paid to your adviser.</p> <p>You can negotiate a lower fee with your adviser.</p>
Account balance	Rate of asset based commission (% pa)												
Less than \$50,000	0.44												
\$50,000 to \$99,999	0.50												
\$100,000 to \$199,999	0.55												
\$200,000 to \$399,999	0.60												
\$400,000 and over	0.66												
Insurance commission													
23.65% of your insurance premium.	No change.												
Adviser service fee													
<p>If you wish you can have amounts deducted from your account to pay fees to your financial adviser.</p> <p>The fee will be in addition to the other fees in this table.</p>	No change.												

Fee refunds

We'll continue to include your MLC MasterKey Personal Super account balance in your MLC MasterKey portfolio value to help you qualify for fee refunds on other MLC MasterKey accounts you or your family may hold.

A fairer way to allocate transaction costs

When you buy and sell units, the investment option incurs transaction costs such as brokerage and government charges. These costs reduce the performance of the investment option. All investors in the option currently share these costs, even if they don't make any transactions.

To make MLC MasterKey Personal Super fairer for everyone, we're

introducing a transaction cost allowance for each investment option. This means you'll only pay the costs for the transactions you make. After the change, the performance of your investment options won't be reduced by the impact of other members' transaction costs.

The transaction cost allowance is an estimate of the transactions costs and is not a fee paid to MLC. The allowance for each investment option is shown in the table on page 8.

You'll pay an 'entry price' when you buy units and receive an 'exit price' when you sell units in an investment option.

The entry price is the unit price plus a transaction cost allowance. The exit price is the unit price less a transaction cost allowance.

How your account will be valued

From 8 September 2012, your balance will be stated after allowing for transaction costs. The following example shows how the calculation of your account balance will change.

If you hold an investment ...	Units held	Transaction cost allowance	Exit price	The value of your investment will be
before the change on 7 September 2012	10,000	Not applicable	\$2.50	\$25,000
after the change on 8 September 2012	10,000	0.10%	\$2.4975	\$24,975

You may want to speak with your adviser for further details on this change.

A new simplified and transparent fee structure

Changes to Investment fees

The Investment fees will change to those shown in the table below. These fees vary as investment costs change. The Investment fee currently ranges from 0.19% pa to 1.54% pa. The new Investment fees range from 0.25% pa to 4.03% pa.¹

The table also shows the new transaction cost allowances that will apply as outlined on page 7.

Investment option	Current Indicative investment fee (%)	New Indicative investment fee (%)	Transaction cost allowance in entry price (%)	Transaction cost allowance in exit price (%)
MLC Portfolios				
MLC MasterKey Horizon 1 – Bond Portfolio	0.37	0.52	0.00	0.00
MLC MasterKey Horizon 2 – Capital Stable Portfolio	0.41	0.60	0.05	0.05
MLC MasterKey Horizon 3 – Conservative Growth Portfolio	0.52	0.65	0.05	0.05
MLC MasterKey Horizon 4 – Balanced Portfolio	0.58	0.70	0.10	0.10
MLC MasterKey Horizon 5 – Growth Portfolio	0.59	0.73	0.10	0.10
MLC MasterKey Horizon 6 – Share Portfolio	0.61	0.77	0.10	0.10
MLC MasterKey Horizon 7 – Accelerated Growth Portfolio	1.07	1.00	0.20	0.20
MLC Index Plus Conservative Growth Portfolio	0.30	0.38	0.05	0.05
MLC Index Plus Balanced Portfolio	0.32	0.40	0.10	0.10
MLC Index Plus Growth Portfolio	0.33	0.42	0.10	0.10
MLC Long-Term Absolute Return Portfolio	1.41	1.50	0.15	0.15
MLC investment options				
MLC Australian Share Fund	0.58	0.73	0.15	0.15
MLC Australian Share Growth Style Fund	0.54	0.78	0.20	0.20
MLC Australian Share Value Style Fund	0.59	0.78	0.15	0.15
MLC Cash Fund	0.27	0.25	0.00	0.00
MLC Diversified Debt Fund (New)	-	0.50	0.00	0.00
MLC Global Property Fund (New)	-	0.87	0.15	0.15
MLC Global Share Fund	0.74	0.85	0.10	0.10
MLC Global Share Growth Style Fund	0.70	0.90	0.15	0.10
MLC Global Share Value Style Fund	0.79	0.90	0.10	0.10
MLC Hedged Global Share Fund (New)	-	0.90	0.10	0.10
MLC IncomeBuilder	0.71	0.72	0.00	0.00
MLC Property Securities Fund	0.63	0.67	0.25	0.20

¹ This amount includes a performance fee.

Investment option	Current Indicative investment fee (%)	New Indicative investment fee (%)	Transaction cost allowance in entry price (%)	Transaction cost allowance in exit price (%)
Investment options not managed by MLC				
Altrinsic Global Equities Trust (New)	-	1.25	0.30	0.30
Antares Elite Opportunities Fund ¹ (New)	-	0.70	0.20	0.20
Antares High Growth Shares Fund ¹ (New)	-	1.00	0.15	0.15
Arnhem Australian Equity Fund	0.68	0.77	0.30	0.30
Ausbil Australian Emerging Leaders Fund ¹	1.22	1.30	0.30	0.30
AXA Wholesale Global Equity – Value Fund	0.93	1.01	0.20	0.20
Fairview Equity Partners Emerging Companies Fund ¹ (New)	-	4.03	0.00	0.00
Investors Mutual Australian Share Fund	0.84	0.92	0.25	0.25
Legg Mason Property Securities Trust	0.64	0.72	0.28	0.28
MLC - Vanguard Australian Share Index Fund	0.25	0.27	0.05	0.05
MLC Capital International Global Share Fund	0.74	0.87	0.10	0.10
Northward Capital Australian Equity Trust ¹ (New)	-	0.85	0.25	0.25
Pengana Asian Equities Fund ¹ (New)	-	2.06	0.25	0.25
Perennial Value Shares Wholesale Trust	0.84	0.92	0.30	0.30
Perpetual Wholesale Australian Fund	0.98	1.06	0.30	0.00
Perpetual Wholesale Ethical SRI Fund	0.92	1.00	0.15	0.15
Perpetual Wholesale Smaller Companies Fund No 2	1.37	1.45	0.15	0.15
Platinum Asia Fund (New)	-	1.54	0.25	0.25
Platinum International Fund	1.54	1.54	0.25	0.25
PM CAPITAL Absolute Performance Fund ¹	1.54	1.62	0.25	0.25
Schroder Wholesale Australian Equity Fund	0.69	0.77	0.30	0.30
Vanguard Australian Fixed Interest Index Fund	0.31	0.39	0.20	0.20
Vanguard International Fixed Interest Index Fund (Hedged)	0.36	0.44	0.20	0.20
Vanguard International Shares Index Fund (Hedged)	0.41	0.49	0.40	0.20
Vanguard International Shares Index Fund (Unhedged)	0.38	0.46	0.30	0.10
Vanguard Property Securities Index Fund	0.36	0.44	0.20	0.20

A new simplified and transparent fee structure

Investment option	Current Indicative investment fee (%)	New Indicative investment fee (%)	Transaction cost allowance in entry price (%)	Transaction cost allowance in exit price (%)
Closed investment options				
BT Balanced Returns Fund	1.09	1.17	0.29	0.00
BT Wholesale Active Balanced Fund	1.10	1.18	0.25	0.00
Colonial First State Wholesale Income Fund	0.72	0.80	0.15	0.15
Invesco Diversified Growth Fund	1.21	1.29	0.25	0.25
MLC-Platinum Global Fund	1.16	1.16	0.00	0.00
Investment options we are removing				
BlackRock Balanced Fund	1.07	-	-	-
Colonial First State Diversified Fund	1.08	-	-	-
National Balanced Fund	0.58	-	-	-
UBS Australian Share Fund	0.72	-	-	-
UBS Diversified Credit Fund	0.70	-	-	-

¹ This amount includes a performance fee.

Investment fees are variable and may change from time to time. For the latest Investment fee charged, please refer to the Fund Profile Tool on mlc.com.au/fundprofiletool

How you can reduce your fees

If you consolidate your super or make additional contributions, and your account balance reaches \$50,000, we'll waive your weekly Administration fee. You also have the option to consolidate any insurance you have through other super accounts with the insurance you hold with us.

Your Investment fees depend on the investment options you choose and these can vary between 0.25% and 4.03% of your account balance. In general, higher Investment fees are charged if there is an active manager using sophisticated investment techniques. You may want to speak with your adviser about this and compare your investment fees with other options in the Investment Menu.

Your insurance

Introducing new features and simpler processes

We've improved our insurance offer by introducing new features and simpler processes.

Income Protection insurance is now available

Income Protection insurance helps you concentrate on getting better, without worrying about bills. You can apply for Income Protection insurance by completing a Request for insurance form on mlc.com.au

Extra insurance when you need it most

When a major life event happens like getting married or buying a home, you can now apply to increase your insurance without medical evidence. To find out more you can access the Increases without medical evidence form on mlc.com.au and you'll need to complete it within 90 days of the event occurring.

Bringing your insurance together

If you're like many Australians, you've probably got a few super accounts and may have insurance through these as well. Bringing all your super and insurance together makes sense.

Through your MLC super account, you can now keep track of all your insurance, only pay for the insurance you need, and make sure you've got the right kind of insurance for your lifestyle.

Go to mlc.com.au to complete the Request to consolidate insurance form.

Total and Permanent Disablement insurance for casuals

If you're employed as a casual, you are now eligible for Total and Permanent Disablement (TPD) insurance.

Improvements to Interim Accident Insurance

We provide Interim Accident Insurance at no extra cost while your application to increase your insurance is being considered. The amount of this insurance has now been increased.

How to take advantage of our improved insurance offering

To find out more about the new features of our enhanced insurance offering talk to your adviser, go to mlc.com.au or call us.

Any questions?

If you have any questions, please speak to your adviser or call us on 132 652 between 8 am and 6 pm (AEST) Monday to Friday.