

# Important information

## Changes to buy/sell spreads

24 April 2020

**This is to advise that there have been changes in the buy and sell spreads in a number of investment options.**

**This document updates the respective investment option Transaction costs (buy/sell spread) on page four of the Generation Life Additional Information Booklet dated 17 December 2019.**

**The volatility in investment markets has increased dramatically following the uncertainty driven by COVID-19. As a result of the current environment, a number of fund managers have reviewed trading costs in light of the increased costs being experienced.**

This has seen fund managers adjust their fund buy/sell spreads to reflect these rising costs. We have therefore updated our buy/sell spreads to reflect these changes.

This has in particular impacted investments with exposure to fixed interest and investments employing currency hedging such as international share funds. The current environment has seen trading costs in fixed interest markets rise significantly, while foreign exchange transaction costs associated with hedging have also been impacted.

When investors apply for or withdraw units in an investment option there are transaction costs known as buy/sell spreads. The costs reflect the transaction expenses associated with the purchasing and selling of assets within the investment option, including costs such as brokerage, trading costs, security spreads, settlement costs, and clearing costs. The purpose of the buy/sell spread is to ensure that only those investors transacting in an investment option's units at

a particular time bear the costs of buying and selling the assets as a consequence of their transaction.

Given the current market volatility, buy/sell spreads on any investment option may vary day to day and could fluctuate significantly.

Investors intending to buy or sell units need to be aware of the changed transaction costs arising from current market conditions, and the impact on the buy/sell spreads of the investment options.

**Please refer to the next page to view a summary of updated buy/sell spreads.**

# Changes to buy/sell spreads

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The following provides a summary of updated buy/sell spreads:

| Investment option                              | Code  | Previous (%) |      | New (%) |      | Unit price date effective from |
|--|-------|--------------|------|---------|------|--------------------------------|
|  |       | Buy          | Sell | Buy     | Sell |                                |
| AMP Capital Global Property Securities Fund    | UF05A | 0.25         | 0.25 | 0.30    | 0.30 | 26/03/2020                     |
| Dimensional World Allocation 50/50 Trust       | UF40  | 0.10         | 0.20 | 0.10    | 0.17 | 15/04/2020                     |
| Dimensional World Allocation 70/30 Trust       | UF24  | 0.10         | 0.18 | 0.10    | 0.16 | 15/04/2020                     |
| iShares Wholesale Australian Bond Index Fund   | UF12A | 0.10         | 0.28 | 0.10    | 0.20 | 16/04/2020                     |
| Kapstream Absolute Return Income Fund          | UF10A | 0.00         | 0.50 | 0.00    | 0.30 | 15/04/2020                     |
| Legg Mason Martin Currie Emerging Markets Fund | UF36  | 0.20         | 0.20 | 0.25    | 0.25 | 18/03/2020                     |
| MLC Horizon 2 Income Portfolio                 | UF32  | 0.05         | 0.05 | 0.10    | 0.50 | 09/04/2020                     |
| MLC Horizon 3 Conservative Growth Portfolio    | UF33  | 0.05         | 0.05 | 0.05    | 0.40 | 09/04/2020                     |
| MLC Horizon 4 Balanced Portfolio               | UF22  | 0.05         | 0.05 | 0.10    | 0.30 | 09/04/2020                     |
| MLC Horizon 6 Share Portfolio                  | UF34  | 0.10         | 0.05 | 0.15    | 0.15 | 09/04/2020                     |
| MLC Wholesale IncomeBuilder™                   | UF23  | 0.20         | 0.20 | 0.30    | 0.30 | 09/04/2020                     |
| Pendal Enhanced Credit Fund                    | UF03  | 0.06         | 0.06 | 0.07    | 0.82 | 20/03/2020                     |
| Perpetual Wholesale Balanced Growth Fund       | UF19  | 0.41         | 0.00 | 0.36    | 0.00 | 24/04/2020                     |
| Perpetual Wholesale Conservative Growth Fund   | UF26  | 0.61         | 0.00 | 0.43    | 0.00 | 24/04/2020                     |
| Perpetual Wholesale International Share Fund   | UF17  | 0.27         | 0.27 | 0.54    | 0.00 | 19/03/2020                     |
| PIMCO Wholesale Australian Bond Fund           | UF02  | 0.00         | 0.10 | 0.00    | 0.35 | 19/03/2020                     |
| PIMCO Wholesale Global Bond Fund               | UF04  | 0.00         | 0.10 | 0.00    | 0.50 | 19/03/2020                     |
| Russell Investments Balanced Fund              | UF10  | 0.21         | 0.47 | 0.20    | 0.41 | 20/04/2020                     |

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|---------------------------------------|-------|--------------|------|---------|------|--------------------------------|
|                                       |       | Buy          | Sell | Buy     | Sell |                                |
| Schroder Absolute Return Income Fund  | UF13  | 0.20         | 0.66 | 0.20    | 0.43 | 15/04/2020                     |
| Schroder Real Return CPI Plus 5% Fund | UF10B | 0.20         | 0.44 | 0.20    | 0.30 | 15/04/2020                     |
| Vanguard Balanced Index Fund          | UF31  | 0.10         | 0.39 | 0.10    | 0.33 | 17/04/2020                     |
| Vanguard Conservative Index Fund      | UF12C | 0.10         | 0.46 | 0.10    | 0.38 | 17/04/2020                     |
| Vanguard Growth Index Fund            | UF12D | 0.09         | 0.26 | 0.09    | 0.23 | 17/04/2020                     |
| Vanguard High Growth Index Fund       | UF30  | 0.08         | 0.14 | 0.08    | 0.13 | 17/04/2020                     |

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