

Product Disclosure Statement update

23 October 2023

This notice updates the information in the Product Disclosure Statement and *Your Plan Fees and Benefits* booklet for your Plan in the Corporate Superannuation Division (CSD) of the Mercer Super Trust dated 1 April 2023. This notice should be read in conjunction with the Product Disclosure Statement and any other member materials you have received since joining the Mercer Super Trust.

Before making an investment decision, you should read the information in this notice and the PDS.

How we invest your money

This information corrects certain strategic asset allocation targets in 'About Mercer SmartPath' in section '5. How we invest your money' of the PDS.

Changes are shown in **green** below.

Path	Born prior to 1954*	Born 1954 to 1958	Born 1959 to 1963	Born 1964 to 1968	Born 1969 to 1973	Born after 1973+
Additional Target Return over CPI (% per annum)	2.25	2.75	3.25	3.75	4.00	4.00
Minimum suggested timeframe (years)	7	7	10	10	10	10
Growth assets target (%)	60	62	71	80	88	88
Growth assets range (%)	40–80	45–85	55–95	60–100	70–100	70–100
Defensive assets target (%)	40	38	29	20	12	12
Defensive assets range (%)	20–60	15–55	5–45	0–40	0–30	0–30
Standard Risk Measure#	Medium to high	Medium to high	Medium to high	High	High	High
Asset Class ranges (%)						
Australian Shares	0–30	5–35	10–40	15–45	20–50	20–50
International Shares	5–35	10–40	15–45	25–55	25–55	25–55
Real Assets	0–40	0–40	0–40	0–35	0–35	0–35
Alternative Assets	0–10	0–10	0–10	0–10	0–10	0–10
Growth Fixed Interest	10–30	5–25	5–25	0–20	0–15	0–15
Defensive Fixed Interest and Cash	5–35	5–35	0–25	0–20	0–15	0–15

Notes to table

The details in the table above for each path are effective as at 1 April 2023. Growth assets will gradually reduce for those born between 1954 and 1968 as members in each path get older. The strategic asset allocation for each asset class is set out in the *Investments* booklet.

See the *Investments* booklet for more information about the Standard Risk Measure.

* 'Born prior to 1954' includes the following paths - Born prior to 1929, Born 1929 to 1933, Born 1934 to 1938, Born 1939 to 1943, Born 1944 to 1948 and Born 1949 to 1953

+ 'Born after 1973' includes the following paths - Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998, Born 1999 to 2003, Born 2004 to 2008, Born 2009 to 2013 and Born 2014 to 2018.

Investment option asset allocations, objectives, standard risk measures and minimum suggested timeframes change from time to time. You can view current investment option details at mercersuper.com.au/login using your personal login before you make any investment choices.

Closure of investment options

The following change was previously advised in the Product Disclosure Statement update dated 30 May 2023.

As a result of a recent review, the trustee has closed the following investment options on the CSD investment menu effective 28 June 2023:

- Mercer Growth Maximiser
- Mercer Enhanced Passive High Growth
- Mercer Enhanced Passive Moderate Growth.

This notice removes references to the closed investment options in the following sections of the *Your Plan Fees and Benefits* booklet:

- Footnote to the 'Fees and costs summary' table relating to investment and transaction costs
- 'Cost of product for 1 year' table in the 'Cost of product information' section
- 'Breakdown of certain fees and costs' table (including the related footnote) in the 'Additional explanation of fees and costs' section
- 'Estimated IC ranges, average performance fee and estimated transaction costs' table in the 'Additional explanation of fees and costs' section.

If you need assistance

Please visit mercersuper.com.au or call the Helpline on **1800 682 525** or +61 3 8306 0900 (if calling from overseas) from 8am to 7pm AEST Monday to Friday.

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Mercer Tailored Super

1 April 2023

Product Disclosure Statement Retained Benefits and Spouse section

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This Product Disclosure Statement (PDS) is a summary of the main features of Mercer Tailored Super, a plan in the Corporate Superannuation Division (CSD) in the Mercer Super Trust. It includes references to important information in a series of booklets that are part of this PDS. These booklets are the *Your Plan Fees and Benefits - Retained Benefits and Spouse section* booklet*, the *Other Things You Should Know* booklet, the *Insurance* booklet, the *Investments* booklet and the *Sustainable Investments Information* booklet. **This PDS is for Eligible Spouse members wanting to join the Mercer Tailored Super.**

Eligible Spouse is defined in the 'How to open an account' section of this PDS.

You should read and consider the information in this PDS and the booklets before making a decision about Mercer Tailored Super.

This PDS contains general information only and does not take into account your individual objectives, financial situation or needs. Before acting on this information, you should consider whether it is appropriate to your objectives, financial situation and needs. You should get financial advice tailored to your personal circumstances.

The information in this PDS (and the booklets that are part of it) may change. You can find updated information that is not materially adverse at mercersuper.com.au or call the Helpline to request a copy of the information free of charge. Changes that are materially adverse will be advised to you as required by law.

The Target Market Determination can be found at mercersuper.com.au/TMD.

You can get a copy of this PDS and the booklets that are part of this PDS at mercersuper.com.au/pds or you can call the Helpline on **1800 682 525** or **+61 3 8306 0900** if calling from overseas from 8am to 7pm AEST Monday to Friday.

* Any reference in this PDS to the *Your Plan Fees and Benefits* booklet means a reference to that booklet for the Retained Benefits and Spouse section.

This Product Disclosure Statement (PDS) is issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533, Australian Financial Services Licence (AFSL) 235906 as trustee of the Mercer Super Trust ABN 19 905 422 981. 'MERCER' and Mercer SmartPath are Australian registered trademarks of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917. MSAL is a wholly owned subsidiary of Mercer. In this PDS, MSAL is called trustee, we or us. MSAL is responsible for the contents of this PDS and is the issuer of this PDS. Mercer is not responsible for the issue of this PDS and does not make any recommendations regarding the Mercer Super Trust or guarantees the investment performance, earnings, or the return of any capital invested in it.

The trustee has appointed Mercer Investments (Australia) Limited (MIAL) ABN 66 008 612 397 Australian Financial Services License (AFSL) 244385 as an implemented consultant to provide investment strategy advice, portfolio management and implementation services including investment manager selection and monitoring, excluding the JANA Ready-made investment options for which JANA Investment Advisers Pty Ltd, ABN 97 006 717 568 AFSL 230693 (JANA), an investment consultant provides the same services. MIAL is also the Responsible Entity of the Mercer Funds and the Mercer Investments Funds, in which the Mercer Super Trust invests. MIAL and JANA are named in this Booklet and has consented to being so named.

1. About Mercer Tailored Super

Choose a leader in super you can trust

On joining Mercer Tailored Super (your Plan), you will be a member of the Corporate Superannuation Division (CSD) in the Mercer Super Trust.

You have the flexibility to remain in the Mercer Super Trust throughout your career and stages of life, including retirement.

We are global and local experts in super

We have a wealth of local superannuation expertise and are committed to delivering strong retirement outcomes for Australians. Our members benefit from leveraging Mercer's global scale and the insights of our team of investment experts around the world.

With you for your super journey

The Mercer Super Trust is a registered superannuation fund made up of the CSD, a Retail Division and an Allocated Pension Division (known as the Mercer SmartRetirement Income).

Your Spouse's Employer or Spouse's Former Employer has chosen to provide superannuation (super) and insurance benefits for its employees and their Eligible Spouses through the CSD.

Your Spouse's Employer or Spouse's Former Employer means Wesfarmers Limited (Wesfarmers) ABN 28 008 984 049 and any associated employers.

Wesfarmers allows an Eligible Spouse of a Mercer Tailored Super member to join the Retained Benefits and Spouse section of the Plan.

Mercer SmartPath® (MySuper authorisation number 19905422981588) is the MySuper product investment option for your Plan. Your Plan also has many other investment options to choose from (known as a choice investments).

At mercersuper.com.au you can find:

- the product dashboard for the MySuper product and choice products (where required) in the Mercer Super Trust, and
- each trustee and executive remuneration disclosure for the Mercer Super Trust and any other document that must be disclosed for the trust under the Superannuation Industry (Supervision) Act 1993.

2. How super works

Super is a convenient way of saving for your future. It's a long-term investment with tax-savings provided by the government, and is designed to grow over time and to help you be better off when you retire. It is an important part of your employment benefits.

Super is generally compulsory. In most cases your employer is required by law to regularly contribute a minimum amount for you to a super fund, which you can choose. This is called a Superannuation Guarantee (SG) contribution. Although you can join your Plan by choice, in the CSD we use the terms 'Exercise Choice' and 'Exercise Choice' and 'Exercising Choice' to cover the situation where, after joining your Plan, you advise your Employer to make contributions to another super fund.

Contributions

There are different types of super contributions, including employer contributions, voluntary contributions and government co-contributions.

To establish your membership with Mercer Tailored Super, a minimum initial contribution of \$1,000 is required. This must include a first Spouse Contribution (Spouse Contribution is defined in the 'How to open an account' section of this PDS).

Any balance required to make up for the minimum contribution amount may be transferred from other approved super funds (see 'How to open an account' section of this PDS for more details). Subsequent Spouse Contributions by your Spouse can be of any amount and can be made at any time after the account has been established.

Any person who employs you can contribute to your Plan for you. You can also contribute extra money into Super call the Helpline for details.

There are limits on contributions you can make to super funds and rules about super funds paying your benefit. Go to www.moneysmart.gov.au for more information.



You should read the important information about contributions and payment of benefits before making any decision about your super. Go to the 'How Super Works' and 'Paying Your Benefit' sections of the *Other Things You Should Know* booklet at mercersuper.com.au/pds for this information. The material relating to how super works may change between the time you read this PDS and the day you acquire this product.

3. Benefits of investing with Mercer Tailored Super

As a member of Mercer Tailored Super you benefit from the following:

- membership of one of the largest superannuation master trusts in Australia
- diverse range of investment options
- the choice to manage your investments, or simply to 'set and forget'
- limited financial advice over the phone and answers to many of your super questions via the Helpline
- 24/7 access to your super account (including beneficiaries, investments and any insurance, plus account monitoring) via the Mercer Super app or online account
- financial planning tools including our Retirement Income Simulator
- member communications and investment updates.



You should read the important information about the significant features and benefits of your Plan before making any decision about your super. Go to the *Your Plan Fees and Benefits* booklet at mercersuper.com.au/pds for this information. The material relating to how your Plan works may change between the time you read this PDS and the day you acquire this product.

Receiving your benefits

Your benefit amount is equal to your super account balance (unless specified otherwise in the *Your Plan Fees and Benefits* booklet). If you have insurance cover, you may also receive an insured benefit amount if you are assessed as being totally and permanently disabled (TPD), terminally ill or you die and the insurer pays an insured benefit amount to your Plan.

The terms and conditions, including fees and insurance arrangements, in the Retained Benefits section may be different to Spouse members. You should read the PDS and incorporated booklets for the Retained Benefits section of your Plan at mercersuper.com.au/pds for more information to decide if the Retained Benefits section is right for you.

See the *Your Plan Fees and Benefits* booklet for details if any different arrangements apply to your Plan, such as moving into a Retained category.



You should read the important information about receiving your benefits and the Retained Benefits section before making any decision about your super. Go to the 'Receiving your benefits' section of the *Your Plan Fees and Benefits* booklet at mercersuper.com.au/pds for this information. The material relating to receiving your benefits and the fees and costs for insurance cover may change between the time you read this PDS and the day you acquire this product.

4. Risks of super

All investments, including super, carry some risk.

Investment risk

Investment risk generally describes the risk of an investor getting back less than they put in. Taxes, expenses and low or negative investment returns can also have an impact on investment risk in super. Investment options each have different levels and types of risk, depending on the assets they invest in.

Generally, assets with the highest long-term return may also carry the highest level of short-term risk. Returns for each investment option will vary and future returns may be different to past returns.

Your investment could rise or fall in value or produce a return that is less than expected. Rises and falls in value can happen quickly and for many reasons. Investment returns are not guaranteed and an investor may lose some or all of their money.

Some investment options may also be exposed to other risks if they invest in certain types of assets. For example, currency risk, inflation risk, derivative risk, or other specific risks.

Some of the types of investment risks are explained further in the *Investments* Booklet relevant to your Plan.

Other risks

Other important risks that may affect your super include:

- Super or tax laws may change in the future, which may affect the tax effectiveness of your super or when your final benefit can be paid;
- Your final super benefit may not be enough to adequately meet your retirement needs;
- Wesfarmers may decide to amend your Plan or even close it.

How risk affects you

Your level of acceptance for risk may vary depending on a range of factors including your age, investment timeframe, your risk tolerance and the extent and type of your other investments.



You should read the important information about investment risks before making any decision about your super. Go to the 'Understanding Investment Risks' section of the *Investments* booklet at mercersuper.com.au/pds for this information. The material relating to understanding investment risk may change between the time you read this PDS and the day you acquire this product.

5. How we invest your money

We give you the flexibility to tailor your investment strategy by offering a diverse range of investment options that you can choose from.

If you do not make a choice, we will invest your super in the default investment option, Mercer SmartPath®, which is the MySuper for your Plan.

The investment menu you can choose from is made up of:

- **Mercer Ready-made** investment options, combine a mix asset classes and management styles to target the stated investment objective. The ready-made options include Mercer SmartPath
- **JANA Ready-made[^]** investment options, which target a specific investment objective using a multi-manager approach
- **Select-your-own** investment options, which allow you to blend investment options to suit your specific needs
- **Mercer Direct** investment option, which allows you to choose your own portfolio from a range of shares, term deposits and exchange traded funds with the Mercer Direct investment option.

Refer to the *Investments* booklet for more information about all of these investment options.

[^] Mercer's sustainable investment approach does not apply for the JANA investments.



Warning: When choosing a MySuper product or any other investment option, you must consider the likely return and risks of the investment option and your investment timeframe.

About Mercer SmartPath

Description

The Mercer SmartPath investment option takes a whole of life approach to investing your super. This means we manage your investment in Mercer SmartPath to help ensure your asset mix is in line with your life stage, based on your age.

Find out more about Mercer SmartPath in the *Investments* booklet.

Objective

To achieve a return (after tax and investment fees) that exceeds Consumer Price Index (CPI) increases by at least the additional target return over rolling periods equal to the minimum suggested timeframe (as shown below).

Path	Born prior to 1954*	Born 1954 to 1958	Born 1959 to 1963	Born 1964 to 1968	Born 1969 to 1973	Born after 1973**
Additional Target Return over CPI (% per annum)	2.25	2.75	3.25	3.75	4.00	4.00
Minimum suggested timeframe (years)	7	7	10	10	10	10
Growth assets target (%)	60	64	73	82	88	88
Growth assets range (%)	40-80	45-85	55-95	60-100	70-100	70-100
Defensive assets target (%)	40	36	27	18	12	12
Defensive assets range (%)	20-60	15-55	5-45	0-40	0-30	0-30
Standard Risk Measure [#]	Medium to high	Medium to high	Medium to high	High	High	High
Asset Class ranges (%)						
Australian Shares	0-30	5-35	10-40	15-45	20-50	20-50
International Shares	5-35	10-40	15-45	25-55	25-55	25-55
Real Assets	0-40	0-40	0-40	0-35	0-35	0-35
Alternative Assets	0-10	0-10	0-10	0-10	0-10	0-10
Growth Fixed Interest	10-30	5-25	5-25	0-20	0-15	0-15
Defensive Fixed Interest and Cash	5-35	5-35	0-25	0-20	0-15	0-15

Notes to table

The details in the table above for each path are effective at 1 April 2023. Growth assets will gradually reduce for those born between 1954 and 1968 as members in each path get older. The strategic allocation for each of the asset class is set out in the *Investments* booklet.

[#] See the *Investments* booklet for more information about the Standard Risk Measure.

* 'Born prior to 1954' includes the following paths – Born prior to 1929, Born 1929 to 1933, Born 1934 to 1938, Born 1939 to 1943, Born 1944 to 1948 and Born 1949 to 1953.

** 'Born after 1973' includes the following paths – Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998, Born 1999 to 2003, Born 2004 to 2008, Born 2009 to 2013 and Born 2014 to 2018.



You should read the important information about how we invest your money in the *Investments* booklet before making any decision about your super. This tells you about:

- your Plan's investment options
- how to change your investment options (called switching investment options)
- how we change investment options

You should also read the *Sustainable Investments Information* booklet, which contains important information about:

- The extent to which Environmental, Social and Governance (ESG) factors are taken into account for the Mercer investment options.

Go to mercersuper.com.au/pds for a copy of the *Investments* and *Sustainable Investments Information* booklets. The material relating to how we invest your money may change between the time you read this PDS and the day you acquire this product.

6. Fees and costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You or your Employer, as applicable, may be able to negotiate to pay lower administration fees. Ask the fund or your financial adviser[†].

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

[†] The above text is prescribed by legislation. You should note that your Employer has already negotiated lower fees for Mercer Tailored Super members.

The table below shows the fees and other costs that you may be charged in your Plan for Mercer SmartPath (the Mercer WGSP MySuper product investment option for your Plan). We may deduct these fees and other costs from your super account balance, from the returns on your investments or from the Mercer Super Trust as a whole.

We may charge other fees, such as activity fees, advice fees for personal advice and insurance fees but these will depend on the nature of the activity, advice or insurance that you have chosen or applicable to your Plan. Entry and exit fees cannot be charged. You can use the information in the table to compare costs between different super products.

Fees and costs summary

Mercer SmartPath investment option								
Type of fee or cost	Amount	How and when paid						
Ongoing annual fees and costs¹								
Administration fees and costs	<ul style="list-style-type: none"> An asset based administration fee of 0.02% per annum of your super account balance; and An estimated expense allowance range of between 0.00% to 0.05% per annum of your super account balance; and Costs associated with product and strategic services, estimated to be 0.017% per annum of Mercer Super Trust assets. 	<p>The asset based administration fee and expense allowance are generally calculated and deducted daily when unit prices are determined. These deductions will be reflected in your super account balance.</p> <p>Costs associated with product and strategic services are deducted from reserves on a monthly basis.</p>						
Investment fees and costs²	<p>Investment Fees Investment fees for the path that applies to you in the table below.</p> <table border="1"> <thead> <tr> <th>Path name</th> <th>Investment fees (% per annum of your super account balance)</th> </tr> </thead> <tbody> <tr> <td>Born prior to 1959*</td> <td>0.34%</td> </tr> <tr> <td>Born 1959 or later**</td> <td>0.40%</td> </tr> </tbody> </table> <p>Investment Costs^{4,5} Estimated investment costs between 0.06% to 0.22% per annum of your super account balance depending on which path you are in.</p>	Path name	Investment fees (% per annum of your super account balance)	Born prior to 1959*	0.34%	Born 1959 or later**	0.40%	<p>Investment fees are generally calculated and deducted daily when unit prices are determined. Investment costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant path) when unit prices are determined.</p> <p>These deductions will be reflected in your super account balance.</p>
Path name	Investment fees (% per annum of your super account balance)							
Born prior to 1959*	0.34%							
Born 1959 or later**	0.40%							
Transaction costs^{4,5}	Estimated transaction costs between 0.05% to 0.09% per annum of your super account balance depending on which path you are in.	Transaction costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant path) when unit prices are determined. This will be reflected in your super account balance.						
Member activity related fees and costs								
Buy-sell spread	Nil.	Not applicable.						
Switching fee	Nil.	Not applicable.						
Other fees and costs³	See note ³ below.	See note ³ below.						

* 'Born prior to 1959' includes the following paths – Born prior to 1929, Born 1929 to 1933, Born 1934 to 1938, Born 1939 to 1943, Born 1944 to 1948 and Born 1949 to 1953 and Born 1954 to 1958.

** 'Born 1959 or later' includes the following paths – Born 1959 to 1963, Born 1964 to 1968, Born 1969 to 1973, Born 1974 to 1978, Born 1979 to 1983, Born 1984 to 1988, Born 1989 to 1993, Born 1994 to 1998, Born 1999 to 2003, Born 2004 to 2008, Born 2009 to 2013 and Born 2014 to 2018.

¹ If your super balance is less than \$6,000 at 30 June of any year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of your account balance. Any amount charged in excess of the cap must be refunded.

² Investment fees and costs includes an amount of between 0.02% and 0.07% per annum of your super account balance depending on which path you are in for performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs' in the *Your Plan Fees and Benefits* booklet.

³ We may apply other fees and costs which include family law fees, advice fees (for personal advice which are negotiable) and insurance fees. See 'Additional explanation of fees and costs' in the *Your Plan Fees and Benefits* booklet for further details.

⁴ The investment and transaction costs are as at 1 April 2023 and are based on the actual information available and/or reasonable estimates for that period as at the date of this PDS. Fund expenses and performance based fees are based upon the latest information provided by the underlying investment managers, and are based upon the historical expenses and performance based fees for the actual assets held by the Mercer Super Trust as at the effective date of the PDS. For some investment managers, the expenses and performance based fees are based upon the twelve months to 30 June 2022, and for others, earlier dates. Where earlier dates have been used, they represent the latest information provided by investment managers, and we expect them to be similar for the 30 June 2022 financial year. Investment and transaction costs may vary from year to year. For more details see 'Investment costs' and 'Transaction costs' in the 'Additional explanation of fees and costs' section of the *Your Plan Fees and Benefits* booklet.

⁵ The investment and transaction costs for Mercer SmartPath Born 2009 to 2013 and Born 2014 to 2018 are based on a reasonable estimates only of the investment and transaction costs generally expected to apply to these investment options for the year ending June 2023.



Warning: If you consult a financial adviser, you may have to pay an adviser service fee (which is negotiable). The Statement of Advice given to you by the adviser will include any details about this fee.

Example of annual fees and costs for the Mercer SmartPath investment option

This table gives an example of how the ongoing annual fees and costs for Mercer SmartPath (the Mercer WGSP MySuper product investment option for your Plan) can affect your superannuation investment over a one year period. You should use this table to compare this product with other superannuation products. This example is based on the Born 1989 to 1993 path. The investment fees and indirect costs for this investment option vary depending on your path.

Example – Mercer SmartPath (Born 1964 to 1968 path)		Balance of \$50,000
Administration fees and costs	0.087%	For every \$50,000 you have in the Mercer SmartPath investment option you will be charged or have deducted from your investment \$43.50 in administration fees and costs.
PLUS Investment fees and costs	0.57%	And , you will be charged or have deducted from your investment \$285.00 in investment fees and costs.
PLUS Transaction costs	0.08%	And , you will be charged or have deducted from your investment \$40.00 in transaction costs.
EQUALS cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of \$368.50* for the Mercer SmartPath investment option.

*Note: Additional fees may apply.

The above example is based on the Born 1964 to 1968 path. The investment fees and costs and transaction costs for this investment option vary depending on your path.

Fee changes

Some fees (refer to the *Indexation on fees* section in the *Your Plan Fees and Benefits* booklet) are indexed annually and the next indexation is due on 1 January 2024. The trustee also has the right to change fees at any time, without your consent. We will give you at least 30 days' written notice of any such increase in fees.



Your Plan fees and costs

You should read the important information about fees and costs before making any decision about your super. Go to the *Your Plan Fees and Benefits* booklet at mercersuper.com.au/pds for this information.

This booklet includes:

- the maximum 'Cost of Product for 1 year' calculation for each investment option,
- the maximum fees and costs of each investment option that can be charged,
- definitions of the fees referred to in the fees and costs table (these definitions can also be viewed at mercersuper.com.au/pds), and details of any fees met by your Employer.

The material relating to fees and costs in your Plan may change between the time you read this PDS and the day you acquire this product.

Retained Benefits section fees and costs

You should read the important information about fees and costs in the Retained Benefits section before making any decision about your super. This is included in the 'Fees and Costs' part of the *Your Plan Fees and Benefits* booklet. Go to mercersuper.com.au/pds for this information.

The material relating to fees and costs in the Retained Benefits section may change between the time you read this PDS and the day you acquire this product.

7. How super is taxed

Superannuation is generally taxed at three stages:

Contributions

Concessional contributions: Employer contributions (including SG contributions), salary sacrifice contributions and contributions, where you notify us you intend to claim a tax deduction, are generally taxed at 15%*. Allowance for this tax is deducted from your super account and is calculated as 15% of your net concessional contributions after relevant insurance premiums are deducted. We pay the tax on contributions to the Australian Taxation Office (ATO).

* Members on incomes (as defined in legislation for this purpose) of \$250,000 or more are also subject to an additional tax of 15% on some or all of their concessional contributions. The ATO assesses this tax separately and will issue you with an assessment notice if applicable.

Non-concessional contributions: After-tax contributions, where you do not claim a tax deduction, are generally tax-free.



Warning: Contribution caps apply to the amount of concessional and non-concessional contributions that are concessional or tax-free in any financial year. Additional tax may be payable if your contributions exceed the caps in a financial year.

Investment income

Investment earnings are generally taxed at up to 15%. Where unit prices apply to an investment option, an allowance for this tax is deducted from investment earnings before the unit price is determined. We pay the tax on investment income to the ATO.

Super benefits

Super benefits from your Plan may be taxed if your age is less than 60. Generally, no tax applies to super benefits once you turn 60 (tax may be payable on some Death benefits and some disablement income benefits, where applicable). Withholding tax is deducted from your super benefit before it is paid to you. Different rules may apply if you are not an Australian or New Zealand citizen or an Australian permanent resident. We pay any tax we deduct from your super benefit to the ATO.



Warning: It is important that you provide the trustee with your Tax File Number (TFN) when you join your Plan.

If the trustee does not have your TFN:

- The trustee will only be able to accept employer contributions (including salary sacrifice contributions) made for you. No other contributions can be accepted, including non-concessional and Government co-contributions;
- You will pay higher tax on employer contributions (including salary sacrifice) made for you; and
- You may pay more tax than you need to on your super benefit.



You should read the important information about tax and super before making any decision about your super in the 'How Super is Taxed' section of the *Other Things You Should Know* booklet. Go to mercersuper.com.au/pds for this information.

The material relating to tax and super may change between the time you read this PDS and the day you acquire this product.

8. Insurance in your super

If eligible, you can apply for the following insurance cover in your Plan:

- Death only cover (including Terminal Illness cover)
- Death and Total and Permanent Disablement (TPD) cover.

Death and TPD cover

When you join your Plan, you can choose to apply for Death only or Death and TPD cover by completing the 'Insurance' section of the *Application and Rollover Form*.

You can apply for any dollar amount as long as it is in multiples of \$1,000 and it does not exceed the maximum benefit amount (see the *Your Plan Fees and Benefits* booklet for more details). The Insurer will require satisfactory evidence of good health, salary details and other evidence before providing or increasing any Death only or Death and TPD cover for you. This is part of underwriting and is described in the *Your Plan Fees and Benefits* booklet and in the *Insurance* booklet.

If you do not make a valid choice, you will not be provided with any insurance cover for Death only or Death and TPD.

The cost of your Death only or Death and TPD insurance cover depends on your age next birthday and the amount of your cover. The cost of Death and TPD cover ranges between \$0.46 and \$66.26 per annum for each \$1,000 worth of insurance cover you have. The cost of your insurance cover is deducted from your super account each month based on your annual cost.

You can generally apply for, adjust, opt out of, or cancel your insurance cover at any time by completing the relevant form available from the Helpline. You cannot keep your TPD cover if you opt out or cancel your Death cover. You can keep Death cover by itself if you want to opt out or cancel TPD cover.

Automatic cancellation of cover

Inactive accounts: Any insurance cover you have will be cancelled if we have not received any contributions and/or rollovers to your super account for a continuous period of 16 months and you have not elected to have or maintain your insurance cover.

Where this occurs the cost of all insurance cover will stop being deducted from your super account balance.

Refer to 'Automatic Cancellation of Cover' in the 'Insurance in your super' section of the *Your Plan Fees and Benefits* booklet for more information and how to elect to maintain our cover.



Warning: Premiums

Insurance premiums for Death and TPD cover will be deducted from your super account balance until your application to cancel or opt out of that cover is processed by the trustee.

Eligibility, terms, conditions and exclusions

The *Insurance* booklet and *Your Plan Fees and Benefits* booklet contain important information about:

- your eligibility for insurance cover in your Plan; and
- terms, conditions and exclusions applicable to the insurance cover in your Plan,

which may affect your entitlement to insurance cover. That information should be read before deciding whether the insurance cover available in your Plan is appropriate for you.



You should read the important information about insurance in the *Insurance* booklet and the 'Insurance in Your Super' and 'Receiving your benefits' sections of the *Your Plan Fees and Benefits* booklet before making any decision about insurance. Go to mercersuper.com.au/pds for this information.

The material relating to your insurance may change between the time you read this PDS and the day you acquire this product.

9. How to open an account

To join the Retained Benefits and Spouse section of Mercer Tailored Super (as an Eligible Spouse), a minimum initial contribution of \$1,000 is required. This can be made in one of two ways:

- as a Spouse Contribution, or
- partly as a Spouse Contribution and partly as a rollover amount from other approved superannuation funds.

If you choose to join Mercer Tailored Super:

- you and your Spouse must complete, sign and return the *Application Form to join Mercer Tailored Super and Rollover Form - Retained Benefits and Spouse section (Application and Rollover Form)*, which accompanies this PDS, and
- your Spouse must complete the *Your spouse's contributions to the Mercer Super Trust Form*, and
- a first Spouse Contribution must be included (as described in the *Application and Rollover Form*). If you choose to establish membership partly with rollover money, you must complete the 'Rollover into Mercer Tailored Super' section of the *Application and Rollover Form*.

Return all relevant documents to:

Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001

You should read all the information in this PDS and the booklets referred to in the PDS to understand how your membership in the Plan will work and what benefits you may be eligible for as a member of Mercer Tailored Super.

Go to mercersuper.com.au/pds for a copy of the PDS and important information booklets.

If you and your Spouse do not fill out the *Application and Rollover Form* (as described in the *Application and Rollover Form*), then you will not be able to join Mercer Tailored Super.

If you do not select an investment option on your *Application and Rollover Form*, the default option for investments will apply, which is the Mercer SmartPath investment option*.

If you do not nominate an insurance amount on your *Application and Rollover Form*, then you will not be provided with any insurance cover.

* You can select investments online[^] (using your personal login details) or by calling the Helpline.

[^] You can only select the Mercer Direct investment option online after you have joined your Plan and if you have the required minimum amount in your super account balance. See the Investments booklet for more details.



Definitions

Eligible Spouse means you satisfy the definition of a spouse (as provided under superannuation legislation) with another person who also satisfies that definition and that other person is already a Mercer Tailored Super member. This means you, in relation to that other person, are:

- their husband or wife, or
- a person with whom they are in a registered relationship, or
- a person who is not legally married to them, but lives with them on a genuine domestic basis in a relationship as a couple.

Spouse means your Spouse who is already a Mercer Tailored Super member.

Spouse Contribution means an after tax contribution made by your Spouse in respect of you (as an Eligible Spouse).

Cooling off – Eligible Spouse members

You have 14 days after you commence your membership in Mercer Tailored Super during which you can write to the trustee and cancel your membership. This is called the cooling off period.

This 14 day period starts from the earlier of the date you received written confirmation of your membership or 5 days after your application has been accepted. You will lose your right to cool off if you exercise any other rights in respect of Mercer Tailored Super within the 14 day period.

If you wish to cancel your membership you must do so in writing to the trustee of the Mercer Super Trust. If you cancel your membership during the cooling off period, the amount refunded will be calculated by reference to the price at which the units would have been acquired if you had acquired them on the day the cooling off right was exercised. The amount refunded will be adjusted to take account of payouts or distributions made to you during your membership, tax and reasonable transaction or administration costs. The amount refunded may be more or less than the amount you initially invested.

The refund will be paid in accordance with the following rules:

- any preserved or restricted non-preserved amounts will be transferred to a regulated superannuation fund, approved deposit fund (ADF) or Retirement Savings Account (RSA) nominated by you, and
- any other amounts will be paid as directed by you.

You have one month from notifying us that you want to cancel your membership in Mercer Tailored Super to nominate where you want the funds to be transferred.

If no nomination is received or your nominated superannuation entity does not accept the nomination, the refundable amount may be transferred to the ATO and you will no longer have any rights under the Mercer Super Trust.

Contact us - Enquiries and complaints

Helpline

If you have a question about your super, an enquiry or a complaint, call the Helpline on **1800 682 525** or if calling from outside Australia on **+61 3 8306 0900** from 8am to 7pm AEST Monday to Friday.

We can help you in a number of languages, simply ask for a translator when you call.

By mail

General correspondence and forms:

Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001

Enquiries and complaints:

Enquiries and Complaints Officer
Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001

Email

Complaints: MSALCustomer.Complaints@mercerc.com



You should read the important information about enquiries or complaints procedures before making any decision about your super. Go to the *Other Things You Should Know* booklet at mercersuper.com.au/pds for this information. The material relating to enquiries or complaints procedures may change between the time you read this PDS and the day you acquire this product.