



Individual Section

How Your Super Works booklet

28 June 2024

The information in this document forms part of the Product Disclosure Statement for the Individual Section of the Mercer SmartSuper Plan in the Corporate Superannuation Division of the Mercer Super Trust dated 28 June 2024.



Contents

About this booklet	3
Fees and other costs	4
Contributions	15
Paying your benefits	18
How super is taxed	20
Leaving your Plan	22
Insurance inside your Super	23
Other key information	34
Enquiries and complaints	36

Issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533 Australian Financial Services Licence (AFSL) 235906.

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

The trustee has appointed the following providers which are named in this Booklet 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 investment funds (the Mercer Funds). Another Mercer entity, Advance Asset Management Limited (AAML) ABN 98 002 538 329 AFSL 240902 is the responsible entity for a number of other investment funds (the Advance Funds). The Mercer Super Trust invests in the Mercer Funds and the Advance 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.
- AIA Australia Limited (AIA) ABN 79 004 837 861 AFSL 230043 is the insurer of the group insurance policy, which is known as the trustee's umbrella policy.

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About this booklet

This How Your Super Works booklet (Booklet) provides important information about the Individual Section of the Mercer SmartSuper Plan (your Plan) in the Corporate Superannuation Division (CSD) of the Mercer Super Trust (MST) and forms part of the Product Disclosure Statement (PDS).

You should consider the information in this Booklet, the PDS and any other important information booklets referred to in this Booklet 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 or by calling the Helpline.

It is important that you understand the information in this Booklet. 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 are here to help.

References to 'your Plan' and 'Individual Section' throughout the PDS and this Booklet mean the Individual Section of the Mercer SmartSuper Plan in the CSD of the Mercer Super Trust.

Eligibility to join the Individual Section

You can only join the Individual Section if you have been transferred from an employer plan in the CSD or Employer Section of the Mercer SmartSuper Plan when you cease employment or Exercise Choice.

Go to mercersuper.com.au/pds for:

- Our *Fact Sheets* which provide more information about contributions and how super is taxed.
- The *Mercer Direct Member Guide* which provides more details about taxes and investments in the Mercer Direct investment option.

The Mercer Direct option is available in your Plan unless advised in your Plan Guide.

Updated information

The information in this Booklet, the PDS and the other booklets that are part of the PDS are current as at the date of publication. Information in this Booklet may change from time to time and if it is not materially adverse, will be made available online at 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.

This Booklet 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 get financial advice tailored to your personal circumstances. The Target Market Determination for this product can be found at 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) has a superannuation calculator to help you check out different fee options.

The above text is prescribed by law. Fees and costs for the Individual Section of the Mercer SmartSuper Plan are not subject to negotiation and are as outlined in this section of this Booklet.

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 SmartSuper Plan – Individual Section		
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"> 0.00% to 0.15% p.a. asset-based administration fee. If the balance of your super account (excluding any balance in the Mercer Direct investment option) is over \$500,000, then the asset-based administration fee for your balance over \$500,000 is 0.00%. See the 'Breakdown of certain fees and costs table' in this Booklet for the specific asset-based administration fee for each investment option. 	<p>Generally calculated and deducted daily when unit prices are determined, reducing investment returns of the investment option. 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.</p> <p>For the Mercer Direct investment option, these fees and costs are generally deducted on the last day of the month from your super account balance.</p> <p>These deductions are made in accordance with your investment strategy for future contributions.</p>
	<ul style="list-style-type: none"> Plus 0.05% p.a. of your super account balance as an estimated expense allowance. 	
	<ul style="list-style-type: none"> Plus an estimated 0.02% p.a. of Mercer Super Trust assets as other administration costs. 	<p>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.</p>

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.

Mercer SmartSuper Plan – Individual Section

Type of fee or cost	Amount	How and when paid
	<p>Plus</p> <p>If you invest in the Mercer Direct investment option, you will also pay:</p> <ul style="list-style-type: none"> \$220 p.a. (\$18.33 per month) portfolio administration fee. 	<p>Generally deducted on the last day of the month from your super account balance. This deduction is made in accordance with your investment strategy for future contributions.</p>
Investment fees and costs^{2,3}	<p>Estimated to be between 0.13% to 1.08% p.a. of your super account balance depending on the investment option you choose.</p> <p>See the 'Breakdown of certain fees and costs table' in this Booklet for the specific investment fees and costs for each investment option.</p>	<p>Generally calculated and deducted daily when unit prices are determined, reducing investment returns of the investment option.</p>
	<p>Plus an estimated 0.00% p.a. of Mercer Super Trust assets as other investment costs.</p>	<p>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.</p>
Transaction costs³	<p>Estimated to be between 0.00% to 0.48% p.a. of your super account balance depending on the investment option you choose.</p> <p>See the 'Breakdown of certain fees and costs table' in this Booklet for the specific transaction costs for each investment option.</p>	<p>Generally calculated and deducted daily when unit prices are determined, reducing investment returns of the investment option.</p>
Member activity related fees and costs		
Buy-sell spread	Nil.	Not applicable.
Switching fee	Nil.	Not applicable.
Other fees and costs⁴	We may apply other fees and costs which include family law fees, advice fees (for personal advice which may be negotiable) and insurance fees.	

² Investment fees and costs includes an amount of between 0.00% and 0.17% for performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs' section of this Booklet.

³ Estimated amounts are generally based on the previous financial year ending 30 June 2023. 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 Booklet.

⁴ See 'Additional explanation of fees and costs' in this section of the Booklet 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 SmartPath 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 SmartPath (Born 1959 to 1963 path)		BALANCE OF \$50,000
Administration fees and costs	0.17%	For every \$50,000 you have in the superannuation product you will be charged or have deducted from your investment \$85 in administration fees and costs.
PLUS Investment fees and costs	0.62%	And , you will be charged or have deducted from your investment \$310 in investment fees and costs.
PLUS Transaction costs	0.07%	And , you will be charged or have deducted from your investment \$35 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 \$430* for the superannuation product.

Note: * Additional fees may apply.

The above example is based on the Born 1959 to 1963 path. The investment fees and costs and transaction costs for this investment option vary depending on your path.

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
Ready-made options	
Mercer SmartPath	
Born prior to 1929	\$430
Born 1929 to 1933	\$390
Born 1934 to 1938	\$405
Born 1939 to 1943	\$415
Born 1944 to 1948	\$410
Born 1949 to 1953	\$415
Born 1954 to 1958	\$395
Born 1959 to 1963	\$430
Born 1964 to 1968	\$425
Born 1969 to 1973	\$415
Born 1974 to 1978	\$410
Born 1979 to 1983	\$405
Born 1984 to 1988	\$400
Born 1989 to 1993	\$400
Born 1994 to 1998	\$400
Born 1999 to 2003	\$405
Born 2004 to 2008	\$415
Born 2009 to 2013	\$415
Born 2014 to 2018	\$415
Mercer Diversified Shares	\$430
Mercer High Growth	\$485
Mercer Select Growth	\$710
Mercer Growth	\$420
Mercer Moderate Growth	\$470
Mercer Conservative Growth	\$410

Investment option	Cost of product
Select-your-own options	
Mercer Sustainable	
Mercer Sustainable High Growth	\$510
Mercer Sustainable Conservative Growth	\$460
Mercer Sector	
Mercer Australian Shares	\$400
Mercer International Shares	\$425
Mercer International Shares - Hedged	\$485
Mercer Property	\$855
Mercer Global Listed Property	\$520
Mercer Fixed Interest	\$235
Mercer Cash	\$175
Mercer Passive and Enhanced Passive	
Mercer Passive Australian Shares	\$225
Mercer Passive International Shares	\$225
Mercer Passive Australian Listed Property	\$280
Mercer Enhanced Passive Growth	\$290
Mercer Enhanced Passive Conservative Growth	\$305
Mercer Direct**	\$305

** Other fees and costs may apply if you are invested in the Mercer Direct investment option including: a brokerage fee, a management fee for exchange traded funds and a term deposit break fee. For more details see ‘Additional explanation of fees and costs’ in this section of this Booklet.

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.

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 the 'Defined fees' section of this Booklet) and include:

- 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 except the Mercer Direct investment option, we deduct a standard asset-based administration fee of 0.15% per annum (or 0.10% per annum for each Mercer SmartPath option) 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 tables above.

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

Mercer Direct – asset-based administration fee

For the Mercer Direct investment option, the asset-based administration fee is generally deducted on the last day of the month from your super account balance. This deduction is made in accordance with 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 Booklet 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.

If you are invested in the Mercer Direct investment option, the estimated expense allowance is generally calculated and deducted on the last day of each month from your super account balance (in accordance with your investment strategy for future contributions). This fee is calculated as follows:

Applicable annual expense allowance times your balance in the Mercer Direct investment option (on the last day of the month) divided by 12.

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* for the relevant financial year.

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*.

Investment fees and costs

The following information applies to all investment options except the Mercer Direct investment option.

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, (e.g. property, infrastructure 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 2023 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*.



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.

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 2023 (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 tables on the following pages.

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.

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*.

Transaction costs

The following information applies to all investment options except the Mercer Direct investment option.

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 2023. 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*.

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 for any changes after the publication of this document.

Investment option	Administration fees and costs ¹	Investment fees and costs ²	Transaction costs	Performance fee average % p.a. ³ (included in Investment fees and costs)
	Asset-based administration fee % p.a. ⁴	% p.a.	% p.a. ²	
Ready-made options				
Mercer SmartPath[^]				
Born prior to 1929	0.10	0.62	0.07	0.09
Born 1929 to 1933	0.10	0.55	0.06	0.07
Born 1934 to 1938	0.10	0.58	0.06	0.08
Born 1939 to 1943	0.10	0.59	0.07	0.09
Born 1944 to 1948	0.10	0.58	0.07	0.08
Born 1949 to 1953	0.10	0.59	0.07	0.09
Born 1954 to 1958	0.10	0.57	0.05	0.07
Born 1959 to 1963	0.10	0.62	0.07	0.07
Born 1964 to 1968	0.10	0.61	0.07	0.07
Born 1969 to 1973	0.10	0.59	0.07	0.06
Born 1974 to 1978	0.10	0.58	0.07	0.06
Born 1979 to 1983	0.10	0.57	0.07	0.05
Born 1984 to 1988	0.10	0.56	0.07	0.04
Born 1989 to 1993	0.10	0.56	0.07	0.04
Born 1994 to 1998	0.10	0.56	0.07	0.04
Born 1999 to 2003	0.10	0.57	0.07	0.04
Born 2004 to 2008	0.10	0.57	0.09	0.04
Born 2009 to 2013	0.10	0.57	0.09	0.01
Born 2014 to 2018	0.10	0.57	0.09	0.01
Mercer Diversified Shares	0.15	0.55	0.09	0.04
Mercer High Growth	0.15	0.65	0.10	0.09
Mercer Select Growth [^]	0.15	1.08	0.12	0.17
Mercer Growth	0.15	0.57	0.05	0.04
Mercer Moderate Growth	0.15	0.61	0.11	0.09
Mercer Conservative Growth	0.15	0.52	0.08	0.07

¹ 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:

- an estimated expense allowance of 0.05% per annum of your super balance, and
- costs paid from the member reserve estimated to be 0.02% per annum of Mercer Super Trust assets.

² Estimated amounts are generally based on the financial year ending 30 June 2023. 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 Booklet. The investment costs and transaction costs for Mercer Growth and Mercer Global Listed Property are based on reasonable estimates only generally expected to apply to these options for the year ending 30 June 2024.

³ Where applicable, performance fees are based on an average for the five-year period ending 30 June 2023 (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.

⁴ If the balance of your super account (excluding any balance in the Mercer Direct investment option) is over \$500,000, then the asset-based administration fee for your balance over \$500,000 is 0.00%. The asset-based administration fee for any balance invested in Mercer Direct will be 0.10% per annum, regardless of the amount invested.

Investment option	Administration fees and costs ¹	Investment fees and costs ²	Transaction costs	Performance fee average % p.a. ³ (included in Investment fees and costs)
	Asset-based administration fee % p.a. ⁴	% p.a.	% p.a. ²	
Select-your-own options				
Mercer Sustainable				
Mercer Sustainable High Growth [^]	0.15	0.73	0.07	0.07
Mercer Sustainable Conservative Growth [^]	0.15	0.63	0.07	0.03
Mercer Sector				
Mercer Australian Shares	0.15	0.49	0.09	0.02
Mercer International Shares	0.15	0.57	0.06	0.00
Mercer International Shares — Hedged [^]	0.15	0.69	0.06	0.00
Mercer Property	0.15	1.01	0.48	0.10
Mercer Global Listed Property [^]	0.15	0.67	0.15	0.00
Mercer Fixed Interest	0.15	0.22	0.03	0.00
Mercer Cash	0.15	0.13	0.00	0.00
Mercer Passive and Enhanced Passive				
Mercer Passive Australian Shares	0.15	0.22	0.01	0.00
Mercer Passive International Shares	0.15	0.22	0.01	0.00
Mercer Passive Australian Listed Property [^]	0.15	0.32	0.02	0.00
Mercer Enhanced Passive Growth	0.15	0.30	0.06	0.00
Mercer Enhanced Passive Conservative Growth	0.15	0.34	0.05	0.00
Mercer Direct^{**}	0.10	n/a	n/a	n/a

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

Updated information

The information in this Booklet, the PDS and the other booklets that are part of the PDS are current as at the date of publication. Information in this Booklet may change from time to time and if it is not materially adverse, will be made available online at 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.

[^] The combined maximum investment fee, expense allowance and administration fee shall not exceed 4% per annum for these investment options. All other investment options will not exceed 2.5% per annum.

^{**} Other fees and costs may apply if you are invested in the Mercer Direct investment option including: a brokerage fee, a management fee for exchange traded funds and a term deposit break fee. For more details see the 'Additional explanation of fees and costs' in this section of this Booklet.

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.

Intrafund and advice fees

As a Mercer Super Trust member, you have access to our Helpline Advice team who are trained and certified to provide you with limited personal financial advice about maximising your account in the Mercer Super Trust to achieve your retirement goals. This is an over the phone service provided at no additional cost. Fees for intrafund advice or limited financial advice are included in the administration fees and costs described in the 'Fees and costs summary' table.

You may also seek comprehensive personal financial advice for your specific circumstances for a fee. That part of your advice that is related to your account in the Mercer Super Trust, can be paid from your super and/or pension account balance.

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 (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 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, a charge of \$541 for each benefit split will apply. This amount 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.

Insurance fees

If you have insurance cover, premiums are deducted monthly from your super account. See the 'Insurance inside your super' section later in this Booklet for the insurance premiums applying for your Plan.

MOAPL generally receives 11.55% inclusive of GST (10.50% net of GST) of the insurance premiums charged by the insurer as a fee for administering your Plan's insurance arrangements including underwriting and claims processing. The insurer pays this fee and it is built into the premium rates described in the 'Insurance inside your super' section later in this Booklet.

Mercer Direct fees

The fees in this section only apply to members who are invested in the Mercer Direct investment option. They are in addition to those listed in the 'Fees and costs summary' table and only apply to members who are invested in the relevant investment type.

Type of fee	Amount	Details
Brokerage fee	0.11% (inclusive of GST) with a minimum fee of \$22 (including GST).	This fee is applied for each trade (buy or sell) for shares and exchange traded funds and is deducted from your Mercer Direct cash hub at the time the trade is processed. For example, if you invested in Mercer Direct and purchased \$90,000 worth of shares, the brokerage fee deducted from your Mercer Direct cash hub would be \$99 (being 0.11% of \$90,000).
Management fee for Exchange Traded Funds (ETFs)	A range depending on the provider.	This fee applies only to members who invest in ETFs within Mercer Direct. Fees incurred by the ETF, including management fees, custody costs and other expenses may be deducted from the returns from underlying securities in the ETF. See the Mercer Direct section of the secure member website for a list of available ETFs. See the ETF provider's website for more information including any fees that may apply.
Term deposit break fee	A range depending on the provider.	If you cancel a term deposit before the maturity date, the term deposit provider may withhold some or all of the earnings that would have been due had you held the term deposit to maturity. Refer to the term deposit provider for any applicable fees associated with ending a term deposit prior to its maturity.

Fee changes

Indexation of fees

Family law fees and the Mercer Direct portfolio administration fees are indexed annually on 1 January to generally reflect Average Weekly Ordinary Time Earnings. The next indexation is due on 1 January 2025.

The Mercer Direct portfolio administration fee is indexed in increments of \$5 only where the cumulative increase since the previous indexation is \$4 or more.

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 Booklet will also be updated.

Where the change is not materially adverse, the change will be detailed on the website mercersuper.com.au/pds.

GST

The GST disclosures in this Booklet 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 Booklet.

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

The brokerage fee for the Mercer Direct investment option set out in this Booklet is shown including GST.

Tax and your super

The 'How super is taxed' section later in this Booklet provides a summary of how your super is taxed. For more details about tax and your super, see our Fact Sheets.

Refer to the *Mercer Direct Member Guide* for more information about taxes on amounts *invested* in the Mercer Direct investment option.

You can download the *Fact Sheets and Mercer Direct Member Guide* at 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 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://www.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
- First home super saver scheme (FHSSS)
- Downsizer contributions
- Contribution splitting
- Tax treatment of contributions
- Contribution caps
- 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
- FHSSS early release payments.

All *Fact Sheets* are available at 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).

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

Period	Percentage of OTE
From 1 July 2023 to 30 June 2024	11.00%
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).

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 your preservation age. Early release may be permitted in certain circumstances, such as under the FHSSS.

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' below).

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. 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.

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 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.

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.

Minimum account balance

The trustee requires that your super account balance in the Individual Section remains above \$500 at all times. If your super account balance falls below \$500, your super may be transferred to the ATO. You will be advised if this applies to you. Alternatively, you can make further contributions or provide instructions for the payment of your super to another approved superannuation arrangement within 30 days of being requested.

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.

Contribution splitting after transfer to the Individual Section

If your super is transferred from an employer plan in the CSD to the Individual Section, you will, subsequent to your transfer, be able to split eligible contributions made while you were a member of your employer plan in the CSD, as well as those made while you were a member of the Individual Section. However, you can only split contributions made in the previous financial year.

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 Booklet for more information.

Consolidating your super accounts

You may rollover 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 roll 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 rollovers with a licensed, or appropriately authorised, financial adviser.

You can complete an online rollover request at mercersuper.com.au (sign in using your personal login) or we will help you roll in your super over the phone. We will contact your other super fund(s) for you. Call the Helpline if you need any help.

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 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.

Paying your benefits

This section explains some of the government regulations about the payment of your super benefit.

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
- Restricted non-preserved super benefits
- Preserved super benefits.

The unrestricted non-preserved amount (if any) is the part of your super account balance that can be paid in cash at any time.

Restricted non-preserved benefit will only be available to some members who had superannuation prior to 1 July 1999. If they leave their employer, this portion of their money will become an unrestricted non-preserved amount.

Preserved 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 your preservation age.

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

For more information, see the *Accessing Your Super Fact Sheet* available from mercersuper.com.au/pds. This Fact Sheet includes details about:

- Conditions for accessing preserved or restricted non-preserved super
- Your preservation age (i.e. the age at which your preserved super can be paid to you in cash if you permanently leave work).

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.

For more information on unclaimed super money please refer to the ATO website at ato.gov.au.

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.

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.

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

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

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.

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).

How super is taxed

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 Booklet.

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).

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 high-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.

 See the *Contributions Fact Sheet* at mercersuper.com.au/pds for more information on contributions and tax.

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.

See the Mercer Direct Member Guide on mercersuper.com.au/pds for information about tax for super invested in the Mercer Direct investment option (if this investment option is available to you).

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 for more information about tax on lump sum super benefits.

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.

Leaving your Plan

This section includes information about what generally happens to your benefits and insurance cover when you leave your Plan.

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, 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.

Taking a partial payout

You may be able to access all or part of your unrestricted non-preserved component of your super at any time as a cash payment (subject to maintaining a minimum account balance of \$500 if you are making a partial cash withdrawal). Your member statement will show if you have any such unrestricted non-preserved amounts.

You may also apply to have all or part of your super account balance rolled over to another complying superannuation arrangement (subject to maintaining a minimum account balance of \$500 if you are making a partial withdrawal).

Contact the Helpline for more details on taking a partial payout.

Transfer to Mercer SmartRetirement Income (MSRI)

When the time comes to receive your super payout, you can choose to transfer to MSRI 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 a Transition to Retirement Allocated Pension.

Before deciding to invest in MSRI, you should read the current MSRI Product Disclosure Statement and seek advice from a licensed or appropriately authorised financial adviser. You will also need to complete an application form, which you can do from mercersuper.com.au (using your personal login).

If you would like a copy of the current MSRI Product Disclosure Statement, go to mercersuper.com.au/pds.

Super worth less than \$500

You may be asked to 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.

Please note 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.



Looking for financial advice?

Call **1800 702 993** to speak to a Mercer financial adviser if you are leaving your Plan and need financial advice.

Insurance inside your Super

This section includes insurance eligibility and the type, amount and cost of insurance cover available in the Individual Section. You should read it in conjunction with the *Insurance* booklet which describes the terms and conditions (and exclusions) of your insurance cover in the Individual Section.

See the Glossary in the *Insurance* booklet for definitions of more insurance terms.

You may be able to continue your cover

If your super is transferred from an employer plan in the CSD to the Individual Section, your Death or Death and Total and Permanent Disablement (TPD) cover will automatically transfer to the Individual Section:

- If your super payout is automatically transferred to the Individual Section on stopping work with your employer or you Exercising Choice*, and

*'Exercise Choice' or 'Exercising Choice' to cover the situation where, after joining your employer plan, you advise your Employer to make contributions to another super fund.

- You are no longer eligible for cover under an employer plan, and
- You're aged 14 years or more and are less than the:
 - cover expiry age in the individual section, if transferring from an employer plan in the CSD, or
 - maximum entry age in the individual section, and
- An insurance benefit has not been paid or become payable to you, and
- If you were previously a Putting Members' Interests First (PMIF) Exempt Member* you must be age 25 or over and your account balance in your employer plan must have reached \$6,000 or more at any time before being transferred to the Individual Section or you have opted in to have or keep insurance.

* A PMIF Exempt Member means:

- When you were a member of an employer plan, your employer paid the full cost of premiums for automatic (default) insurance (in addition to its SG obligations), or
- You were a defined benefit member.

If you were previously a PMIF Exempt Member and you have not satisfied the minimum age and balance requirements or opted in to have or keep your cover, your cover will not continue automatically in the Individual Section. However, you may be able to recommence your cover in the Individual Section so long as you notify us in writing within 120 days of your cover stopping (i.e. from the date you left your employer or Exercised Choice). Call the Helpline for more information.

If eligible, your insurance cover will start on:

- The 61st day after you stopped work with your employer or you Exercised Choice - if your insurance cover in your employer plan was under the trustee's umbrella policy*, or
- The later of, the day after you stopped work with your employer or Exercised Choice, or the day your

extended cover ends (if applicable) - if your insurance cover in your employer plan was not under the trustee's umbrella policy.

*The 'Insurance in your super' section of the Your Plan Details guide that applied to your employer plan in the CSD will advise if your insurance cover was under the trustee's umbrella policy.

However, the following conditions apply:

- If you leave your employer or Exercise Choice due to injury or illness, then you are not eligible to be paid a TPD benefit in the Individual Section for the same injury or illness (or any directly or indirectly related condition arising from the injury or illness) which has caused you to Exercise Choice or stop working with your employer.
- Your Death (including Terminal Illness) and TPD cover in the Individual section will be limited to New Events Cover only if:
 - your insurance cover in your employer plan was not insured under the trustee's umbrella policy, and
 - you left your employer due to injury or illness.

This limitation will stop on the day after you have been At Work with your new employer for 30 consecutive days. See the *Insurance* booklet for definition of At Work.

You should advise us directly if you have Death only or Death and TPD cover in another plan in the CSD insured under the trustee's umbrella insurance policy or in the Individual Section (now or in the future), as this may affect your ability to take up or retain Death only or Death and TPD cover in the Individual Section. Satisfactory evidence of your good health, salary and other evidence will not be required. However, any restrictions, exclusions or premium loading that applied to your Death or TPD cover in your employer plan will generally continue to apply in the Individual Section.

The terms and conditions for insurance cover in the Individual Section are different from those that applied in the employer plan.

If you are automatically transferred from an employer plan in the CSD, premiums will start being deducted from your super account balance in the Individual Section from the 61st day after you stopped work with your employer or you Exercised Choice, even if your cover in the Individual Section starts before this. This will apply even if your employer doesn't notify us that you have stopped work or Exercised Choice until after the date that premiums should have started to be charged.

The Insurance Cover available to you

The insurance cover generally available under the Individual Section, if you are eligible, is:

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

Cover type prior to transferring to the Individual Section	If you have been transferred from an employer plan in the CSD	If you have been transferred from the Employer Section of the Mercer SmartSuper Plan
Death and TPD insurance <ul style="list-style-type: none"> – Percentage of Salary 	You may be eligible to continue your existing cover at a fixed amount. Refer to the <i>"Members automatically transferred from an employer plan in the CSD who had insurance cover"</i> section.	You may be eligible to continue your existing cover design. Refer to the <i>"Members automatically transferred from the Employer Section of the Mercer SmartSuper Plan who had percentage of salary insurance cover"</i> section.
Death and TPD insurance <ul style="list-style-type: none"> – Multiples of Salary 	You may be eligible to continue your existing cover at a fixed amount. Refer to the <i>"Members automatically transferred from an employer plan in the CSD who had insurance cover"</i> section.	Not applicable
Death and TPD insurance <ul style="list-style-type: none"> – Number of units 	You may be eligible to continue your existing cover at a fixed amount. Refer to the <i>"Members automatically transferred from an employer plan in the CSD who had insurance cover"</i> section.	You may be eligible to continue your existing cover design. Refer to the <i>"Members automatically transferred from the Employer Section of the Mercer SmartSuper Plan who had unitised insurance cover"</i> section.
No insurance cover	You can select the units of Death and TPD cover you'd like, which will be subject to underwriting and acceptance by the insurer. Refer to <i>"Members automatically transferred to the Individual Section with no existing insurance cover"</i> section.	
Income Protection <ul style="list-style-type: none"> – Total but Temporary Disablement – Salary Continuance Insurance 	Not available Any Income Protection (IP) you had in your Plan will not continue in the Individual Section.	

Your Super payout may include insurance

You will be entitled to a super payout if you die or become totally and permanently disabled while a member of the Individual Section. This super payout comprises:

- Your super account balance, and
- Any insurance benefit received.

Your insurer

The trustee has appointed AIA Australia Limited (referred to as the Insurer throughout this Booklet) ABN 79 004 837 861 AFSL 230043 to provide the insurance for the Individual Section. The trustee's umbrella insurance policy provides this insurance subject to the terms and conditions (and exclusions) of the insurance policy issued by the Insurer to the trustee. The terms and conditions (and exclusions) of the insurance policy will prevail if there is any inconsistency between the insurance policy and the information about your insurance cover in the Individual Section (as described in this Booklet and the *Insurance* booklet).

The trustee has the right to change the Insurer again in future.

Conditions apply to your insurance cover

Certain conditions and exclusions apply to your insurance cover.

You'll be covered 24 hours a day, seven days a week up to your Cover Expiry Age for Death only or Death and TPD cover if you:

- Have been automatically transferred from an employer plan in the CSD and you meet the required eligibility conditions,
- Choose to apply for insurance cover, only available if you are aged less than the Cover Expiry Age set out below and are accepted for insurance cover (and you remain eligible for insurance cover).

You must also satisfy any other conditions which apply to you as described in the following pages. For information of the conditions and exclusions that apply to the insurance cover see the 'Exclusions and reductions to your cover may apply' section of the *Insurance* booklet.

Cover Expiry Age

For members transferred from an employer plan in the CSD (other than Employer Section of the Mercer SmartSuper Plan):

- Age 80 for Death cover
- Age 75 for TPD cover

For members transferred from Employer Section of the Mercer SmartSuper Plan:

- Age 67 for Death cover
- Age 67 for TPD cover

However, if you had fixed amount of cover in the Employer Section of the Mercer SmartSuper Plan, then cover expiry age is:

- Age 80 for Death cover
- Age 75 for TPD cover

For all other members:

- Age 67 for Death cover
- Age 67 for TPD cover

Automatic cancellation of cover

Inactive accounts: In accordance with the Protecting Your Super legislation 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. The cancellation of insurance cover is aimed at reducing the erosion of super account balances by insurance premiums for unwanted cover.

We will contact you before we cancel your cover and you will have an opportunity to elect to maintain your insurance cover. If you want to elect to maintain your insurance cover, call the Helpline to request the relevant form.

If your cover is cancelled the cost of all insurance cover will stop being deducted from your super account balance. You may be able to reinstate cover subject to certain underwriting conditions or limitations. Call the Helpline for more information about the options available to you, any underwriting conditions or limitations that may apply.

Underwriting

Underwriting is a process where the Insurer considers your application for cover by taking into account your lifestyle, current health, salary, past medical history and your family medical history. To start this process, you will generally be required to complete a personal statement. The Insurer may ask you for further information based on their assessment. The Insurer may accept, decline or impose special conditions (such as an exclusion, restriction or premium loading) for the amount of cover that is subject to underwriting.

You will be advised of the date your cover starts if the Insurer accepts your application.

We will reduce your super payout to your super account balance only if, for some reason, the trustee cannot arrange cover for you on standard terms or if the Insurer does not pay out all or part of the insured part of your super.

Death (including Terminal Illness) and TPD cover

All members are generally eligible for Death (including Terminal Illness) and TPD cover.

Terminal Illness cover is linked to your Death cover and the insured amount is based on the same acceptance terms (such as an exclusion, restriction or premium loading) and maximum benefit amount.

A Terminal Illness benefit (described in the Glossary in the *Insurance* booklet) is an advance payment of your Death benefit.

Transfer of Insurance from another super fund or insurance policy

You may also be able to transfer any existing Death only or, Death and TPD cover you hold with other super fund(s) or insurance policies to your existing membership under the Individual Section (subject to limits, conditions and approvals). Call the Helpline for details of how you can transfer any existing cover to your Plan membership.

How TPD definitions are applied

The TPD definitions are set out in the Glossary in the *Insurance* booklet. You will be assessed on a Full TPD definition, a Limited TPD definition or in some cases, a mixture of both based on:

- The amount of TPD insurance cover you have, and
- Your age at the date of disablement, and
- The benefit design of your insurance cover.

Your TPD cover will be subject to the Full TPD definition* up to age 60.

On and from age 60 up to age 70, both the Full TPD definition* and the Limited TPD definition will apply to your TPD cover in varying proportions subject to the details below.

The portion of your TPD cover that will be assessed on the Full TPD definition, will be reduced by 1/120th times the number of months (i.e. 10% per year) from your 60th birthday. The remaining portion of your TPD cover will be assessed on the Limited TPD definition. For example, at age 62, 80% of your TPD cover would be subject to the Full TPD definition and the remainder (20%) would be subject to the Limited TPD definition.

Where your TPD cover is in excess of \$3 million, the portion above \$3 million will be assessed on the Limited TPD definition regardless of your age.

Your TPD cover will be assessed on the Limited TPD definition from age 70 to age 75.

Maximum Benefit Amount

If you do not have any existing insurance cover in the Individual Section, then:

- The maximum amount of Death cover is unlimited, and
- The maximum amount of TPD cover is:
 - the day immediately prior to your 65th birthday, \$5 million, where any amount above \$3 million and a portion of the total amount (depending on your age) is based on the Limited TPD definition, and
 - on and from your 65th birthday until the day immediately prior to your 70th birthday, \$3 million where a portion of the total amount (depending on your age) is based on the Limited TPD definition, and
 - on and from your 70th birthday up to your 75th birthday, \$250,000 where the total amount is based on the Limited TPD definition.

See the “How TPD definition applies” section earlier in this booklet for further information.

In addition, if you have existing insurance cover in the Individual Section, then the maximum amount of Death or Death and TPD cover is the greater of:

- Your existing amount of cover, or
- Your new automatically transferred cover, or
- The combined amount of your existing and new automatically transferred cover, limited to \$2 million.

For all members, the total amount of TPD cover you have must not exceed the maximum benefit amount applicable to your age group when combined with any other TPD cover you may already have in the Mercer Super Trust.

In this case, Mercer Super Trust means any plan or plans within the CSD insured with the Insurer.

Members automatically transferred from an employer plan in the CSD who had insurance cover

Amount of cover

If you had Death only or Death and TPD cover prior to you transferring to the Individual Section, the amount of cover that you had in your employer plan in the CSD will be fixed on transfer to the Individual Section based on the amount of cover you had on the date prior to you leaving your employer or you exercising choice.

Applying for or changing your insurance cover

You can apply to adjust or opt out of your Death or Death and TPD cover at any time either online by using your personal login at mercercsuper.com.au or by completing and returning the relevant form available from the Helpline.

All other insurance cover will be cancelled if you choose to cancel or opt out of your Death cover.

You can apply for additional insurance for Death only cover or for Death and TPD cover in equal amounts. You cannot apply for TPD cover only. This cover is in addition to any transferred cover from the employer plan in the CSD. You can choose to cover yourself for any lump sum amount, as long as it is in multiples of \$1,000. However, you cannot apply for TPD cover only. Your Death and TPD cover will be subject to the Maximum Benefit Amount detailed earlier.

We will advise you of the date your increased cover starts if the Insurer accepts your application for increased cover.

Any increase in Death and TPD cover will be subject to underwriting and will only start once the Insurer accepts your application.

You will be provided with interim accidental cover while the Insurer assesses your application. For more details, see *Insurance* booklet.

You should advise us immediately if you do not wish to have any Death or Death and TPD cover, or would like a reduced amount of cover. You will be subject to underwriting before you are provided with insurance cover or increased cover if you cancel or opt out or reduce your cover and then subsequently change your mind.

You will not be able to re-apply under the same insurance basis if you cancel or opt out of your insurance cover that was automatically transferred from your employer plan in the CSD and then you subsequently want to re-apply. However, you will be able to re-apply for insurance cover as described in the

'Members automatically transferred no existing insurance' below.

Annual cost of insurance cover

The 'Death and TPD premium rate table – Individual Section' shows premium rates per age next birthday and gender.

To work out your cost of cover

- Look up your age next birthday in the left-hand column

then

- Multiply the figure in the applicable right-hand column (according to your type of cover and gender)

then

- Divide by 1,000.

How we calculate and deduct cost of cover

We calculate and deduct the cost of insurance cover from your super account each month, based on 1/12th of your annual cost.

The cost of any insurance cover that automatically transferred from your employer plan in the CSD will only start to be deducted from your super account in the Individual Section as detailed earlier in this Booklet.

We will deduct the cost of any increased insurance cover from your super account from the date this increased insurance cover has been accepted by the Insurer and has started in the Individual Section.



Example

Jack is exactly 45 years old (age 46 next birthday). Jack's cover when he was a member of an employer plan, was 15% of his salary to age 65.

His level of cover was calculated as 15% x 20 years (the number of years to age 65) x \$88,000 (salary) = \$264,000.

Upon transfer to the Individual section, Jack's sum insured will now be fixed to \$264,000.

Therefore if he were to die or become totally and permanently disabled his total super payout would be his super account balance plus Jack's insured amount of \$264,000.

From the 'Death and TPD premium rate table – Individual Section' you can see that at age 46 next birthday, the annual premium for Death and TPD cover is \$2.71 for every \$1,000 of cover. This means the annual total cost of Jack's cover in the Individual Section is $\$2.71 \times \$264,000 \div 1,000 = \$715.44$

Members automatically transferred from the Employer Section of the Mercer SmartSuper Plan who had 'Percentage of Salary' insurance cover

Amount of cover

If your insurance cover was calculated based on a percentage of your Salary immediately prior to you transferring to the Individual Section you will have the same amount of cover that you had in the Employer Section of the Mercer SmartSuper Plan (refer to Your Plan Details guide that applied to you in the Employer Section of the Mercer SmartSuper Plan).

On transfer to the Individual Section you will continue to have the same level of cover you had in the Employer Section of the Mercer SmartSuper Plan based on a percentage of Salary for each year and complete month (each complete month counts as 1/12th of a year) from date of Death or TPD to age 65. From age 64, cover will become fixed until cover expiry age (CEA).

Insurance cover is subject to the Maximum Benefit Amount described earlier.

Your Death cover is subject to the following minimum amount:

Age	Minimum amount Death cover
From 20 to 34	\$50,000
From 35 to 39	\$35,000
From 40 to 44	\$20,000
From 45 to 49	\$14,000
From 50 to 55	\$7,000

Applying for or changing your insurance cover

You can apply to adjust or opt out of your Death or Death and TPD cover at any time either online by using your personal login at mercersuper.com.au or by completing and returning the relevant form available from the Helpline.

You can apply for insurance cover in increments of 5%, subject to the maximum benefit amount. Your insured amount of Death only or Death and TPD cover will be fixed and remain the same from age 64 to your CEA.

Any increase in Death and TPD cover will be subject to underwriting and will only start once the Insurer accepts your application.

You will be provided with interim accidental cover while the Insurer assesses your application. For more details see the *Insurance* booklet.

We will advise you of the date your increased cover starts if the Insurer accepts your application for increased cover.

You should advise us immediately if you do not wish to have any Death or Death and TPD cover, or would like a reduced amount of cover. You will be subject to underwriting before you are provided with insurance cover or increased cover if you cancel or opt out or reduce your cover and then subsequently change your

mind. You can cancel or opt out of your TPD cover only, but you cannot cancel or opt out of your Death cover only and keep your TPD cover. See the *Insurance* booklet for more information on cancelling your insurance cover or call the Helpline.

You will not be able to re-apply under the same insurance basis if you cancel or opt out of your insurance cover that was automatically transferred from your Employer Section of the Mercer SmartSuper Plan and then you subsequently want to re-apply. However, you will be able to re-apply for insurance cover as described in the 'Members automatically transferred from the CSD with no existing insurance' below.

Annual cost of insurance cover

The 'Death and TPD premium rate table – Individual Section' shows premium rates per age next birthday and gender.

To work out your cost of cover

- Look up your age next birthday in the left hand column

then

- Multiply the figure in the applicable right hand column (according to your type of cover and gender)

then

- Divide by 1,000.

How we calculate and deduct cost of cover

We calculate and deduct the cost of insurance cover from your super account each month, based on 1/12th of your annual cost.

The cost of any insurance cover that automatically transferred from your employer's plan in the CSD (including the Employer Section of the Mercer SmartSuper Plan) will only start to be deducted from your super account in the Individual Section as detailed earlier in this Booklet.

We will deduct the cost of any increased insurance cover from your super account from the date this increased insurance cover has been accepted by the Insurer and has started in the Individual Section.



Example

Brodie was a Permanent Employee in the Employer Section of the Mercer SmartSuper Plan, who has been transferred to the Individual Section. On transfer he had a Salary of \$88,000 per annum. Brodie is exactly 45 years old (age 46 next birthday).

His level of cover will remain being calculated as 15% x 20 years (the number of years to age 65) x \$88,000 = \$264,000 in the Individual Section.

Therefore if he were to die or become totally and permanently disabled his total super payout would be his super account balance plus Brodie's insured amount of \$264,000.

From the 'Death and TPD premium rate table – Individual Section' you can see that at age 46 next birthday, the annual premium for Death and TPD cover is \$2.71 for every \$1,000 of cover. This means the annual total cost of Brodie's cover in the Individual Section is $\$2.71 \times \$264,000 \div 1,000 = \$715.44$

Members Automatically transferred from the Employer Section of the Mercer SmartSuper Plan who has utilised cover

Amount of cover

On transfer to the Individual Section you will have the same number of units of cover that you had in the Employer Section of the Mercer SmartSuper Plan.

However, the dollar amount of insurance cover that each unit gives you may be lower than in the Employer Section of the Mercer SmartSuper Plan.

See the 'Insured amounts for one unit of cover All Transferring Employees' table for the dollar amount of cover that each unit provides (depending on your age next birthday and your gender).

On transfer, insurance cover is subject to the maximum benefit amount described earlier in this Booklet.

Changing your cover

You can also apply to adjust, opt out of or cancel your Death only or Death and TPD cover at any time either online by using your personal login at mercersuper.com.au or completing and returning the relevant form available from the Helpline.

Your total amount of TPD cover cannot be greater than your total amount of Death cover.

All other insurance cover will be cancelled if you choose to cancel or opt out of your Death cover.

Any increase in Death and TPD cover will be subject to underwriting if:

- You make an election to increase your cover above the transferred number of units, or
- You have chosen and been accepted for increased number of units, but in the future you choose to further increase your number of units.

The Insurer will provide interim accidental cover while assessing your application. For more details, see the *Insurance* booklet.

You will be advised of the date your cover starts if the Insurer accepts your application.

You will not be able to re-apply under the same insurance basis if you cancel or opt out of your insurance cover that was automatically transferred from your Employer Section of the Mercer SmartSuper Plan and then you subsequently want to re-apply. However, you will be able to re-apply for insurance cover as described in the 'Members automatically transferred from the CSD with no existing insurance' below.

Cost of cover

Death only – one unit is \$0.73 per week.

Death and TPD – one unit is \$1.34 per week.

How we calculate and deduct cost of cover

We calculate and deduct the cost of your cover from your super account each month, based on 1/12th of your annual cost.

The cost of any insurance cover that automatically transferred from your employer's plan in the CSD (including the Mercer SmartSuper Plan) will only start to be deducted from your super account in the Individual Section as detailed earlier in this Booklet.

We will deduct the cost of any increased insurance cover from your super account from the date this increased insurance cover has been accepted by the Insurer and has started in the Individual Section.



Example

Maria, who was a Permanent Employee in the Employer Section of the Mercer SmartSuper Plan, has been transferred to the Individual Section. On transfer she had three units of Death and TPD cover. Maria is exactly 45 years old (age 46 next birthday).

Her level of cover is calculated as:

$$3 \times \$40,000 = \$120,000.$$

Therefore, if she were to die or become totally and permanently disabled her total super payout would be her super account balance plus her cover amount of \$120,000.

Maria's cost of cover in the Individual Section is:

$$3 \times \$1.34 = \$4.02 \text{ per week.}$$

Insured amounts for one unit of cover All Transferring Employees

Age next birthday	Insured amount \$	
	Males	Females
15	125,000	180,000
16	125,000	180,000
17	105,000	150,000
18	86,000	124,000
19	76,000	109,000
20	72,000	104,000
21	72,000	104,000
22	74,000	106,000
23	77,000	110,000
24	83,000	120,000
25	85,000	122,000
26	89,000	128,000
27	89,000	128,000
28	89,000	128,000
29	88,000	126,000
30	86,000	124,000
31	82,000	118,000
32	80,000	116,000
33	78,000	111,000
34	75,000	108,000
35	72,000	104,000
36	70,000	100,000
37	65,000	93,000
38	60,000	86,000
39	56,000	81,000
40	50,000	72,000
41	46,000	66,000
42	41,000	59,000
43	38,000	54,000
44	34,000	49,000
45	31,000	44,000
46	28,000	40,000
47	25,000	35,000
48	22,000	31,000
49	20,000	28,000
50	18,000	26,000
51	16,000	23,000
52	14,000	20,000
53	13,000	18,000
54	11,000	16,000

Age next birthday	Insured amount \$	
	Males	Females
55	10,000	15,000
56	9,000	13,000
57	8,000	11,000
58	7,000	10,000
59	7,000	9,000
60	6,000	8,000
61	5,000	7,000
62	5,000	7,000
63	4,000	6,000
64	4,000	5,000
65	3,000	5,000
66	3,000	4,000
67	2,000	3,000

Members automatically transferred to the individual section with no existing insurance cover

Applying for Voluntary Insurance cover

You can apply for any number of units of Death only or Death and TPD cover. However, your TPD cover cannot be greater than your Death cover.

See the 'Insured amounts for one unit of cover' table for the dollar amount of cover that each unit provides (depending on your age next birthday).

You will require underwriting before you can receive any Death or Death and TPD cover or any increase in cover. You will also require underwriting if you cancel, opt out, or reduce your cover and then subsequently apply for or increase your insurance cover again.

You will be provided with interim accidental cover while the Insurer assesses your application. See the *Insurance* booklet for more information.

We will advise you of the date your cover starts if the Insurer accepts your application.

To apply for insurance cover use your personal login at mercersuper.com.au or call the Helpline to request a copy of the relevant form.

Annual cost of insurance cover

The 'Death and TPD premium rate table – Individual Section' shows premium rates per age next birthday and gender.

To work out your cost of cover

- Look up your age next birthday in the left hand column

then

- Multiply the figure in the applicable right hand column (according to your type of cover and gender)

then

- Divide by 1,000.

How we calculate and deduct cost of cover

We calculate and deduct the cost of insurance cover from your super account each month, based on 1/12th of your annual cost.

We will deduct the cost of insurance cover from your super account, from the date the insurance cover has been accepted by the Insurer and has started in the Individual Section.



Example

Jordan is 45 years old (46 next birthday) and does not have insurance cover in the Individual Section. He applies and is accepted for 2 units of Death and TPD cover. From the 'Insured amounts for 1 unit of cover' table you can see at age 46 next birthday the value of a unit of cover is \$90,000. His total level of cover is calculated as:

$$2 \times \$90,000 = \$180,000.$$

From the 'Death and TPD premium rate table – Individual Section' you can see that at age 46 next birthday the annual premium for Death and TPD cover for a male is \$2.71 for every \$1,000 of cover. This means the annual total cost of Jordan's cover in the Individual Section is:

$$\$2.71 \times \$180,000 \div 1,000 = \$487.80.$$

Insured amounts for one unit of cover

Age next birthday	Insured amount \$
15	50,000
16	50,000
17	50,000
18	50,000
19	50,000
20	50,000
21	55,000
22	60,000
23	65,000
24	70,000
25	75,000
26	75,000
27	75,000
28	75,000
29	75,000
30	77,500
31	77,500
32	80,000
33	80,000
34	82,500
35	82,500
36	85,000
37	87,500
38	90,000
39	92,500
40	95,000
41	100,000

Age next birthday	Insured amount \$
42	100,000
43	97,500
44	95,000
45	92,500
46	90,000
47	85,000
48	80,000
49	75,000
50	70,000
51	65,000
52	60,000
53	53,000
54	47,000
55	41,500
56	36,500
57	31,500
58	27,500
59	24,000
60	20,500
61	18,000
62	15,500
63	13,500
64	11,500
65	10,000
66	8,500
67	7,000
68 and above	0

Death and TPD premium rate table – Individual Section

Age next birthday	Annual premium rates per \$1,000 of cover* \$			
	Males		Females	
	Death only	Death and TPD	Death only	Death and TPD
15	0.53	0.64	0.27	0.37
16	0.65	0.73	0.27	0.40
17	0.78	0.86	0.34	0.44
18	0.96	1.01	0.39	0.48
19	1.11	1.13	0.43	0.59
20	1.13	1.14	0.46	0.60
21	1.09	1.11	0.46	0.60
22	1.02	1.08	0.43	0.59
23	1.00	1.05	0.41	0.56
24	0.93	1.00	0.39	0.50
25	0.88	0.95	0.38	0.48
26	0.85	0.91	0.37	0.48
27	0.81	0.89	0.37	0.48
28	0.78	0.87	0.37	0.48
29	0.78	0.87	0.37	0.50
30	0.78	0.88	0.37	0.51
31	0.78	0.91	0.38	0.52
32	0.78	0.91	0.38	0.53
33	0.78	0.92	0.39	0.56
34	0.78	1.01	0.39	0.57
35	0.84	1.05	0.42	0.59
36	0.85	1.10	0.47	0.64
37	0.88	1.16	0.51	0.73
38	0.92	1.24	0.58	0.85
39	1.00	1.35	0.65	0.96
40	1.09	1.51	0.73	1.12
41	1.16	1.63	0.81	1.30
42	1.24	1.79	0.86	1.42
43	1.35	1.96	0.93	1.57
44	1.43	2.18	1.00	1.69
45	1.60	2.42	1.02	1.82
46	1.71	2.71	1.09	1.93
47	1.81	2.98	1.15	2.09
48	1.98	3.31	1.23	2.29
49	2.16	3.70	1.31	2.54
50	2.33	4.06	1.43	2.81
51	2.59	4.62	1.60	3.19

Age next birthday	Annual premium rates per \$1,000 of cover* \$			
	Males		Females	
	Death only	Death and TPD	Death only	Death and TPD
52	2.83	5.16	1.80	3.67
53	3.13	5.82	2.04	4.17
54	3.42	6.50	2.31	4.71
55	3.74	7.28	2.56	5.29
56	4.11	8.28	2.87	5.99
57	4.51	9.41	3.20	6.77
58	4.95	10.75	3.56	7.83
59	5.50	12.34	3.91	9.03
60	6.10	14.20	4.33	10.46
61	7.13	16.67	4.79	12.13
62	8.30	19.45	5.30	14.10
63	9.57	22.60	5.92	16.38
64	10.96	26.11	6.74	19.08
65	12.51	30.04	7.68	22.21
66	14.22	34.18	8.73	25.26
67	16.09	38.68	10.02	28.96
68	18.14	43.60	11.50	33.27
69	20.31	48.82	13.32	38.54
70	22.73	54.63	15.48	44.82
71	25.29	60.79	17.99	52.07
72	28.14	67.63	20.87	60.40
73	31.35	75.31	24.10	69.73
74	34.97	84.04	27.75	80.28
75	38.92	93.51	31.89	92.26
76	42.82	N/A	36.38	N/A
77	46.96	N/A	41.40	N/A
78	51.21	N/A	47.11	N/A
79	55.52	N/A	53.58	N/A
80	59.91	N/A	60.83	N/A

Other key information

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.

Insufficient super

If your super account balance is or is likely to be insufficient to meet the cost of your insurance 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 fees. We will advise you if this applies to you.

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.

Corporate resources

The trustee has appointed Mercer (Australia) Pty Ltd (MAPL) to provide various corporate resources and services including 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 the following administration services to the Mercer Super Trust:

- 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 intrafund advice services, which is 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, or
- 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 governing rules are available at 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. The trustee can amend your Plan at any time.

Any amendment or variation has to comply with the law and governing rules. Member benefits may be adjusted if your Plan is closed, or contributions varied.

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* 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 or you can request a hard copy free of charge from the Helpline
- An annual member statement showing 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.

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

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 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@mercerc.com

Complaints

Information regarding the Mercer Super Trust complaints process can be accessed online. Go to 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
Website	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.