

# Mercer MyChoice

## Product Guide

20 June 2025



The information in this document forms part of the Product Disclosure Statement for Mercer MyChoice, a plan in the Retail Division of the Mercer Super Trust, dated 20 June 2025.

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MSAL is the trustee of the Mercer Super Trust ABN 19 905 422 981. In this Guide, MSAL is referred to as 'trustee', 'we', 'our' or 'us'.

The trustee has appointed the following providers which are named in this Guide and have consented to being so named:

- Mercer Outsourcing (Australia) Pty Ltd (MOAPL) ABN 83 068 908 912 AFSL #411980 to provide administration services.
- Mercer Investments (Australia) Limited (MIAL) ABN 66 008 612 397 AFSL #244385 as an implemented consultant to provide investment strategy advice, portfolio management and implementation services including investment manager selection and monitoring. MIAL is also the responsible entity for a number of underlying investment funds (the Mercer Funds).
- Mercer Financial Advice (Australia) Pty Ltd (MFAAPL) ABN 76 153 168 293 AFSL #411766 to provide financial advice services. Mercer Financial Advisers are authorised representatives of MFAAPL.
- Mercer Consulting (Australia) Pty Ltd (MCAPL) ABN 55 153 168 140 AFSL #411770 to provide actuarial and advisory services.
- TAL Life Limited (TAL) ABN 70 050 109 450 AFSL 237848 is the insurer of the group insurance policy.

MSAL, MOAPL, MIAL, , MFAAPL and MCAPL are wholly owned subsidiaries of Mercer (Australia) Pty Ltd (MAPL) ABN 32 005 315 917, which is part of the Mercer global group of companies (Mercer).

MSAL is responsible for the contents of this Guide and is the issuer of this Guide. MOAPL, MIAL, MFAAPL, MCAPL, MAPL or TAL are not responsible for the issue of, or any statements in this Guide. They do not make any recommendation or provide any opinion regarding Mercer MyChoice or an investment in it.

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# About this Guide

This *Product Guide* (Guide) provides important information about Mercer MyChoice in the Retail Division of the Mercer Super Trust (MST) and forms part of the Mercer MyChoice Product Disclosure Statement (PDS).

You should consider the information in this Guide, the PDS and any other important information booklets referred to in this Guide and the PDS before making a decision about your super. You can get a copy of the PDS and the booklets that are part of the PDS at [mercersuper.com.au/pds](https://mercersuper.com.au/pds) or by calling the Helpline.

It is important that you understand the information in this Guide. Ask us or a person you trust, such as your adviser, for help if you have difficulty understanding any information about your super or the options available to you.

If you are having difficulty due to a disability, understanding English or for any other reason, we have accessibility support. Please contact our Helpline.

References to 'your Plan' throughout the PDS and this Guide mean Mercer MyChoice in the Retail Division of the Mercer Super Trust.

## Other important information

Go to [mercersuper.com.au/pds](https://mercersuper.com.au/pds) for our *Fact Sheets* which provide more information including but not limited to contributions, accessing your super, beneficiaries and how super is taxed.



### Updated information

The information in this Guide, the PDS and the other information booklets that are part of the PDS are current as at the date of publication. Information in this Guide may change from time to time and if it is not materially adverse, will be made available online at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

A paper copy of any updated information will be given or an electronic copy made available on request at no charge by calling the Helpline.

We will advise you directly of any material changes as required by law.



### Keep your contact details up to date

We can only send you information if we have your current contact details. You can update your details at [mercersuper.com.au](https://mercersuper.com.au) (sign in using your personal login) or call the Helpline.

If the law permits, we may send member communications to you electronically (including member statements and significant event notices) by:

- email, and/or
- SMS, and/or
- a link to a website so you can download them.

We can also post documents to you. When you receive your personal login details, simply update your communication preferences online under 'Personal Details' or call the Helpline.

This Guide contains general information only and does not take into account your individual objectives, personal financial situation or needs. Before acting on this information, you should consider whether it is appropriate to your individual objectives, personal financial situation and needs. You should consider obtaining financial advice tailored to your personal circumstances. The product's Target Market Determination setting out the class of people for whom the product may be suitable can be found at [mercersuper.com.au/TMD](https://mercersuper.com.au/TMD).

# Fees and other costs

## DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

## TO FIND OUT MORE

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

*The above text is prescribed by law. Fees and costs for Mercer MyChoice are not subject to negotiation and are as outlined in this section of this Guide.*

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the superannuation entity as a whole.

Other fees, such as activity fees, advice fees for personal advice and insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance chosen by you. Entry fees and exit fees cannot be charged.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

## Fees and costs summary

Mercer MyChoice		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<b>Administration fees and costs</b>	<ul style="list-style-type: none"> <li>\$35 p.a. dollar-based administration fee.</li> </ul>	Generally deducted on the last day of the month from your super account balance (calculated pro rata of the annual fee for the number of days in the month) and is deducted in accordance with your investment strategy for future contributions.
	<ul style="list-style-type: none"> <li>Plus 0.12% p.a. asset-based administration fee, applied on the first \$500,000 of your super account balance and 0.00% for your super account balance over \$500,000.</li> </ul>	Generally calculated and deducted daily when unit prices are determined, reducing investment returns of the investment option.
	<ul style="list-style-type: none"> <li>Plus 0.05% p.a. of your super account balance as an estimated expense allowance.</li> </ul>	If the asset-based administration fee deducted from the unit price is greater than the applicable fee for your Plan, we will credit the difference on the last day of the month (or when you leave your Plan) to your super account balance by issuing additional units.
	<ul style="list-style-type: none"> <li>Plus an estimated 0.002% p.a. of Mercer Super Trust assets as other administration costs.</li> </ul>	Deducted from the member reserve. This cost is not charged directly to your super account but will reduce the member reserve balance held by the Mercer Super Trust.
<b>Investment fees and costs<sup>2,3</sup></b>	<ul style="list-style-type: none"> <li>Estimated to be between 0.12% to 0.71% p.a. of your super account balance depending on the investment option you choose.</li> </ul> <p>See the 'Breakdown of certain fees and costs table' in this Guide for the specific investment fees and costs for each investment option.</p>	Generally calculated and deducted daily when unit prices are determined, reducing investment returns of the investment option.
	<ul style="list-style-type: none"> <li>Plus an estimated 0.000% p.a. of Mercer Super Trust assets as other investment costs.</li> </ul>	Deducted from the member reserve. This cost is not charged directly to your super account but will reduce the member reserve balance held by the Mercer Super Trust.
<b>Transaction costs<sup>3</sup></b>	<ul style="list-style-type: none"> <li>Estimated to be between 0.00% to 0.09% p.a. of your super account balance depending on the investment option you choose.</li> </ul> <p>See the 'Breakdown of certain fees and costs table' in this Guide for the specific investment fees and costs for each investment option.</p>	Generally calculated and deducted daily when unit prices are determined, reducing investment returns of the investment option.
<b>Member activity related fees and costs</b>		
<b>Buy-sell spread</b>	Nil.	Not applicable.
<b>Switching fee</b>	Nil.	Not applicable.
<b>Other fees and costs<sup>4</sup></b>	We may apply other fees and costs which include family law fees, advice fees (for personal advice which may be negotiable) and insurance fees.	

- 1 If your account balance for a product offered by the superannuation entity is less than \$6,000 at the end of the entity's income year, certain fees and costs charged to you in relation to administration and investment are capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.
- 2 Investment fees and costs includes an amount of between 0.00% and 0.08% for performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs' in this section of this Guide.
- 3 Estimated amounts are generally based on the financial year ending 30 June 2024. The actual amount will change from year to year and may be more or less than the amounts shown. For details of the calculation basis for these amounts, see 'Additional explanation of fees and costs' in this section of the Guide.
- 4 See 'Additional explanation of fees and costs' in this section of the Guide for further details.

## Example of annual fees and costs for a superannuation product

This table gives an example of how the ongoing annual fees and costs for the Mercer Growth investment option for this superannuation product can affect your superannuation investment over a 1-year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – Mercer Growth		BALANCE OF \$50,000
Administration fees and costs	0.172% + \$35	For every \$50,000 you have in the superannuation product you will be charged or have deducted from your investment <b>\$86</b> in administration fees and costs, plus <b>\$35</b> regardless of your balance.
<b>PLUS</b> Investment fees and costs	0.69%	<b>And</b> , you will be charged or have deducted from your investment <b>\$345</b> in investment fees and costs.
<b>PLUS</b> Transaction costs	0.08%	<b>And</b> , you will be charged or have deducted from your investment <b>\$40</b> each year in transaction costs.
<b>EQUALS</b> Cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of <b>\$506</b> for the superannuation product.

Note: \* Additional fees may apply.

## Cost of product for 1 year

The cost of product gives a summary calculation about how ongoing annual fees and costs can affect your superannuation investment over a 1-year period for all superannuation products and investment options. It is calculated in the manner shown in the *Example of annual fees and costs*.

The cost of product information assumes a balance of \$50,000 at the beginning of the year. (Additional fees such as a buy-sell spread may apply: refer to the 'Fees and costs summary' for the relevant superannuation product or investment option.)

You should use this figure to help compare superannuation products and investment options.

Investment option	Cost of product
<b>Ready-made options</b>	
Mercer High Growth	\$521
Mercer Growth	\$506
Mercer Moderate Growth	\$466
<b>Select-your-own options</b>	
Mercer Cash	\$181
Mercer Passive Australian Shares	\$231
Mercer Passive International Shares	\$236

## Additional explanation of fees and costs



Information about fees and costs may change from time to time and if it is not materially adverse, will be made available online at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

A paper copy of any updated information will be given or an electronic copy made available on request at no charge by calling the Helpline. We will advise you directly of any material changes as required by law.

Past fees and costs may not be a reliable indicator of future fees and costs.

## Administration fees and costs

Administration fees and costs relate to the administration and operation of the Mercer Super Trust (see 'Defined fees' in this section of this Guide) and include:

- A dollar-based administration fee
- An asset-based administration fee
- An estimated expense allowance
- Costs deducted from the member reserve.



### Asset-based administration fee and crediting additional units

For all investment options, we deduct a standard asset-based administration fee of 0.15% per annum from each investment option before the unit price is determined.

If the asset-based administration fee applicable to all or part of your super account balance is less than the standard fee, we credit additional units monthly (at the end of each month) to your super account. The amount of additional units will be based on the difference between the standard asset-based administration fee deducted and the asset-based administration fee applicable to you as described in the Fees and costs summary table.

We allocate any additional units according to your investment strategy for future contributions.

### Estimated expense allowance

The trustee has the right to reimburse itself from the assets of the Mercer Super Trust. These reimbursements are for actual outgoings reasonably incurred with the running of the Mercer Super Trust. The trustee is also entitled to be indemnified out of the assets of the Mercer Super Trust if it incurs any liabilities, losses, costs and expenses in administering the Mercer Super Trust. See 'Trustee's indemnity' in the 'Other key information' section of this Guide for more details about this right of indemnity.

The estimated expense allowance is included in the administration fees and costs of the relevant investment option (as set out in the 'Fees and costs summary' table) and paid by members by way of an adjustment to the unit price, reducing the investment performance of the relevant option.

The estimated expense allowance varies from year to year reflecting the actual expenses incurred. Therefore, it is not possible to provide a precise figure for the estimated expense allowance for investment options as they are not known until the end of the financial year.

The actual expense allowances will be provided in the *Mercer Super Trust Annual Report (Fund Information Statement)* for the relevant financial year.

### Costs deducted from the member reserve

The trustee currently pays certain administration costs, which relate to the administration of the Mercer Super Trust, from the member reserve. These costs are not charged directly to your super account but have reduced the member reserve balance held by the Mercer Super Trust.

The size of the member reserve is reported each year in the *Mercer Super Trust Annual Report (Fund Information Statement)*.

### Investment fees and costs

Investment fees and costs relate to expenses incurred either directly or indirectly for the investment of the assets of the Mercer Super Trust. They apply to each investment option and typically vary depending on the type of assets the option invests in and the management style (for example, active or passive).

Investment fees are the fees payable to the trustee for the exercise of care and expertise relating to the investment of the assets of the Mercer Super Trust and generally include the fees payable to the underlying investment managers for most asset classes (including performance fees).

Each investment option has associated investment costs that are incurred by the underlying investment vehicles into which the Mercer Super Trust invests. They may include but are not limited to:

- Investment fees for certain asset classes, such as investments in direct/unlisted real assets (asset classes such as, but not limited to property, infrastructure private equity and private debt)
- Any expenses charged by the underlying investment vehicles or manager of those vehicles
- Over-the-counter derivative costs.

For each investment option, the estimated investment fees and costs are set out in the 'Breakdown of certain fees and costs table' on the following pages. They are estimates only based on the actual fees and costs for the financial year ending 30 June 2024 and include performance fees. Where an investment option has not been available for the previous 12 months or actuals are not available, we will use an estimate based on the relevant period.

The actual investment fees and costs are determined at the end of each financial year and are advised in the *Mercer Super Trust Annual Report (Fund Information Statement)*.



Information about investment fees and costs may change from time to time and if it is not materially adverse, will be made available online at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

A paper copy of any updated information will be given or an electronic copy made available on request at no charge by calling the Helpline. We will advise you directly of any material changes as required by law.

Past fees and costs may not be a reliable indicator of future fees and costs.

## Performance fees

The trustee does not directly charge any performance fees. However, performance fees may be charged by underlying investment vehicles or managers of those vehicles, and these are included in the investment fees and costs.

Performance fees are reflected in the unit price of the underlying investment vehicle and accordingly form part of the investment fees and costs of the relevant investment option.

Underlying investment vehicles or managers that charge a performance fee will generally only apply those fees when performance meets or exceeds an agreed target. Accordingly, performance fees arise when higher returns, relative to a specified target for a particular investment manager, are achieved.

Where applicable, performance fees are based on an average for the five-year period ending 30 June 2024 (unless the option has been available for a shorter inception period or the actuals are not available for the most recent financial year in which case we use a reasonable estimate) as shown in the table on the following page.

Performance fees are based upon the latest information provided by the underlying investment managers, as well as historical expenses and performance fees for the actual assets held by the Mercer Super Trust as at the effective date of your Plan's PDS.

## Costs deducted from the member reserve

The trustee currently pays certain investment costs, which relate to the investment of assets of the Mercer Super Trust, from the member reserve. These costs are not charged directly to your super account but have reduced the member reserve balance held by the Mercer Super Trust.

The size of the member reserve is reported each year in the *Mercer Super Trust Annual Report (Fund Information Statement)*.

## Transaction costs

Transaction costs are the costs associated with trading to manage the investment strategy for each investment option.

Transaction costs include:

- Brokerage
- Settlement costs (including custody costs)
- Clearing costs
- Stamp duty on an investment transaction
- Buy-sell spreads less any costs recouped by the underlying investment vehicles.

We don't currently charge a buy-sell fee for any of our investment options, so no portion of the transaction costs is recoverable in this way. No part of any transaction cost is paid to the trustee or any investment manager as a fee and such costs are not subject to GST.

For each of the investment options, the estimated transaction costs are generally based on transaction costs for the financial year ending 30 June 2024. Where an investment option has not been available for the previous 12 months or actuals are not available, we will use an estimate based on the relevant period.

The estimated transaction costs for each investment option are set out in the 'Breakdown of certain fees and costs table' on the following pages.

The actual transaction costs for each investment option are determined at the end of each financial year and will be advised in the *Mercer Super Trust Annual Report (Fund Information Statement)*.



## Breakdown of certain fees and costs table

This table only shows a breakdown of the asset-based administration fee, investment fees and costs, and transaction costs as a percentage per annum of your super account balance for each investment option. Other fees and costs also apply – see the 'Fees and costs summary' table earlier in the 'Fees and other costs' section. A description of these fees and costs is provided on the previous pages. These costs may change from time to time, and you should refer to [mercersuper.com.au/pds](https://mercersuper.com.au/pds) for any changes after the publication of this document.

Investment option	Administration fees and costs <sup>1</sup>	Investment fees and costs	Transaction costs	Performance fee average % p.a. <sup>3</sup> (included in <i>Investment fees and costs</i> )	
	Asset-based administration fee % p.a. <sup>4</sup>	% p.a. <sup>2</sup>	% p.a. <sup>2</sup>		
Ready-made options					
Mercer High Growth	0.12	0.71	0.09		0.08
Mercer Growth	0.12	0.69	0.08		0.05
Mercer Moderate Growth	0.12	0.61	0.08		0.08
Select-your-own options					
Mercer Cash	0.12	0.12	0.00		0.00
Mercer Passive Australian Shares	0.12	0.22	0.00		0.00
Mercer Passive International Shares	0.12	0.22	0.01		0.00

Past fees and costs may not be a reliable indicator of future fees and costs.



### Updated information

The information in this Guide, the PDS and the other booklets that are part of the PDS are current as at the date of publication. Information in this Guide may change from time to time and if it is not materially adverse, will be made available online at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

A paper copy of any updated information will be given or an electronic copy made available on request at no charge by calling the Helpline.

We will advise you directly of any material changes as required by law.

- In addition to the asset-based administration fee shown in the table above, the administration fees and costs also include for all investment options the following:
  - A dollar-based administration fee of \$35 per annum, and
  - An estimated expense allowance of 0.05% per annum of your super balance, and
  - Costs paid from the member reserve estimated to be 0.002% per annum of Mercer Super Trust assets.
- Estimated amounts are generally based on the financial year ending 30 June 2024. The actual amount will change from year to year and may be more or less than the amounts shown. For details of the calculation basis for these amounts, see 'Additional explanation of fees and costs' in this section of the Guide.
- Where applicable, performance fees are based on an average for the five-year period ending 30 June 2024 (or a shorter period if the option has an inception period less than five years) and are included in investment fees and costs. If the actuals are not available for the most recent financial year, we may use a reasonable estimate for that year.
- If the balance of your super account is over \$500,000, then the asset-based administration fee for your balance over \$500,000 is 0.00%.

## Other fees and costs

The following fees may be additional to the fees and costs shown in the 'Fees and costs summary' table and will depend on the nature of the advice, activity or insurance chosen by you.

### Advice fees

As a Mercer Super Trust member, you have access to our Mercer Helpline Advice team. These financial advisers are licenced and appropriately authorised to provide you with limited financial advice on your contributions, insurance, estate-planning and more, in regard to your Mercer Super account. This is an over-the-phone service provided at no additional cost. Fees for limited financial advice are included in the administration fees and costs described in the 'Fees and costs summary' table.

You also have access to our digital advice and support tools which are available online at no extra cost.

- **e-Advice:** Access personalised advice on investment options and growing your super. This advice tool helps you to understand which Mercer Super investment options may be right for you, or how to give your super the best chance to grow before retiring.
- **Retirement Income Simulator:** Designed to help you visualise what your retirement income could look like, how long it might last and how adding even a little extra to your super could make a difference in the long term.

You may also seek personal financial advice from our Mercer Financial Advisers for your specific circumstances for a fee.

Advice may include:

- **Life Stage Advice:** This is a unique offering allowing your adviser to set goals with you and take into consideration your household situation when formulating recommendations for you.
- **Comprehensive advice:** This is a holistic advice offering that can be inclusive of your partner and cover all aspects of your financial situation.

If you would like to have fees for advice deducted from your super account, you will need to provide written consent to us via our Advice Fee Deduction form, available at [mercersuper.com.au/login](https://mercersuper.com.au/login) (sign in using your personal login).

Any advice fees you pay from your Mercer Super Trust account will reduce your account balance.

Find out more about financial advice services at [mercersuper.com.au/advice](https://mercersuper.com.au/advice) or call the Helpline.

### Family law fees

If your super is subject to an agreement or court order that splits your super between you and your former spouse, the following fees will apply:

- a charge of \$110 for each request for information about your super account
- a charge of \$88 for each benefit split – the fee is generally split equally between you and your former spouse.

To find out more about splitting your super under family law, visit the Federal Circuit and Family Court of Australia website at [fcfcoa.gov.au/fl](https://fcfcoa.gov.au/fl).

### Insurance fees

If you have insurance cover, the costs are deducted monthly from your super account. See section 2.5 'How your premium is calculated for Life Stages Cover' and section 3.7 'How your premium is calculated when you customise your cover' in the *Insurance* booklet for the insurance premiums applying for your Plan.

In addition to an insurance premium, an insurance fee of \$25 per annum will apply for insurance member services in relation to any insurance cover you may hold. This fee (calculated pro rata of the annual fee for the number of days in the month) will be deducted from your account balance at the end of each month.

## Fee changes

### Indexation of fees

Family law fees are indexed annually on 1 January to generally reflect Average Weekly Ordinary Time Earnings.

### Fee increases

The trustee has the right to change the amount of fees at any time, without your prior consent. Where there is an increase in fees, we will give you at least 30 days prior written notice. The PDS and this Guide will also be updated.

For other changes (that are not fee increases) and where the change is not materially adverse, the change will be detailed on the website [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

## GST

The GST disclosures in this Guide are of a general nature only.

GST is not payable on units purchased in the Mercer Super Trust. However, fees payable in respect of the management of the Mercer Super Trust are subject to GST, as described below.

GST applies to all fees charged to the Mercer Super Trust. Generally, the Mercer Super Trust cannot claim full input tax credits in respect of these fees but will usually be entitled to reduced input tax credits (currently up to 75% of the GST paid) in respect of some of these fees. As a result, the fees payable to us including GST are higher than those disclosed in this Guide.

Any fees payable to us as set out in this Guide approximate the net cost of these fees (after GST) and assume that reduced input tax credits are available.

## Tax and your super

The 'How super is taxed' section later in this Guide provides a summary of how your super is taxed. For more details about tax and your super, see our *Fact Sheets* at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

Our fund is entitled to a tax benefit on gross administration fees and costs, investment fees and costs, and insurance premiums paid to our service providers.

The tax benefit on administration fees and costs paid to our service providers goes directly to the member reserve which is to be used for the benefit of members.

Any tax benefit on investment fees and costs is passed on to members in determining the unit price members receive for their investment option(s).

The tax benefit on insurance premiums is passed directly to relevant members through tax rebates credited to their account.

We disclose all fees, costs and premiums in our PDS and booklets as the gross amount before any tax benefit is applied, so the actual net amount that you pay may be less than the figures shown.

## Further information

The trustee does not retain for its own use any profit made on the netting of transactions (even though the governing documents permit it to do so) and has no intention to do so in the future.

The trustee may retain for its own use any interest earned on contributions tax from the date it deducts an amount for this tax to the date it pays it to the Australian Taxation Office (ATO).

Any interest earned on application monies received in the Mercer Super Trust's holding account will not be payable to you, either upon allocation to your account or upon return to the originator of the payment. It will be retained by the trustee for our benefit or paid into the Mercer Super Trust for the benefit of members.

## Defined fees

The following definitions must be included for all superannuation funds. Not all fees are relevant to you. These can also be found at [mercersuper.com.au/governance](https://mercersuper.com.au/governance) under 'Defined fees'.

### Activity fees

A fee is an **activity fee** if:

- a) the fee relates to costs incurred by the trustee of the superannuation entity that are directly related to an activity of the trustee:
  - i) that is engaged in at the request, or with the consent, of a member; or
  - ii) that relates to a member and is required by law; and
- b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, transaction costs, a buy-sell spread, a switching fee, an advice fee or an insurance fee.

### Administration fees and costs

**Administration fees and costs** are fees and costs that relate to the administration or operation of the superannuation entity and includes costs incurred by the trustee of the entity that:

- a) relate to the administration or operation of the entity; and
- b) are not otherwise charged as investment fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Advice fees

A fee is an **advice fee** if:

- a) the fee relates directly to costs incurred by the trustee of the superannuation entity because of the provision of financial product advice to a member by:
  - i) a trustee of the entity; or
  - ii) another person acting as an employee of, or under an arrangement with, the trustee of the entity; and
- b) those costs are not otherwise charged as administration fees and costs, investment fees and costs, a switching fee, an activity fee or an insurance fee.

### Buy-sell spreads

A **buy-sell spread** is a fee to recover costs incurred by the trustee of the superannuation entity in relation to the sale and purchase of assets of the entity.

### Exit fees

An **exit fee** is a fee, other than a buy-sell spread, that relates to the disposal of all or part of a member's interests in a superannuation entity.

### Investment fees and costs

**Investment fees and costs** are fees and costs that relate to the investment of the assets of a superannuation entity and includes:

- a) fees in payment for the exercise of care and expertise in the investment of those assets (including performance fees); and
- b) costs incurred by the trustee of the entity that:
  - i) relate to the investment of assets of the entity; and
  - ii) are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee, an advice fee or an insurance fee.

### Switching fees

A **switching fee** for a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in a superannuation entity from one class of beneficial interest in the entity to another.

A **switching fee** for a superannuation product other than a MySuper product, is a fee to recover the costs of switching all or part of a member's interest in the superannuation entity from one investment option or product in the entity to another.

### Transaction costs

**Transaction costs** are costs associated with the sale and purchase of assets of the superannuation entity other than costs that are recovered by the superannuation entity charging buy-sell spreads.

# Contributions

In addition to this section about contributions to super you can also refer to our *Fact Sheets* for further information.

Refer to the *Contributions* Fact Sheet for more details about:

- Concessional and non-concessional contributions
- Salary sacrifice
- First home super saver scheme (FHSSS)
- Downsizer contributions
- Contribution splitting
- Tax on contributions
- Contribution caps
- Non-concessional contributions cap
- Age restrictions on contributions
- When the trustee can't accept contributions.

Refer to the *Government Contributions* Fact Sheet for information and eligibility for:

- Super co-contributions
- The low income superannuation tax offset (LISTO).

Refer to the *Accessing your Super* Fact Sheet for more details about:

- Preservation
- Early release payments including FHSSS.

All *Fact Sheets* are available at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

## What your Employer puts into your super

By law, your Employer generally has to pay a minimum amount into super called the Superannuation Guarantee (SG).

SG is calculated as a percentage of your Ordinary Time Earnings (OTE), where OTE is capped at a maximum contribution base. The maximum contribution base is indexed on each 1 July (refer to [ato.gov.au](https://ato.gov.au)).

The SG rate, as a percentage of OTE, is set out in the table below:

Period	Percentage of OTE
From 1 July 2024 to 30 June 2025	11.50%
From 1 July 2025	12.00%

OTE is generally your remuneration which includes regular salary or wages, salary sacrifice superannuation contributions, any over-award payments, shift allowances, bonuses and commissions. It generally does not include overtime payments or benefits subject to fringe benefits tax.

The SG is the minimum amount the employer must provide for each employee. Your employer may contribute more than the minimum SG amount.

There are some circumstances where your employer is not required to pay the SG.

Visit the ATO website for further information about SG contributions, including the maximum contribution base ([ato.gov.au](https://ato.gov.au)).

## What you may put into your super

You can put extra money into super, over and above the contributions your Employer makes. You can do this to save more for retirement or to save for a deposit under the FHSSS.

There are limits on the level of contributions that have concessional tax rates and some contributions cannot be accepted unless we have your Tax File Number (TFN).

Any contributions must be preserved until you meet a condition of release, such as reaching age 65, ceasing an employment arrangement after age 60 or retiring after reaching age 60. Early release may be permitted in certain circumstances, such as under the FHSSS.

## Non-concessional contributions

Non-concessional (after-tax) contributions are typically contributed with money that has already been taxed. They include personal after-tax contributions for which you do not claim a tax deduction and spouse contributions. Non-concessional contributions are not subject to a contribution tax within the fund, however additional tax may be payable if you exceed your non-concessional contributions cap.

## How to make a non-concessional contribution

You may be able to make regular contributions through your employer by direct deduction from your after-tax salary.

You can also make after tax contributions via BPAY®. If you wish to make after tax contributions, sign in to the Mercer Super Trust website at [mercersuper.com.au/login](https://mercersuper.com.au/login) using your personal login. You can then obtain your BPAY® Biller Code and Personal Reference Number or call the Helpline for details.

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If you wish to make a Downsizer super contribution (using the proceeds from the sale of an eligible residence), call the Helpline. A Downsizer contribution is not counted towards your non-concessional contribution cap.

You may be able to claim a tax deduction for some or all of any after-tax contributions you make. You cannot claim a tax deduction for Downsizer contributions.



We recommend you obtain professional taxation advice before making any decisions to claim a tax deduction for contributions to your super.

## Concessional contributions

Concessional contributions include employer contributions such as SG contributions and salary sacrifice contributions, and also include personal (voluntary) contributions for which you claim a tax deduction. These contributions are subject to a super contribution tax of 15% which we pay to the ATO. You may be assessed by the ATO for additional tax if your adjusted taxable income is \$250,000 or higher.

### How to make a voluntary concessional contribution

You can ask your Employer to salary sacrifice some of your wages directly into your super. The amount you choose to have added to your Employer super contributions comes out of your pre-tax salary, reducing your taxable income. As a result, the salary sacrificed contribution is generally taxed at a concessional super rate which may be lower than your personal income tax rate.

Any salary sacrificing contributions your Employer makes on your behalf will be on top of their compulsory super contribution.

If you'd like to set up a salary sacrifice arrangement, please speak with your Employer directly.

If your Employer does not accommodate salary sacrifice arrangements, you may be able to make an after-tax contribution to your super account and claim a tax deduction on it (see 'How to make a non-concessional contribution' in this section).

The contribution that you claim as a tax deduction will count towards your concessional contributions cap. You must claim the tax deduction by completing a Notice of intent to claim or vary a deduction for personal super contributions form available at [ato.gov.au](https://ato.gov.au). This form must be provided to us, and you must receive confirmation from us, before the earlier of:

- The date you submit your tax return
- The end of the following financial year in which the voluntary contribution was made.



We recommend you speak to a licensed, or appropriately authorised, financial adviser before choosing to contribute on a salary sacrifice basis or making any other decisions regarding contributions.

## Contribution splitting

You may be able to split certain super contributions with your eligible spouse and transfer these contributions to an account in the name of your eligible spouse in a complying superannuation fund.

An eligible spouse includes:

- Your husband or wife
- Another person with whom you are in a registered relationship
- Another person who, although not legally married to you, lives with you on a genuine domestic basis in a relationship as a couple.

An eligible spouse must not have permanently retired (if past their preservation age) or reached age 65.

You will generally be able to request a contribution split of up to 85% of concessional contributions. You must also maintain an account balance in the Mercer Super Trust of at least \$5,000.

You can request to split all or part of a previous financial year's contributions i.e. contributions from 1 July to 30 June, once that financial year is over. You have up to 12 months from the end of that financial year to request a contribution split. Only one split of contributions for a financial year is permitted.

Any contributions that you split will continue to be counted towards your concessional contribution limit.

If you leave the Mercer Super Trust, you can split contributions made in the financial year you leave. You will need to provide your request to split contributions to the trustee on or before the time your super is paid out, rolled over or transferred to another super fund.



## Tax on contributions

Tax may be payable on super contributions made by you or on your behalf, or where those contributions exceed certain annual limits. See 'How super is taxed' in this Guide for more information.

## Consolidating your super accounts

You may rollover (consolidate) super money from other funds into the Mercer Super Trust.

If you've had other jobs, you may have multiple super accounts. You can choose to consolidate all your super accounts into your Mercer Super Trust account. This could improve your super investment overall as you'll only be paying one set of fees and handling one set of paperwork. You should discuss the benefits of consolidating your super accounts with a licensed, or appropriately authorised, financial adviser.

To consolidate your super online, log in to your Mercer Super account [mercersuper.com.au](https://mercersuper.com.au) and go to the 'Consolidate your super' page to search for any other super accounts you may have. Alternatively we will help you consolidate your super over the phone. Call the Helpline if you need any help or go to [mercersuper.com.au/consolidate](https://mercersuper.com.au/consolidate) to find out more.

Generally, there's no charge for receiving money rolled in from other funds, although you should check with your other funds to see if there are any withdrawal or fees associated with exiting (or rolling out) from other funds.

Importantly, you should also consider the impact that leaving a fund may have on any insurance cover you have, including the amount and cost of cover.

If you roll in super from an untaxed Australian public sector fund, any untaxed element of the rollover will be taxed at 15%. Tax at 15% may also apply to a component of an amount transferred from a foreign super fund, with the tax-free part treated as a non-concessional contribution.

If you roll in preserved money, it stays preserved in the Mercer Super Trust until you meet a condition of release.

## When the trustee can't accept contributions

The trustee cannot accept voluntary contributions made for or by you in certain circumstances such as:

- If you have not provided your TFN and the contribution was not made by your Employer, or
- You are aged 75 or more, the contribution was not a Downsizer contribution and was not received within 28 days after the end of the month you turned 75 years of age.

If you have not met a relevant condition, any voluntary contributions received will be returned to you, or the person or organisation (including where applicable your Employer) which contributed.

SG contributions and other employer contributions required under an industrial award or agreement are not voluntary contributions and can be accepted at any time.

## Spouse contributions

A spouse contribution is any after tax contribution made by your spouse to your Plan in respect of you as an eligible spouse.

Your spouse should be aware that once a spouse contribution is paid into your Plan it becomes your property and generally cannot be paid back to your spouse.

Your spouse will need to complete the *Your spouse's contributions to the Mercer Super Trust* form each time a spouse contribution is made. You can get copies of the form from the website [mercersuper.com.au](https://mercersuper.com.au) or by calling the Helpline.



We recommend that you get advice from a licensed or appropriately authorised financial adviser about how tax laws affect you, especially if you are considering making large contributions, or retiring. This is because the tax treatment of super can be complex and may change at any time.

You should also get appropriate advice while you build your super.

# How we invest your money

See 'Glossary' at the end of this section for clarification on capitalised terms.

## How to choose your investments

We give you the flexibility to tailor your investment strategy by offering six investment options that you can choose from.

As a member of Mercer MyChoice, you can select up to six investment options from our investment menu for your opening balance. You must make an investment choice when you apply to join Mercer MyChoice. If you don't make a choice, your application cannot be processed.

For more details about our investment options see 'Investment options menu' and 'Investment options in detail' later in this section of this Guide.

It is important to review your investment selection regularly to ensure it remains appropriate for you.

## Investment strategy for future contributions

You can also make an investment selection to determine the investment strategy for future contributions any time.

Your investment strategy for future contributions will apply to all future contributions, including rollovers from other super funds and most other cashflows.

## Changing (switching) investment options

You can change (switch) your investment option(s) at any time. A switch is a sale of units in one investment option and a purchase of units in another investment option.

If you switch options, it's important to specify whether the change will apply to:

- Your current super account balance, and/or
- Your investment strategy for future contributions.

You can make a switch online at [mercersuper.com.au](https://mercersuper.com.au) (sign in using your personal login) or call our Helpline.

See 'Units and unit pricing' later in this section of this Guide for details on which unit price applies when changing or switching investment options.



You should consider obtaining advice from a licensed, or appropriately authorised, financial adviser before you choose and/or switch investment options.

## Investment options menu

This section summarises the investment options available to you. More information is provided in the 'Investment options in detail' section later in this section of this Guide. You can also find out more about how our sustainable investment approach is implemented within the Mercer investment options in the *Sustainable Investment Information* booklet.

The trustee may add, remove or alter investment options. We will advise you of any changes, as required by law.

## Ready-made investment options

The Ready-made investment options combine a mix of asset classes and management styles to target a stated investment objective.

MIAL as implemented consultant chooses and monitors the investment managers and decides how to allocate across the different asset classes, which may be growth or defensive oriented, or a mix of both.

The Ready-made investment options available in Mercer MyChoice are:

- Mercer High Growth
- Mercer Growth
- Mercer Moderate Growth.

## Select-your-own investment options

These options offer exposure to individual asset classes. They are designed for investors who want to invest in a particular asset class, or multiple asset classes, to tailor their own portfolio.

The Mercer Passive options are lower cost options that aim to perform broadly in line with the markets in which they invest.

The Select-your-own investment options available in Mercer MyChoice are:

- Mercer Cash
- Mercer Passive Australian Shares
- Mercer Passive International Shares.

## No guarantees

**There are no guarantees that investment returns will be positive or you will be able to maintain the value of original capital. Your super account balance is dependent on movements in the value of the underlying investments in your investment option(s).**



You should see a licensed, or appropriately authorised, financial adviser if you are unsure about your investment choices.

Low or negative investment returns will affect your super balance and benefit. That means your super benefit may be less than the amount of contributions paid into your super account if you leave the Mercer Super Trust. Tax, fees and charges will also reduce your benefit.

You can obtain up to date information on returns for your Plan's Ready-made and Select-your-own investment options at [mercersuper.com.au/performance](https://mercersuper.com.au/performance).

Refer to 'Understanding investment risks' in this section of this Guide for more information.

## How we invest your super

Your super can be invested in various asset classes, depending on your investment option(s). An explanation of the asset classes is provided in the table below.

Asset Class	Description
<b>Australian Shares</b>	Investments in Australian companies listed on the Australian Securities Exchange (ASX) or equity based trusts, derivatives or unlisted Australian based equity type investments. It may include a small exposure to companies listed outside the ASX.
<b>International Shares</b>	Investments in companies listed on securities exchanges around the world. These investments may be hedged or unhedged to manage movements in exchange rates, which can have an impact on the value of investments (up or down). Investments in international shares may be in: <ul style="list-style-type: none"> <li>Developed markets, which are countries that have sophisticated economies and a middle to high income per person.</li> <li>Emerging markets, which includes countries that are less developed and have low to middle income per person.</li> </ul>
<b>Global Shares</b>	Investments in companies listed on securities exchanges both overseas and domestically. Investments in global shares will predominantly be in developed markets though may also include some exposure to shares listed in emerging market economies.

Asset Class	Description
<b>Real Assets</b>	Real assets include investments in property, infrastructure and natural resources such as timber. These assets may be Australian or international and listed or unlisted.  Property investments include, but are not limited to, office buildings, shopping centres, and industrial estates.  Infrastructure investments are investments in long-term assets required for major economic and social needs such as airports, tunnels, bridges, toll roads, pipelines and utilities.
<b>Alternative Assets</b>	Alternative assets comprise of investments that do not fit within other asset classes. They may include investments in hedge funds, private equity, mezzanine debt and insurance linked strategies. Alternative investments may have growth and/or defensive characteristics.
<b>Growth Fixed Interest</b>	Growth fixed interest investments target a higher return by investing in issuers that may carry a higher degree of credit risk or illiquidity relative to defensive fixed interest and cash investments. Generally the exposures will include private debt, non-investment grade corporate bond issuers, or sovereign bond issuers in emerging markets, which may also carry emerging market currency risks.
<b>Defensive Fixed Interest and Cash</b>	Defensive fixed interest investments generally provide a regular income stream with the repayment of capital expected at the end of the term. These investments are generally considered defensive as they are predominantly invested in highly rated sovereign bond issuers in developed markets or highly rated investment grade corporate issuers.  Cash includes short-term interest bearing investments and fixed term interest bearing investments.

For more information on:

- Asset allocations (the asset classes each investment option invests in) and their percentage of growth investments and defensive investments, see 'Investment options in detail' later in this section of this Guide
- Growth and Defensive investments, refer to 'Glossary' later in this section of this Guide
- Our sustainable investment approach, refer to the *Sustainable Investment Information* booklet.

## Investment philosophy and approach

### Investment objectives and strategy

Each investment option has a specific investment objective and investment strategy that we believe is reasonably likely to enable the option to meet their objectives; however, there is no guarantee that a particular objective will be met over a particular time period.

The investment strategy includes the selection of a blend of investments that support the option's objectives. Changes may be made to the investment objective and strategy for each investment option in order to ensure that the objective continues to have a reasonable probability of being attained. A strategic allocation to particular asset classes (SAA) is determined for each option and SAA ranges are set for exposure to each asset class. The actual asset allocation may fall outside the stated ranges during certain times such as extreme market conditions, mergers and transitions.

We use formal quarterly analysis to monitor the performance of investment options against their objectives and an annual investment health check to help us assess whether we need to make any changes. We will provide you with information about any significant changes to the features of the investment options.

### Manager research and selection

The trustee has appointed MIAL as an implemented consultant. MIAL provides services to MSAL on the selection, appointment, removal, replacement and evaluation of investment managers under an implemented consulting arrangement.

Mercer's significant scale in researching investment managers globally provides us with access to some of the best ideas from more than 6,900 investment managers around the world. MIAL leverages a global research network to seek to establish a combination of specialist managers for each asset class, selecting managers for their strength in idea generation, portfolio construction, implementation and business management.

The Ready-made investment options and many of the Select-your-own investment options adopt an actively managed, multi-manager approach. This involves selecting combinations of asset classes and underlying investment managers to achieve exposure to a range of investment management styles.

Passive investment options are typically invested via a single investment manager. They are designed to offer lower cost access to a particular asset class, by investing in line with the relevant index.

In certain circumstances, MIAL as implemented consultant may remove, replace, or appoint investment managers for the investment options at its discretion at any time.

## How the Mercer Super Trust's assets are invested

The trustee may invest the Mercer Super Trust's assets in:

- Funds managed by investment managers
- A range of investments such as securities, derivatives and cash managed via mandates held with investment managers
- Funds or investment vehicles managed by MIAL, and/or other Mercer related entities.

MIAL is the responsible entity of the Mercer Funds and appoints investment managers to manage the assets of the Mercer Funds, either directly or via external Collective Investment Vehicles (CIV).

The investments for the Mercer Super Trust are generally held by an external custodian or directly by MIAL or MSAL.

## Units and unit pricing

### What are units?

You are allocated a number of units, which represent the assets of each investment option. The assets of each investment option are divided into units of equal value. Each unit has a regularly changing price allocated to it.

The unit price of a whole unit (one unit) reflects the asset value of the investment option divided by the number of units on issue for that investment option at the relevant time. We make allowances for any transaction costs (see 'Transaction costs' under 'Additional explanation of fees and costs' in the 'Fees and other costs' section of this Guide for more details).

Each time there is a contribution to the Mercer Super Trust, the trustee allocates units in the relevant option at the entry price. Similarly, when there are payments made, the trustee redeems units from the relevant investment option at the exit price. Payments include super benefits, fees and costs, insurance premiums, tax or expenses.

The entry price for contributions, rollovers or transfers will generally be calculated after your transaction is received and validated, which may be different to the last available unit price at the time of your transaction. For members who choose to transfer part or all of their benefit to Mercer SmartRetirement Income, this may mean that, for some members, you are not invested for around three business days while we process your application, and unit prices may rise or fall during this period.

The exit price used for super benefits, fees and costs, insurance premiums, tax and expenses is generally the price available at the time the relevant transaction is processed.

For the investment options in Mercer MyChoice, we use a single unit price for both the issue and redemption of units (i.e. the entry price equals the exit price).

Units are not transferrable. You can see the number of units you hold in your investment options by using your personal login at [mercersuper.com.au](https://mercersuper.com.au) or by checking your statements.

We allocate units after we receive all the necessary information to invest.

The issue (or redemption) of units may be suspended if the trustee believes the entry (or exit) price of the units cannot be calculated in a manner fair to all members holding those units. Also the redemption of units may be suspended if we are unable to realise sufficient funds to satisfy a redemption request from the sale of the underlying assets.

## What is unit pricing?

Each unit has a regularly changing price allocated to it, which is generally calculated daily on each Melbourne business day. Unit prices may rise or fall depending on fluctuations in the underlying value of investments in each investment option.

Investment returns based on unit prices are likely to differ from the underlying manager's actual return due to timing differences and differences in fees and costs.

## Unit pricing and changes to investment options

If you change investment options, the unit price for the switch will generally be calculated after your request is received and validated, which may be different to the last available unit price at the time of your transaction.

## How assets are valued

Unless the trustee determines otherwise, the value of the underlying assets of the investment options will be based on market values determined by an external custodian or investment manager.

When valuing assets, we make an estimate of the tax liability due that has not yet been paid on investment income and capital gains, both realised and unrealised.

You can find the unit price information at [mercersuper.com.au/unit-prices](https://mercersuper.com.au/unit-prices).

## Sustainable investment approach

The *Sustainable Investment Information* booklet contains information on our sustainable investment approach and how sustainability-related factors are incorporated into the investment decisions, including information on how exclusions are applied within the investment options and additional criteria that apply to the Sustainable investment options. You can get a copy of the *Sustainable Investment Information* booklet at [mercersuper.com.au/pds](https://mercersuper.com.au/pds).

## Understanding investment risks

All investments, including super, carry some risks. Investment options each have different levels and types of risks, depending on the assets they invest in. Generally, assets with the highest long-term return also carry the highest level of risk. Returns for each investment option will vary and future returns may be different to past returns. Your investment could rise or fall in value or produce a return that is less than expected. Rises and falls in value can happen quickly and for many reasons.

Investment risk generally describes the risk of an investor getting back less than they put in. Taxes, expenses and low or negative investment returns can also have an impact on investment risk in super.

You can help manage risk by choosing investment options that are diversified across different asset classes, regions and investment managers.

The types of investment risks that may affect investments in your Plan include the following:

Investment risk	Description
<b>Counterparty risk</b>	The risk that a counterparty does not meet its contractual obligations. Counterparty risk may arise from structured finance arrangements, derivative contracts, securities lending activities, debt or loan instruments.
<b>Credit risk</b>	The risk that a debt issuer will default on payment of interest or principal.
<b>Currency risk</b>	The risk that overseas investments lose value as a result of currency movements.
<b>Derivatives risk</b>	The risk that derivatives exposure leads to losses relative to physically holding an underlying asset or group of assets. The use of derivatives may also give rise to other risks such as counterparty risk, liquidity risk and operational risk.



Investment risk	Description
<b>Environmental Social and Governance (ESG) risk</b>	The risk of ESG factors impacting investment returns. This includes for example, climate or nature related environmental factors, or social factors, such as labour standards or modern slavery.
<b>Exclusions risk</b>	The risk of exclusions (in certain industries, sectors or countries) impacting investment returns. This includes differences in performance outcomes compared to a benchmark or a comparable fund where those exclusions are not applied.
<b>Inflation risk</b>	The risk that money may not maintain its purchasing power due to increases in the price of goods and services.
<b>Interest rate risk</b>	The risk of loss resulting from changes in interest rates and bond yields.
<b>Investment manager risk</b>	The risk of investment manager performance impacting investment returns. Reasons for this could include market conditions and investment decisions resulting in underperformance of a particular investment manager or non-compliance with agreed investment guidelines.
<b>Liquidity risk</b>	The risk that members may be unable to redeem their investment at their chosen time without adverse impact on the price. Under certain market conditions, some normally liquid assets may become illiquid, restricting an option's ability to make payments to members without a significant delay.
<b>Market and economic risk</b>	The risk of changes in the economic environment, impacting investment returns. This includes changes in the economic growth, inflation levels, employment levels and fiscal or monetary policy.
<b>Operational and cybersecurity risk</b>	The risk of fraud, business disruption, data loss or damage within Mercer or at an external service provider which may result in a disruption of services, including our ability to process application and redemption requests.
<b>Political risk</b>	The risk of political events impacting investment returns. This includes military activity or geopolitical conflict, and changes to government, public policy, legislative bodies, and other foreign policy makers.

Investment risk	Description
<b>Taxation risk</b>	The risks that taxation laws and their interpretation may change in the future, as well as any change in the eligibility of a fund to qualify as an Attribution Managed Investment Trust (AMIT) in a particular income year.

## Managing risks

The trustee aims to appropriately manage investment risks using a number of approaches. This includes offering you a diverse range of investment options and allowing you to select an option, or combination of options, to suit the time you expect to hold your investment in your Plan.

The trustee and its implemented consultants have considered investment risks in constructing the investment options and aim to help manage those risks primarily through diversification and by using some or all of the following strategies, as applicable to each option or Plan:

- Investing across different asset classes to reduce market risk, inflation risk and liquidity risk.
- Investing across different countries to reduce political risk, inflation risk, interest rate risk, liquidity risk and currency risk.
- Investing in a number of individual assets within each asset class to reduce liquidity risk, interest rate risk and credit risk.
- Where appropriate, utilising currency Hedging to manage currency risk.
- For the Ready-made options, monitoring and managing market risk as part of our dynamic asset allocation process.
- Establishing parameters on the quality, exposure and collateralisation of counterparty exposures.
- Managing and monitoring Environmental, Social and Governance (ESG) risks consistent with our ESG considerations approach, which is summarised in the *Sustainable Investment Information* booklet.
- Monitoring and managing operational and cyber security risks as part of our overall risk management program.
- Monitoring taxation developments as they arise to ensure that the options comply with their taxation requirements, including eligibility under the Attribution Managed Investment Trust (AMIT) regime.





We recommend you speak to a licensed, or appropriately authorised, financial adviser before making an investment decision.



### Looking for financial advice?

Call **1800 702 993** to speak to a Mercer financial adviser or find out more at [mercersuper.com.au/advice](https://mercersuper.com.au/advice).

## Use of derivatives

The trustee allows the use of derivatives to help manage risk or generate return.

Derivatives, such as Futures or options, are investment products whose value is derived from one or more underlying assets. The value of a share option, for example, is linked to the value of the underlying share.

Derivatives may be used to assist in the efficient management of the portfolio (e.g. to quickly and effectively adjust asset class exposures and for rebalancing purposes), to manage risk (e.g. for currency Hedging) or to improve returns (e.g. to achieve desired portfolio exposures). Losses from derivatives can occur (e.g. due to market movements).

## Standard Risk Measure

The Standard Risk Measure (SRM) is the estimated number of negative annual returns in any 20 year period. It is a tool to help you compare investment options. The SRM is an industry guide and is not a complete assessment of all forms of investment risks. It does not take into account:

- What the size of a negative return could be
- If the size of a positive return will be enough to meet your objectives
- The impact of administration fees and tax on the likelihood of a negative return.

You should check you are comfortable with the risks and potential losses associated with your chosen investment option(s).

The seven risk labels of the SRM are listed below.

Risk Band	Risk Label	Estimated number of negative annual returns over any 20 year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

Risk labels are indicative only. Risk labels should not be considered to be a guarantee or a forecast of the number or frequency of negative annual returns that a fund may experience.

## Investment options in detail

### Ready-made options

Mercer High Growth			Mercer Growth			Mercer Moderate Growth		
<b>Description</b> Invests across most asset classes but mainly in growth assets. It is designed for members who want exposure to mainly growth assets and can tolerate a high level of risk over ten years.			<b>Description</b> Invests across most asset classes but mainly growth assets. It is designed for members who want exposure to mainly growth assets and can tolerate a medium to high level of risk over seven years.			<b>Description</b> Invests across most asset classes, but with a slightly higher exposure to growth assets than defensive assets. It is designed for members who want exposure to growth and defensive assets and can tolerate a medium to high level of risk over seven years.		
<b>Investment return objective</b> To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling ten year periods.			<b>Investment return objective</b> To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.0% per annum over rolling seven year periods.			<b>Investment return objective</b> To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling seven year periods.		
<b>Standard Risk Measure: Risk Band and Label</b> 6 – High			<b>Standard Risk Measure: Risk Band and Label</b> 5 – Medium to high			<b>Standard Risk Measure: Risk Band and Label</b> 5 – Medium to high		
<b>Minimum suggested timeframe</b> Ten years			<b>Minimum suggested timeframe</b> Seven years			<b>Minimum suggested timeframe</b> Seven years		
<b>Asset allocation and asset classes</b>			<b>Asset allocation and asset classes</b>			<b>Asset allocation and asset classes</b>		
Asset allocation	Range %	Total %	Asset allocation	Range %	Total %	Asset allocation	Range %	Total %
Growth	65–100	86	Growth	55–95	75	Growth	40–80	57
Defensive	0–35	14	Defensive	5–45	25	Defensive	20–60	43
Asset class	Range %	Strategic Asset Allocation %	Asset class	Range %	Strategic Asset Allocation %	Asset class	Range %	Strategic Asset Allocation %
Australian Shares	20–50	34.0	Australian Shares	15–45	27.5	Australian Shares	5–35	19.5
International Shares	25–55	41.0	International Shares	20–50	32.5	International Shares	10–40	23.0
Real Assets	0–35	16.0	Real Assets	0–40	17.5	Real Assets	0–35	14.5
Alternative Assets	0–10	1.0	Alternative Assets	0–10	1.0	Alternative Assets	0–10	1.0
Growth Fixed Interest	0–15	6.0	Growth Fixed Interest	0–20	12.0	Growth Fixed Interest	5–25	14.5
Defensive Fixed Interest and Cash	0–15	2.0	Defensive Fixed Interest and Cash	0–25	9.5	Defensive Fixed Interest and Cash	15–45	27.5

## Select-your-own options

Mercer Cash	Mercer Passive Australian Shares	Mercer Passive International Shares
<b>Description</b> Invests mainly in Cash. It is designed for members who want no exposure to growth assets and can tolerate a very low level of risk over one year or less.	<b>Description</b> Invests mainly in Australian Shares, via a passive investment approach. It is designed for members who want exposure to growth assets and can tolerate a high level of risk over ten years.	<b>Description</b> Invests mainly in International Shares, via a passive investment approach. International currency exposure is generally unhedged. It is designed for members who want exposure to growth assets and can tolerate a high level of risk over ten years.
<b>Investment return objective</b> To maintain the invested capital and to achieve a return above that available on bank bills as measured by the Bloomberg AusBond Bank Bill Index on an annual basis.	<b>Investment return objective</b> To meet the benchmark return over the medium to long term.	<b>Investment return objective</b> To meet the benchmark return over the medium to long term.
<b>Standard Risk Measure: Risk Band and Label</b> 1 – Very low	<b>Standard Risk Measure: Risk Band and Label</b> 6 – High	<b>Standard Risk Measure: Risk Band and Label</b> 6 – High
<b>Minimum suggested timeframe</b> One year or less	<b>Minimum suggested timeframe</b> Ten years	<b>Minimum suggested timeframe</b> Ten years
<b>Asset allocation and asset classes</b>		
Asset allocation	Range %	Total %
Growth	n/a	0
Defensive	n/a	100
Asset class	Range %	Strategic Asset Allocation %
Cash	n/a	100
Asset allocation	Range %	Total %
Growth	90–100	100
Defensive	0–10	0
Asset class	Range %	Strategic Asset Allocation %
Australian Shares	90–100	100
Cash	0–10	0
Asset allocation	Range %	Total %
Growth	90–100	100
Defensive	0–10	0
Asset class	Range %	Strategic Asset Allocation %
International Shares	90–100	100
Cash	0–10	0

## Glossary

### Active management

Managers of investment options with an active approach aim to perform better than the market overall.

### Asset allocation

The allocation between the various asset classes (e.g. shares, fixed interest and property) of an investment option. It also includes the growth/defensive target allocation of the investment option.

### Asset class

Type of asset that share common features, predominately its potential return and volatility. The main asset classes are Australian Shares, International Shares, Real Assets, Alternative Assets, Growth Fixed Interest, Defensive Fixed Interest and Cash.

### Capital markets

The part of the financial markets concerned with raising capital by dealing in shares, bonds and other long term investments.

### Consumer Price Index (CPI)

CPI is a measure of the rate of inflation. In Australia, it is based on a selection of household goods and services.

### Corporate bond

A corporate bond is a debt security issued by a corporation. Corporate bonds are typically classified into two main groups, investment grade and non-investment grade depending on their credit rating and likely risk of default. Non-investment grade corporate bonds have a lower credit rating than investment grade bonds and as such are considered to be of higher risk than investment grade bonds.

### Defensive investments

Defensive investments tend to produce lower but more stable long-term returns than growth investments, and include:

- Cash and Defensive fixed interest
- Growth fixed interest – 50% of any allocation is classified as a defensive investment
- Real assets – the following percentages of the allocations are classified as a defensive investment:
  - Direct (unlisted) property – 50%
  - Unlisted infrastructure – 50%
  - Natural resources – 50%

- Alternative assets, including:
  - Hedge funds and diversified growth funds – 50% of any allocation is classified as a defensive investment
  - Sustainable opportunities – 25% of any allocation is classified as a defensive investment.

### ESG factors

Any qualitative or quantitative information pertaining to environmental, social, or governance topics.

### Futures

Contracts for assets (especially commodities, bonds or shares) bought at agreed prices but delivered and paid for later.

### Global

Global generally means Australian and international. For example, investments may be made in Australian and international shares where an investment option invests in Global shares.

### Growth investments

Growth investments have the potential to produce higher returns over the long-term (when compared to defensive investments) but are also likely to experience higher volatility (ups and downs) in performance from year to year. Growth investments include:

- Australian shares
- International shares
- Listed Property
- Listed Infrastructure
- Real Assets – the following percentages of the allocation are classified as growth investment:
  - Direct (unlisted) property – 50%
  - Unlisted infrastructure – 50%
  - Natural Resources – 50%
- Growth fixed interest – 50% of any allocation to growth fixed interest is classified as a growth investment
- Alternative assets, including:
  - Private equity
  - Hedge funds and diversified growth funds – 50% of any allocation is classified as a growth investment
  - Sustainable opportunities – 75% of any allocation is classified as a growth investment.

## Hedging

Hedging generally refers to the process of protecting investments against, or reducing the risk of, a loss. For example, investment managers may use various techniques to minimise the effect of currency movements on overseas investments – this is currency hedging.

### Minimum suggested timeframe

The minimum time you should consider holding your investment in an investment option. This is a guide only.

### Multi-Manager Investment Approach

More than one specialist manager may be appointed to manage assets in each asset class, sector or investment style within the investment options.

### Objectives

These identify the type of return the option aims to achieve for investors. The objectives are sometimes stated in terms of a particular named index, e.g. the Bloomberg AusBond Bank Bill Index, or a target that relates to the Consumer Price Index (CPI).

The objectives of each investment option should not be treated, or relied upon as a forecast, indicator or guarantee of any future returns or performance for that option. The value of investments may rise and fall, in any of the options.

### Objective time horizon

The time horizons used in the investment objectives for particular options:

- Short term – Less than three years
- Medium term – Three to seven years
- Long term – Greater than seven years

## Passive investment approach

Investment options with a passive approach aim to perform in line with the overall market but may have some exposure to active management.

### Ranges

The range in which the strategic asset allocation can vary. Factors such as market movements or active management decision may cause the strategic asset allocation mix to vary but it will generally stay within the asset allocation ranges. The actual asset allocation may fall outside the stated ranges for an option during certain times such as extreme market conditions, mergers and transitions.

### Shares

A share is an investment that represents part ownership of a company.

### Sovereign Bonds

A sovereign bond is a debt security issued by a national government.

### Strategic Asset Allocation (SAA)

The strategic asset allocation is the longer term target allocation for the relevant asset classes in which an investment option invests. The strategic asset allocation is designed having regard to the type of option, investment objectives, risk profile and suggested time horizon.

# Paying your benefits

**This section explains some of the government regulations about the payment of your super benefit. For more information, see the *Accessing Your Super* Fact Sheet available from [mercersuper.com.au/pds](https://mercersuper.com.au/pds). This Fact Sheet includes details about conditions for accessing preserved or restricted non-preserved super.**

## Super and preservation

Government legislation restricts access to your super and is designed to ensure that you generally use your super for retirement.

Your super account may be comprised of three categories:

- Unrestricted non-preserved super benefits - this amount (if any) is the part of your super account balance that can be paid in cash at any time.
- Restricted non-preserved super benefits - you may have an amount of this type if you had superannuation prior to 1 July 1999. If you do and you leave your employer, this portion of your super account balance will become an unrestricted non-preserved amount
- Preserved super benefits – these amounts must be kept in a superannuation fund or other approved superannuation arrangement and can only be accessed according to ‘conditions of release’ specified in superannuation law.

Your annual member statement will provide details about the relevant category for each portion of your super. Generally, contributions made to your superannuation account will be fully preserved and only accessible once you satisfy a ‘condition of release’ such as reaching age 65, ceasing an employment arrangement after age 60 or retiring after reaching age 60.

Contact the ATO for information about the amount you may be able to access under the FHSSS.

## Paying your super before you leave your Employer

You can choose to take the unrestricted non-preserved component of your super as a cash payment at any time, however tax may be deducted. Call the Helpline if you want to use this option.

You may also be able to transfer all or part of your super account balance to another complying superannuation arrangement, before you leave your Employer, at any time.

If you wish to make a partial transfer this will generally be subject to maintaining a super account balance of at least \$5,000 in your Plan.

In some cases, your death and disablement insurance can be affected by transfers out of your Plan. Refer to the Insurance booklet to see if this applies to you. You should maintain a sufficient account balance to cover any insurance premiums and fees, otherwise your insurance may be cancelled.

For more details about benefit transfers, see the document section at [mercersuper.com.au](https://mercersuper.com.au) (sign in using your personal login) or call the Helpline.

## Paying your super if you leave Australia

You may be eligible to access your super and have it paid directly to you after you have left Australia as long as:

- You entered Australia on a temporary visa
- Your temporary visa has expired or been cancelled
- You are not an Australian or New Zealand citizen or an Australian permanent resident.

Call the Helpline for more details about:

- How to make an application to the trustee for the release of your super for the reasons listed above
- What will happen to your super if you make such an application.

The trustee may be required to transfer your super to the ATO if at least six months have passed since the expiry or cancellation of your temporary visa and you have left Australia and have not claimed your super from your Plan.

If this happens, you will need to contact the ATO to claim your super, which will be paid to you subject to the deduction of tax. The ATO will provide the trustee with details of the members who can have their super transferred in these circumstances.

Tax rates on super benefits to a temporary resident who has left Australia are higher than those which apply to Australian permanent residents or Australian and New Zealand citizens.

Interest (or investment earnings) in respect of super for temporary residents is not paid on amounts paid by the ATO (except in certain limited circumstances).

The transfer to the ATO can be required even if you are still employed by your Australian employer. Call the Helpline if your benefit has been transferred to the ATO and you need help to prove to the ATO that you are entitled to that benefit.

In most cases, the trustee is required to provide a member with an exit statement when their benefit has been paid out of the fund. However, the Australian Securities and Investments Commission (ASIC) has provided trustees with relief from this requirement where benefits are paid to the ATO. This relief has been granted



because most temporary residents do not advise the trustee of their overseas address details. The trustee intends to rely on this relief.

This means that the trustee is not obliged to notify or give an exit statement to a non-resident where a benefit has been transferred to the ATO.

You will no longer be a member of the Mercer Super Trust or have any right to claim a benefit from the fund and any insurance cover you may have had through your Plan will cease if your super is transferred to the ATO.

## Unclaimed money

We will consider your super benefit as unclaimed money and send it to the ATO if:

- You are over age 65 and we have received no contributions or rollovers in the last two years, and
- We have been unable to contact you for a period of five years.

We may also be required to transfer your account balance to the ATO if:

- No contributions or rollovers have been received for more than 12 months, and
- We have not been able to contact you and your account balance is less than \$6,000, or
- If we do not have enough information to properly identify you.

You will no longer be a member of the Mercer Super Trust or have any right to claim a benefit from the fund and any insurance cover you may have had through your Plan will cease if your super is transferred to the ATO.

For more information on unclaimed super money please refer to the ATO website at [ato.gov.au](https://ato.gov.au).

## Unclaimed benefits – lost members

We may classify your super account as an unclaimed super benefit and transfer your super to the ATO if:

- We've written to you twice
- This mail has been returned unclaimed both times, and
- You are under age 65.

You will no longer be a member of the Mercer Super Trust or have any right to claim a benefit from the fund and any insurance cover you may have had through your Plan will cease if your super is transferred to the ATO.

For more information on unclaimed super money please refer to the ATO website at [ato.gov.au](https://ato.gov.au).

## Inactive low-balance accounts

To help protect members with low account balances of less than \$6,000, we may be required to transfer your super account to the ATO for consolidation. This may occur if your account has been inactive for a continuous period of 16 months, has a balance of less than \$6,000, does not hold current insurance cover and you have not opted out of having your super account transferred to the ATO.

Your super account will be deemed inactive, if within the last 16 months, all of the below statements are true:

- There have been no contributions and/or rollovers received
- You have not changed investment options
- You have not changed your binding beneficiaries
- You have not made a change to your insurance cover.

The process of determining accounts for ATO consolidation occurs on 30 June and 31 December each year.

You will no longer be a member of the Mercer Super Trust or have any right to claim a benefit from the fund and any insurance cover you may have had through your Plan will cease if your super is transferred to the ATO.

A confirmation letter will be issued to you if your benefit is paid to the ATO.

You can opt out of having your super account transferred to the ATO by calling the Helpline.

## Family law

Subject to relevant legislation, married and de facto couples may be able to make binding agreements or get court orders to determine how each partner's super will be divided if their marriage or relationship breaks down.

Under the Family Law Act 1975, the trustee needs to provide certain information about a member's super benefit to eligible persons where the information is required to negotiate a superannuation agreement or to help with a court order. An eligible person under the Act includes a member, the spouse of a member or any person who intends to enter into a superannuation agreement with the member for the purposes of splitting superannuation.

We may need to adjust your super benefit to reflect any agreements or court orders that may be binding on the trustee. We will advise you about any fee for a request related to the Family Law Act 1975 in respect of your super benefit.

Call the Helpline about family law matters affecting your super in the Mercer Super Trust.

## Anti-money laundering

Under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act), superannuation funds have to identify, monitor and mitigate the risk that the fund may be used for the laundering of money or the financing of terrorism. Because of this, you will be asked to provide satisfactory proof of your identity to the trustee before you withdraw your super benefit. You may also need to provide satisfactory proof of identity to meet other legal requirements.

At a minimum, we need to collect your full name, date of birth and residential address. In regard to verifying information, we are only obligated to verify full name, and either date of birth or residential address. This can be achieved by supplying a certified copy of your driver's licence or passport. We are unable to process your payment without this information in an appropriate form.

Under the AML/CTF Act, we may need to undertake additional identification checks and monitor transactions. We may also need to block or suspend transactions. The trustee will not be liable for any loss suffered by you due to a delay in making a payment which has been caused by the need to comply with AML/CTF Act requirements.

By law the trustee is also required to comply with confidential reporting obligations to the AML/CTF Act regulator, Australian Transaction Reports and Analysis Centre (AUSTRAC).

# Other key information

## Cooling off

If you join Mercer MyChoice, you have 14 days after you commence your membership in the Mercer Super Trust during which you can cancel your membership in Mercer MyChoice. This is called the cooling off period.

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

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

The amount refunded may be more or less than the amount you initially invested.

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

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

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

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

## Your benefit

You have accumulation style super. Your super account balance is made up of:

- amounts contributed to your account by you or your employer or in respect of you

plus

- any money you transfer in from other super funds

less

- taxes and surcharges, fees and costs, expenses, insurance premiums and amounts paid out to or for you

plus

- investment earnings (which can be positive or negative).

Your member statement explains how your super has performed throughout the previous year.

## Super account balance under \$500

You must notify the trustee where you would like us to transfer your super account balance if it falls below \$500.

When requested, you need to tell us where you would like us to transfer your super account balance, within 30 days. This must be another approved superannuation arrangement. You may take in cash any unrestricted non-preserved amounts.

If we do not hear from you within 30 days, we may transfer your super account balance to the ATO. Once your benefit is transferred to the ATO, you will no longer be a member of the Mercer Super Trust or have any right to claim a benefit from the fund and any insurance cover you may have had through your Plan will cease.

A confirmation letter will be issued to you if your benefit is paid to the ATO.

## Beneficiaries

It's important to let the trustee of the Mercer Super Trust know who you would prefer to receive your death benefit if you die while a member of the Mercer Super Trust. Reviewing and updating your beneficiary nomination may ensure that your benefit can be paid according to your nomination.

For more information about nominating beneficiaries, see the *Beneficiaries* Fact Sheet available from [mercersuper.com.au/pds](http://mercersuper.com.au/pds).

## Insufficient super

If your super account balance is, or is likely to be, insufficient to meet the cost of your insurance fees and premiums, and/or fees, your insurance cover will cease.

If your super account balance is, or is likely to be, insufficient to meet the fees for your account, you will no longer be able to remain a member of the Mercer Super Trust.

These changes will occur automatically unless you make a further contribution to meet the cost of your insurance cover and account fees. We will advise you if this applies to you.

## Transfer to Mercer SmartRetirement Income

When the time comes to receive your super benefit, you can choose to transfer to a Mercer SmartRetirement Income (MSRI) account in the Allocated Pension Division of the Mercer Super Trust (if eligible). Through MSRI you can receive your payout in the form of a regular income, while generally staying invested in your chosen investment options.

You can choose to transfer all or part of your super to MSRI as an Allocated Pension or a Transition to Retirement Allocated Pension (eligibility criteria apply).

Before applying to invest in MSRI, you should read the Product Disclosure Statement for MSRI available from [mercersuper.com.au/pds](http://mercersuper.com.au/pds) or by calling the Helpline.

You should consider obtaining financial advice tailored to your personal circumstances.

## Service providers to the trustee

The trustee has appointed a number of service providers to help it run the Mercer Super Trust. The main service providers to the trustee include the administrator, the implemented consultant, the financial advice service provider and your Plan's insurer.

The administrator, the implemented consultant and the financial advice service provider are paid from the trustee's fee income. See below for further details on each of these service providers.

See the *Insurance* booklet for information about the insurer of your Plan.

## Corporate resources

The trustee has appointed Mercer (Australia) Pty Ltd (MAPL) to provide various corporate resources and services including but not limited to compliance and risk management, information technology services, internal audit, and general corporate administration services.

## Administrator

The trustee has appointed Mercer Outsourcing (Australia) Pty Ltd (MOAPL) to provide administration services to the Mercer Super Trust including but not limited to:

- Administration of member records and unit holdings
- Daily management of the Mercer Super Trust's operations including accounting
- Preparing communications materials, including the Mercer Super Trust's website
- Helpline facilities for members.

## Implemented consultant

The trustee has appointed Mercer Investments (Australia) Limited (MIAL) as an implemented consultant. MIAL provides services to MSAL on the selection, appointment, replacement and ongoing evaluation of investment managers through an implemented consulting arrangement.

## Financial advice services

The trustee has appointed Mercer Financial Advice (Australia) Pty Ltd (MFAAPL) to provide financial advice services to members of the Mercer Super Trust. Such financial advice services include a limited personal financial advice service, and general advice.

## Trustee powers and responsibilities

The trustee is responsible for:

- Exercising its duties and powers in members' best financial interests
- Ensuring members' rights are protected in accordance with the Trust Deed and relevant law
- Payment of correct super benefits at the appropriate time
- The proper management of assets
- The general operation of the Mercer Super Trust in accordance with the governing documents and applicable legislation.

The trustee has the right to override any member's investment choices as required by law.

The trustee pays itself a fee out of the fees charged in respect of members.

## Trustee's indemnity

Both the trustee and its directors are entitled to be indemnified, out of the assets of the Mercer Super Trust, against all liabilities including losses, costs and expenses that may be incurred in administering the Mercer Super Trust.

Liabilities include any payments to the trustee of any predecessor fund to your Plan for any liabilities incurred by that trustee before the transfer into the Mercer Super Trust.

The operation of the trustee's indemnity may result in a reduction in a super benefit.

The indemnity does not apply to:

- Liabilities arising out of fraud, dishonesty or intentional or reckless neglect or default
- Amounts, such as penalties, for which indemnification is not permitted under Government legislation.

## Governing rules

The governing rules of your Plan include:

- The trust deed that governs the operation of the Mercer Super Trust
- The designated rules covering the general operation of your Plan
- The benefit design schedule that sets out the specific details of your Plan.

The governing rules of your Plan, together with relevant laws and regulations, set out the rules and procedures under which the Mercer Super Trust and your Plan operate and also set out the trustee's duties and obligations to you.

The trust deed and designated rules are available at [mercersuper.com.au/governance](https://mercersuper.com.au/governance).

## Amendments to your Plan and governing rules

Sometimes the governing rules' provisions need to be amended.

The trustee has the power to amend all or any of the provisions of the trust deed and designated rules.

Any amendment must comply with the restrictions in the trust deed, designated rules and any applicable government requirements.

Member benefits may be adjusted if your Plan is closed.

# How super is taxed

See the *Contributions* Fact Sheet at [mercersuper.com.au/pds](https://mercersuper.com.au/pds) for more information on contributions and tax.

Superannuation is generally taxed at three stages:

- When certain contributions are received
- On investment income
- When super benefits are paid out.

Contributions limits and tax issues can be complex. We have provided a general summary of the way superannuation is taxed based on laws current at the date of this Guide.

The information applies to Australian or New Zealand citizens or Australian permanent residents. If you are an Australian or New Zealand citizen or an Australian permanent resident but are currently not a resident of Australia for tax purposes, different tax rules will apply.

Visit the ATO website for further information about tax and your super ([ato.gov.au](https://ato.gov.au)).

## Tax on contributions

Not all the money you put into super will be taxed when it is paid into the fund. It depends on:

- The type of contribution – concessional or non-concessional
- How much you contribute and whether you exceed the super contribution limits (caps)
- If the trustee has your TFN
- Whether you are a higher-income earner.

If you roll in super from an untaxed Australian public sector fund, any untaxed element of the rollover will be taxed at 15%. Tax at 15% may also apply to a component of an amount transferred from a foreign super fund, with the tax-free part treated as a non-concessional contribution.

## Type of contribution

Concessional contributions are generally taxed at 15% when received by a super fund. Allowance for this tax is deducted from your super account and is calculated as 15% of your net concessional contributions after relevant insurance premiums are deducted.

Non-concessional contributions are generally tax-free when received by a super fund.

Where you make a personal after-tax contribution and then claim a tax deduction, this contribution will then be re-classified as a concessional contribution.

## Contribution caps

There are limits on how much you can pay into your super fund each financial year without having to pay extra tax. If you have more than one super fund, all your contributions are added up and count towards your caps. If you exceed the caps, you may pay additional tax. You should monitor your contributions to ensure that you do not exceed the caps and are then liable for additional tax.

## No Tax File Number

The trustee is authorised to collect, use and disclose your TFN. You do not have to provide your TFN to us and it is not an offence if you choose not to provide it. However, if we do not have your TFN:

- You will pay extra tax on employer contributions, salary sacrifice contributions and possibly on your super benefit
- We cannot accept your voluntary contributions (including any spouse contributions)
- We will be unable to consolidate multiple super accounts you may have with us.

We may disclose your TFN to another super provider if your benefits are being transferred, unless you request us in writing that your TFN is not to be disclosed to any other super provider.

## High-income earners

If your combined income and concessional super contributions are more than \$250,000 in a financial year, you may have to pay Division 293 tax on your contributions.



## Tax on investment income

Generally, the trustee is liable to pay tax at a maximum rate of 15% on:

- All investment income
- Realised capital gains from assets held for less than 12 months
- Two-thirds of realised capital gains from assets held for 12 months or more.

A realised capital gain is when an asset is actually sold for more than the original purchase price.

The trustee won't be liable to pay tax on gains received from Mercer Super Trust investments in pooled super trusts and statutory funds of life insurance companies. This is because the pooled super trust or life office would have already deducted tax.

The actual rate at which the trustee pays tax may be reduced below 15% due to the effect of various tax credits (including franking credits) and rebates.

## Tax on super benefits

You may have to pay tax on your super benefit when it is paid from the Mercer Super Trust. The actual amount of tax you may have to pay depends on:

- Your age when your super benefit is paid
- The type of benefit and its tax components
- Some other factors including your residency and citizenship status.

Super benefits for Australian or New Zealand citizens or an Australian permanent resident are generally:

- Tax free when paid from age 60 (although tax may be payable on some death and temporary disability benefits and FHSSS releases)
- Taxable when paid before age 60.



See the *Tax on lump sum super payouts* Fact Sheet at [mercersuper.com.au/pds](https://mercersuper.com.au/pds) for more information about tax on lump sum super benefits.

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We recommend that you get advice from a licensed or appropriately authorised financial adviser about how the tax laws affect you, especially if you are considering making large contributions, or retiring. This is because the tax treatment of super can be complex and may change at any time.

You should also get appropriate advice while you build your super.

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# Enquiries and complaints

## Important information

After you join your Plan, we will send you your Welcome letter and your personal login. You will then be able to access information to help keep you up to date and informed about your super in the Mercer Super Trust and other relevant information including:

- A welcome letter confirming your investment choices, insurance and fee arrangements in your Plan
- Confirmation of any balances transferred in
- An online *Mercer Super Trust Annual Report (Fund Information Statement)* to bring you up to speed on investment performance and what's happened to the Mercer Super Trust and your Plan over the year. You can access this from [mercersuper.com.au](https://mercersuper.com.au) or you can request a hard copy free of charge from the Helpline
- An annual member statement showing transactions and changes to your super account
- Investment updates and member communications to keep you informed
- Notification of all material changes or the occurrence of significant events
- Access to group briefings at work where available
- Confirmation of transactions.
- Access to advice
- Care & Living with Mercer.

Our online tools include:

- Up to date information on investment options
- Information from our wealth education experts
- Financial planning tools
- Ability to update your contact details and communication preferences

## Phone

Call the Helpline on **1800 682 525** or if calling from outside Australia on **+61 3 8306 0900** from 8am to 7pm (AEST/AEDT) Monday to Friday.

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

## Online

[mercersuper.com.au](https://mercersuper.com.au)

Our website is available 24 hours per day, seven days per week. However, the website may not be available when we need to carry out scheduled updates or maintenance. If, for any reason, our online services are not available, you may call the Helpline for assistance. If our online services are not available, we are not responsible for any loss because you were unable to perform transactions during that time.

## Mail

Mercer Super Trust  
GPO Box 4303  
Melbourne VIC 3001

Please include your Plan name and your member number when writing to us.

## Member Privacy

We collect, use and disclose personal information about you in order to manage your super benefits and give you information about your super. Our *Privacy Policy* outlines the type of information we keep about you and how we, and any organisations we appoint to provide services on our behalf, will use this information. If you do not provide the personal information requested, we may not be able to manage your super. You can read our *Privacy Policy* online at [mercersuper.com.au/privacy](https://mercersuper.com.au/privacy) or you can obtain a copy by calling the Helpline.

The *Privacy Policy* also includes details about how you may lodge a complaint about the way we have dealt with your information and how we will handle that complaint.

## Complaints email

[MSALCustomer.Complaints@mercer.com](mailto:MSALCustomer.Complaints@mercer.com)

## Complaints

Information regarding the Mercer Super Trust complaints process can be accessed online. Go to [mercersuper.com.au/complaints](https://mercersuper.com.au/complaints) and select the *Mercer Complaints Management Procedures*. A hard copy can also be provided on request.

The trustee always seeks to resolve any complaints to the satisfaction of all concerned and in the best interests of all members of the Mercer Super Trust. We will acknowledge your complaint as soon as practicable. We will provide you with a response no later than 45 calendar days after receiving your complaint, unless another timeframe is allowed or required under the relevant legislation. If we are unable to provide you with a response within this timeframe, we will provide you with a delay notification advising you the reasons for the delay, as well as your rights to complain to the Australian Financial Complaints Authority (AFCA).

If you have made a complaint and are not satisfied with the outcome, or we have not resolved your complaint within the required timeframe, you can complain to AFCA. AFCA is a fair and independent body that can assist you with further resolving your complaint at no cost to you.

You can contact AFCA as follows:

**Mail** Australian Financial Complaints Authority  
Limited  
GPO Box 3  
Melbourne VIC 3001

**Phone** 1800 931 678

**Email** [info@afca.org.au](mailto:info@afca.org.au)

**Website** [afca.org.au](https://afca.org.au)

Some complaints must be lodged with AFCA within set timeframes or may be outside of AFCA's jurisdiction. Contact AFCA directly for more information about their time limits and other requirements.

