

MERCER INVESTMENT NOMINEES LIMITED
ABN 79 004 717 533
('Trustee')

MERCER MASTER FUND

MERCER CORPORATE SUPERANNUATION DIVISION
(A DIVISION OF THE MERCER SUPER TRUST)

CONSOLIDATED DESIGNATED RULES

Being Designated Rules dated 28 June 1995 as amended by

Amending Deeds dated:

22 January 1996

19 June 1996

22 August 1997

26 August 1998

30 March 1999

1 March 2000

2 February 2001

28 February 2002

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APPENDIX 1

**SCHEDULE FOR THE MERCER SMARTSUPER PLAN AND THE MERCER
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MERCER MASTER FUND

DESIGNATED RULES FOR THE MERCER CORPORATE SUPERANNUATION DIVISION (A DIVISION OF THE MERCER SUPER TRUST)

The trust deed of the Mercer Master Fund ('Master Deed') provides that 'Rules' means, in relation to a Fund or a Division, the provisions of the Master Deed, the applicable Relevant Requirements and the applicable Designated Rules. The Master Deed further provides that 'Designated Rules' means, in relation to a Fund or a Division, any further provisions designated by the Trustee from time to time as forming part of the Designated Rules applicable to that Fund or that Division.

The initial Trustee of the Fund has determined, by a resolution passed on 28 June 1995, that the following provisions (as subsequently amended in accordance with their terms) will, until a further determination to the contrary, be the Designated Rules of the Mercer Defined Benefits Division ('**DB Division**') and the Mercer Accumulation Division ('**Accumulation Division**'), Divisions of the Mercer Retirement Trust.

The initial Trustee of the Fund has determined, by a resolution passed on 8 February 1999, to revoke the Designated Rules in so far as they relate to the Accumulation Division.

By Amending Deed No. 5 to the Master Deed the initial Trustee of the Fund changed the name of the DB Division to the Corporate Superannuation Division.

By Amending Deed No. 7 to the Master Deed the initial Trustee of the Fund changed the name of the Mercer Retirement Trust to the Mercer Super Trust.

MERCER CORPORATE SUPERANNUATION DIVISION

DESIGNATED RULES

1. INTERPRETATION

1.1 Definitions

In these Designated Rules:

'**Account**' means a Member Account, Reserve Account or any other special account (howsoever named).

'**Accumulation Member**' means a Member other than a DB Member.

'**Accumulation Plan**' means a Plan that is not a DB Plan and, for the avoidance of any doubt, includes the SmartSuper Plan and the Mercer Business Super Plan.

'**Actuary**' means a person who is a Fellow or Accredited Member of the Institute of Actuaries of Australia.

'**Annual Salary**' of a Member at any date means the annual rate of the Member's Salary at that date or as otherwise specified in the Schedule.

'**Another Fund**' means another complying superannuation fund or other benefit arrangement.

'**Binding Nomination Form**' of a Member means a notice given by the Member to the Trustee, which is received and accepted by the Trustee, nominating one or more Dependants of the Member or the Member's legal personal representative (or both) as the beneficiary or beneficiaries of the Member's death benefit.

'**Child**' of a person includes:

- (a) any child born after the death of the person;
- (b) an adopted child, a step-child or an ex-nuptial child of the person;
- (c) a child of a person's spouse;
- (d) someone who is a child of the person within the meaning of the Family Law Act 1975 (Cth.); and
- (e) any other person who is a child for the purposes of Superannuation Law.

'**Commencement Date**' means, in relation to a Employer Plan, the date referred to as the commencement date of the Employer Plan in the Schedule.

'Corporate Division' means the Mercer Corporate Superannuation Division, being one of the divisions constituting the Fund.

'DB Member' means:

- (a) a Member entitled, on retirement or termination of Employment, to be paid a benefit defined, in whole or in part, by reference to either or both of the following:
 - (i) the amount of:
 - (A) the Member's Salary at a particular date, being the date of the termination of the Member's Employment or of the Member's retirement or an earlier date; or
 - (B) the Member's Salary averaged over a period before retirement; or
 - (ii) a specified amount; or
- (b) a Member who is being paid a defined benefit pension within the meaning of Superannuation Law.

'DB Plan' means an Employer Plan with at least one DB Member.

'Dependant' of a Member means:

- (a) a Spouse of the Member;
- (b) a Child of the Member;
- (c) any person the Trustee considers is (or was at the date of death of the Member) wholly or partly dependent on the Member; and
- (d) any person with whom the Member as at the relevant date (which in the case of a deceased person is the time of death) has an Interdependency Relationship.

'Designated Rules' has the meaning set out in the Master Deed.

'Disability Income Insurance Scheme' means an insurance scheme to provide income insurance to an Eligible Member who is an Employed Member who becomes disabled in terms of the relevant insurance policy effected or otherwise acquired for that purpose.

'Electoral Division' means one or more subdivisions of the Members of a Plan determined pursuant to the regulations and procedures under sub-rule 7.2(c) for the purpose of electing Member representatives to policy committees.

'Eligible Member' means a Member who is eligible for insurance cover and in respect of whom insurance cover is maintained under a Plan as determined by the Trustee but does not include a Member to the extent that the Member has elected to opt out of a particular type of insurance cover. For the avoidance of doubt, where a Member elects to opt out of a particular type of insurance cover, the Member will not be an Eligible Member for the purposes of that type of insurance cover only.

'Employed Member' means a Member who is:

- (a) an Employee within an Employer Plan;
- (b) an Employee within the Mercer Business Super Plan; or
- (c) an Employed SmartSuper Plan Member.

'Employed SmartSuper Plan Member' means a Member who is an Employee for the purposes of the SmartSuper Plan, and who is not an Individual Member.

'Employee' means:

- (a) in relation to the SmartSuper Plan and the Mercer Business Super Plan, a person who is employed by an Employer who participates in that Plan; or
- (b) in relation to an Employer Plan:
 - (i) a person who is employed by an Employer who participates in the Employer Plan and who is approved (for the time being) by the Participant for membership of the Plan; and
 - (ii) any other person the Participant for the Employer Plan deems is an Employee for the purpose of the Employer Plan.

'Employer' means:

- (a) in relation to a Plan, the Participant and each other employer participating in the Plan; and
- (b) in relation to a Member, the Employer by which that Member is employed.

'Employer Plan' means a Plan that is a separate account established by the Trustee under rule 3.1A within the Division for a Participant and its Employers to provide superannuation benefits for their Employer Plan Members. For the avoidance of doubt, neither the SmartSuper Plan nor the Mercer Business Super Plan is an Employer Plan.

'Employer Plan Member' means a Member within an Employer Plan which may include an Employee, a former Employee or a Spouse of an Employee.

'Employment' means actual or deemed employment with an Employer.

'Final Average Salary' of a Member means:

- (a) the average of the Member's Annual Salaries during:
 - (i) the 3 years; or
 - (ii) the whole period of Employment if the Member's Plan Membership is less than 3 years,immediately before the earlier of:
 - (A) the date the Member ceased to be in Employment; and
 - (B) Normal Retirement Date; or
- (b) the amount calculated on any other basis as specified in the Schedule.

'First Insertion Date' means 22 January 1996.

'First Insertion Plan' means a Plan established on or before the First Insertion Date.

'Former Spouse' of a Member means:

- (a) another person who was legally married to the Member and has subsequently obtained a legal annulment or dissolution of the marriage;
- (b) another person (whether of same sex or different sex) who was in a relationship with the Member that was registered under a law of a State or Territory prescribed for the purposes of section 22B of the Acts Interpretation Act 1901 (Cth), which was subsequently revoked or terminated under the respective laws of the State or Territory;
- (c) another person who, as contemplated by Superannuation Law, although was not legally married to the Member, in the Trustee's opinion, had lived with the Member on a genuine domestic basis in a relationship as a couple and that relationship has subsequently, in the opinion of the Trustee, ceased; and
- (d) any other person, who, for the purposes of Superannuation Law, would have been regarded as the spouse of the Member, but who, in the Trustee's opinion, has ceased to be the spouse of the Member .

'Fund' means the trust known as the Mercer Super Trust established under the Master Deed.

'Fund Choice' means that an Employed Member has completed and given to the Employer a form in accordance with the SG Legislation selecting another complying superannuation fund to which the Employer is required to, or agrees to contribute in respect of the Member under the SG Legislation.

'Fund Choice Date' in relation to a Member means either:

- (a) the date notified by the Employer to the Trustee as being the date that the Employer makes its first contribution in respect of the Member to another complying superannuation fund that has been chosen by the Member in accordance with Fund Choice; or
- (b) such date agreed between the Trustee and the Employer as being the effective date of the Member's choice of another complying superannuation fund instead of the date determined in paragraph (a).

'Group Life Insurance' means death or disability insurance (including, unless otherwise specified under these Designated Rules, insurance under a Disability Income Insurance Scheme) effected under a Plan in respect of a Member (other than an Individual Member) (on a group or individual basis), but excludes Individual Disability Income Insurance.

'Interdependency Relationship' has the meaning given to that term by section 10A of the *Superannuation Industry (Supervision) Act 1993*.

'Individual Disability Income Insurance' means an insurance scheme to provide income insurance to an Eligible Member who is an Individual Member who becomes disabled in terms of the relevant insurance policy effected or otherwise acquired for that purpose.

'Individual Member' means a Member who is categorised by the Trustee as an "Individual Member" within the SmartSuper Plan and who is not an Employed SmartSuper Plan Member.

'Master Deed' means the trust deed dated 28 June 1995 which provided for the establishment of the Mercer Master Fund.

'Member' means, in relation to a Plan, a person who has been admitted to membership of the Plan and who has not ceased to be a Member under rule 6.5, who at any point in time will be categorised either as an Employer Plan Member, Mercer Business Super Member, an Employed SmartSuper Plan Member or an Individual Member.

'Member Account' means an account established under rule 10.1.

'Member Account Balance' means in relation to a Member the value of the Member's Member Account at any particular time.

'Mercer Business Super Member' means a Member of the Mercer Business Super Plan.

'Mercer Business Super Plan' means the Plan in this Division administered by the Trustee as "Mercer Business Super".

'Mercer Direct Investment Portfolio' means a Portfolio adopted by the Trustee as an investment option with specified kinds of assets and made available for investment

for Members subject to terms and conditions determined by the Trustee.

'Mercer Select Options' means those Portfolios identified as such or as Ready-Made Options from time to time in the Fund's investment policy statement.

'Minimum Requisite Benefit' of a Member means the greater of:

- (a) the minimum benefits determined in accordance with Superannuation Law; and
- (b) the minimum requisite benefit set out in any benefit certificate issued in respect of the Member's Plan under the SG Legislation.

'Normal Retirement Date' means the Member's 65th birthday or any other date contained in the relevant Schedule.

'Participant' means, subject to rule 1.10:

- (a) in relation to an Employer Plan, the person at whose request under rule 3.1 the Plan was established (and includes any person who subsequently assumes the office of Participant of that Plan under these Designated Rules); and
- (b) in relation to a Member, the Participant of whose Plan the Member is a member.

'Plan' means:

- (a) an Employer Plan;
- (b) the Mercer Business Super Plan; and
- (c) the SmartSuper Plan,

and, in relation to a Participant, means the Employer Plan established at the Participant's request and, in relation to an Employer and a Member, means respectively the Plan in which the Employer has been permitted to participate and the Plan to which the Member has been admitted.

'Plan Membership' of a Member means:

- (a) the most recent uninterrupted period during which the Member was:
 - (i) a Member; and
 - (ii) in Employment;
- (b) any Previous Fund Membership; and
- (c) any further period the Participant determines is Plan Membership.

'Portfolio' has the meaning set out in the Master Deed.

'Previous Fund' means, in relation to a Plan, Another Fund which the Participant and the Trustee agree is a Previous Fund.

'Previous Fund Member' means:

- (a) a Member who was both:
 - (i) a member of a Previous Fund; and
 - (ii) an employee of an employer participating in that Previous Fund, immediately before (most recently) becoming both:
 - (A) an Employee; and
 - (B) a Member; and
- (b) any other Member the Participant and the Trustee agree is a Previous Fund Member.

'Previous Fund Membership' means:

- (a) the most recent uninterrupted period during which the Member was both:
 - (i) a member of the Previous Fund; and
 - (ii) an employee of an employer participating in the Previous Fund; and
- (b) any further period the Participant and the Trustee agree is Previous Fund Membership,

but concurrent membership of more than one Previous Fund must be counted only once.

'Ready-Made Options' means those Portfolios identified as such from time to time in the Fund's investment policy statement.

'Required Payment Date' means the date at which a Member's benefit must be paid (or commence to be paid) under Superannuation Law.

'Reserve Account' means an account established under rule 11.1.

'Retrenchment' means in relation to a Member termination of employment with the Employer in respect of which the Member's Employer certifies to the Trustee in a form acceptable to the Trustee that:

- (a) such termination was for one or more of the following reasons, namely:

- (i) that the position occupied by the Member has ceased to exist;
- (ii) that the work for which the Member was engaged or which was subsequently allotted to the Member is finished or is about to finish;
- (iii) that the quantity of work which the Member is qualified or competent to perform has diminished; or
- (iv) that the work or affairs or staff of the Employer have been reorganised or re-arranged for business policy reasons,

or such other reasons as that Employer considers constitute Retrenchment, and not being a result of the Member's incompetence or misconduct or failure to achieve standards of performance or conduct satisfactory to the Employer in relation to the tasks allotted to the Member or otherwise; and

- (b) the Member was not offered an alternative position with an Employer or with any other person which the Member's Employer considers to be reasonably comparable (though not necessarily equivalent) to the position which the Member last held before ceasing employment.

'Review Date' means, in relation to a Plan:

- (a) 1 July; or
- (b) any other date contained in the Schedule.

'Salary' of a Member means:

- (a) the amount advised by the Employer to the Trustee as being the Member's salary for superannuation purposes; or
- (b) the amount calculated on any other basis as specified in the Schedule.

'Schedule' in relation to a Plan means:

- (a) in the case of the SmartSuper Plan and the Mercer Business Super Plan, the Schedule contained in Appendix 1 to these Designated Rules and any application form completed by an Employer in respect of the SmartSuper Plan or the Mercer Business Super Plan; or
- (b) in the case of any other Plan, the part of the application by the Participant to establish the Plan which is designated as the Schedule.

'Second Insertion Date' means 10 May 1996.

'Second Insertion Plan' means a Plan established before the Second Insertion Date.

'Select-your-Own Options' means those Portfolios identified as such from time to time in the Fund's investment policy statement.

'Service' means, in relation to a Plan:

- (a) the most recent uninterrupted period of continuous Employment, excluding any period occurring before an Employer participated in the Plan (unless the Participant determines otherwise); and
- (b) any further period the Participant determines to be Service.

'SG Legislation' means the *Superannuation Guarantee (Administration) Act 1992* and the *Superannuation Guarantee Charge Act 1992*.

'SmartSuper Plan' means the "Mercer SmartSuper Plan" established by the Trustee and governed by the Schedule contained in the Appendix 1 to these Designated Rules.

'Splittable Contributions' has the meaning given to those words in regulation 6.42 of the *Superannuation Industry (Supervision) Regulations 1994*.

'Splitting Application' means an application made by a Member under rule 14.7(a).

'Spouse' of a person includes:

- (a) the Member's husband, wife, widow or widower;
- (b) another person (whether of the same sex or a different sex) with whom the Member is in a relationship that is registered under a law of a State or Territory prescribed for the purposes of s 22B of the Acts Interpretation Act 1901 (Cth) as a kind of relationship prescribed for the purposes of that section (and which has not been revoked or terminated in accordance with State or Territory law);
- (c) another person who, as contemplated by Superannuation Law, although not legally married to the Member, lives (or immediately before the person's death, lived) with the Member on a genuine domestic basis in a relationship as a couple;
- (d) any other person, who, for the purposes of Superannuation Law, would be regarded as the spouse of the Member.

'Superannuation Law' has the meaning set out in the Master Deed.

'Tax' has the meaning set out in the Master Deed.

'Tax Deduction' means, in relation to a deceased Member, the amount of the tax deduction that is reasonably likely to be allowable to the Fund in respect of the payment of the death benefit in relation to that member as a result of the operation of section 295-485 of the Income Tax Assessment Act 1997 (Cth).

'Temporary Total Disablement', subject to Superannuation Law, in respect of an Eligible Member:

- (a) if there is a relevant policy of insurance in force - means disablement which the insurer determines qualifies as temporary disablement under that policy; or
- (b) if there is no relevant policy of insurance in force - means disablement (not amounting to Total and Permanent Disablement) of a Member resulting from an illness or injury which commences or occurs before Normal Retirement Date and as a result of which:
 - (i) the Member has been continuously absent from active employment for three months (or any lesser period agreed between the Participant and the Trustee); and
 - (ii) the Trustee determines (after considering any medical or other evidence the Trustee requires) the Member is unable to resume work in the Member's former occupation.

'Termination Date' means, in respect of a Plan, the date referred to in rule 16.3.

'Third Insertion Date' means 1 July 1996.

'Third Insertion Plan' means a Plan established before the Third Insertion Date.

'Total and Permanent Disablement' subject to Superannuation Law, in respect of an Eligible Member:

- (a) if there is a relevant policy of insurance in force - means disablement which the insurer determines qualifies as permanent disablement under that policy; or
- (b) if there is no relevant policy of insurance in force - means disablement due to an illness or injury as a result of which:
 - (i) the Member has been continuously absent from active employment for six months (or any lesser period agreed between the Participant and the Trustee); and
 - (ii) the Trustee determines (after considering any medical or other evidence the Trustee requires) the Member is sufficiently incapacitated to be unlikely ever to engage in any gainful employment for which the Member is reasonably qualified by education, training or experience.

'Trustee' means the trustee for the time being of the Fund.

'Unit' has the meaning set out in the Master Deed.

'Voluntary Insured Amount' means in relation to an Eligible Member of an Employer Plan, the amount, if any, last nominated or varied by that Member under rules 13.7A(a) or (b).

1.2 Words and Phrases

In these Designated Rules:

- (a) unless otherwise defined, or unless a contrary intention appears, words and phrases have the same meaning as in Superannuation Law;
- (b) the term:
 - (i) 'amendment' includes an addition, variation, deletion and substitution;
 - (ii) 'beneficiary' includes a contingent beneficiary, a potential beneficiary, a Member and a pensioner;
 - (iii) 'for example' is only illustrative and means including without limitation;
 - (iv) 'including' means including without limitation;
 - (v) 'may' confers absolute discretion on the person entitled to exercise a right or power conferred but does not infer any obligation to exercise that right or power;
 - (vi) 'person' includes:
 - (A) a body corporate and any other person recognised at law;
 - (B) a partnership and any other group or association;
 - (C) a governmental authority,but the expression 'natural person' must be given its normal meaning;
- (c) any power, right or discretion given under these Designated Rules, for example, the power to determine or agree, may be exercised:
 - (i) from time to time; and
 - (ii) generally or in any particular case;
- (d) reference to a benefit is taken to be a reference to all or part of that benefit;
- (e) the singular includes the plural and vice versa; and
- (f) words implying one gender include the other genders.

1.3 Similar Terms

A term similar to any term defined in these Designated Rules has a corresponding meaning, for example, 'Totally and Permanently Disabled' has a corresponding meaning to 'Total and Permanent Disablement' and 'amend' has a corresponding meaning to 'amendment'.

1.4 Law

- (a) References to any law includes that law as amended, re-enacted or replaced and any law that supersedes that law.
- (b) References to any law includes any regulation, binding determination and ruling made in connection with that law.

1.5 Designated Rules Paramount

A provision in:

- (a) these Designated Rules:
 - (i) overrides a conflicting provision in a Schedule; and
 - (ii) is not limited by a provision in a Schedule; and
- (b) a Schedule is subject to the provisions in these Designated Rules, unless specifically stated otherwise either in these Designated Rules or in a Schedule.

1.6 Schedules

Each Schedule is deemed to be included in these Designated Rules, but is nevertheless subject to the operation of rule 1.5.

1.7 Severance

Any provision of these Designated Rules which is:

- (a) invalid in whole or in part; or
- (b) would need to be limited or read down in order to be valid,

is severed or limited or read down to the extent of the invalidity, but the remainder of the provision continues in full force and effect.

1.8 Express References

- (a) An express reference to one matter (including a rule or law) must not be taken as excluding other matters (including rules or laws).

- (b) An express reference in these Designated Rules to a rule must not be taken to infer that that rule does not have relevance to other rules which do not contain specific references.
- (c) References to these Designated Rules or any rule of these Designated Rules includes the Designated Rules or rule as amended, re-enacted or replaced.

1.9 Headings and Index

The index and headings in these Designated Rules are included for convenience and do not affect the interpretation of these Designated Rules.

1.10 SmartSuper Plan and the Mercer Business Super Plan

Unless a contrary intention appears, any reference in a provision of these Designated Rules to the 'Participant' must be read in each particular application of that provision to the SmartSuper Plan and the Mercer Business Super Plan as a reference to the relevant Employer participating in the SmartSuper Plan and the Mercer Business Super Plan that is involved in that particular application of the provision.

1A. MERCER CORPORATE SUPERANNUATION DIVISION

1A.1 Plans

- (a) Members of the Corporate Division may be grouped into Plans if the Trustee considers it convenient to manage the Corporate Division in that way. The interests of each Member in a Plan are determined by reference to the provisions governing that Plan.
- (b) The Trustee may, by resolution, create Plans with the Corporate Division, close a Plan to new Members, terminate a Plan or merge Plans.
- (c) The Division consists of the following Plans:
 - (i) Employer Plans;
 - (ii) the SmartSuper Plan; and
 - (iii) the Mercer Business Super Plan.
- (d) A Plan is not:
 - (i) a sub-plan;
 - (ii) a sub-fund; or
 - (iii) a separate fund or trust,unless the Trustee determines it to be so.

1A.2 Sections

- (a) Members of the Corporate Division may be grouped into Sections of a Plan if the Trustee considers it convenient to manage the Plan in that way. The interests of each Member in a Section of a Plan are determined by reference to the provisions governing that Section.
- (b) The Trustee may, create Sections with a Plan, close a Section to new Members, terminate a Section or merge Sections.
- (c) A Section is not:
 - (i) a sub-plan;
 - (ii) a sub-fund; or
 - (iii) a separate fund or trust,unless the Trustee determines it to be so.

2. TRUSTEE DUTIES

2.1 Appointment of Actuary

The Trustee must appoint an Actuary to each DB Plan. The Trustee may, at any time, replace the appointed Actuary of a Plan with another Actuary.

2.2 Actuarial Valuation

The Trustee must ensure that:

- (a) an actuarial valuation for each DB Plan is conducted when Superannuation Law requires; and
- (b) each Participant in a DB Plan receives a copy of each actuarial valuation report for the Participant's Plan.

2.3 Actuarial Certificates

The Trustee must obtain all actuarial certificates required by Superannuation Law in relation to each DB Plan and provide a copy to each relevant Employer.

2.4 Cooling off Period

If the Trustee issues Units in respect of a Member following a contribution or transfer being made to a Plan and:

- (a) the contributor or Member, as relevant, requests redemption of those Units; and

(b) Superannuation Law requires the Trustee to redeem those Units, then the Trustee must redeem those Units and pay to, or at the direction of, the relevant person the amount calculated in accordance with Superannuation Law.

3. PARTICIPATION IN AN EMPLOYER PLAN

3.1 Applications to Participate in an Employer Plan

A person who wishes to participate in the Division for the purpose of providing superannuation benefits to its employees and to the employees of associated companies may apply to do so by requesting the establishment of a Plan in the Division for that person and its employees, in a form acceptable to the Trustee and constituting an eligible application under Superannuation Law.

3.1A Establishment and Commencement of an Employer Plan

An Employer Plan:

- (a) is established in the Division for a person upon the Trustee accepting the person's request made under rule 3.1; and
- (b) will commence on its Commencement Date.

3.1B Schedules

In addition to any matter specifically referred to elsewhere in these Rules the Schedule for an Employer Plan must provide for the following matters:

- (a) the name of the Plan;
- (b) the Commencement Date for the Plan;
- (c) the name of the Participant for the Plan; and
- (d) the Review Date for the Plan if a date other than 1 July is to apply.

3.2 Admission of other Employers to an Employer Plan

Another employer who wishes to provide superannuation benefits to its employees on the basis applicable under an Employer Plan, may apply to participate in that Plan, in a form acceptable to the Trustee and constituting an eligible application under Superannuation Law, subject to the consent of the relevant Participant.

3.2A [Deleted]

3.3 Cessation of Participation in an Employer Plan

- (a) An Employer:

- (i) automatically ceases to participate in an Employer Plan if:
 - (A) not being the Participant, none of the Members are Employees of that Employer and the Trustee does not determine that it is likely that in the future there will be Members who are Employees of that Employer; or
 - (B) rule 16 does not apply but that Employer ceases to carry on business for any reason or becomes bankrupt; or
 - (C) a reasonable period of notice has been given to the Employer by the Trustee requiring the Employer to cease participation and that period has expired; or
 - (ii) may elect to cease participation in a Plan by giving written notice to the Trustee. The Participant may make the election on behalf of the Employer and every person will be bound by that election, including the Employer concerned.
- (aa) Where an Employer ceases to participate in an Employer Plan the Trustee must pay to the Employer subject to:
- (i) Superannuation Law; and
 - (ii) all arrears of that Employer's contributions to the Plan being paid,
- any amount relating to that Employer in a special account for that Plan unless the Trustee and the Employer agree to transfer all or part of the amount to the Reserve Account for that Plan or to Another Fund. Any amount which is not paid to the Employer or to Another Fund must be transferred to that Reserve Account.
- (b) Where an Employer ceases to participate in an Employer Plan, the Trustee:
- (i) must set aside in respect of each Member then employed by the Employer concerned ('**Affected Member**'):
 - (A) in the case of a DB Plan, the amounts the Actuary to the Plan determines have accrued in the Plan for the period up to the date of cessation of participation; or
 - (B) in the case of an Accumulation Plan, the Member Account Balance of the Member; or
 - (C) in either case, any greater amounts agreed between the Trustee and the Participant;
 - (ii) (unless the Participant and the Trustee agree otherwise) must transfer:

- (A) the amounts set aside under sub-rule (i); plus
- (B) interest on those amounts between cessation of participation and the date of transfer; minus
- (C) any benefit paid to Affected Members (from the amount set aside under sub-rule (i)) since cessation of participation and any amount the Trustee determines to retain in the Plan under sub-rule (iii),

to Another Fund as determined by the Trustee; and

- (iii) (where any benefit has been paid to an Affected Member after the date of cessation of participation) may deal with the excess of:

- (A) the total amount mentioned in sub-rule (ii)(A) and (ii)(B); over
- (B) the total amounts paid to Affected Members since cessation of participation,

as the Trustee considers appropriate in the circumstances,

provided that this rule 3.3(b) does not apply in circumstances where an Employer ceases to participate under rule 3.3(a)(i)(B) but another person has succeeded to the business of that Employer and the Trustee admits that other person to participate in the Plan under rule 3.2 instead of the Employer.

- (c) This rule 3.3 is subject to paragraph (d) of clause 3 of the Master Deed in relation to particular transfer situations.

3.4 Transfer from One Employer to Another

Unless the Participant and the Trustee agree otherwise:

- (a) a transfer of Employment from one Employer participating in an Employer Plan to another must not be regarded as a cessation of Employment for the purpose of these Designated Rules; and
- (b) no benefit will be payable when a Member transfers from one Employer to another.

3A. PARTICIPATION IN THE SMARTSUPER PLAN OR THE MERCER BUSINESS SUPER PLAN

3A.1 Applications to Participate in the SmartSuper Plan or the Mercer Business Super Plan

A person who wishes to participate in the SmartSuper Plan or the Mercer Business Super Plan in the Division for the purpose of providing superannuation benefits to its employees and to the employees of associated companies may apply to do so by

requesting to participate in the SmartSuper Plan or the Mercer Business Super Plan in a form acceptable to the Trustee and constituting an eligible application under Superannuation Law.

3A.2 Cessation of Participation - SmartSuper Plan or the Mercer Business Super Plan

- (a) This rule applies only to Employers participating in the SmartSuper Plan or the Mercer Business Super Plan.
- (b) An Employer automatically ceases to participate in the SmartSuper Plan or the Mercer Business Super Plan if:
 - (i) none of the Members of the SmartSuper Plan or the Mercer Business Super Plan are Employees of that Employer and the Trustee does not determine that it is likely that in the future there will be Members of the SmartSuper Plan or the Mercer Business Super Plan who are Employees of that Employer; or
 - (ii) that Employer ceases to carry on business for any reason or becomes bankrupt.
- (c) An Employer may elect to cease to participate in the SmartSuper Plan or the Mercer Business Super Plan by giving written notice to the Trustee.
- (d) An Employer ceases to participate in the SmartSuper Plan or the Mercer Business Super Plan upon the expiry of a reasonable period of notice given to the Employer by the Trustee requiring the Employer to cease participation.
- (e) Without limiting rule 3A.2(c) or (d), by agreement between the Trustee and the Employer at any time, an Employer may cease to participate in the SmartSuper Plan or the Mercer Business Super Plan and each Member employed by that Employer will be re-categorised as an Individual Member within the SmartSuper Plan or the Mercer Business Super Plan.
- (f) In circumstances where rule 3A.2(e) does not apply and an Employer ceases to participate in the SmartSuper Plan or the Mercer Business Super Plan, the Trustee must (unless the Employer and the Trustee agree otherwise) transfer the Member Account Balance of each Member employed by that Employer to Another Fund determined by the Trustee.
- (g) This rule 3A.2 is subject to paragraph (d) of clause 3 of the Master Deed in relation to particular transfer situations.

3A.3 Transfer of Employment from one Employer to another

Unless an Employer participating in the SmartSuper Plan or the Mercer Business Super Plan (**Relevant Employer**) and the Trustee agree otherwise:

- (a) a transfer of Employment from the Relevant Employer to another Employer participating in the same Plan must not be regarded as a cessation of Employment for the purposes of these Designated Rules; and
- (b) no benefit will be payable when a Member transfers from the Relevant Employer to another Employer in the situation outlined in clause 3A.3(a).

4. EMPLOYER POWERS

4.1 Dismissal from Employment

Nothing in these Designated Rules (including the benefit provisions):

- (a) affects any power an Employer may have to dismiss or pay an Employee; or
- (b) may be used in a claim for damages on dismissal or otherwise.

4.2 Employer Powers/Discretions

In the exercise of their powers and discretions under these Designated Rules, the Participant and any other Employer:

- (a) has absolute discretion:
 - (i) to exercise that power or discretion;
 - (ii) not to exercise that power or discretion;
 - (iii) to partly exercise that power or discretion; and
- (b) may exercise that power or discretion in its own interest;
- (c) is not under any fiduciary or other obligation in the exercise or non-exercise of the power or discretion; and
- (d) is not obliged to explain its conduct.

4.3 Employer's Decision Final

The decision of the Participant is final and binding on all persons on any matter relating to Employment including:

- (a) the date on which a person commenced or left Employment;
- (b) whether or not an Employee is actively employed;
- (c) an Employee's salary or wages; and
- (d) the terms and conditions of an Employee's Employment generally.

4.4 Information from Employers

Each Employer must give the Trustee all information in its power or possession which is reasonably required by the Trustee in relation to the Employer's Plan.

5. NEW PARTICIPANT IN AN EMPLOYER PLAN

5.1 Appointment of New Participant

The Participant may appoint a person as a replacement Participant in an Employer Plan with the consent of:

- (a) that person; and
- (b) the Trustee (which consent may not be unreasonably refused).

5.2 Existing Participant

On the appointment of a replacement Participant under rule 5.1, unless the former Participant gives notice to the Trustee under rule 3.3(a)(ii) that it elects to cease participation in the Employer Plan, the former Participant shall continue to participate in the Plan as an Employer.

5.3 No Existing Participant

If the Employer who ceases to participate in an Employer Plan under rule 3.3 is the Participant, the Trustee must try to arrange for another Employer to accept the position of Participant. The Plan must be terminated under rule 16 if the Participant has ceased to participate in the Plan and no Employer is able or willing to act as Participant.

5.4 Non-application to SmartSuper Plan

Rule 5 does not apply to the SmartSuper Plan.

6. MEMBERSHIP

6.1 Admission of Members

- (a) An Employee becomes a Member of a Plan:
 - (i) from the date the Trustee accepts the Employee's application for membership; or
 - (ii) from the date the Employee is to be automatically admitted as a Member under any automatic admission arrangement determined by the Participant,

(subject in both cases to the Trustee receiving any eligible application required under Superannuation Law), or any other (earlier or later) date agreed between the Participant and the Trustee, but an Employee who does not become a Member when first eligible may become a Member at a later date only:

- (A) with the consent of the Participant; and
 - (B) on the terms and conditions agreed between the Participant and the Trustee.
- (aa) A person (other than an Employee) becomes a Member of an Employer Plan:
- (i) from the date the Trustee accepts the person's application for membership; or
 - (ii) from the date the person is to be automatically admitted as a Member under any automatic admission arrangement determined by the Trustee,

(subject in both cases to the Trustee receiving any eligible application required under Superannuation Law), or any other (earlier or later) date determined by the Trustee, but such a person who does not become a Member when first eligible may become a Member at a later date only on the terms and conditions determined by the Trustee.

- (ab) A person who wishes to participate as an Individual Member may apply to do so by requesting in a form acceptable to the Trustee, and constituting an eligible application under Superannuation Law, the establishment of a Member Account in the SmartSuper Plan for that person.
- (ac) The Trustee may admit a person as an Individual Member without an application form if the person meets any automatic admission arrangement determined by the Trustee.
- (b) An Employee who is automatically admitted to membership (under sub-rule (a)(ii), (aa)(ii) or (ac)) is not required to contribute unless that person consents to contribute.
- (c) DB Members who leave but rejoin Employment:
 - (i) must be treated as if they were never Members before; but
 - (ii) if specified in the Employer Plan Schedule, will remain entitled to any benefit retained in the Member's Plan in respect of the previous period of Plan Membership ('**Retained Benefit**'), and

rejoining Employment will have no effect on the Member's Retained Benefit.

- (d) The Trustee may:

- (i) reject any application; or
- (ii) refuse to admit any person as a Member,
without giving a reason.

6.2 Information and Evidence

Each Employee and each Member must:

- (a) give such information and evidence; and
- (b) sign such documents; and
- (c) undergo such medical examinations and tests; and
- (d) satisfy such other requirements,

as and when the Trustee requires.

6.3 Special Restrictions or Conditions

The Trustee may:

- (a) admit a Member to a Plan on special terms, conditions, and restrictions on:
 - (i) benefits provided by the Member's Plan; and
 - (ii) contributions to the Member's Plan,

with the consent of, in relation to an Employer Plan, the Participant or, in relation to the SmartSuper Plan and the Mercer Business Super Plan, the Employee's Employer; or

- (ab) admit an Individual Member on special terms, conditions and restrictions; or
- (b) apply special terms, conditions, and restrictions on:
 - (i) benefits provided by the Member's Plan; and
 - (ii) contributions to the Member's Plan,

in respect of any Member:

- (A) who fails to comply with any of the requirements imposed under sub-rule (a) or (ab); or
- (B) whose medical examination or test results are not satisfactory in the Trustee's opinion; or

- (C) whose statement or evidence contains a misstatement, mistake, inaccuracy or omission; or
- (c) remove any special terms, conditions and restrictions previously imposed (if an Employer Plan Member with the consent of the Participant subject to Superannuation Law).

6.4 Classification of Members

- (a) Members must be divided into the number of categories specified in the Schedule or allocated into categories as determined by the Trustee in respect of the SmartSuper Plan or the Mercer Business Super Plan. Unless provided for in the Schedule the Participant must:
 - (i) determine the conditions for entry to and exit from each category;
 - (ii) classify Members into the relevant categories; and
 - (iii) determine the benefits and contributions for each category.
- (b) The decision of the Participant is final and binding on all persons as to:
 - (i) whether; or
 - (ii) for how long,a Member is classified in a particular category.
- (c) Unless otherwise provided for in the Schedule, where a DB Member accepts an offer by the Participant to become classified as an Accumulation Member, then on becoming an Accumulation Member:
 - (i) the Member will:
 - (A) be classified by the Participant in a category specified in the Schedule for the Employer Plan; and
 - (B) relinquish the Member's rights and the rights of the Member's Dependants and legal personal representative to receive any benefit as a DB Member; and
 - (ii) the Trustee will transfer to the Member's Account Balance that part of the assets of the Employer Plan which the Trustee determines to be appropriate having regard to the Participant's offer.

6.5 Cessation of Membership

A person ceases to be a Member when all benefits which are or may be payable in respect of the Member have been paid, transferred or otherwise ceased or applied (including in the purchase of an annuity or pension from an institution).

6A. MEMBER INVESTMENT CHOICE

6A.1 Choice of Portfolio by Member

The Schedule for each Plan may allow the Trustee to invite a Member nominated by the Participant to elect to have any part of:

- (a) the Member Account of the Member; and
- (b) the contributions, Government co-contributions or transfers to the Plan made in respect of the Member,

invested by reference to one or more Portfolios, provided that in respect of an Employer Plan there may be limitations imposed by the Participant.

6A.2 Revocation or Variation by Member

At the invitation, or with the approval, of the Trustee, a Member may:

- (a) elect to revoke or vary any previous election made by the Member under rule 6A.1; or
- (b) make further elections under rule 6A.1.

6A.3 Revocation or Variation by Trustee

The Trustee may revoke or vary any election made by a Member under rules 6A.1 or 6A.2:

- (a) as required by Superannuation Law;
- (b) in respect of an Employer Plan Member as requested by the Participant (subject to Superannuation Law); or
- (c) as the Trustee considers the circumstances require.

6A.4 Compliance with Superannuation Law

No election, revocation or variation may be made under rules 6A.1, 6A.2 or 6A.3 other than in compliance with Superannuation Law. The Trustee must ensure that any information required to be given to a Member prior to the making of an election, revocation or variation under rules 6A.1, 6A.2 or 6A.3 is provided on the basis, and within the time, required by Superannuation Law.

6A.5 Trustee's Liability

Without limiting clause 21 of the Master Deed, but subject to Superannuation Law, the Trustee shall not be liable or responsible for, or in connection with, any cost, loss, expense or detriment suffered by any person as a result of the exercise, partial exercise or non-exercise of any power exercisable by the Trustee under this rule 6A, including, without limitation, any detriment suffered as a result of the Trustee failing to act on any election by a Member or any delay by the Trustee in doing so.

7. POLICY COMMITTEES

7.1 Establishment and Operation

The Trustee will comply with the requirements of Superannuation Law in relation to the establishment and operation of policy committees, and will make all necessary or desirable arrangements for the appointment or election of representatives to committees (including to fill casual vacancies).

7.2 Composition

- (a) Each policy committee will be composed of 1 or more Employer representatives appointed by the relevant Participant and at least an equal number of Member representatives elected by the Members of the relevant Electoral Division.
- (b) A person shall not be eligible to be a Member representative unless:
 - (i) the person is a Member of the relevant Electoral Division of the Plan who has attained the age of 18 years; and
 - (ii) the person is eligible to hold office as a representative of a policy committee under Superannuation Law.

Member representatives will hold office until they cease to hold office under rule 7.4.

- (c) A Member representative shall be selected from amongst the Members of the relevant Electoral Division and may be removed in such manner, by such method and in accordance with such regulations, procedures and default rules as may be determined by the Trustee having regard to Superannuation Law.
- (d) The Trustee may vary methods, regulations, procedures or default rules for selecting and removing Member representatives and shall notify all Members of the methods, regulations and procedures in relation to the election and removal of Member representatives as required by Superannuation Law.

7.3 Meetings, Resolutions and Minutes

- (a) All representatives on a policy committee must be given a reasonable period of written or oral notice of meetings, but an accidental failure to notify a representative will not invalidate a meeting.
- (b) Subject to Superannuation Law and to each representative having only one vote, a policy committee may regulate its meetings as it considers appropriate.
- (c) If all representatives on a policy committee sign a document containing a statement that they are in favour of a resolution in terms set out in the document, then a resolution in those terms is deemed to have been passed at a policy committee meeting held on the day on which the document was last signed by a representative. For this purpose, two or more identical documents, each of which is signed by one or more representatives, together constitute one document signed by those representatives on the days on which they signed the separate documents. Any document referred to in this sub-rule may be in the form of a facsimile transmission.
- (d) Each policy committee must keep minutes of its meetings. Minutes confirmed at a meeting and signed by a representative are evidence of the matters recorded.
- (e) A member of a policy committee may participate in a meeting of the policy committee by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in such a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- (f) The Trustee shall ensure that a policy committee meets with such frequency, and is provided with such facilities, as to ensure compliance with the provisions of Superannuation Law.
- (g) A representative of the Trustee shall attend at each meeting of the policy committee at which the attendance of such a representative is requested by the policy committee.

7.4 Cessation of Office

- (a) A representative on a policy committee will cease to hold office if he or she:
 - (i) resigns by written notice to the Trustee;
 - (ii) is disqualified from office under the Relevant Requirements;
 - (iii) dies or in the opinion of the Trustee becomes incapable of carrying out a representative's responsibilities;
 - (iv) is an Employer representative and is removed by the relevant Participant;

- (v) is a Member representative and ceases to be a Member of the relevant Electoral Division, is removed by the Trustee at the written request of at least 50% of the Members of the relevant Electoral Division or reaches the end of the term of office for which he or she was elected.

A representative who ceases to hold office under this sub-rule and who is otherwise eligible is not prohibited from being reselected or re-elected as a representative.

- (b) A policy committee may continue to operate during the period of a vacancy on the policy committee.

7.5 Alternates

- (a) For an Employer Plan, a Participant may appoint a person to act as alternate for an Employer representative appointed by that Participant. For the SmartSuper Plan and the Mercer Business Super Plan, an Employer may appoint a person to act as alternate for an Employer representative appointed by that Employer.
- (b) A Member representative on a policy committee may appoint another Member of the relevant Electoral Division as his or her alternate.
- (c) An alternate is entitled to receive notice of policy committee meetings and if the appointor is not present at a meeting is entitled to attend, be counted in a quorum and vote as a representative.
- (d) The appointment of an alternate may be revoked at any time by the appointor and in any case ends automatically when his or her appointor ceases to be a representative.
- (e) Any appointment or revocation of an alternate must be effected by written notice to the Trustee.

7.6 Purposes, Functions and Powers

- (a) Each policy committee will act for the purposes, and may exercise the functions and powers, set out in Superannuation Law.
- (b) Subject to the Relevant Requirements, the Trustee may exercise all of its powers, duties and discretions under the Rules without consulting or referring to any policy committee if:
 - (i) the Relevant Requirements do not require it to do so;
 - (ii) the relevant policy committee is unable or unwilling to meet;

- (iii) the relevant policy committee is unable or unwilling to advise the Trustee; or
 - (iv) in the opinion of the Trustee, a matter requires urgent attention.
- (c) The Trustee is not obliged to act in accordance with the advice of a policy committee if to so act:
- (i) would contravene the Relevant Requirements;
 - (ii) would be in breach of trust;
 - (iii) would be contrary to the Rules;
 - (iv) would require the consent of another person and that consent is refused or cannot be obtained; or
 - (v) is not required under the Relevant Requirements.
- (d) If the Trustee acts on the advice of a policy committee then the Trustee will not be liable for any loss, damage or injury suffered by any person as a result except as required under these Designated Rules, the law or the Relevant Requirements. Before acting on the advice of a policy committee the Trustee may require the policy committee to provide an appropriate indemnity to the Trustee.

7.7 Trustee Expenses

The Trustee shall be entitled to recoup costs relating to policy committees in accordance with Superannuation Law.

7.8 Dissolution of Policy Committees

A policy committee may dissolve itself and the Trustee shall not be required to re-establish a policy committee to replace that policy committee other than in the circumstances provided in Superannuation Law.

8. FEES AND EXPENSES

8.1 Membership Fee

The Trustee may deduct and retain for its own use out of each Plan a fee in respect of each day it acts as Trustee equal to the sum of \$8.00 per month for each Member in the Plan. The Trustee must calculate this fee as at the last day of each month based on the number of Members in each Plan on that day.

8.1A Mercer Direct Investment Portfolio Account Fees

The Trustee may deduct and retain for its own use out of each Member's Member Account (or any other relevant account in respect of the Member under the particular

provisions of a Schedule) a fee in respect of assets invested in the Mercer Direct Investment Portfolio equal to the initial sum of \$195 per annum (or such other amount as the Trustee determines from time to time), calculated on the number of days a Member was invested in the Mercer Direct Investment Portfolio and payable monthly by the Member.

8.2 Contribution and Benefit Payment Fees

The Trustee may deduct and retain for its own use:

- (a) out of each contribution, Government co-contribution and transfer accepted into a Plan, a fee equal to 5.0% of the amount contributed or transferred; and
- (b) out of each benefit payment or transfer made from a Plan or the Fund, a fee of \$250 for that benefit payment or transfer.

8.2A Tax Reimbursement Fee

The Trustee shall be entitled to receive an additional fee of \$800 from each Member in respect of whom the Trustee claims from the Commissioner of Taxation a tax offset for tax previously paid by the Trustee in respect of no-TFN contributions income (as defined in the Income Tax Assessment Act 1997) of the Fund which relates to that Member if all other benefits to which the Member is entitled have been paid from the Fund.

8.3 Switching Fee

The Trustee may deduct and retain for its own use out of the proceeds of a switching request the sum of \$250 for each switching request.

8.4 Indexation of Fees

At the end of each calendar year the Trustee may increase the dollar amounts referred to in rules 8.1, 8.1A, 8.2(b), 8.2A and 8.3 by an amount not exceeding the increase (if any) for the year to 31 May in that calendar year in respect of the average weekly adult ordinary time earnings as published by the Australian Bureau of Statistics. The revised dollar amounts apply for the whole of the following calendar year.

8.5 Reimbursement of Expenses

The Trustee is, in addition to its right of indemnity under clause 18 of the Master Deed and its other remuneration, entitled to recover out of each Plan the following costs, charges and expenses in relation to that Plan:

- (a) disbursements in connection with the acquisition or disposal of any asset, including commission and brokerage;
- (b) any Tax or reimbursement of Tax properly charged to the Trustee in connection with the Plan but excluding any Tax payable personally by the Trustee on its own account;

- (c) all costs in connection with the initiation, carriage, defence and settlement of any tribunal or court proceedings;
- (d) arranging transfers of groups of Members into and out of a Plan; and
- (e) all other costs, charges and expenses incurred in connection with the administration, maintenance, management or operation of the Plan other than the usual overhead expenses of the Trustee.

8.6 Allocation of Fees and Expenses

Amounts paid or payable to the Trustee under this rule 8 must be allocated in accordance with rule 12.3.

8.7 Reimbursement Cap

The Trustee may from time to time:

- (a) waive its right to recover some or all of the costs, charges and expenses in respect of which it is entitled to reimbursement under rule 8.5; and
- (b) charge a monthly expense recovery fee in place of the rights waived under sub-rule (a) at a rate not exceeding 1.0% per annum of the redemption price of all the Units issued in respect of that Plan or its Members.

9. CONTRIBUTIONS - GENERAL PROVISIONS

9.1 Employer Contributions

- (a) Each Employer:
 - (i) must contribute:
 - (A) in the case of a DB Plan, at the rate determined by the Trustee, after consulting the Participant, on the advice of the Actuary to the Plan; or
 - (B) in the case of an Accumulation Plan, the amount set out in the relevant Schedule,

unless contributions are varied under another rule (for example rule 9.5 or rule 14.5);
 - (ii) may make extra contributions to the Employer's Plan:
 - (A) in respect of some or all Members; or
 - (B) **[Deleted]**

- (C) to be used for the general purposes,
of that Plan;
 - (iii) may direct how any extra employer contributions (which are not made to satisfy a requirement under another rule, for example rule 13.4 or rule 13.5) are to be applied; and
 - (iv) in relation to an Employer Plan, must pay its contributions in the manner and at the times agreed between the Trustee and the Participant.
- (b) A company associated with an Employer may make contributions under sub-rule (a) on behalf of that Employer.
 - (c) **[Deleted]**
 - (d) In addition to the contributions required under sub-rule (a) and subject to Superannuation Law, the Schedule for a Plan may require each Employer to reimburse the Plan for all or some of the following amounts incurred in relation to the Plan:
 - (i) membership fees under rule 8.1;
 - (ii) contribution, Government co-contribution and transfer fees under rule 8.2(a);
 - (iii) benefit payment and transfer fees under rule 8.2(b);
 - (iv) Group Life Insurance premiums (other than premiums in respect of a Voluntary Insured Amount);
 - (v) **[Deleted]**,

and such amounts shall be credited to any or all of the Member Accounts of the Members of the Plan in such manner, at such time and in such proportions as the Trustee considers appropriate.

9.2 Member Contributions

- (a) A Member:
 - (i) must contribute the amount, if any, set out in the Schedule for the Member's Plan; and
 - (ii) may make additional voluntary contributions to the Member's Plan at any time, unless provided otherwise in the Schedule for the Member's Plan.
- (aa) Any amount which Employed Members are obliged or permitted to contribute:

- (i) must be deducted by the Employer from the Member's pay, except where:
 - (A) the law does not allow; or
 - (B) the Employer does not agree to make the deduction,
 then the Member must pay the contributions directly to the Member's Plan; and
 - (ii) must be paid to the Member's Plan in the manner and at the times agreed between the Trustee and the Participant.
- (b) The Participant may:
- (i) release an Employed Member (either fully or partially) from making contributions; and
 - (ii) attach conditions to that release.
- (c) In the case of a DB Plan, the Trustee must adjust the benefits payable in respect of an Employed Member:
- (i) who is released from making contributions unless:
 - (A) those contributions are deemed by agreement between the Employer and the Trustee to have been made to the Plan; and
 - (B) an Employer pays any additional contributions which the Actuary to the Plan advises are necessary as a result of the release from making contributions to ensure the stability of the Plan; or
 - (ii) who:
 - (A) is not released under sub-rule (b); and
 - (B) does not pay Member contributions as required or agreed.
- (d) Subject to Superannuation Law, an Individual Member may contribute such amount (if any) as that Member determines from time to time.

9.2A Contributions by Member's Spouse

A Member or the Member's Spouse may contribute to the Plan in respect of the Spouse's Member Account (if applicable), such amounts as are permitted under Superannuation Law.

9.2B Other Contributions

The Trustee may accept any other contribution paid by or in respect of a Member that is permissible under Superannuation Law unless provided otherwise in the Schedule for the Member's Plan.

9.3 Contributions other than Cash

The Trustee may accept contributions other than in cash including, for example, superannuation guarantee shortfall vouchers. These contributions will be valued in accordance with clause 11 of the Master Deed.

9.4 Contributions Paid by Mistake

The Trustee must repay contributions or Government co-contributions which:

- (a) it determines were paid by mistake, unless:
 - (i) Superannuation Law prevents that repayment; or
 - (ii) the person who mistakenly paid the amount and the Trustee agree otherwise; or
- (b) the Trustee should have refused to accept under clause 10 of the Master Deed.

9.5 Notice to Terminate, Reduce or Suspend Employer Contributions

- (a) An Employer may terminate, reduce or suspend its obligation (or agreement) to contribute in respect of some or all Members by giving notice to the Trustee. The termination, reduction or suspension takes effect:
 - (i) even if the Employer is then on a contribution holiday; and
 - (ii) from the date of receipt of the notice or any later date specified in the notice.
- (b) The Participant may give a notice in respect of any Employer in an Employer Plan which is binding on every person including the Employer in respect of whom it is given.

9.6 Effect of Notice

- (a) The Trustee may adjust contributions and benefits (in respect of the Members concerned), other than benefits which consist solely of Member Account Balances, to take account of:
 - (i) termination, reduction or suspension of an Employer's obligation (or agreement) to contribute; or
 - (ii) failure by an Employer to contribute as required or agreed.

- (b) In the case of a DB Plan, the adjustment must be determined:
 - (i) after obtaining the advice of the Actuary to the Plan; and
 - (ii) ignoring any surplus in the Plan (therefore if the Employer concerned is on a contribution holiday the adjustment must be the same as if that Employer was not on a contribution holiday).

9.7 Revocation of Notice

A person who gives a notice under rule 9.5 may revoke it. If a notice is revoked the Trustee may adjust benefits and contributions in respect of the Members concerned in a manner the Trustee considers equitable.

9.8 Payment of Contributions

Contributions will be paid at the times and in the manner determined by the Trustee, subject to any requirements of the Superannuation Law.

10. MEMBERS' ACCOUNTS

10.1 Accounts to be Maintained

The Trustee must establish and maintain a Member Account in respect of each Member unless otherwise provided in the Schedule.

10.2 Member Account

The following amounts must be credited to a Member Account:

- (a) any contributions made in respect of the Member by the Employer;
- (b) any contributions to the Account made by the Member;
- (c) any amounts contributed by the Spouse of the Member under rule 9.2A;
- (ca) any contribution accepted by the Trustee in respect of the Member under rule 9.2B;
- (d) any amounts credited to this Account under rule 11.2;
- (e) the portion of any amount transferred into the Plan which the Trustee determines is appropriate to credit to this Account; and
- (f) any other amount which:
 - (i) in respect of an Employer Plan Member, the Trustee and the relevant Participant; or

- (ii) in respect of an Employed SmartSuper Plan Member, Mercer Business Super Member, or an Individual Member, the Trustee;

agree(s) is appropriate to credit to this Account,

and the following amounts must be debited to a Member Account:

- (i) any amount debited to this Account under rule 12.3;
- (ii) any amount which the Trustee determines to debit to this Account because of a roll over, transfer or allotment to Another Fund;
- (iiA) any amount which is permitted by Superannuation Law to be debited to a Member Account and which the Member (in accordance with any form prescribed by the Trustee in that regard), requests the Trustee to debit to the Member's Member Account;
- (iii) the portion of any benefit paid from this Account under these Designated Rules; and
- (iv) any other amount which these Designated Rules require to be debited to this Account or the Trustee considers it appropriate and equitable to debit to this Account.

10.3 Selection of Portfolio

Subject to Superannuation Law, the Schedule for a Plan may designate one or more Portfolios:

- (a) by reference to which the Member Account is to be invested; or
- (b) which the Member may elect the Member Account to be invested in under rule 6A.

10.4 Variation of Portfolio

- (a) The Trustee and the relevant Participant may agree at any time in respect of an Employer Plan to vary the Portfolio or Portfolios designated under rule 10.3(a).
- (b) The Trustee may, at any time, vary the Portfolio or Portfolios designated under rule 10.3:
 - (i) as required by Superannuation Law; or
 - (ii) as the Trustee considers the circumstances require.

10.5 Issue of Units

Upon amounts being credited to a Member Account, Units referable to the relevant Portfolio must be created and issued as provided for in the relevant provisions of the Master Deed. Those Units will be held by the Trustee until they are redeemed or cancelled pursuant to rule 10.6.

10.6 Redemption of Units

Upon amounts being debited to a Member Account, Units referable to the relevant Portfolio and held by the Trustee in relation to that Account must be redeemed and cancelled as provided for in the relevant provisions of the Master Deed.

11. RESERVE AND OTHER ACCOUNTS

11.1 Maintenance and Operation

Subject always to Superannuation Law:

- (a) the Trustee may establish and maintain a Reserve Account for each Employer Plan, and may establish one or more other Accounts as it determines are necessary or desirable for the proper administration of the Division. The Trustee may make debits and credits to and from such accounts from any Member Account, Employer Plan, contribution or earnings or unallocated assets in the manner the Trustee determines to be appropriate and equitable, and in accordance with these Rules; and
- (b) without limiting the generality of the foregoing, if the Trustee has established a Reserve Account for an Employer Plan, the following amounts may be credited to the relevant Reserve Account if the Trustee determines to be appropriate and equitable to do so:
 - (i) in respect of a First Insertion Plan, any amount forfeited to the Plan under these Designated Rules (including an amount forfeited under rule 12.4); and
 - (ii) any amount debited to Member Accounts under rule 12.3; and
 - (iii) any income received from the investments of the Plan including interest, dividends, rents (unless previously accounted for); and
 - (iv) profits on realisation of assets (unless previously accounted for); and
 - (v) any bonus or rebate (but not commission) paid under any Group Life Insurance policy; and
 - (vi) any other amount which these Designated Rules require to be credited to that Account or the Trustee considers it appropriate and equitable to credit to that Account,

and the following amounts may be debited to the relevant Reserve Account:

- (vii) interest credited to Member Accounts (or benefits);
- (viii) Plan expenses;
- (ix) any loss incurred in the realisation of assets which has not previously been accounted for;
- (x) amounts applied under rule 11.2;
- (xi) insurance premiums (including Group Life Insurance);
- (xii) any amount credited to that Reserve Account under sub-rule (v) of this rule which is paid under these Designated Rules in respect of a Member; and
- (xiii) any other amount which these Designated Rules require to be debited to that Account or the Trustee considers it appropriate and equitable to debit to that Account.

11.2 Discretionary Application of Reserve

The Trustee and the relevant Participant may agree to apply an amount standing to the credit of a Reserve Account in any manner which is not inconsistent with Superannuation Law.

11.3 Selection of Portfolio

The Schedule for a Plan may designate one or more Portfolios by reference to which the Reserve Account is to be invested. Otherwise, a Portfolio must be selected by the Trustee for that purpose.

11.4 Variation of Portfolio

- (a) The Trustee and the relevant Participant may agree, at any time, to vary the Portfolio or Portfolios designated or selected under rule 11.3.
- (b) The Trustee may, at any time, vary the Portfolio or Portfolios designated or selected under rule 11.3:
 - (i) as required by Superannuation Law; or
 - (ii) as the Trustee considers the circumstances require.

11.5 Issue of Units

Upon amounts being credited to a Reserve Account, Units referable to the relevant Portfolio must be created and issued as provided for in the relevant provisions of the

Master Deed. Those Units will be held by the Trustee until they are redeemed or cancelled pursuant to rule 11.6.

11.6 Redemption of Units

Upon amounts being debited to a Reserve Account, Units referable to the relevant Portfolio and held by the Trustee in relation to that Account must be redeemed and cancelled as provided for in the relevant provisions of the Master Deed.

11.7 Trustee's Liability

Without limiting clause 21 of the Master Deed, but subject to Superannuation Law, the Trustee shall not be liable or responsible for, or in connection with, any cost, loss, expense or detriment suffered by any person as a result of the exercise, partial exercise or non-exercise of any power exercisable by the Trustee under this rule 11, including, without limitation, any detriment suffered as a result of the Trustee failing to act on any agreement with a Participant or any delay by the Trustee in doing so.

11A. [Deleted]

11B. [Deleted]

12. ACCOUNTS - GENERAL PROVISIONS

12.1 [Deleted]

12.2 Sub-Accounts

The Trustee may:

- (a) establish sub-accounts within any Account; and
- (b) maintain and operate any sub-account for any purpose and in any manner the Trustee considers appropriate.

12.3 Account Expenses

- (a) Subject to Superannuation Law and clause 3 of the Master Deed, each Member's share of the Account expenses and Group Life Insurance premiums or Individual Disability Income Insurance premiums (as relevant) must be:
 - (i) deducted from contributions or Government co-contributions before they are credited to the Member Account; or
 - (ii) debited to the Member Account; or
 - (iii) dealt with in any other manner determined by the Trustee; or
 - (iv) any combination of (i), (ii) or (iii),

whichever the Trustee determines, unless the Trustee and the relevant Participant agree otherwise in respect of an Employed Member.

- (b) Subject to Superannuation Law and clause 3 of the Master Deed, the Trustee may:
 - (i) debit or deduct a common amount or percentage per Member to meet Account expenses and Group Life Insurance premiums; and
 - (ii) debit or deduct special or higher amounts from a Member Account in respect of any period when that Account is maintained after the Member has left Employment.
- (c) The Trustee may make:
 - (i) any deduction or debit under this rule on an estimated basis; and
 - (ii) appropriate subsequent adjustments to take account of any difference between estimated and actual amounts.

12.4 Closing of Accounts

- (a) The Trustee must close a Member Account after all benefits which could become payable from the Plan in respect of the Member have been transferred or otherwise paid or applied. Any amount remaining in a Member Account at that time is forfeited to the Plan.
- (b) The Trustee may close a Member Account:
 - (i) if the Member Account Balance falls below or is likely to fall below zero or any other minimum balance which has been determined by the Trustee for the Account;
 - (ii) if certain terms and conditions determined by the Trustee have not been complied with by the Member; or
 - (iii) at the request of the Member,

provided that it is permitted by Superannuation Law and take any action in relation to any amount remaining in the Member Account as it determines.
- (c) Where a Member Account is closed in accordance with either rule 12.4(a) or 12.4(b), the Member will cease to be an Eligible Member for the purposes of any insurance cover maintained under the Plan by the Trustee.

12.5 [Deleted]

13. BENEFITS

13.1 Payment of Benefits

The Trustee must comply with Superannuation Law in relation to benefits, including:

- (a) the preservation of benefits;
- (aa) Required Payment Dates;
- (b) the transfer of unclaimed benefits; and
- (c) non-payment of any benefit during a 'period of technical insolvency' (as defined in Superannuation Law) without the approval of an Actuary or, in the case of a DB Plan, the Actuary to the Plan.

13.2 Early Release of Benefit

- (a) The Trustee may, subject to any conditions that the Trustee may consider appropriate, pay all or part of the amount to which a Member would have been entitled if that Member left Employment on the date of payment, even though the Member remains in Employment, if:
 - (i) Superannuation Law permits; and
 - (ii) payment does not have the effect of increasing an Employer's financial commitment to the Plan.
- (b) Any benefit payable must be adjusted to take account of any earlier payment under this rule.

13.2A Release of Benefit if permitted by Superannuation Law

Notwithstanding any other provisions of the Rules:

- (a) the Trustee:
 - (i) may, subject to any conditions that the Trustee may consider appropriate, pay from a Plan all or part of the amount to which a Member is entitled from the relevant Plan if permitted by Superannuation Law; and
 - (ii) must pay from a Plan all or part of the amount to which a Member is entitled from the relevant Plan if required by Superannuation Law; and
- (b) any benefits payable or which may become payable to or in respect of a Member from the relevant Plan must be adjusted (in consultation with the relevant Plan's Actuary if the Trustee considers such consultation appropriate) to take account of any payment made under this rule.

13.3 Interest Payments

The Trustee may add interest to a benefit payable in respect of the period between the date the benefit became payable and the date of payment of the benefit (but only to the extent that the benefit does not already include interest for the period).

13.4 Augmentation of Benefit

Subject to Superannuation Law, the Trustee:

- (a) may augment the benefit payable upon the death of a Member by an amount not exceeding the Tax Deduction; and
- (b) must augment a person's benefit entitlement as requested by the Participant:
 - (i) in the case of a DB Plan, except to the extent that an Employer does not pay any additional contributions which the Actuary to the Plan advises are necessary to ensure the stability of that Plan;
 - (ii) in the case of an Accumulation Plan, but not so as to exceed the Member Account Balance of a Member.

13.5 Special Arrangements

- (a) The Participant and either:
 - (i) a Member, other than an Individual Member; or
 - (ii) an Employee who has not yet become a Member of an Employer Plan;
or
 - (iii) a person who has not yet become a Member of an Employer Plan,may vary by agreement any or all of:
 - (A) the benefits otherwise payable as a result of that person's membership of an Employer Plan;
 - (B) the contributions otherwise payable as a result of that person's membership of an Employer Plan; and
 - (C) other terms and conditions of membership.
- (b) The Trustee must comply with any agreement made under sub-rule (a) except to the extent that an Employer does not pay any additional contributions which the Trustee determines are required or, in the case of a DB Plan, which the Actuary to the Employer Plan advises are necessary to ensure the stability of that Employer Plan.

13.6 Proof of Entitlement

The Trustee may delay payment of a benefit until any proof of entitlement it requires is supplied.

13.7 Amount and Form of Benefits

- (a) The Schedule for each Plan contains details of:
 - (i) the events upon the occurrence of which a benefit is payable;
 - (ii) the amount of, and method of calculating, the benefits under the Plan (but those amounts may not apply if, for example, there is a special arrangement in force or the benefit is reduced under rule 14); and
 - (iii) whether benefits are paid in pension form rather than as a lump sum.
- (b) Instead of taking a benefit in its usual form, a beneficiary may elect that all or part of that benefit be replaced with another benefit payable (either or both):
 - (i) in a different form; or
 - (ii) in different circumstances,unless the Participant or the Trustee determines otherwise, but:
 - (A) the beneficiary must make the election at the time and within the period determined by the Trustee; and
 - (B) the terms and conditions agreed between the Trustee and the Participant apply.
- (c) Any election under sub-rule (b) to which effect is given is final and binding on all persons, including any person with a contingent entitlement.
- (d) The Trustee may purchase a pension or annuity from a suitable institution, and every person will be bound by the Trustee's decision and the terms on which the pension or annuity is arranged.
- (e) Any pension or annuity the Trustee considers is a trivial amount may be paid in lump sum form.

13.7A Voluntary Insured Benefits

- (a) Subject to such conditions and procedures as the Trustee may determine from time to time the Schedule for a Plan may provide for or the Trustee may invite a Member to nominate a Voluntary Insured Amount which shall apply:
 - (i) on the death of the Member; or
 - (ii) on the death or Total and Permanent Disablement of the Member.

- (b) Members who nominate a Voluntary Insured Amount are able to change their Voluntary Insured Amount in accordance with such conditions and procedures as the Trustee may determine from time to time.
- (c) The Voluntary Insured Amount of a Member is paid as a lump sum upon that Member ceasing Employment due to:
 - (i) the death of that Member; or
 - (ii) if sub-rule (a)(ii) applies to the Member's Voluntary Insured Amount, the Total and Permanent Disablement of that Member,

in addition to any other non-insured benefit determined under rule 13.7 that is payable from the relevant Plan upon the occurrence of those events.
- (d) The nomination, variation and payment of a Voluntary Insured Amount is always subject to the provisions of rules 6.2 and 14.4.

13.8 Discretionary Payment of Death Benefits

- (a) Unless rule 13.8A applies, any benefit which:
 - (i) is payable on the death of a Member; or
 - (ii) became payable before the death of a Member but was unpaid on the death of the Member,

must be paid in accordance with whichever of sub-rule (b), (c) or (d) applies.
- (b) If a Binding Nomination Form of the Member is valid and in effect having regard to rule 13.8B then the benefit must be paid in accordance with the Binding Nomination Form.
- (c) If the benefit is not required to be paid under sub-rule (b) then it must be paid to:
 - (i) one or more of the Member's Dependents; or
 - (ii) the Member's legal personal representative,

whichever (or both) the Trustee determines, and in such proportions as the Trustee determines.
- (d) If:
 - (i) the benefit is not required to be paid under sub-rule (b); and

- (ii) a Dependant or legal personal representative of the Member has not been located under sub-rule (c),

then the benefit may be paid to any one or more natural persons the Trustee determines.

13.8A Non-discretionary Payment of Death Benefits in particular Employer Plans

- (a) The Schedule for an Employer Plan, other than a Third Insertion Plan, may provide that any benefit to which rule 13.8(a) would otherwise apply must, instead of being paid under rule 13.8, be paid in accordance with whichever of sub-rule (b), (c) or (d) applies.
- (b) If a Binding Nomination Form of the Member is valid and in effect having regard to rule 13.8B then the benefit must be paid in accordance with the Binding Nomination Form.
- (c) If the benefit is not required to be paid under sub-rule (b) then it must be paid to the Member's legal personal representative.
- (d) If:
 - (i) the benefit is not required to be paid under sub-rule (b); and
 - (ii) a legal personal representative of the Member has not been located under sub-rule (c),

then the benefit may be paid to any one or more natural persons the Trustee determines.

13.8B Binding Nominations

A Binding Nomination Form of a Member is:

- (a) invalid if:
 - (i) one or more of the nominees in the Binding Nomination Form was neither a Dependant nor legal personal representative of the Member at the time of the Member's death;
 - (ii) the proportion of the benefit to be paid to one or more of the nominees in the Binding Nomination Form is not certain or readily ascertainable from the notice;
 - (iii) the Binding Nomination Form is not in the form or in accordance with the guidelines determined by the Trustee from time to time;
 - (iv) the Member marries a person other than their Former Spouse;

- (v) one or more of the nominees in the Binding Nomination Form has died prior to the death of the Member;
 - (vi) the Member was legally incapable of making the Binding Nomination Form;
 - (vii) it is unlawful for the Trustee to pay the benefit to one or more of the nominees in the Binding Nomination Form; or
 - (viii) the Binding Nomination Form was not completed in accordance with Superannuation Law; and
- (b) not in effect:
- (i) if a period of three years (or a shorter period determined by the Trustee prior to the completion of the Binding Nomination Form) has elapsed from the day the Binding Nomination Form was signed or last confirmed or amended by the Member;
 - (ii) if the Binding Nomination Form was revoked by the Member by giving to the Trustee written notice in the form specified by the Trustee from time to time and completed in accordance with Superannuation Law and the Rules;
 - (iii) if and for so long as the Trustee is prevented from making a payment in respect of the Member due to the operation of the Family Law Act 1975 or an order made under that Act; or
 - (iv) if the Member was subject to a Court order at the date of the Member's death prohibiting the Member from completing a Binding Nomination Form or requiring the Member to revoke a Binding Nomination Form that is otherwise valid and in effect.

13.9 Beneficiary under Disability

- (a) If:
- (i) a beneficiary (including a Member) is under a legal disability (for example, if the beneficiary is a minor); or
 - (ii) the Trustee considers that the beneficiary is unable to manage his or her affairs; or
 - (iii) the Trustee considers that the beneficiary would be unable to deal with the benefit in a suitable way,

the Trustee may apply the whole or part of the benefit:

- (A) towards the maintenance or education of the beneficiary; or

- (B) directly for the benefit of the beneficiary; or
 - (C) to a guardian, trustee, spouse, parent or child of the beneficiary or some other person who the Trustee considers has the care and custody of the beneficiary for the time being.
- (b) Any payment or application under sub-rule (a) is a complete discharge to the Trustee for the amount paid or applied and no person has a right of action against the Trustee for that amount on any grounds.

13.10 Employment other than Full-time and Permanent

- (a) In the case of an Accumulation Plan, a Member whose Employment is not full-time and permanent must, if the Participant so determines, be included in a special classification of membership. Special benefits, contributions and other terms and conditions agreed between the Trustee and the Participant apply in respect of any Member included in that special classification.
- (b) In the case of a DB Plan, any benefits based on salary which apply to a Member whose Employment is not full-time and permanent must be:
- (i) calculated using the Salary the Employer advises the Trustee an equivalent full-time permanent employee would be likely to earn; but
 - (ii) reduced in the proportion that the number of part-time hours the Member usually works bears to the number of hours the Employer considers an equivalent full-time employee would work,

unless that Member or class of Member is catered for under rule 6.4 or rule 13.5 or specifically under a Schedule or any other rule of these Designated Rules.

13.11 Changes in Employment

- (a) The benefit entitlement of a Member whose Employment status changes, for example, from full-time, part-time, casual, temporary, contractor or permanent (or any combination) to full-time, part-time, casual, temporary, contractor or permanent (or any combination) must be based on the benefits applicable to the Member's new Employment status, but adjusted, as the Trustee considers appropriate, to take account of entitlements accrued before the change in Employment status, unless otherwise agreed between the Member, the Trustee and the Participant.
- (b) A change in the proportion of a full-time week worked to another proportion of a full-time week must be treated as a change in Employment status for the purpose of this rule.

13.12 Leave of Absence

A Member's period of absence from active Employment must not be included for the purpose of calculating benefits or calculating contributions payable to the relevant Employer Plan by or in respect of the Member unless:

- (a) as specified otherwise in the Schedule for the Employer Plan or as the Employer determines either generally or in any particular case; or
- (b) as agreed otherwise by the Member, the Employer and the Trustee.

13.13 Delayed Payment of Benefit

The Trustee:

- (a) must withhold any benefit payable to a Member whose Employment is casual until the earliest of the following dates:
 - (i) 3 months after the Member ceased Employment (or any longer period the Participant and the Trustee agree);
 - (ii) the Required Payment Date; and
 - (iii) the date the Trustee is satisfied that the Member will not be employed by an Employer within 3 months (or any longer period agreed under sub-rule (i)); and
- (b) may withhold any benefit payable to any other Member if the Trustee and Employer agree that the Member's cessation of Employment is temporary, and the period for which the benefit is withheld must be treated as leave of absence.

13.14 External transfer to a Plan

- (a) Subject to Superannuation Law, the Trustee may accept money or other assets from:
 - (i) another complying superannuation fund;
 - (ii) a Member;
 - (iii) a prospective Member; or
 - (iv) any other person,

in respect of a Plan, a Member or a prospective Member, (and with the consent of the Participant in respect of an Employer Plan) and in doing so may make whatever special arrangements it considers appropriate.

- (b) A prospective Member (in respect of whom money or other assets are accepted under sub-rule (a)) must become a Member in accordance with rule 6.
- (c) **[Deleted]**
- (d) The Participant and the Trustee must agree on the rights and obligations of Members affected by this rule 13.14 to the extent that they are not specifically set out in these Designated Rules.
- (e) The Schedule for a Plan may provide for an amount received under sub-rule (a) to be credited to the Reserve Account for the Plan.

13.15 Transfer from a Plan

- (a) If a Member, who remains in Employment, becomes or is eligible to become a member of Another Fund, the Trustee may transfer:
 - (i) all or part of the amount representing the benefit to which that Member would have been entitled on voluntary cessation of Employment on the day of the transfer; or
 - (ii) (on any conditions set by the Participant) any greater amount agreed between the Trustee and the Participant,
 to that other Fund,
 - (A) with the consent of the Participant in respect of a transfer from an Employer Plan; but
 - (B) without the consent of that Member if permitted under Superannuation Law.
- (b) The Trustee may transfer:
 - (i) all or part of the amount which the Trustee considers (in the case of a DB Plan with the advice of the Actuary to the Plan) represents the benefit to which a beneficiary is then entitled; or
 - (ii) (on any conditions set by the Participant) any greater amount agreed between the Participant and the Trustee,
 to Another Fund in respect of:
 - (A) a Member who has ceased to be in Employment; or
 - (B) any other beneficiary,
 without the Participant's consent, and without the consent of the beneficiary concerned if permitted under Superannuation Law.

- (bb) For clarity, in relation to any transfer from a Plan to Another Fund under this rule, the Trustee has power to specify either generally or specifically, a minimum transfer amount and impose such other conditions in relation to such transfers as it considers appropriate.
- (c) Where a transfer from a Plan occurs under rules 13.15(a) or 13.15(b), the Trustee may make whatever special arrangements it considers appropriate.
- (d) The amount to be transferred to another complying superannuation fund under this rule must be treated as a benefit payment for the purpose of clause 13 of the Master Deed.
- (e) This rule 13.15 is to be read subject to, and without limiting, paragraph (d) of clause 3 of the Master Deed which deals with particular transfer situations.

13.16 [Deleted]

13.17 Minimum Requisite Benefit

Despite anything to the contrary in these Designated Rules, the amount of benefit payable from a Plan on termination of Employment of any Member must not be less than the Minimum Requisite Benefit.

13.18 Disability Income Insurance Scheme Benefits - Employer Plans

- (a) If provided for in the Schedule for an Employer Plan, a Participant may elect that benefits will be provided (in the manner, amount and for the period set out in the Schedule) under a Disability Income Insurance Scheme:
 - (i) either within an Employer Plan or otherwise; and
 - (ii) for some or all of the Eligible Members of the Employer Plan.
- (b) Notwithstanding anything expressed or implied to the contrary in these Designated Rules, if an Employed Member who is an Eligible Member becomes disabled while in the employ of a relevant Employer in circumstances in which a disability income benefit (**'Income Benefit'**) is or could become payable under the Disability Income Insurance Scheme:
 - (i) regardless of whether the Member has ceased or continues to be in the employ of the Employer or is temporarily absent from the employee of the Employer for the purposes of the whole or any particular provision of these Designated Rules, the Participant may agree with the Trustee to:
 - (A) deem the Member to remain or have remained in the employ of the Employer as a Member during the whole or any part of the Disability Period (being the aggregate of the deferment or waiting period for benefits under the Disability Income

Insurance Scheme and the period during which the Member is entitled to the Income Benefit);

- (B) deem the Member's Salary to continue or have continued during the whole or any part of the Disability Period or to be or have been of such other amount or determined in such other manner as the Participant and the Trustee approve;
 - (C) waive the whole or any part of the contributions otherwise payable by the Member during the whole or any part of the Disability Period;
 - (D) deem the whole or any part of any contributions waived as provided in sub-rule (C) to have been paid by the Member; and
- (ii) if and for so long as the Member is so deemed by agreement of the Participant and the Trustee to remain in the employ of the Employer, no benefit shall become payable to or in respect of the Member under any other provision of these Designated Rules otherwise than as provided for in this rule.
- (c) If when the Member ceases to be in the employ of the Employer (or, in the case of a Member who is deemed to remain in the employ of the Employer after actually leaving such employment, when the Member ceases to be deemed to be so employed) the Member actually rejoins or ceases to be absent from the employ of the Employer, the Member's employment and membership of the Plan shall continue and these Designated Rules shall continue to apply to and in respect of the Member.
- (d) If when the Member ceased to be in the employ of the Employer (or, in the case of a Member who is deemed to remain in the employ of the Employer after actually leaving such employment, when the Member ceases to be deemed to be so employed) the Member does not actually rejoin or cease to be absent from the employ of the Employer, there shall be payable to or in respect of the Member from the Plan the benefit determined in accordance with the relevant other provisions of these Designated Rules on the date as at which the Member ceased to be (or ceased to be deemed to be) so employed.
- (e) If during the period when a Member is or is deemed to be in the employ of the Employer the Trustee determines that a payment under this sub-rule (e) is appropriate and that to make such a payment would not, in the opinion of the Trustee, cause the Plan to be in breach of or to fail to comply with the Relevant Requirements, the Trustee by agreement with the Participant may pay or apply from the Plan for or in respect of the Member an amount or amounts not exceeding in the aggregate:
- (i) the minimum lump sum benefit (if any) which would have been payable from the Plan if the Member had voluntarily left the employ of the Employer in good health and without the consent or the approval of the Employer on the date of such payment from the Plan; or

- (ii) such greater amount (if any) as the Participant and the Trustee may agree but not exceeding:
 - (A) in the case of a DB Plan, the amount determined by the Trustee (after obtaining the advice of the Actuary to the Plan) to be the Member's equitable share of the Plan;
 - (B) in the case of an Accumulation Plan, the Member Account Balance of the Member,

PROVIDED THAT, unless otherwise agreed between the Trustee and the Participant, any benefit which later becomes payable from the Plan in respect of the Member shall be adjusted in such manner and to such extent as the Trustee (in the case of a DB Plan, after obtaining the advice of the Actuary to the Plan) considers appropriate and equitable to take account of any payments made pursuant to this sub-rule (e).

- (f) Subject to Superannuation Law, if a Member is eligible to receive a Disability Income Insurance Scheme benefit from a Plan upon the Temporary Total Disablement of the Member and a Disability Income Insurance Scheme benefit is paid in respect of the Member, it will be paid to the Member.

14. REDUCTIONS IN BENEFITS

14.1 Taxation

- (a) The Trustee must comply with the law in force in relation to the deduction and payment of Tax.
- (b) The benefits set out in the Schedules are gross of Tax and the Trustee must:
 - (i) deduct any Tax which the law requires it to deduct; and
 - (ii) remit that Tax to the proper authority at the appropriate time.
- (ba) The Trustee may adjust any benefit payable or which may become payable to or in respect of a Member if a tax, surcharge or governmental impost is or may become payable from the Fund or the Division in respect of:
 - (i) the Member;
 - (ii) any payment or transfer of money to or from the Fund or the Division; or
 - (iii) anything to be done pursuant to these Designated Rules.

The Trustee may adjust a benefit under this sub-rule (ba) in any manner as it considers appropriate, including altering the basis of calculation of any benefit.

- (c) The Trustee may (but must if the Participant decides that the Employers will not meet any additional associated cost) adjust (either or both of):
 - (i) the amount of; and
 - (ii) conditions relating to,

any benefits, contributions or Government co-contributions as a result of changes in Tax or Tax arrangements.
- (d) Any adjustment under this rule will have immediate effect without the necessity of amending these Designated Rules.
- (e) The Trustee may make provision for Tax in the accounts of each Plan.

14.2 Deductions and Forfeiture

- (a) The Trustee must deduct:
 - (i) any amount which the Member owes to the Employer; and
 - (ii) any amount which the Employer advises the Trustee is necessary to compensate the Employer for loss as a result of the Member's fraud, dishonesty or other misconduct,

from any benefit payable in respect of a Member, except to the extent that Superannuation Law prevents such deduction.
- (b) Any amount deducted under sub-rule (a) must be:
 - (i) paid to the Employer concerned if Superannuation Law permits; or
 - (ii) held in the Employer's Plan in trust for the Employer, to be used as the Employer requests, for example, to offset the Employer's contributions to the Plan.
- (c) The Trustee may deduct:
 - (i) any amount which the Member owes to the Trustee or the Member's Plan; and
 - (ii) any amount which the Trustee thinks is necessary to compensate the Member's Plan for loss as a result of the Member's fraud, dishonesty or other misconduct,

from any benefit payable in respect of a Member, except to the extent that Superannuation Law prevents such deduction.

- (d) Any amount deducted under sub-rule (c) must be retained in the Plan to be used as the Trustee considers appropriate.

14.3 Assignment of Benefit

- (a) A beneficiary must not assign or charge any benefit under a Plan.
- (b) Any benefit which a beneficiary assigns or charges is automatically forfeited, except to the extent that Superannuation Law prevents such forfeiture.
- (c) A beneficiary is not taken to have assigned or charged a benefit by becoming bankrupt.
- (d) The Trustee may apply any benefit (or portion of a benefit) which is forfeited under sub-rule (b) for:
 - (i) the benefit of the beneficiary concerned or (if permitted by Superannuation Law) the Dependants of that beneficiary; or
 - (ii) the general purposes of the relevant Plan.

14.4 Insurance Offset

- (a) If:
 - (i) the Trustee has not determined to self-insure the risk; and
 - (ii) (A) insurance is not obtained in respect of some or all Members on the insurer's standard terms; or
 - (B) the level or scope of insurance obtained is restricted in respect of any, some or all Members; or
 - (C) the insurer does not admit or pay all or part of a claim in respect of a Member; or
 - (D) the Member is not an Eligible Member on the date of death or disablement (as applicable) for any reason,

the Trustee must reduce any benefit which:

- (I) is otherwise payable on the death or disablement (or both death and disablement) of the Member concerned; and
- (II) in the case of an Accumulation Plan, is not calculated on the basis of the Member Account Balance of the Member or proceeds of insurance,

unless, in respect of an Employer Plan Member, the Trustee and the Participant agree otherwise.

- (b) If:
 - (i) the Trustee has determined to self-insure the risk; but
 - (ii) the Trustee considers that:
 - (A) insurance would not be obtained from an insurer in respect of some or all Members on standard terms; or
 - (B) the level or scope of insurance would have been restricted in respect of some or all Members; or
 - (C) an insurer would not admit or pay all or part of a claim in respect of a Member,

the Trustee must reduce any benefit which:

- (I) is otherwise payable on the death or disablement (or both death and disablement) of the Member concerned; and
- (II) in the case of an Accumulation Plan, is not calculated on the basis of the Member Account Balance of the Member,

unless in respect of an Employer Plan Member, the Trustee and the Participant agree otherwise.

- (c) The Trustee must obtain the advice of an Actuary (or, in the case of a DB Plan, the Actuary to the Plan) as to how benefits are to be reduced under sub-rule (a) or (b).

14.5 Other Scheme Offset

If:

- (a) an Employed Member is entitled to benefit from another fund; and
- (b) part of the costs of providing that entitlement is met by the Employer,

then the contributions and/or benefits payable in respect of the Member under these Designated Rules must, unless the Employer agrees otherwise, be reduced by the Trustee in such manner that it considers will continue to provide equivalent benefit entitlements to that Member.

14.5A Member Fund Choice

Notwithstanding anything to the contrary in these Rules but subject to Superannuation Law, if the Trustee is notified by an Employer that an Employee who is an Employed Member has exercised Fund Choice, then the Trustee may take each of the actions referred to in rule 14.5B in relation to the Member unless:

- (a) the Schedule for a Plan expressly provides; or
- (b) the Trustee and the Employer agree,

that a particular action referred to in rule 14.5B may not be taken by the Trustee in relation to that Member or a class of Members of which the Member forms part.

14.5B Permitted Trustee Actions

The actions which the Trustee may take under rule 14.5A are as follows:

- (a) deem the Employer to have terminated or reduced its contributions to the Plan in respect of the Member (excluding any arrears of contributions or additional contributions which the Trustee may require to be paid to the Plan having regard to the Plan's funding position) under rule 9.5 on and from the Fund Choice Date;
- (b) deem the Participant to have released the Member from making contributions to the Plan under rule 9.2(b) on and from the Fund Choice Date;
- (c) deem the Member to have become entitled to a benefit on the Fund Choice Date equal, subject to Superannuation Law, to the benefit which that Member would have been entitled to on voluntary cessation of Employment on the Fund Choice Date;
- (d) cease to accrue any non-insured benefits in respect of the Member on and after the Fund Choice Date;
- (e) terminate the Member's death and disability insurance cover on and from the Fund Choice Date;
- (f) subject to rules 6.2 and 14.4, continue to provide death and disablement insurance cover to the Member on such basis and for such period on and after the Fund Choice Date as the Trustee may determine;
- (g) deem the Participant to have consented to the transfer of the Member's benefit entitlement out of the Plan to Another Fund at any time on or after the Fund Choice Date in accordance with rule 13.15(a);
- (h) transfer the Member's benefit entitlement out of the Plan to Another Fund as provided for by rule 14.5B(g).

14.5C Non-acceptance of contributions

Notwithstanding anything to the contrary in the Rules but subject to Superannuation Law, if any contributions required to be made by a Member in accordance with a Schedule to a Plan are contributions which the Fund or the Trustee are not permitted by Superannuation Law to accept the Trustee may (in consultation with the relevant Plan's Actuary) adjust the relevant Member's benefits to take account of the non-acceptance of those contributions.

14.6 Corporations Act Restriction

The Trustee may refuse to pay any benefit to the extent that the payment would contravene any provision of the Corporations Act 2001.

14.7 Spouse Contribution Splitting

- (a) A Member may apply to the Trustee in accordance with Superannuation Law to roll over, transfer or allot an amount to Another Fund for the benefit of the Spouse of the Member that is equal to an amount of the Member's Splittable Contributions made by or on behalf of the Member in respect of the preceding financial year or, where Superannuation Law permits, the current financial year.
- (b) A Splitting Application must be made in accordance with:
 - (i) Superannuation Law; and
 - (ii) such conditions, forms and procedures as the Trustee may determine from time to time.
- (c) The Trustee:
 - (i) is not required to accept a Splitting Application;
 - (ii) may accept a Splitting Application if to do so does not contravene Superannuation Law.
- (d) The Trustee may roll over, transfer or allot an amount to Another Fund to give effect to a Splitting Application which it has accepted under sub-rule (c).
- (e) The amount to be rolled over, transferred or allotted to Another Fund under sub-rule (d) must be treated as a benefit payment for the purpose of clause 13 of the Master Deed.

15. AMENDMENTS

15.1 Power to Amend

- (a) The Trustee may amend these Designated Rules (including this rule but excluding the Schedules) by deed or resolution to the extent that it is permitted under Superannuation Law and:
 - (i) a Member's accrued benefits are not reduced; or
 - (ii) the Member consents to the reduction in accrued benefits.

- (aa) The Trustee may amend the Schedule for the SmartSuper Plan and the Mercer Business Super Plan by deed or resolution to the extent that it is permitted under Superannuation Law and:
 - (i) a Member's accrued benefits are not reduced; or
 - (ii) the Member consents to the reduction in accrued benefits.
- (b) The Trustee and a Participant may amend a relevant Schedule (except to the extent that it relates to the operation of rule 13.8A) by agreement to the extent that it is permitted under Superannuation Law and:
 - (i) in the case of an Accumulation Plan, a Member's accrued benefits are not reduced;
 - (ii) in the case of a DB Plan, the Actuary to the Plan determines that a Member's accrued benefits are not reduced; or
 - (iii) in either case, the Member consents to the reduction in accrued benefits.
- (c) A Participant may not unilaterally amend a Schedule.

15.2 Retrospective Effect

Any amendment under rule 15.1 takes effect:

- (a) on any effective date specified in the agreement, deed or resolution of amendment; or
- (b) if no effective date is specified, on the date the deed of amendment is executed or the resolution or agreement is made.

16. TERMINATION OF PLANS

16.1 Trustee's Discretion

The Trustee may terminate:

- (a) the SmartSuper Plan or the Mercer Business Super Plan after giving reasonable notice to the Employers and the Members participating in that Plan; or
- (b) an Employer Plan after giving reasonable notice to the Participant for that Employer Plan.

16.2 Other Circumstances

The Trustee must terminate an Employer Plan if:

- (a) directed by the Participant to do so; or
- (b) all Employers have ceased to participate in the Plan under rule 3.3 and sub-rule (d) also applies;
- (c) all Employers (who are not on a contribution holiday) have ceased to contribute to the Plan; or
- (d) the Participant has ceased to participate in the Plan and no Employer is willing to act as Participant.

16.3 Termination Date

The Termination Date is:

- (a) the date the Trustee receives the Participant's direction under sub-rule 16.2(a) or any later date specified by the Participant; or
- (b) the date determined by the Trustee where the Plan is terminating under rule 16.1 or under sub-rules 16.2(b), (c), or (d).

16.4 Arrears of Contributions

Each Employer and each Member must immediately pay any arrears of contributions up to the Termination Date.

16.5 Application of Assets

On termination, the Trustee must redeem all of the Units attributable to that Plan and apply the Plan's assets in the following order of priority:

- (a) all costs, expenses and liabilities which have been incurred or are likely to be incurred in respect of the Plan (including the termination of the Plan);
- (b) pensions being provided from the Plan which commenced payment before the Termination Date and any Minimum Requisite Benefits;
- (c) paying to or in respect of the Members:
 - (i) in the case of an Accumulation Plan, the Member Account Balance of the Member (less the amount mentioned in sub-rule (b)); and
 - (ii) in the case of a DB Plan, the amount which the Actuary to the Plan determines has accrued in respect of the Members under the Plan during the period up to the Termination Date (less the amount mentioned in sub-rule (b)),
 - (iii) **[Deleted]**

but if the assets are not sufficient, the amount to be applied in respect of all Members under this rule must be proportionately reduced;

- (d) any balance in an Employer Plan must, subject to rule 16.5A be paid to the Employers in the proportion determined by:
 - (i) the Participant; or
 - (ii) the Trustee if the Participant cannot be located,unless:
 - (A) the Participant requests the Trustee to use all or part of the balance in increasing Members' entitlements and/or pensions then in payment from the Plan and the Trustee agrees; or
 - (B) the Trustee cannot locate any Employer, then the balance of the assets must be applied in increasing Members' entitlements and pensions then in payment from the Plan on a proportionate basis; or
 - (C) the Trustee cannot locate any Employer and either cannot locate any Member or no Members have any entitlements in the Plan, the balance of the assets must be applied to one or more reserve accounts or special accounts of the Fund, as determined by the Trustee.

16.5A Alternative Application of Assets

The Schedule may provide that this rule applies to the relevant Employer Plan in which case any balance of the assets under sub-rule 16.5(d) must be distributed amongst the Members entitled to payments under sub-rule 16.5(b) and 16.5(c) in such proportions as the Trustee shall, in its discretion, determine rather than in accordance with sub-rule 16.5(d).

16.6 Securing of Entitlements

- (a) The Trustee may make any arrangements it considers appropriate in securing any entitlements of a Member or beneficiary on the termination of a Plan, including:
 - (i) the purchase of an annuity; or
 - (ii) the transfer of assets representing the entitlement to Another Fund or another Section, Plan or Division of the Fund; or
 - (iii) payment to the Member or beneficiary,or any combination of the above, without the Member's or the beneficiary's consent and even if the arrangement is contrary to the beneficiary's wishes.
- (b) **[Deleted]**

- (c) [Deleted]
- (d) [Deleted]

16A. DISCHARGE TO THE TRUSTEE ON TRANSFER

- (a) On completion of any purchase of annuity, transfer to Another Fund or payment to the Member or beneficiary under rule 16.6:
 - (i) no person (including any contingent beneficiary) has any right against the Trustee or an Employer; and
 - (ii) the Trustee is discharged from its obligations,

in respect of the former arrangement.
- (b) No person (including any contingent beneficiary) has any right against the Trustee or an Employer in respect of any money or assets transferred to another complying superannuation fund (unless the Participant (if relevant) and the Trustee agree otherwise).
- (c) The Trustee has no responsibility to enquire about the application of any money or assets transferred to another complying superannuation fund.

17. MST 2.0 PROVISION

- (a) In respect of Members in:
 - (i) the SmartSuper Plan; and
 - (ii) each Employer Plan which is specified in the Appendix 2 to these Designated Rules,

and notwithstanding anything to the contrary in any Schedule, the level of insurance cover for death and Total and Permanent Disablement benefits which is provided to the MySuper Members in those Plans will also be provided to the Members in those Plans who are not MySuper Members, but those Members may elect to opt out of either:
 - (iii) the cover for Total and Permanent Disablement benefits only; or
 - (iv) the cover for death and Total and Permanent Disablement benefits.
- (b) This rule 17 is subject to any terms and conditions that may be applied in respect of MySuper Members and the operation of rules 6.3 and 14.4 of these Designated Rules.

APPENDIX 1

SCHEDULE FOR THE MERCER SMARTSUPER PLAN AND THE MERCER BUSINESS SUPER PLAN

S1. Definitions

In this Appendix 1:

“BT Transfer Date” means 12.01 am on 1 April 2023 or such other date as determined by the Trustee.

“Insured Benefit” means in relation to an Eligible Member, subject to clause S7, the amount of any insurance effected by the Trustee in respect of the Member and paid to the Trustee by the insurer in the event of the death or Total and Permanent Disablement (as applicable) of the Member.

“Member” means an Employed SmartSuper Plan Member and the Mercer Business Super Member or an Individual Member.

“Non-Lapsing Nomination Form” means a non-lapsing nomination notice which is deemed by clause S5A.5(b) to be a Non-Lapsing Nomination Form.

“Retirement Wrap” means Retirement Wrap (ABN 39 827 542 991).

S2. General Matters

S2.1 The "Review Date" for the SmartSuper Plan and the Mercer Business Super Plan is 1 July in each year.

S2.2 The "Commencement Date" for:

(a) the Plan known as “the SmartSuper Plan” is 1 March 2000;

(b) the Mercer Business Super Plan is 1 April 2023.

S2.3 Members who have rolled-over 'unrestricted non-preserved' benefits to the SmartSuper Plan and the Mercer Business Super Plan are able to withdraw those amounts without first ceasing to be employed.

S2.4 The Trustee has a discretion concerning the payment of death benefits. Accordingly, rule 13.8 of the Designated Rules applies to the SmartSuper Plan and the Mercer Business Super Plan.

S2.5 **[Deleted]**

S2.6 Rule 16.5A of the Designated Rules applies to the SmartSuper Plan and the Mercer Business Super Plan.

S3. Member Contributions

S3.1 **[Deleted]**

S3.2 Members may make voluntary contributions at any time.

S3.3 Contributions by Members may be made from:

- (a) pre-tax salary with the consent of the Employer; or
- (b) after-tax salary.

S4. Employer Contributions

S4.1 The Employer must contribute in respect of each Employed SmartSuper Plan Member and the Mercer Business Super Member such amount as the Employer may determine from time to time.

S4.2 The Employer will not reimburse the SmartSuper Plan and the Mercer Business Super Plan for any of the fees and expenses that will be deducted by the Trustee in respect of Members, unless otherwise agreed with the Trustee either generally or in a particular case and in accordance with Superannuation Law.

S4.3 Subject to the other provisions of these Designated Rules, a Member's Employer may contribute such additional amounts as may be agreed from time to time between the Trustee, the Employer and the Member.

S4.4 If the Employer is a company, its contributions may be paid on its behalf by another company in any group of companies to which it belongs.

S5. Benefits

S5.1 Upon the death or Total and Permanent Disablement of an Eligible Member a lump sum benefit is payable equal to the sum of:

- (a) the Member Account Balance; and
- (b) the Insured Benefit, if any.

S5.2 The Trustee may, subject to Superannuation Law, pay a lump sum benefit equal to the Member Account Balance.

S5.3 An Employed SmartSuper Plan Member and the Mercer Business Super Member who is an Eligible Member is eligible to receive a Disability Income Insurance Scheme benefit from the SmartSuper Plan and the Mercer Business Super Plan upon the Temporary Total Disablement of the Member if the Employer of that Member and the Trustee have:

- (a) previously agreed that all the Eligible Members of that Employer will be eligible for such a benefit; and
- (b) not subsequently agreed that the Eligible Members of that Employer will not be eligible for such a benefit.

S5.4 Subject to Superannuation Law, if an Individual Member is eligible to receive an Individual Disability Income Insurance benefit upon the Temporary Total Disablement of the Individual Member and an Individual Disability Income Insurance benefit is paid in respect of the Individual Member, it will be paid to the Individual Member. For the avoidance of doubt an Individual Member is not eligible to receive a Disability Income Insurance Scheme benefit from the SmartSuper Plan and the Mercer Business Super Plan.

S5A Payment of Death Benefits from the SmartSuper Plan and the Mercer Business Super Plan

S5A.1 This clause S5A applies to Members of the SmartSuper Plan and the Mercer Business Super Plan in place of rule 13.8.

S5A.2 Any benefit which:

- (a) is payable on the death of a Member; or
- (b) became payable before the death of a Member but was unpaid on the death of the Member,

must be paid in accordance with whichever of clauses S5A.3, SA.4, S5A.6 or S5A.7 applies.

S5A.3 If a Binding Nomination Form of the Member is valid and in effect having regard to rule 13.8B then the benefit must be paid in accordance with the Binding Nomination Form.

S5A.4. If a Non-Lapsing Nomination Form of the Member is valid and in effect having regard to clause S5A.8(b) then the benefit must be paid in accordance with the Non- Lapsing Nomination Form.

S5A.5 On the BT Transfer Date, each:

- (a) binding nomination notice:
 - (i) given by a Member;
 - (ii) provided to the Trustee by BT Funds Management Limited, as trustee of Retirement Wrap;
 - (iii) that is in force and current immediately before the BT Transfer Date,

is deemed to be a Binding Nomination Form for the purposes of these Designated Rules; and

- (b) non-lapsing nomination notice:
 - (i) given by a Member;
 - (ii) provided to the Trustee by BT Funds Management Limited, as trustee of Retirement Wrap;

(iii) that is in force and current immediately before the BT Transfer Date;
and

(iv) which is consented to by the Trustee,

is deemed to be a Non-Lapsing Nomination Form for the purposes of this clause S5A.

S5A.6 If the benefit is not required to be paid under clauses S5A.3 or S5A.4 then it must be paid to:

(a) one or more of the Member's Dependants; or

(b) the Member's legal personal representative,

whichever (or both) the Trustee determines, and in such proportions as the Trustee determines.

S5A.7 If:

(a) the benefit is not required to be paid under clauses S5A.3 or S5A.4; and

(b) a Dependant or legal personal representative of the Member has not been located under clause S5A.6,

then the benefit may be paid to any one or more natural persons the Trustee determines.

S5A.8 Only in relation to Members who transferred to the Fund from Retirement Wrap:

(a) the Trustee may consent to non-lapsing nomination notices provided to it by BT Funds Management Limited, as trustee of Retirement Wrap, in respect of Members who transferred from Retirement Wrap as if the notices had been given to the Trustee by those Members; and

(b) a Non-Lapsing Nomination Form of a Member is invalid if:

(i) one or more of the nominees in the Non-Lapsing Nomination Form was neither a Dependant nor a legal personal representative of the Member;

(ii) if there is no Dependant or legal personal representative of the Member nominated in the Non-Lapsing Nomination Form, one or more of the nominees is not a natural person to whom the death benefit of the Member may be paid under Superannuation Law; or

(iii) the Non-Lapsing Nomination Form was not completed in accordance with any such other or such varied conditions determined by the Trustee from time to time.”

S6. Investment Options

S6.1 Member investment choice is offered to each Member in relation to his or her Member Account Balance on the basis set out in clause S6.2 and subject to rule 6A of the Designated Rules.

S6.2 Member investment choice under clause S6.1 is subject to the following terms and conditions:

- (a) the following Portfolios are available for investment:
 - (i) Ready-Made Options; and
 - (ii) Select-your-Own Options;
- (b) the Trustee may make additional Portfolios available for investment from time to time;
- (c) the default strategy will initially be the Mercer MySuper Investment Portfolio; and
- (d) subject to any procedures determined by the Trustee, Members will be able to change their investment strategy at any time.

S6.3 **[Deleted]**

S7. Insurance

S7.1 The amount of an Insured Benefit in respect of an Employed SmartSuper Plan Member and the Mercer Business Super Member will be such amount:

- (a) as has been agreed between the Employer and the Trustee to apply to the Member; or
- (b) as may be elected from time to time by the Member from options agreed between the Employer and the Trustee to be offered to the Member or, if the Member does not elect an amount, then of such amount as has been agreed between the Employer and the Trustee, if any.

S7.2 The amount of Individual Disability Income Insurance cover in respect of an Individual Member of the SmartSuper Plan and the Mercer Business Super Plan will be such amount as may be applied for from time to time by the Individual Member and agreed to by the Trustee and the insurer of the Individual Disability Income Insurance.

S8. Opening balance on transfer

S8.1 Where a Member transfers to the SmartSuper Plan and the Mercer Business Super Plan from an Employer Plan, on joining the SmartSuper Plan and the Mercer Business Super Plan, that part of the assets of the Employer Plan which the Trustee determines to be allocated in respect of the Member will form the opening balance of the Member's Member Account within the SmartSuper Plan and the Mercer Business Super Plan.

S9. Termination of Individual Member's Member Accounts in the SmartSuper Plan and the Mercer Business Super Plan

S9.1 On termination of the Member Account of an Individual Member pursuant to rule 12.4, the Trustee must apply the assets of the relevant Individual Member's Member Account (if any) in the following order of priority:

- (a) all costs, expense and liabilities which have been incurred or are likely to be incurred in respect of the Member Account (including the termination of the Member Account); and
- (b) the balance of the Member Account.

S9.2 The Trustee may in its discretion make any arrangements it considers appropriate in securing any entitlements of a beneficiary on the termination of an Individual Member's Member Account, including:

- (a) the purchase of an annuity; or
 - (b) the transfer of assets representing the entitlement to Another Fund; or
 - (c) payment to the relevant Member,
- or any combination of the above.