

Important information

Changes to buy/sell spreads

28 May 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.

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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	0.17	0.10	0.15	26/05/2020
Dimensional World Allocation 70/30 Trust	UF24	0.10	0.16	0.10	0.15	26/05/2020
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	0.30	0.00	0.25	13/05/2020
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	0.30	0.20	0.25	22/05/2020
MLC Horizon 3 Conservative Growth Portfolio	UF33	0.05	0.25	0.15	0.20	22/05/2020
MLC Horizon 4 Balanced Portfolio	UF22	0.10	0.25	0.15	0.20	22/05/2020
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	0.07	0.32	0.07	0.23	26/05/2020
Perpetual Wholesale Australian Share Fund	UF15	0.30	0.00	0.15	0.15	14/05/2020
Perpetual Wholesale Balanced Growth Fund	UF19	0.36	0.00	0.34	0.00	08/05/2020
Perpetual Wholesale Conservative Growth Fund	UF26	0.43	0.00	0.39	0.00	08/05/2020
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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Schroder Absolute Return Income Fund	UF13	0.20	0.36	0.20	0.28	11/05/2020
Schroder Real Return CPI Plus 5% Fund	UF10B	0.20	0.30	0.20	0.23	11/05/2020
Vanguard Balanced Index Fund	UF31	0.10	0.21	0.10	0.18	26/05/2020
Vanguard Conservative Index Fund	UF12C	0.10	0.23	0.10	0.20	26/05/2020
Vanguard Growth Index Fund	UF12D	0.09	0.16	0.09	0.14	26/05/2020
Vanguard High Growth Index Fund	UF30	0.08	0.13	0.08	0.10	28/04/2020

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