

Product Disclosure Statement update

23 October 2023

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

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

How we invest your money

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

Changes are shown in **green** below.

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

Notes to table

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

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

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

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

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

Closure of investment options

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

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

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

This notice removes references to the closed investment options in the following sections of the *How Your Super Works* booklet:

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

If you need assistance

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

This notice has been issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533, Australian Financial Services Licence 235906, the trustee of the Mercer Super Trust ABN 19 905 422 981. 'MERCER' and Mercer SmartPath are Australian registered trademarks of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917. Any advice contained in this notice is of a general nature only and does not take into account the personal needs and circumstances of any particular individual. Before acting on any advice, please consider the Product Disclosure Statement available at mercersuper.com.au/pds. The product Target Market Determination can be found at mercersuper.com.au/TMD. Seek professional advice from a licensed, or appropriately authorised, financial adviser if you are unsure of what action to take. Past performance is not a reliable indicator of future performance. The value of an investment in the Mercer Super Trust may rise and fall from time to time. The investment performance, earnings or return of capital invested are not guaranteed. Copyright © 2023 Mercer LLC. All rights reserved.

Mercer SmartSuper

1 April 2023
Product Disclosure Statement

Contents

About the Mercer SmartSuper	2
How Super Works	2
Benefits of Investing with the Mercer SmartSuper	2
Risks of Super	3
How we invest your money	3
Fees and Costs	4
How super is taxed	6
Insurance in your super	7
How to open an account	8

This Product Disclosure Statement (PDS) is issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533, Australian Financial Services Licence (AFSL) 235906 as trustee of the Mercer Super Trust ABN 19 905 422 981. 'MERCER' and Mercer SmartPath are Australian registered trademarks of Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917.

MSAL is a wholly owned subsidiary of Mercer. In this PDS, trustee, we or us generally means MSAL.

MSAL is responsible for the contents of this PDS and is the issuer of this PDS. Mercer is not responsible for the issue of this PDS and does not make any recommendations regarding the Mercer Super Trust or guarantees the investment performance, earnings, or the return of any capital invested in it.

This *Product Disclosure Statement* (PDS) is a summary of the main features of Mercer SmartSuper (your Plan) in the Corporate Superannuation Division (CSD) of the Mercer Super Trust. It includes references to important information in a series of booklets that are part of this PDS. These booklets are the *How Your Super Works* booklet, the *Insurance* booklet, the *Investments* booklet and the *Sustainable Investments Information* booklet.

You should read and consider the information in this PDS and the booklets before making a decision about your super.

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

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

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

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

Mercer SmartSuper Unique Superannuation Identifier (USI)
19905422981707

Your personal login will be provided to you after you join your Plan. Use your personal login at mercersuper.com.au to:

- select or change your investment options, and
- update your contact details and communication preferences.

Go to mercersuper.com.au/documents for:

- the booklets referred to in this PDS (*How Your Super Works* booklet, *Investments* booklet, *Sustainable Investments Information* booklet and *Insurance* booklet),
- the *Fact Sheets* referred to in this PDS and the other booklets, and
- other important documents about the Mercer Super Trust. and
- other relevant forms applicable to your Plan

You can also call the Helpline on **1800 682 525** or **+61 3 8306 0900** (if calling from overseas) from 8am to 7pm AEST Monday to Friday, to request a copy of any documents

1. About Mercer SmartSuper

Choose a leader in super you can trust

On joining your Plan, you will be a member of the Corporate Super Division.

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

With you for your super journey

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

We are global and local experts in super

We have a wealth of local superannuation expertise and are committed to delivering strong retirement outcomes for Australians. Our members benefit from leveraging Mercer's global scale and the insights of our team of investment experts around the world. Mercer SmartPath® (authorisation number 19905422981252) is the MySuper investment option for your Plan.

At mercersuper.com.au/pds/ you can find:

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

2. How Super Works

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

Super is generally compulsory. In most cases your employer is required by law to regularly contribute a minimum amount for you to a super fund, which you can choose. This is called a Superannuation Guarantee (SG) contribution. Generally, you can advise your employer where you'd like contributions to be paid. You can also make your own extra contributions.

If you don't make a choice or tell your employer where you want your super paid, they'll generally pay your contributions to an existing super account advised to your employer by the Australian Taxation Office (ATO).

If you don't have a suitable existing fund and you don't make a choice, your employer will generally pay contributions to its selected default fund.

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

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

You should read the important information about contributions and payment of benefits before making any decision about your super. Go to the 'Contributions' section of the *How Your Super Works* booklet for this information.

The material relating to contributions and payment of benefits in Mercer SmartSuper may change between the time you read this PDS and the day you acquire this product.

3. Benefits of Investing with Mercer SmartSuper

As a Mercer Super Trust member you benefit from the following:

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

Receiving your benefits

Your benefit amount is equal to your super account balance. If you have insurance cover, you may also receive an insured benefit amount if you are assessed as Totally and Permanently Disabled (TPD), Terminally Ill, or you die and the Insurer pays an insured benefit amount for you.

If you are insured and become Totally but Temporarily Disabled, you may receive a monthly benefit

You can request that your benefit be transferred to another superannuation fund at any time, or access your super as a cash payment in part or whole, if you meet certain requirements under superannuation legislation. When you reach preservation age, you may also choose to transfer part or all of your benefit to the Allocated Pension Division of the Mercer Super Trust – if you meet certain requirements under superannuation legislation.

You should read the important information about the significant features and benefits of your Plan and 'Receiving your benefits' in the *How Your Super Works* booklet before making any decisions about your super. Go to mercersuper.com.au/pds/ for this information. This booklet also contains important information about fees and costs and insurance cover in Mercer SmartSuper.

4. Risks of Super

All investments, including super, carry some risk.

Investment Risk

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

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

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

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

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

Other Risks

Other important risks that may affect your super include:

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

How risk affects you

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

You should read the important information about investment risks before making any decision about your super. Go to the 'Understanding Investment Risks' section of the *Investments* booklet at mercersuper.com.au/pds for this information.

The material relating to understanding investment risk may change between the time you read this PDS and the day you acquire this product.

5. How we invest your money

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

If you don't make a choice, we will invest your super in the default investment option, Mercer SmartPath, which is the MySuper product for your Plan.

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

- **Ready-made** investment options, which combine a mix of asset classes and management styles to target the stated investment objective. **The ready-made options include Mercer SmartPath.**
- **Select-your-own** investment options, which allow you to blend investment options to suit your specific needs.
- **Mercer Direct** (if applicable) which allows you to choose your own portfolio from a range of shares, term deposits and exchange traded funds.

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

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

About Mercer SmartPath

Description

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

Objective

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

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

Notes to table

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

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

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

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

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

This tells you about:

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

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

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

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

6. Fees and Costs

Did you know?

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

To find out more

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

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

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

Fees and costs summary

Mercer SmartPath investment option								
Type of fee or cost	Amount	How and when paid						
Ongoing annual fees and costs¹								
Administration fees and costs	<ul style="list-style-type: none"> An asset based administration fee of 0.10% per annum of your super account balance up to \$500,000; and An estimated expense allowance range of between 0.00% to 0.05% per annum of your super account balance; and Costs associated with product and strategic services, estimated to be 0.017% per annum of Mercer Super Trust assets. 	<p>The asset based administration fee and expense allowance are generally calculated and deducted daily when unit prices are determined.</p> <p>These deductions will be reflected in your super account balance.</p> <p>Costs associated with product and strategic services are deducted from reserves on a monthly basis.</p>						
Investment fees and costs²	<p>Investment fees Investment fees for the path that applies to you in the table below, and</p> <table border="1"> <thead> <tr> <th>Path name</th> <th>Estimated Investment fees (% per annum of your super account balance)</th> </tr> </thead> <tbody> <tr> <td>Born prior to 1959*</td> <td>0.34%</td> </tr> <tr> <td>Born 1959 or later+</td> <td>0.40%</td> </tr> </tbody> </table> <p>Investment costs^{4,5} Estimated investment costs between 0.06% to 0.22% per annum of your super account balance depending on which path you are in.</p>	Path name	Estimated Investment fees (% per annum of your super account balance)	Born prior to 1959*	0.34%	Born 1959 or later+	0.40%	<p>Investment fees are generally calculated and deducted daily when unit prices are determined.</p> <p>Investment costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant path) when unit prices are determined.</p> <p>These deductions will be reflected in your super account balance.</p>
Path name	Estimated Investment fees (% per annum of your super account balance)							
Born prior to 1959*	0.34%							
Born 1959 or later+	0.40%							
Transaction costs^{4,5}	Estimated transaction costs between 0.05% to 0.09% per annum of your super account balance depending on which path you are in.	Transaction costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant path) when unit prices are determined. This will be reflected in your super account balance.						
Member activity related fees and costs								
Buy-sell spread	Nil.	Not applicable.						
Switching fee	Nil.	Not applicable.						
Other fees and costs ³	See note ³ below.	See note ³ below.						

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

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

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

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

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

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

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

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

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

This table gives an example of how the ongoing annual fees and costs for Mercer SmartPath (the MySuper product for the Individual Section) can affect your superannuation investment over a one year period. You should use this table to compare this product with other superannuation products.

Example – Mercer SmartPath (Born 1964 to 1968 path)		Balance of \$50,000
Administration fees and costs	0.167%	For every \$50,000 you have in the Mercer SmartPath investment option you will be charged or have deducted from your investment \$83.50 in administration fees and costs.
PLUS Investment fees and costs	0.57%	And, you will be charged or have deducted from your investment \$285.00 in investment fees and costs.
PLUS Transaction costs	0.08%	And, you will be charged or have deducted from your investment \$40.00 in transaction costs.
EQUALS cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of \$408.50* for the Mercer SmartPath Investment option.

*Note: Additional fees may apply.

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

Fee changes

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

Your Plan fees and costs

You should read the important information about fees and costs in the *How Your Super Works* booklet before making any decision about your super. Go to mercersuper.com.au/pds for a copy of the *How Your Super Works* booklet.

This information includes:

- the maximum fees and costs of each investment option that can be charged,
- the 'Cost of product for 1 year' calculation for each investment option,
- definitions of the fees referred to in the fees and costs table,

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

7. How super is taxed

Superannuation is generally taxed at three stages:

Contributions

Concessional contributions: Employer contributions (including SG Employer contributions), salary sacrifice contributions and contributions where you notify us you intend to claim a tax deduction are generally taxed at

15%*. Allowance for this tax is deducted from your super account and is calculated at 15% of your net concessional contributions after relevant insurance premiums are deducted. We pay the tax on contributions to the ATO.

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

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

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

Investment income

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

Super benefits

Super benefits from your Plan may be taxed if your age is less than 60. Generally, no tax applies to super benefits once you turn 60 (tax may be payable on some Death benefits and some disablement income benefits (where applicable)). Withholding tax is deducted from your super benefit before it is paid to you. Different rules may apply if

you are not an Australian or New Zealand citizen or an Australian permanent resident. We pay any tax we deduct from your super benefit to the ATO.

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

If the trustee does not have your TFN:

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

You should read the important information about tax and super before making any decision about your super. Go to the *How Your Super Works* booklet at mercersuper.com.au/pds for this information.

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

8. Insurance in your super

New members

If you're opening a new account you can apply for Death only or Death and TPD cover. Income Protection (IP) is also available called Salary Continuance Insurance (SCI) cover. See your *Insurance* booklet for further details of the type of cover offered to you.

To be eligible for the pre-approved 1 unit of Standard Cover when you join Mercer SmartSuper you must meet the eligibility criteria.

You will be eligible for automatic Standard Cover when you meet the Putting Members' Interests First (PMIF) legislative requirements. You will meet PMIF requirements if:

- you are aged 25 or over, and
- your account balance has reached \$6,000 at any time since joining Mercer SmartSuper.

You can generally opt-in within 30 days of receiving your Welcome letter to receive automatic Standard Cover by completing the 'Adjusting or opting out of your insurance cover in the Mercer Super Trust' available at mercersuper.com.au/login or by contacting the Helpline. The cover will then start once there is money in your account.

You must also meet any other eligibility conditions that apply to Mercer SmartSuper.

The *Insurance* booklet contains more specific information about:

- the level, type and amount of automatic Standard Cover available through Mercer SmartSuper,
- your eligibility for cover,
- if insurance cover is not automatic, (or you need more cover than available under Standard Cover) how to apply for cover available through Customised Cover, which will be subject to underwriting and acceptance by the Insurer.

Transferring from the former fund

If you have been automatically transferred from the former fund (as part of the successor fund transfer into Mercer SmartSuper on the 1st April 2023) and you

previously had Death only or Death and TPD cover and/or SCI cover, the insurance cover that you had immediately prior to the transfer will, subject to meeting eligibility requirements, generally automatically continue in Mercer SmartSuper. This cover will be subject to any exclusion, restriction or premium loadings that applied to your transferred cover.

If you're applying for new cover, additional cover or transferring cover, the insurer may require satisfactory evidence of good health, salary details and other evidence before providing or increasing insurance cover. This is part of underwriting and is described in the *Insurance* booklet.

Important! The insurance exclusions, terms and conditions for transferring members are the same that applied to you in the former fund and may be different to that contained in the *Insurance* booklet. Further information about exclusions, terms and conditions for your transferring insurance are available by calling the Helpline.

Automatic cancellation of cover

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

If your cover is cancelled the cost of all insurance premiums will stop being deducted from your super account balance.

Refer to the 'When cover ends' section of the *Insurance* booklet for more information and how to elect to maintain your cover.

New members - Death and TPD cover

You can generally apply to adjust, opt out of or cancel your insurance cover at any time. You cannot keep your TPD cover if you opt out or cancel your Death cover. You can keep Death only cover by itself if you want to opt out or cancel TPD cover.

When you open a Mercer SmartSuper account you will automatically receive 1 unit of pre-approved Standard Cover for Death and TPD without the need for a medical assessment, as long as you meet the eligibility criteria.

The dollar amount of insurance cover that each unit provides depends on your age next birthday and ranges between \$15,000 and \$125,000. Please refer to the 'Standard Cover' section of the *Insurance* booklet for further details about Death and TPD cover.

The cost of Death and TPD insurance cover depends on your age next birthday, gender and the amount of cover you already have. The cost of cover ranges between \$1.07 and \$61.37 per annum for females and between \$1.52 and \$79.34 per annum for males for each \$1,000 of insurance cover.

The cost of your insurance cover is deducted monthly in arrears from your super account.

Mercer SmartSuper Customised Cover – Death only, or Death & TPD

In Mercer SmartSuper you can apply for additional Death only, or Death and TPD cover through Customised Cover. Customised Cover gives you the option of choosing the type and amount of cover that best suits your needs in addition to any Standard Cover you hold. An application for Customised Cover will be assessed through underwriting. In Mercer SmartSuper we may also use the term 'voluntary cover' in situations where you apply for Customised Cover.

Mercer SmartSuper Customised Cover - SCI cover

Mercer SmartSuper Customised Cover also provides SCI cover. Members working 20 hours or more per week can apply for SCI. Your application for cover will need to be assessed through underwriting.

If eligible, your monthly SCI benefit is generally 75% of your annual salary divided by 12 plus a portion of your employer super contributions. The maximum monthly benefit depends on your occupational rating.

You can cancel your SCI cover at any time by completing the relevant form, available by calling the Helpline. Please refer to the *Insurance* booklet for the amount of cover available to you.

The cost of your SCI cover is calculated as a percentage of your Income based on your age in years and the chosen benefit amount, Waiting Period and Benefit Period. The cost of your SCI cover is deducted from your super account each month in arrears based on your annual cost.

To access the above insurance options, contact the Helpline for the relevant form or go online (using your personal login details).

Warning Premiums

Insurance premiums for automatic Standard Cover will be deducted from your super account balance until your application to cancel, change or opt out of that cover is processed by the trustee.

Eligibility, terms, conditions and exclusions

The *Insurance* booklet contain important information about:

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

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

Optional Customised Cover

The *Insurance* booklet contains important information about optional Customised Cover (cover other than the automatic insurance cover provided through Standard Cover) including:

- the level and type of optional insurance cover available, and
- other significant matters in relation to this optional insurance cover.

You should read this information before deciding whether optional insurance cover is appropriate for you.

You should read the important information in the *Insurance* booklet for your Plan before making any decision about insurance.

Go to mercersuper.com.au/pds for a copy of this booklet.

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

9. How to open an account

Members automatically transferred from the former fund

If you have been automatically transferred from the former fund (as part of the successor fund transfer into your Plan on the 1st April 2023), you do not need to complete an Application Form. See the 'Insurance in your super section' earlier in this PDS for details on what happens to your insurance cover.

New members joining directly

If you join your Plan directly you will need to:

- complete and submit an online Application Form available at mercersuper.com.au and select 'join' or call the Helpline, or

- complete, sign and return the 'Application Form to join Mercer SmartSuper in the Mercer Super Trust'
- provide us with your Tax File Number. You can provide your TFN by calling the Helpline or online (using your personal login details).

To have your future employer contributions directed to Mercer SmartSuper, you will also need to complete a fund choice form and provide to your employer.

Insurance: For eligible new members joining your Plan, you will automatically receive one (1) unit of pre-approved Standard Cover (as long as you meet the eligibility criteria) unless you adjust or opt out of cover by completing the 'Adjusting or opting out of your insurance cover in the Mercer Super Trust' form. See the 'Insurance in your super' section of this PDS and the 'Insurance in your Mercer SmartSuper' section of the *Insurance* booklet for more information about automatic Standard Cover that will apply and eligibility conditions in your Plan.

Investment options: Unless you select an investment option, the default investment option is the Mercer SmartPath investment option. See the 'How we invest your money' section of this PDS and the *Investments* booklet for more details. Once you have joined your Plan you can select investments online^ (using your personal login details).

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

All members

You should read all the information in this PDS and the booklets referred to in this PDS. Go to mercersuper.com.au/pds for a copy of this PDS and important information booklets.

CONTACT US – Enquiries and complaints

Helpline

If you have a question about your super, an enquiry or a complaint, call the Helpline on 1800 682 525 or if calling from outside Australia on 61 3 8306 0900 from 8am to 7pm AEST Monday to Friday. We can help you in a number of languages, simply ask for a translator when you call.

By mail

General correspondence and forms:

Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001

Enquiries and complaints:

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

Email

Complaints:

MSALCustomer.Complaints@mercerc.com

You should read the important information about enquiries or complaints procedures before making any decision about your super. Go to the *How Your Super Works* booklet at mercersuper.com.au/pds for this information.

The material relating to enquiries or complaints procedures may change between the time you read this PDS and the day you acquire this product.