

Product Disclosure Statement update

28 June 2023

This notice updates the information in the Product Disclosure Statement (PDS) and the incorporated *Investments Booklet* for Mercer SmartRetirement Income in the Mercer Super Trust dated 1 April 2023. You should read the information in this notice and these documents before making any decisions.

Closure of investment options

As a result of a recent review, the trustee has removed the following investment options from the Mercer SmartRetirement Income investment menus:

Taxed options – previously available to Transition to Retirement allocated pension members:

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

Tax free option – previously available to allocated pension members:

- Mercer Growth Maximiser.

Effective 30 May 2023, these investment options will no longer accept new investments. These options will close on or around 28 June 2023.

Updating the PDS

Effective 30 May 2023, this notice removes references to the closed investment options in the following sections of the PDS:

- 'Mercer investment menu' table in the 'Investment options' section (pages 11-12)
- 'Cost of product for 1 year' table in the 'Cost of product information' section (pages 19-20)
- 'Breakdown of certain fees and costs' tables in the 'Additional explanation of fees and costs' section (pages 21-24)
- 'Estimated IC ranges, average performance fee and estimated transaction costs' tables in the

'Additional explanation of fees and costs' section (pages 27-28).

Updating the *Investments* booklet

Effective 30 May 2023, this notice removes references to the closed investment options in the following sections of the *Investments* booklet:

- 'Mercer investment menu' table in the 'How to choose your investments' section (pages 5-6)
- 'Ready-made investment options' in the 'How to choose your investments' section (page 7)
- 'Investment options in detail' section (pages 15-26).

In addition to these changes, the seven ARC super investment options* in the Corporate Superannuation Division (CSD) will be closed on or around 28 June 2023. This notice also removes references to the seven ARC investment options in the default investment mapping table on page 4 of the *Investments* booklet.

Effective 28 June, this notice adds to the table on page 4 of the *Investments* booklet:

CSD Existing Investment Option	Default MSRI investment option
CSD Mercer Growth	Taxed Mercer Select Growth
CSD Mercer Enhanced Passive Conservative Growth	45% Taxed Mercer Enhanced Passive Growth 55% Taxed Mercer Cash

* These options apply only to ARC Super Plan members in the CSD.

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Corrections

On page 19 of the PDS, in the Cost of product table of the 'Cost of product information' section, the following correction applies:

The investment option, Mercer SmartPath Born 1964 to 1968 states a Cost of product of **\$338.50**

should read as

Mercer SmartPath Born 1964 to 1968, with a Cost of product of **\$413.50**

On page 27 of the PDS:

'Estimated IC ranges, average performance fees and estimated transaction costs – Taxed options'

should read as

'Estimated IC ranges, average performance fees and estimated transaction costs – Tax free options'

If you need assistance

Please visit mercersuper.com.au or call the Helpline on **1800 671 369** or +61 3 8306 0906 (if calling from overseas) from 8am to 7pm AEST Monday to Friday.

Mercer SmartRetirement Income

1 April 2023

Mercer Super Trust
Product Disclosure Statement



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About this document

This *Product Disclosure Statement* (PDS) is a summary of the main features of Mercer SmartRetirement Income (MSRI) in the Mercer Super Trust. It includes important information in a series of booklets that are incorporated into and are part of this PDS. The incorporated booklets are the *Investments* booklet dated 1 April 2023, *Sustainable Investments Information* booklet dated 1 April 2023 and the *Other Things You Should Know* booklet dated 1 April 2023. You should read the information in this PDS and the incorporated booklets before making a decision about MSRI.

The information including the case studies contained in this PDS is general information only and does not take into account your individual objectives, financial situation or needs. Before acting on this information, you should consider whether it is appropriate to your objectives, financial situation or needs. If you are not sure, you should ask your financial adviser for financial advice tailored to your personal circumstances.

You can get a copy of this PDS and the incorporated booklets referred to in this PDS at mercersuper.com.au/pds or you can call the Helpline on **1800 671 369** (or 61 3 8306 0906 if calling from overseas) from 8am to 7pm AEST Monday to Friday. The information in this PDS (and the incorporated booklets that are part of it) may change. You can obtain updated information that is not materially adverse at mercersuper.com.au or by calling the Helpline to request a copy of the information free of charge. Changes that are materially adverse will be advised to you as required by law. The Target Market Determination can be found at mercersuper.com.au/TMD.

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Mercer Outsourcing (Australia) Pty Ltd (MOAPL) ABN 83 068 908 912 AFSL 411980, Mercer Investments (Australia) Limited (MIAL) ABN 66 008 612 397 AFSL 244385 and Mercer Financial Advice (Australia) Pty Ltd (MFAAPL) ABN 76 153 168 293 AFSL 411766 are named in this booklet and have consented to being so named. Mercer Consulting (Australia) Pty Ltd ABN 55 153 168 140 (MCAPL) may provide advisory services.

Advanced Asset Management Limited (AAML) ABN 98 002 538 329 AFSL 240902 is the Responsible Entity for the Advance Funds.

Mercer financial advisers are authorised representatives of MFAAPL.

The value of the investments in MSRI may rise and fall from time to time. MSAL, MOAPL, MIAL, MFAAPL, MCAPL or Mercer (Australia) Pty Ltd (Mercer) ABN 32 005 315 917 do not guarantee the investment performance, earnings, or the return of any capital invested in MSRI.

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61 3 8306 0906
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Keep your contact details up to date

We can only send you information if we have your current contact details. You can update your details via our website mercersuper.com.au (sign in using your personal login) or by calling the Helpline.

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

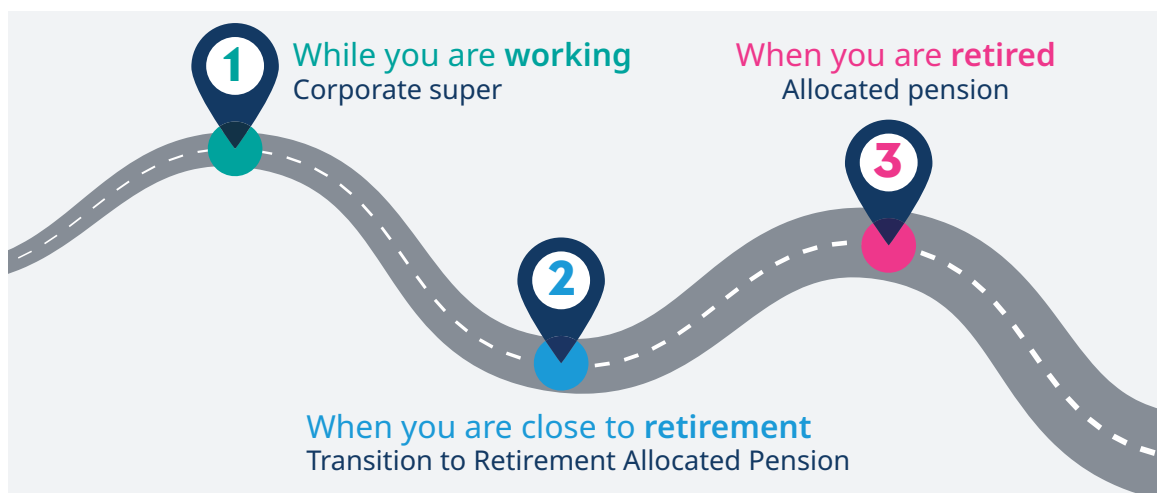
- email
- SMS and/or
- a link to a website so you can download them.

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

Mercer SmartRetirement Income (MSRI) pension options

Mercer SmartRetirement Income provides allocated pension accounts (also known as an account based pension) and Transition to Retirement (TTR) allocated pension accounts. You can transfer your super into one of these accounts when you are approaching retirement or have fully retired to receive regular income payments like a salary or wage.

How super and pensions work at Mercer Super



While you are working

Money from you and your employer goes into your super account from your salary or wage.

Your super balance grows over your working life.

Tax savings

- 15%* tax on concessional contributions
- 15% tax on investment earnings

* Additional tax may apply to high income earners and if contribution caps are exceeded.

When you are close to retiring

You can use your super to open a MSRI **transition to retirement allocated pension**.

You can keep some money in your super account and continue to make super contributions.

You can receive regular payments from your pension.

Tax savings

- 15% tax on investment earnings until you meet a relevant condition of release
- 15% tax offset on pension payments when you are under age 60
- No tax on pension payments when you reach 60.

When you are retired

Subject to your transfer balance cap, you can transfer your entire super into a MSRI **allocated pension**.

You will receive regular payments from your pension.

You can take out extra money when you need it.

Tax savings

- No tax on investment earnings
- 15% tax offset on pension payments under age 60
- No tax on pension payments and withdrawals when you reach age 60.

To join



You can complete the:
Application Form
ATO Tax File Number Declaration Form
Rollover Form
and send them to:
Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001



Or call the Helpline
on 1800 671 369



Or, if you are an existing member of the Corporate Superannuation Division, use your personal login at **mercersuper.com.au** and access the online application on your member online dashboard.

How Mercer SmartRetirement Income works

An allocated pension is a flexible, tax effective investment designed for retirement.

With an allocated pension, you can:

- **control** how long your money will last by choosing the amount and frequency of your regular income payments.
- **save tax** because your investment earnings are entirely tax-free (unless you have a Transition to Retirement (TTR) account and have not met a relevant condition of release) and when you reach age 60, so are your regular income payments and withdrawals.
- **invest** your pension while you concentrate on enjoying your retirement.
- **take out extra money** (known as lump sum payments) whenever you need it (subject to the 10% drawdown limit if you have a TTR account and have not met a relevant condition of release).
- **tell us** who will get any remaining pension if you die, or choose someone to continue to receive your regular income payments.

Starting your allocated pension

To start your allocated pension:

- you must have at least \$10,000
- you must be an Australian or New Zealand citizen or an Australian permanent resident and be receiving this PDS in Australia
- you must have reached:
 - your preservation age and retired permanently, or want to start a TTR account (more about this later), or
 - age 65.

An allocated pension is generally only for when you've retired or are leading up to retiring. You can also start an allocated pension if you have super that you can withdraw in cash (known as an unrestricted non-preserved amount) or you are permanently incapacitated.

Please note that you must finalise any tax deductions you intend to claim for any personal contributions with your super fund before you transfer your super to your allocated pension account.

Preservation age

Your preservation age varies, depending on when you were born:

Born	Preservation age
Before 1 July 1960	55
Between 1 July 1960 and 30 June 1961	56
Between 1 July 1961 and 30 June 1962	57
Between 1 July 1962 and 30 June 1963	58
Between 1 July 1963 and 30 June 1964	59
After 30 June 1964	60

Minimum you can invest

You need at least \$10,000 to start an allocated pension.

Mercer Direct

You need at least \$20,000 to invest in Mercer Direct. You can't invest more than 80% of your account balance in Mercer Direct.

Transfer balance cap

In deciding how much to invest to start your pension, you should take into account the Government applies a life time limit (called your personal transfer balance cap) on the total amount you may transfer into superannuation pension accounts that have no tax on investment earnings (retirement phase pension accounts) on or after 1 July 2017. Any existing retirement phase pension account balances you had at 1 July 2017 will also count against your transfer balance cap.

The transfer balance cap applicable to those who have not previously started a retirement phase pension (the general transfer balance cap) is currently \$1.7 million and is scheduled to increase to \$1.9 million from 1 July 2023, due to indexation. Those who have previously started a retirement phase pension will generally have a personal transfer balance cap that is lower than the general transfer balance cap, because indexation only applies to the unused portion (if any) of their personal transfer balance cap.

If you invest more than your transfer balance cap, the excess must be either:

- transferred back to an accumulation account (with 15% investment earnings tax then applying) or
- withdrawn from the superannuation system and you may be assessed for 'excess balance tax' which is generally 15% of the notional earnings on the excess amount.

A lump sum withdrawal will reduce the used amount of your transfer balance cap. Income payments do not reduce the used amount of your transfer balance cap.

A TTR account balance does not count against the transfer balance cap until it becomes eligible for tax free investment earnings (more details in the following sections).

The Australian Taxation Office (ATO) keeps track of how much of your transfer balance cap you have used, how much you have remaining (if any) and for issuing excess balance assessments and excess balance tax assessments.

You can find more information about the transfer balance cap at ato.gov.au

Investing more money

Once you've started an allocated pension, you can't add any additional money to that pension account. That's why it's important to consider consolidating your super money into one super account before starting your pension. If you don't consolidate, then (subject to your transfer balance cap) you can still open another allocated pension with any other super money you have.

If your pension is a reversionary pension or was commenced from a lump sum death benefit, it cannot be rolled back to a super (accumulation) account.

How it works with the age pension

You may be able to use your pension to top-up any government age pension payments you may be entitled to receive. It's important to know that the balance of your account counts toward the age pension asset test and deemed earnings on your account balance count toward the income test. If you're funding your own retirement, your allocated pension may help you reduce the amount of tax you pay on your overall income in retirement.

Boost your super before retiring

Transition to Retirement (TTR) is a type of allocated pension that can pay you some income while you are still working.

It's a strategy to give your super a boost before you stop working, or let you cut back on working hours without reducing your income. You can only open a TTR account if you have reached your preservation age.

Save on tax

The tax you pay on money you put into super via salary sacrifice is generally lower than the tax you pay on your salary. These savings may boost your super.

It's important to know that you can only take out extra money from your TTR account in limited circumstances.

Setting up your Transition to Retirement account

To set up a TTR pension, you transfer part of your super account. This means you will have:

- **a super account** which your employer and salary sacrifice contributions go to, and
- **a TTR pension account** which will pay you a regular income.

The two accounts will work together and may reduce the overall tax on your take-home pay. Generally the strategy is designed so that your overall income level, with salary and regular TTR income payments combined, will not change much.

Note that while a super account is maintained in this type of strategy, you can open a TTR account with all of your super. You do not have to keep a super account open, unless you are still receiving or plan to receive super contributions.

Earnings tax exemption – relevant conditions of release

Your TTR account will not be eligible for tax free investment earnings until you reach age 65 or advise us that you have met one of the other relevant conditions of release, as follows:

- leaving your employer at or after age 60
- retiring permanently from the workforce, or
- becoming permanently disabled or terminally ill.

When this occurs, we will transfer your investments to the untaxed equivalent of the taxed investment option(s) you have chosen.

Transfer balance cap treatment

Your TTR pension account balance will not be counted against the transfer balance cap until it becomes eligible for tax free investment earnings.

At that time, the balance transferred to the untaxed investment option(s) will be reported to the ATO for counting towards the transfer balance cap.

Is it right for you?

A TTR strategy can be complex. It's important to work out if it's right for you with careful planning and ongoing reviews. To get an idea of what difference this could make to you, we recommend you seek financial advice.



Naveen uses his super early

Naveen has just turned 60. His adviser explains a Transition to Retirement (TTR) strategy could give him access to his super while he's still working. The flexibility really appeals to Naveen.

His adviser explains if Naveen starts a TTR pension, he could either:

- Boost his super: continue working full time, put more of his salary into super and draw an income from his pension. Naveen would get a similar total income (salary and pension payments combined) while also having more going into his super. That means his super balance gets a welcome boost leading up to retirement, thanks to tax savings.
- Reduce debt: continue working full time, draw an income from his pension and use this to pay down debt more quickly.
- Dream big: continue working full time, draw an income from his pension and use this to achieve those big dreams he's always had – like buying a caravan or helping his kids out financially.
- Cut back on working hours: work part time, draw an income from his pension and use this to supplement his income.

Which would you choose?

The information is intended as general information only and should not be considered personal advice. You should consider your own objectives, investor needs and financial situation before choosing investment options, or get advice from a financial adviser.

Payment options

Mercer SmartRetirement Income gives you the flexibility to tailor your payments to your needs.

Payment options

With an allocated pension you can:

- choose the amount of your regular income payments
- select the frequency of payments from monthly, quarterly or annual payments
- change the amount or frequency of these payments at any time
- take out extra money whenever you need it.

Regular income payment amounts

At least one payment must be made to you each year, of at least the minimum amount set by the Government (see the table on the right). If you start your allocated pension after 31 May there is no minimum for that financial year, although you can request regular income payments.

TTR yearly payments are limited to a maximum amount of 10% of your account balance, also set by the Government. The amounts that apply to you can be seen when you login to your account at mercersuper.com.au and on your annual benefit statement.

Any regular income payments must be taken from any unrestricted non-preserved amount you have transferred to your TTR account until that amount is exhausted, then taken from any restricted non-preserved amount and finally from any preserved amount.

How you receive payments

You can ask for your payments to be deposited monthly, quarterly or annually to your bank account. If you invest in more than one option, you can select which options you would like to receive payments from and in what proportion.

If you're invested in Mercer Direct

There are different rules that apply to Mercer Direct. See the 'Receiving Payments from Mercer Direct' section in the *Other Things You Should Know* booklet for more information. Go to mercersuper.com.au/pds for a copy.

If you've invested in more than one option

Example: Payment option 1

Percentage payments: if your account balance is invested in 80% Mercer Conservative Growth and 20% Mercer Select Growth, you can choose to receive: 100% of your payments from one investment option.

Or,

A percentage split between the two investment options, e.g. 95% from Mercer Conservative Growth and 5% from Mercer Select Growth.

Example: Payment option 2

Priority order: if your account balance is invested in Mercer Conservative Growth, Mercer Property and Mercer Select Growth, you can nominate the order in which payments will be made. Payments will be made from one investment option at a time.

Once there's no longer enough money in your chosen option(s), payments will automatically be made from the account balance in your remaining options.

Minimum and maximum yearly income amounts

Age (at 1 July)*	Minimum income amount – percent of account balance** (You can choose more than this)	Maximum (Transition to Retirement Allocated Pension only)
Under 65	4%	10%
65 - 74	5%	No limit
75 - 79	6%	
80 - 84	7%	
85 - 89	9%	
90 - 94	11%	
95+	14%	

* Age is your age at 1 July or when you start a pension in the case of the first year.

** For the first year, a reduced minimum applies based on the proportion of the financial year remaining from the pension start date. If you start your pension after 31 May in a financial year, there is no minimum for that financial year.

^ For 2022/23, the minimum income amounts are reduced by 50% under a temporary coronavirus relief measure. The standard rate in the table above applies from 1 July 2023.

How to take your money out

Once you have started your allocated pension, there may be times when you want to withdraw extra money. This is called a lump sum payment. You can withdraw some or all of your money at any time by completing a *Request for Partial/Full Commutation (Withdrawal) in Mercer SmartRetirement Income* form. You can withdraw some of your money online by logging into your account at mercersuper.com.au.

Limits apply to any lump sum payments:

- You must withdraw at least \$500, unless:
 - (a) you withdraw your whole account balance
 - (b) you are permanently incapacitated
 - (c) you are diagnosed with a terminal medical condition
 - (d) you need to pay a super-related tax liability
 - (e) you need to make a Family Law split
 - (f) your balance is less than \$500.

Note that lump sum payments do not count towards your minimum yearly income payment amount.

Withdrawing from your TTR pension account

If you want to withdraw more than the maximum

yearly income payment from a TTR pension account, you must meet one of the conditions set down by the Government. These include where you:

- leave your employer at or after age 60
- retire permanently from the workforce at or after your preservation age
- reach age 65, or
- become permanently disabled, terminally ill or die, or satisfy certain compassionate grounds or financial hardship criteria as specified by legislation.

Exiting from Mercer Direct

If you wish to close your Mercer Direct account you must first sell all your investments made through it. Once all trades have settled and/or term deposits cashed out, and all pending income proceeds available in your Cash Hub, it can be closed.

To exit Mercer Direct you will need to switch your entire balance to your other Mercer Super Trust investment options.

The Cash Hub will remain open until any outstanding dividends or distributions have been received and all corporate actions have been processed.

Once all of these amounts are paid, these funds will be transferred to your Mercer Super Trust account and your Mercer Direct account will be closed. You can find more information about exiting Mercer Direct in *Mercer Direct Member Guide*, available at mercersuper.com.au/pds

Impact of withdrawals on your transfer balance account

Where your pension is eligible for tax free investment earnings (i.e. you have an allocated pension or you have a TTR pension and have met a relevant condition of release), a lump sum withdrawal will reduce the used amount of your transfer balance cap.

This applies where the lump sum is rolled back to a non-pension super account as well as where it is paid to you.

Income payments do not reduce the used amount of your transfer balance cap.

Work out how much you will need

You'll also need to nominate how much allocated pension you want to receive each year. It will depend on factors such as the lifestyle you want to lead, how long you think your money needs to last and future expenses.

Our retirement income simulator can help you work out how much you will need each year in retirement and give you an estimate of how long your super may last. Access the simulator online at supercalcs.com.au/ris9/mst.

Investment options

Whether you're an active investor with an appetite for risk, prefer to play it safe or somewhere in between, we've got an investment option to suit your needs. Please read the *Investments* booklet for more information about our investment options.

You can invest your Mercer SmartRetirement Income allocated pension account balance in one or more of the following investment options:

Mercer SmartPath

The Mercer SmartPath® option adapts your investment strategy as you age - it is invested more aggressively in your younger years and more conservatively as you get older.

Ready-made options

We've developed a range of options that combine a mix of asset classes and management styles to target a specific investment objective. Whether you have an appetite for risk or want to play it safe, you simply choose the option that best suits your needs.

Select-your-own options

Designed for those who want to be more hands-on, the Select-your-own options include the Mercer Sustainable Plus options, the Mercer sector options, as well as passive and enhanced passive options.

Mercer Direct

Mercer Direct lets you trade directly in ASX 300 shares, exchange traded funds and term deposits, all within your pension.

Mercer Direct is not available to TTR pension members who are not eligible for untaxed earnings.

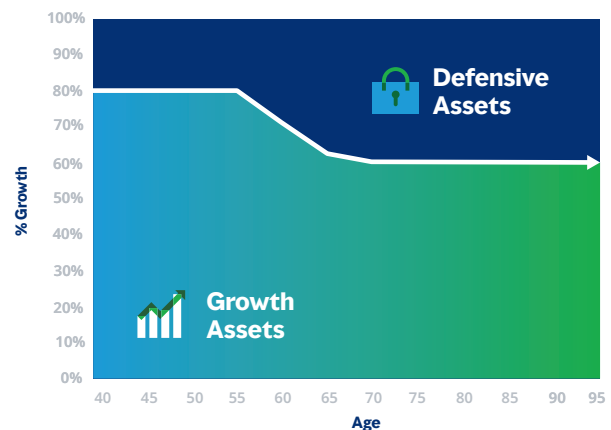
About the Mercer SmartPath investment option

The Mercer SmartPath investment option takes a whole of life approach to investing your money. This means we actively manage your investments to help ensure your asset mix is in line with your life stage, based on your age. With Mercer SmartPath, your money is invested in the relevant path based on your year of birth (you cannot choose the path) and you will remain in that path as long as you invest in Mercer SmartPath. When you're younger Mercer SmartPath starts with a higher allocation to growth assets, such as shares and property. As you get older, your exposure to growth assets will gradually reduce to ensure the investment returns are less volatile.

We actively manage the investment strategy for each path, carefully considering likely risk tolerance, liquidity needs, opportunities for tax efficiency and income requirements.

See the Investments booklet for more information about Mercer SmartPath.

Mercer SmartPath glidepath



When you transfer your super from the Corporate Superannuation Division of the Mercer Super Trust to a Mercer SmartRetirement Income pension account, your money will automatically be invested in the same investment option or a closely aligned investment option. You can change this anytime.

For more details see the Investments booklet available at mercersuper.com.au/pds.

TTR pension members

If you have a TTR pension, your investment options will be limited to the taxed investment options until you reach age 65 or advise us that you have satisfied a relevant condition of release. When this occurs, we will transfer your investment to the untaxed equivalent of the taxed investment option(s) you have chosen.

For more details see the *Investments* booklet available at mercersuper.com.au/pds.

Your own mix: things to consider

If you are considering which investment option or mix of options is right for you, it's important to consider the ultimate purpose for your money, your personal circumstances and retirement goals. We call these your investment and income needs.

Different investor types

The following information may assist you to determine what type of investor you are.

My attitude:	When investing, security is paramount and you are not particularly concerned with the level of returns. You are extremely uncomfortable with volatile or negative returns in any year.	When investing, security is more important to you than the level of returns achieved and you are very uncomfortable with volatile or negative returns.	When investing, security is an important consideration, but you are still comfortable with some risk to achieve conservative levels of returns. You are uncomfortable with significant volatility or negative returns over a short time frame.	When investing, you are comfortable with a balance between security and risk and understand that some risk is necessary to achieve higher returns. You are comfortable with some volatility or negative returns over a short time frame.	When investing, you are willing to trade security for higher returns. You understand that some amount of risk is needed to achieve a higher level of returns. You are comfortable with volatility or negative returns over a shorttime frame.	When investing, you have an aggressive attitude to risk, quite willing to trade off security to achieve a high level of returns. You are very comfortable with volatility or negative returns over a short time frame.
I am:	Likely to be a very defensive investor	Likely to be a defensive investor	Likely to be a cautious investor	Likely to be a neutral investor	Likely to be an assertive investor	Likely to be an aggressive investor
Typical asset allocation ranges	No Growth assets 100% Defensive assets	0-25% Growth assets 75-100% Defensive assets	20-40% Growth assets 60-80% Defensive assets	40-60% Growth assets 40-60% Defensive assets	50-70% Growth assets 30-50% Defensive assets	70-100% Growth assets 0-30% Defensive assets

This table is intended as general information only and should not be considered personal advice. You should consider your own objectives, investor needs and financial situation before making any investment decisions or get advice from a financial adviser.

Risks of investing

All investments, including super or pension, can carry risks.

Investment risks

The investment options each have different levels and types of risk, depending on the assets they invest in. Generally, investment risk is the chance that an investment outcome will be different to what is expected.

Investments could rise or fall in value or produce a return that is less than anticipated. Rises and falls in value occur for a variety of reasons and sometimes quickly.

You can help balance risk by choosing investment options that invest across different asset classes, regions and investment managers.

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

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

See the *Investments* booklet for more information about investment risks.

Before making an investment decision, you should carefully consider your ability to tolerate risk, such as the probability of an investment loss, and seek to understand the different types of risks that apply to the investment options. This is important as your investment returns are not guaranteed and as such you may get back less money than you invest.

Other risks

There are also some other risks:

- Super and tax laws may change in the future, which may affect the tax effectiveness of your allocated pension or when your final benefit can be paid;
- Changes to fees and costs can also have an impact on your pension account balance, and
- Your account balance may not be enough to adequately meet your retirement needs and could run out before you die.

You should also read the important information about investment risks and the specific risks that apply to Mercer Direct which you can find in the *Investments* booklet. Go to mercersuper.com.au/pds for a copy.

How risk affects you

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

You should read the important information about investment risks before making any decision about your super. For this information, see the 'Understanding investment risks' section of the *Investments* booklet.

Your income needs

The decisions you make about investment options are important, as they can impact how much income you will receive and how long your money will last. Your retirement is different to when you were working and receiving a regular salary (or wage), so you need to think about where your retirement income will come from.

Short and long-term income needs

It might appear easier to select just one investment option, but you need to make sure you consider your short-term income needs (income for the next 5 years) and long-term income needs (income for 5 years and beyond).

Short-term timeframes mean more focus on protecting your savings because you will withdraw the money sooner. An investment option with a lower chance of negative returns may be more suitable. The risk in the short-term is that you don't necessarily have the time to ride out any market declines.

Long-term timeframes mean you can focus more on options that will grow your savings above inflation because you will have more time to ride out any market ups and downs. The risk in the long-term is that your money will run out earlier than you planned.

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

This tells you about:

- your pension account's investment options
- how to change your investment options (called switching investment options)
- how we change investment options.

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

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

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

Mercer investment menu

The following table summarises the investment options available to you, more information is provided in the 'Investment options in detail' section later in this Booklet. To find out more about how Mercer's sustainable investment approach is implemented within the Mercer investment options, refer to the *Sustainable Investments Information* Booklet. The trustee may add, remove or alter investment options. We will advise you of any changes. Please read the *Investments* booklet for more information about these investment options.

	Tax free investment options	Taxed investment options
Ready-made		
These options provide access to a combination of asset classes to target a specific investment objective.	<ul style="list-style-type: none"> • Mercer SmartPath (the default investment option) • Mercer Diversified Shares • Mercer High Growth • Mercer Growth Maximiser • Mercer Select Growth • Mercer Growth • Mercer Moderate Growth • Mercer Conservative Growth 	<ul style="list-style-type: none"> • Taxed Mercer SmartPath (the default investment option) • Taxed Mercer High Growth • Taxed Mercer Growth Maximiser • Taxed Mercer Select Growth • Taxed Mercer Growth • Taxed Mercer Moderate Growth • Taxed Mercer Conservative Growth
Select-your-own		
<p>These options offer more flexibility for you to blend investment options and suits those who like to take more control over their investment decisions.</p> <p>We have grouped the Select-your-own investment options as follows:</p> <p>Mercer Sustainable Plus options</p> <p>The Sustainable Plus[^] options use a multi-manager investment approach, with different investment managers selected to implement investment strategies in each asset class that support the options' objectives.</p> <p>[^]See the Sustainable Investments Information booklet for more details.</p> <p>Mercer Sector options</p> <p>These options offer exposure mainly to one major asset class.</p> <p>Mercer Passive and Enhanced Passive options</p> <p>These options aim to perform in line with the overall market in which they invest.</p> <p>The Enhanced Passive options generally have a predominantly passive approach, with some active management within certain asset classes or sectors.</p>	Mercer Sustainable Plus options	
	<ul style="list-style-type: none"> • Mercer Sustainable Plus Shares • Mercer Sustainable Plus Australian Shares • Mercer Sustainable Plus International Shares • Mercer Sustainable Plus High Growth • Mercer Sustainable Plus Growth • Mercer Sustainable Plus Moderate Growth • Mercer Sustainable Plus Conservative Growth 	<ul style="list-style-type: none"> • Taxed Mercer Sustainable Plus Australian Shares • Taxed Mercer Sustainable Plus International Shares • Taxed Mercer Sustainable Plus High Growth • Taxed Mercer Sustainable Plus Growth • Taxed Mercer Sustainable Plus Moderate Growth • Taxed Mercer Sustainable Plus Conservative Growth
	Mercer Sector options	
	<ul style="list-style-type: none"> • Mercer Australian Shares • Mercer International Shares • Mercer International Shares – Hedged • Mercer Property • Mercer Global Listed Property • Mercer Fixed Interest • Mercer Cash 	<ul style="list-style-type: none"> • Taxed Mercer Australian Shares • Taxed Mercer International Shares • Taxed Mercer International Shares – Hedged • Taxed Mercer Property • Taxed Mercer Global Listed Property • Taxed Mercer Fixed Interest • Taxed Mercer Cash
	Mercer Passive and Enhanced Passive options	
	<ul style="list-style-type: none"> • Mercer Passive Australian Shares • Mercer Passive International Shares • Mercer Passive Australian Listed Property • Mercer Enhanced Passive High Growth • Mercer Enhanced Passive Growth • Mercer Enhanced Passive Moderate Growth • Mercer Enhanced Passive Conservative Growth 	<ul style="list-style-type: none"> • Taxed Mercer Passive Australian Shares • Taxed Mercer Passive International Shares • Taxed Mercer Passive Australian Listed Property • Taxed Mercer Enhanced Passive High Growth • Taxed Mercer Enhanced Passive Growth • Taxed Mercer Enhanced Passive Moderate Growth • Taxed Mercer Enhanced Passive Conservative Growth

	Tax free investment options	Taxed investment options
Mercer Direct		
<p>This service allows you to self-manage your investments and choose from a range of investments, including:</p> <ul style="list-style-type: none">• ASX 300 listed companies• Exchange Traded Funds• Term deposits <p>See the 'Mercer Direct investment option' section later in this Booklet and the Mercer Direct Member Guide for more information.</p> <p>These documents are available at mercersuper.com.au/pds</p>	<ul style="list-style-type: none">• Mercer Direct	<ul style="list-style-type: none">• Not available.

Mercer Direct

Mercer Direct allows you to self-manage your investments, with direct access to ASX 300 shares, term deposits and Exchange Traded Funds (ETF).

Taking greater control of your own strategy means you decide exactly where your allocated pension is invested, without the cost of setting up and maintaining a self-managed super fund.

How it works

Mercer Direct lets you use some of your pension account balance to invest in things such as ASX 300 shares.

You need to invest a minimum of \$20,000, but you must not invest more than 80% of your total balance in Mercer Direct.

Benefits of Mercer Direct

- Invest in ASX 300 shares, term deposits from ANZ, ME Bank, Macquarie Bank and NAB, and a selection of exchange traded funds (ETFs)
- Trade in real time for listed shares and exchange traded funds (during ASX trading hours)
- access a simple consolidated investment summary, and
- switch back to other investment options at any time.

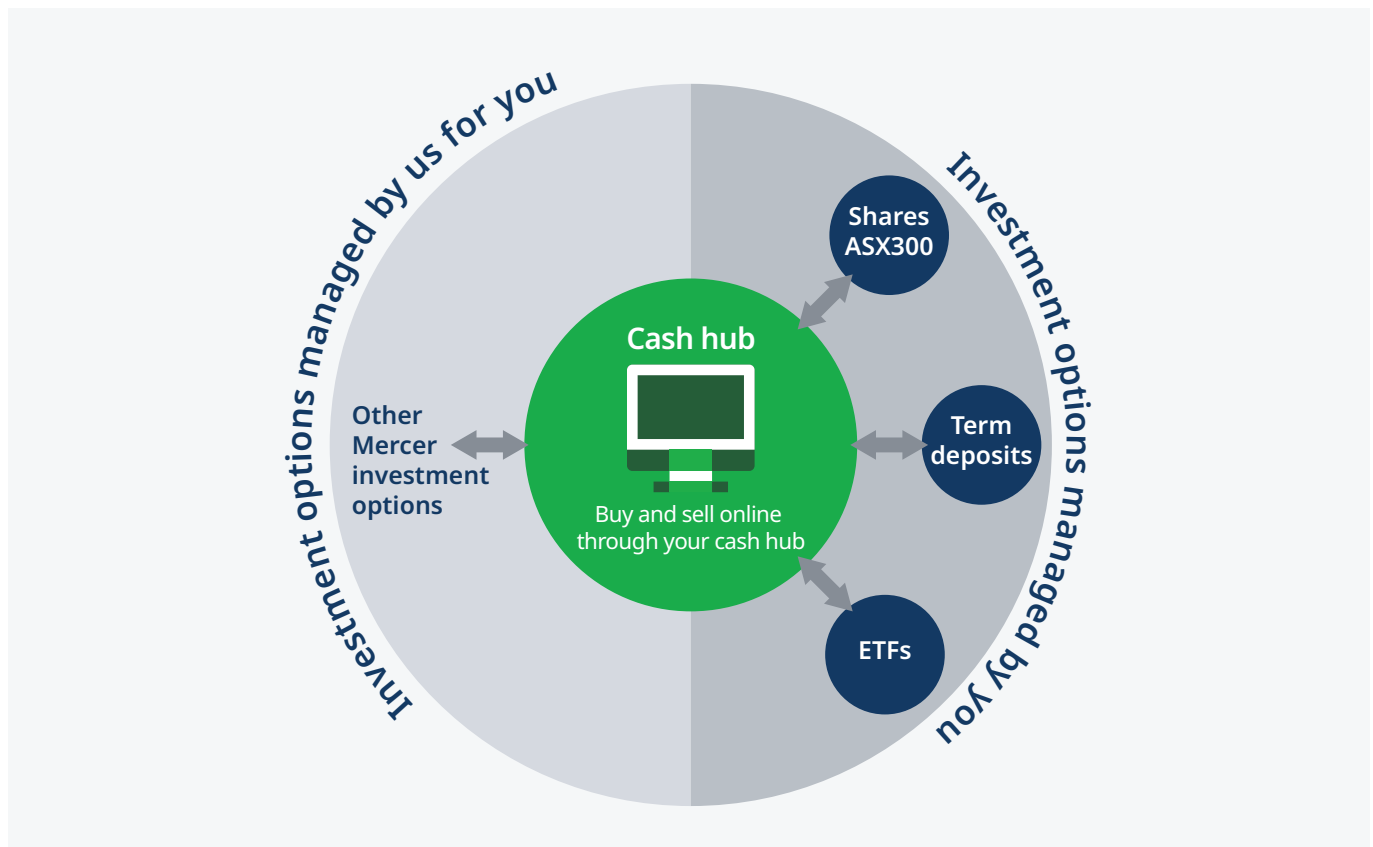
How to invest in Mercer Direct

Once your pension account is open, login to your account online and choose the amount you want to transfer from your current investment option to Mercer Direct (use the dollar based switch option to do this). The switch will be confirmed within two business days*, and then you can start investing.

* Applies if requests are received before 4pm on any business day.

Risks of Mercer Direct

Investing in Mercer Direct is different from the other investment options. This is because you choose your own investments and your portfolio is likely to be unique. With this greater degree of control comes a greater responsibility to understand the nature of your investments and their ability to generate your intended return and satisfy your desired level of risk. For more information on the specific risks applicable to Mercer Direct, refer to the *Investments* booklet. Go to mercersuper.com.au/pds for a copy.



Other important things

There are some other important things for you to know about your Mercer SmartRetirement Income pension account.

Tax

An allocated pension can be a tax-effective investment for your retirement, particularly when compared to non-super investments.

No tax is payable on allocated pension investment earnings if you do not exceed your transfer balance cap.

However, investment earnings on a TTR pension will be taxed at 15% unless you have reached age 65 or you advise us that you have met another relevant condition of release.

The tax treatment of regular income and lump sum payments depends on your age.

Please read the 'Tax and Centrelink' section of the *Other Things You Should Know* booklet. Go to mercersuper.com.au/pds for a copy of this booklet.

Please read the 'Beneficiaries' section of the *Other Things You Should Know* booklet. Go to mercersuper.com.au/pds for a copy of this booklet.

If you die while a member

Beneficiaries

If you don't use all your money in retirement, your beneficiaries will be given what's left in your account.

Please read the Other Things You Should Know booklet to find out about:

- Privacy
- Unclaimed money
- Lost members
- Anti-money laundering
- Family law
- Trustee powers and responsibilities
- Trustee's indemnity
- Service providers to the trustee
- The governing rules
- Receiving payments from Mercer DirectTax and Centrelink

Fees and costs

Did you know?

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

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

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

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

To find out more

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

The table on the next page shows the fees and costs you may be charged in MSRI. We may deduct these fees and costs from your pension account balance, from the returns on your investment or from the assets of the Mercer Super Trust as a whole.

We may charge other fees, such as activity fees and advice fees for personal advice, but these will depend on the nature of the activity or advice that you have chosen.

Entry fees and exit fees cannot be charged.

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

- The 'Fees and costs summary' and 'Breakdown of certain fees and costs' table set out the fees and costs applicable to each investment option in MSRI.
- The 'Cost of product information' table provides a summary calculation of the ongoing annual fees and costs for each investment option in MSRI over a one year period.
- The 'Additional explanation of fees and costs' section of this PDS contains other important information and other fees and costs you may be charged.
 - For definitions of fees referred to in the tables see the 'Defined fees' section.
 - For information on how the trustee may change fees, see the 'Fee changes' section.
 - For an explanation of the impact of GST on the fees and charges described in this PDS, see the 'GST' section.
- 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 'Tax and Centrelink' section of the *Other Things You Should Know* booklet provides a summary of how tax may be applied to super.
- All references to the Mercer SmartPath investment option in this section are applicable to both allocated pension and TTR pension members.

Fees and costs summary

Mercer SmartRetirement Income			
Type of fee or cost		Amount	How and when paid
Ongoing annual fees and costs ¹			
Administration fees and costs	<ul style="list-style-type: none">• An asset based administration fee, depending on the value of your account balance of between 0.00% and 0.15% per annum of your account balance, and• An estimated expense allowance range of from 0.00% to 0.05% per annum of your account balance, and• Costs associated with product and strategic services estimated to be 0.017% per annum of Mercer Super Trust assets.		<p>The asset based administration fee and expense allowance are generally calculated and deducted daily when unit prices are determined.</p> <p>These deductions will be reflected in your pension account balance. If the fee deducted from the unit price is greater than the applicable fee, we will credit the difference on the last day of the month (or when you leave MSRI) to your pension account balance by issuing additional units.</p> <p>The following Mercer Direct fees are generally deducted on the last day of the month from your pension account balance:</p> <ul style="list-style-type: none">• asset based administration fee and expense allowance (calculated on the last day of the month)• portfolio administration fee. <p>These deductions are in proportion to the amount you have in each of the investment options excluding any balance in Mercer Direct.</p> <p>Costs associated with product and strategic services are deducted from reserves on a monthly basis.</p>
	The table below sets out the administration fee that may be charged.		
	Investment option	Asset based administration fee (% per annum of your account balance)	
	Mercer Direct	0.10%	
		First \$500,000Balance over \$500,000 [#]	
All other investment options	0.15%0.00%		
	<p>[#] If the balance of your account (excluding any balance in the Mercer Direct investment option) is over \$500,000, then the asset based administration fee for your balance invested in these investment options over \$500,000 is 0.00%.</p> <p>In addition to the above fees, if you are invested in the Mercer Direct investment option, a portfolio administration fee of \$220.00 per annum (\$18.33 per month) is charged.</p>		

Fees and costs table (continued)

Mercer SmartRetirement Income		
Type of fee or cost	Amount	How and when paid
Ongoing annual fees and costs ¹		
Investment fees and costs^{2*}	<p>Investment fees</p> <p>For the Mercer SmartPath investment option and Taxed Mercer SmartPath investment option</p> <p>0.34% per annum of your account balance.</p> <p>For all other investment options</p> <p>From 0.00% to 0.70% per annum of your account balance, depending on the investment option you choose.</p> <p>Investment costs⁵</p> <p>For the Mercer SmartPath investment option and Taxed Mercer SmartPath investment option</p> <p>Estimated investment costs of between 0.07% to 0.25% per annum of your account balance, depending on which path you are in.</p> <p>For all other investment options</p> <p>Estimated investment costs of between 0.00% to 0.51% per annum of your account balance depending on which investment option you choose.</p>	<p>Investment fees are generally calculated and deducted daily when unit prices are determined.</p> <p>Investment costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant investment option) when unit prices are determined.</p> <p>Any deductions will be reflected in your pension account balance.</p>
Transaction costs³	<p>For the Mercer SmartPath investment option and Taxed Mercer SmartPath investment option</p> <p>Estimated transaction costs of between 0.05% to 0.11% per annum of your account balance, depending on which path you are in.</p> <p>For all other investment options</p> <p>Estimated transaction costs of between 0.00% to 0.32% per annum of your account balance depending on which investment option you choose.</p>	<p>Transaction costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant investment option) when unit prices are determined. This will be reflected in your pension account balance.</p>
Member activity related fees and costs		
Buy-sell spread	Nil	Not applicable
Switching fee	Nil	Not applicable
Other fees and costs^{4,5}	See notes ⁴ and ⁵ below	See notes ⁴ and ⁵ below

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

² Investment fees and costs includes an amount of between 0.00% and 0.26% per annum of your pension account balance depending on which investment option you choose for performance fees. The calculation basis for this amount is set out under the 'Additional explanation of fees and costs' section of this PDS.

³ The investment and transaction costs are for the year ending 30 June 2022 and are based on the actual information available and/or reasonable estimates for that period as at the date of this PDS. Investment and transaction costs may vary from year to year. For more details see 'Investment costs' and 'Transaction costs' in the 'Additional explanation of fees and costs' section of this PDS.

⁴ Other fees and costs may apply to you including: family law fees and advice fees for personal advice (which are negotiable). For more details see the 'Additional explanation of fees and costs' section of this PDS.

⁵ 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' section of this PDS.

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

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

Example – Taxed Mercer SmartPath (Born 1964 to 1968 path)		Balance of \$50,000
Administration fees and costs	0.217%	For every \$50,000 you have in the Taxed Mercer SmartPath investment option you will be charged or have deducted \$108.50 in administration fees and costs.
Plus Investment fees and costs	0.58%	And , you will be charged or have deducted from your investment \$290.00 in investment fees and costs.
Plus Transaction costs	0.11%	And , you will be charged or have deducted from your investment \$55.00 in transaction costs.
Equals Cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of \$453.50* for the Taxed Mercer SmartPath investment option.

* Additional fees may apply.

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

Cost of product information

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 one 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
Tax free options for allocated pensions (also for TTR members who are eligible for untaxed earnings)	
Mercer SmartPath Born prior to 1949	\$403.50
Mercer SmartPath Born 1949 to 1953	\$408.50
Mercer SmartPath Born 1954 to 1958	\$423.50
Mercer SmartPath Born 1959 to 1963	\$413.50
Mercer SmartPath Born 1964 to 1968	\$338.50
Mercer Diversified Shares	\$423.50
Mercer High Growth	\$468.50
Mercer Growth Maximiser	\$353.50
Mercer Select Growth	\$723.50
Mercer Growth	\$353.50
Mercer Moderate Growth	\$423.50
Mercer Conservative Growth	\$373.50
Mercer Sustainable Plus Shares	\$473.50
Mercer Sustainable Plus Australian Shares	\$508.50
Mercer Sustainable Plus International Shares	\$443.50
Mercer Sustainable Plus High Growth	\$513.50
Mercer Sustainable Plus Growth	\$448.50
Mercer Sustainable Plus Moderate Growth	\$483.50
Mercer Sustainable Plus Conservative Growth	\$398.50
Mercer Australian Shares	\$388.50
Mercer International Shares	\$433.50
Mercer International Shares - Hedged	\$483.50
Mercer Property	\$798.50
Mercer Global Listed Property	\$468.50
Mercer Fixed Interest	\$243.50
Mercer Cash	\$168.50
Mercer Passive Australian Shares	\$233.50
Mercer Passive International Shares	\$223.50
Mercer Passive Australian Listed Property	\$293.50
Mercer Enhanced Passive High Growth	\$248.50
Mercer Enhanced Passive Growth	\$253.50
Mercer Enhanced Passive Moderate Growth	\$263.50

Cost of product for 1 year (continued)

Investment Option	Cost of product
Mercer Enhanced Passive Conservative Growth	\$273.50
Mercer Direct*	\$303.50
Taxed options (for TTR members who are not eligible for untaxed earnings)	
Taxed Mercer SmartPath Born 1954 to 1958	\$448.50
Taxed Mercer SmartPath Born 1959 to 1963	\$453.50
Taxed Mercer SmartPath Born 1964 to 1968	\$453.50
Taxed Mercer High Growth	\$528.50
Taxed Mercer Growth Maximiser	\$353.50
Taxed Mercer Select Growth	\$743.50
Taxed Mercer Growth	\$353.50
Taxed Mercer Moderate Growth	\$428.50
Taxed Mercer Conservative Growth	\$388.50
Taxed Mercer Sustainable Plus Australian Shares	\$508.50
Taxed Mercer Sustainable Plus International Shares	\$448.50
Taxed Mercer Sustainable Plus High Growth	\$513.50
Taxed Mercer Sustainable Plus Growth	\$448.50
Taxed Mercer Sustainable Plus Moderate Growth	\$483.50
Taxed Mercer Sustainable Plus Conservative Growth	\$398.50
Taxed Mercer Australian Shares	\$463.50
Taxed Mercer International Shares	\$423.50
Taxed Mercer International Shares - Hedged	\$483.50
Taxed Mercer Property	\$758.50
Taxed Mercer Global Listed Property	\$468.50
Taxed Mercer Fixed Interest	\$238.50
Taxed Mercer Cash	\$168.50
Taxed Mercer Passive Australian Shares	\$218.50
Taxed Mercer Passive International Shares	\$218.50
Taxed Mercer Passive Australian Listed Property	\$293.50
Taxed Mercer Enhanced Passive High Growth	\$248.50
Taxed Mercer Enhanced Passive Growth	\$258.50
Taxed Mercer Enhanced Passive Moderate Growth	\$263.50
Taxed Mercer Enhanced Passive Conservative Growth	\$263.50

* 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' section of this PDS).

Additional explanation of fees and costs

Breakdown of certain fees and costs table

This table shows a breakdown of the asset based administration fee, investment fees and costs and transaction costs only, for each investment option. Other fees and costs also apply - see the 'Fees and costs summary' table earlier in the 'Fees and costs' section. See also, a description of these fees and costs later in this section of this PDS. For Mercer SmartPath, the investment fees and costs and transaction costs that apply will depend on the path applicable to your year of birth.

Investment option Tax free options for allocated pensions (also for TTR members who are eligible for untaxed earnings)			Investment fees and costs ¹		Administration fees ^{1,5}		Estimated Transaction costs (% per annum) ^{1,3}
			Investment fee (% per annum)	Estimated Investment costs (% per annum)	Asset based administration fee (% per annum)		
					First \$500,000	Balance over \$500,000 ⁴	
Ready-made	Mercer SmartPath ²	Born prior to 1949	0.34	0.18	0.15	0.00	0.07
		Born 1949 to 1953	0.34	0.19	0.15	0.00	0.07
		Born 1954 to 1958	0.34	0.21	0.15	0.00	0.08
		Born 1959 to 1963	0.34	0.19	0.15	0.00	0.08
		Born 1964 to 1968	0.34	0.19	0.15	0.00	0.08
		Mercer Diversified Shares	0.47	0.07	0.15	0.00	0.09
		Mercer High Growth	0.42	0.22	0.15	0.00	0.08
		Mercer Growth Maximiser	0.42	0.06	0.15	0.00	0.01
		Mercer Select Growth ²	0.70	0.40	0.15	0.00	0.13
		Mercer Growth	0.38	0.09	0.15	0.00	0.02
		Mercer Moderate Growth	0.33	0.23	0.15	0.00	0.07
		Mercer Conservative Growth	0.28	0.19	0.15	0.00	0.06
Select-your-own	Mercer Sustainable Plus	Mercer Sustainable Plus Shares	0.60	0.05	0.15	0.00	0.08
		Mercer Sustainable Plus Australian Shares ²	0.60	0.03	0.15	0.00	0.17
		Mercer Sustainable Plus International Shares ²	0.60	0.04	0.15	0.00	0.03
		Mercer Sustainable Plus High Growth	0.50	0.20	0.15	0.00	0.11
		Mercer Sustainable Plus Growth	0.48	0.12	0.15	0.00	0.08
		Mercer Sustainable Plus Moderate Growth	0.45	0.22	0.15	0.00	0.08
		Mercer Sustainable Plus Conservative Growth	0.40	0.13	0.15	0.00	0.05
	Mercer Sector	Mercer Australian Shares	0.45	0.04	0.15	0.00	0.07
		Mercer International Shares	0.53	0.04	0.15	0.00	0.08
		Mercer International Shares - Hedged ²	0.54	0.14	0.15	0.00	0.07
		Mercer Property	0.55	0.51	0.15	0.00	0.32
		Mercer Global Listed Property	0.60	0.06	0.15	0.00	0.06
		Mercer Fixed Interest	0.15	0.09	0.15	0.00	0.03
		Mercer Cash	0.10	0.02	0.15	0.00	0.00

Breakdown of certain fees and costs table (continued)

Investment option Tax free options for allocated pensions (also for TTR members who are eligible for untaxed earnings)			Investment fees and costs ¹		Administration fees ^{1,5}		Estimated Transaction costs (% per annum) ^{1,3}
			Investment fee (% per annum)	Estimated Investment costs (% per annum)	Asset based administration fee (% per annum)		
					First \$500,000	Balance over \$500,000 ⁴	
Select-your-own	Mercer Passive and Enhanced Passive	Mercer Passive Australian Shares	0.20	0.03	0.15	0.00	0.02
		Mercer Passive International Shares	0.20	0.02	0.15	0.00	0.01
		Mercer Passive Australian Listed Property ²	0.25	0.04	0.15	0.00	0.08
		Mercer Enhanced Passive High Growth	0.21	0.02	0.15	0.00	0.05
		Mercer Enhanced Passive Growth	0.24	0.04	0.15	0.00	0.01
		Mercer Enhanced Passive Moderate Growth	0.24	0.03	0.15	0.00	0.04
		Mercer Enhanced Passive Conservative Growth	0.24	0.06	0.15	0.00	0.03
Mercer Direct ³	Mercer Direct	0.00	0.00	0.10	0.10	0.00	

Notes:

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

² The combined maximum investment fee, expense allowance and administration fee will not exceed 4% per annum for these investment options. All other investment options will not exceed 2.5% per annum.

³ The investment and transaction costs are for the year ending 1 April 2023 and are based on the actual information available and/or reasonable estimates for the financial year ending 30 June 2022. Fund expenses and performance based fees are based upon the latest information provided by the underlying investment managers, and are based upon the historical expenses and performance based fees for the actual assets held by the Mercer Super Trust as at the effective date of your Plan's PDS. For some investment managers, the expenses and performance based fees are based upon the twelve months to 30 June 2022, and for others, earlier dates. Where earlier dates have been used, they represent the latest information provided by investment managers, and we expect them to be similar for the 30 June 2022 financial year. Investment and transaction costs may vary from year to year. For more details see 'Investment costs' and 'Transaction costs' in the 'Additional explanation of fees and costs' section of this PDS.

⁴ Any balance in the Mercer Direct investment option is not counted in the calculation of the member's account balance for determining the balance over \$500,000 where a nil asset based administration fee applies

⁵ The administration fees and costs also include for all investment options the following:

- an estimated expense allowance range of 0 – 0.05% per annum, and
- costs associated with product and strategic services, estimated to be 0.036% per annum of Mercer Super Trust assets.

Breakdown of certain fees and costs table (continued)

Investment option Taxed options (for TTR members who are not eligible for untaxed earnings)			Investment fees and costs ¹		Administration fees ^{1,5}		Estimated Transaction costs (% per annum) ^{1,3}	
			Investment fee (% per annum)	Estimated Investment costs (% per annum)	Asset based administration fee (% per annum)			
					First \$500,000	Balance over \$500,000 ⁴		
Ready-made	Taxed Mercer SmartPath ²	Born 1954 to 1958	0.34	0.25	0.15	0.00	0.09	
		Born 1959 to 1963	0.34	0.24	0.15	0.00	0.11	
		Born 1964 to 1968	0.34	0.24	0.15	0.00	0.11	
		Taxed Mercer High Growth ²	0.42	0.28	0.15	0.00	0.14	
		Taxed Mercer Growth Maximiser	0.42	0.06	0.15	0.00	0.01	
		Taxed Mercer Select Growth ²	0.70	0.43	0.15	0.00	0.14	
		Taxed Mercer Growth	0.38	0.09	0.15	0.00	0.02	
		Taxed Mercer Moderate Growth ²	0.33	0.23	0.15	0.00	0.08	
		Taxed Mercer Conservative Growth ²	0.28	0.21	0.15	0.00	0.07	
	Select-your-own	Mercer Sustainable Plus	Taxed Mercer Sustainable Plus Australian Shares	0.60	0.03	0.15	0.00	0.17
			Taxed Mercer Sustainable Plus International Shares	0.60	0.05	0.15	0.00	0.03
Taxed Mercer Sustainable Plus High Growth			0.50	0.20	0.15	0.00	0.11	
Taxed Mercer Sustainable Plus Growth			0.48	0.12	0.15	0.00	0.08	
Taxed Mercer Sustainable Plus Moderate Growth			0.45	0.22	0.15	0.00	0.08	
Taxed Mercer Sustainable Plus Conservative Growth			0.40	0.13	0.15	0.00	0.05	
Mercer Sector		Taxed Mercer Australian Shares ²	0.45	0.08	0.15	0.00	0.18	
		Taxed Mercer International Shares ²	0.53	0.01	0.15	0.00	0.09	
		Taxed Mercer International Shares – Hedged ²	0.54	0.14	0.15	0.00	0.07	
		Taxed Mercer Property ²	0.55	0.47	0.15	0.00	0.28	
		Taxed Mercer Global Listed Property	0.60	0.06	0.15	0.00	0.06	
		Taxed Mercer Fixed Interest ²	0.15	0.07	0.15	0.00	0.04	
		Taxed Mercer Cash ²	0.10	0.02	0.15	0.00	0.00	

Investment option Taxed options (for TTR members who are not eligible for untaxed earnings)		Investment fees and costs ¹		Administration fees ^{1,5}		Estimated Transaction costs (% per annum) ^{1,3}
		Investment fee (% per annum)	Estimated Investment costs (% per annum)	Asset based administration fee (% per annum)		
				First \$500,000	Balance over \$500,000 ⁴	
Mercer Enhanced Passive	Taxed Mercer Passive Australian Shares	0.20	0.02	0.15	0.00	0.00
	Taxed Mercer Passive International Shares	0.20	0.02	0.15	0.00	0.00
	Taxed Mercer Passive Australian Listed Property	0.25	0.04	0.15	0.00	0.08
	Taxed Mercer Enhanced Passive High Growth	0.21	0.02	0.15	0.00	0.05
	Taxed Mercer Enhanced Passive Growth ²	0.24	0.05	0.15	0.00	0.01
	Taxed Mercer Enhanced Passive Moderate Growth	0.24	0.03	0.15	0.00	0.04
	Taxed Mercer Enhanced Passive Conservative Growth	0.24	0.03	0.15	0.00	0.04

Administration fees and costs

The administration fees and costs relate to the administration and operation of the Mercer Super Trust (see the 'Defined Fees' section of this PDS) and includes:

- an asset based administration fee
- an estimated expense allowance, and
- costs associated with product and strategic services.

Estimated expense allowance

We have the right to reimburse ourselves for expenses incurred from the assets of the Mercer Super Trust. These reimbursements are for actual outgoings reasonably incurred with the running of the Mercer Super Trust, where those outgoings are not specifically for a division, plan or member account. If the trustee charges an expense allowance, that amount is included in the administration fee of the relevant investment option (as set out in the 'Fees and costs summary' table). The allowance is passed on to members by an adjustment to the unit price reducing the investment performance of the relevant investment option.

If you are invested in the Mercer Direct investment option, the expense allowance is generally calculated and deducted on the last day of each month from your account balance in proportion to the amount you have in each of your investment options excluding the Mercer Direct investment option. 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 expense allowance varies from year to year reflecting the actual expenses incurred.

It is not possible to provide a precise figure for the expense allowance for investment options as they are not known until the end of the financial year. However, the range of the expected expense allowances is set out in the 'Breakdown of certain fees and costs' tables.

The actual expense allowance may exceed the estimated ranges set out in the 'Breakdown of certain fees and costs table'. We would only expect this to occur if there were unexpected expenses.

Actual expense allowances are provided in the Mercer Super Trust Annual Report.

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 Things You Should Know* booklet for more details about this right of indemnity.

Worked example:

Assume an amount of \$50,000 is invested for 12 months in the Mercer SmartPath investment option.

The expense allowance is between 0.00% and 0.05% per annum of your account balance, which is between \$0 and \$25 per annum.

Member reserve

The trustee currently pays certain costs associated with product and strategic services from reserves, which are estimated to be 0.017% per annum of Mercer Super Trust assets.

The size of the reserve is reported each year in the Mercer Super Trust *Annual Report*.

Additional units*

A standard asset based administration fee of 0.15% per annum is charged by deduction from each investment option before the unit price is determined. If the asset based administration fee you need to pay on all or part of your account balance is less than standard administration fee, we credit additional units to your account, generally at the end of each month. The amount of additional units will be based on the difference between the standard asset based administration fee of 0.15% per annum deducted from the unit price and the asset based administration fee applicable to you.

The additional units credited are allocated according to the proportion held in each of your investment options excluding the Mercer Direct investment option.

* Not applicable for the Mercer Direct investment option.

Investment fees and costs

Investment fees

Investment fees 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.

Investment costs

What is included?

Each investment option has associated Investment Costs (IC) that are incurred by the underlying investment vehicles into which the Mercer Super Trust invests. ICs may include but are not limited to:

- performance fees
- investment fees for certain asset classes, namely investments in direct/unlisted real assets, such as property and infrastructure
- any expenses charged by the underlying investment vehicles or manager of those vehicles
- over-the-counter derivative 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 IC.

These fees are reflected in the unit price of the underlying investment vehicle and accordingly form part of the IC of the relevant investment option. Underlying investment vehicles or managers that charge a performance fee will generally only apply those fees when performance is greater than an agreed target.

Accordingly, performance related fees will generally only arise when higher returns, relative to a specified target for a particular manager, are achieved. Where applicable, performance fees are based on an average for the five year period to 1 April 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).

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. See the 'Estimated IC ranges, average performance fee and estimated transaction costs' table for details.

Calculation of the investment costs

The actual IC for each investment option (including each path in Mercer SmartPath) is determined at the end of each financial year. The Mercer Super Trust *Annual Report* provides the actual ICs that applied for each investment option (including each path in Mercer SmartPath) for that financial year.

The 'Estimated IC ranges and average performance fees' tables give you an estimate of the ranges of the future ICs that are generally expected to apply for each investment option. These ranges do not act as limits or caps on the ICs that may apply in the future as the ICs may vary from year to year reflecting the indirect costs (if any) incurred by the underlying investment vehicles or managers.

Changes in the ICs for a financial year may be disclosed via:

- the website mercersist.com.au where the change is not materially adverse
- a notice to you when there is a materially adverse change to the ICs.

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

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, and
- buy-sell spreads less any costs recouped by the underlying investment vehicles.

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.

The actual transaction costs for each investment option (including each path in Mercer SmartPath) are determined at the end of each financial year. The Mercer Super Trust *Annual Report* provides the actual transaction costs for that financial year.

For each of the investment options, the estimated transaction costs for the year ending 30 June 2022 are set out in the 'Breakdown of certain fees and costs' table earlier in this PDS.

For each of the investment options, the 'Estimated transaction costs ranges' are provided in the table below which gives you an estimate of the ranges of the future transaction costs that are generally expected to apply to the individual investment options. These ranges do not act as limits or caps that may apply in the future as transaction costs may vary from year to year reflecting the transaction costs (if any) incurred by the underlying investment vehicles or managers.

Estimated IC ranges, average performance fees and estimated transaction costs – Taxed options

Investment option Tax free options	Estimated IC range (% per annum of your account balance)	Average performance fee for the period to 30 June 2022 (% per annum of your account balance)	Estimated transaction costs range (% per annum of your account balance)
Mercer SmartPath – Born prior to 1949	0.10 - 0.35	0.06	0.00 - 0.10
Mercer SmartPath – Born 1949 to 1953	0.15 - 0.35	0.06	0.00 - 0.10
Mercer SmartPath – Born 1954 to 1958	0.15 - 0.35	0.07	0.05 - 0.15
Mercer SmartPath – Born 1959 to 1963	0.15 - 0.35	0.07	0.05 - 0.15
Mercer SmartPath – Born 1964 to 1968	0.15 - 0.30	0.07	0.05 - 0.15
Mercer Diversified Shares	0.00 - 0.15	0.02	0.05 - 0.15
Mercer High Growth	0.15 - 0.40	0.11	0.05 - 0.15
Mercer Growth Maximiser	0.00 - 0.15	0.02	0.00 - 0.05
Mercer Select Growth	0.20 - 0.75	0.23	0.05 - 0.20
Mercer Growth	0.00 - 0.15	0.03	0.00 - 0.05
Mercer Moderate Growth	0.15 - 0.40	0.09	0.00 - 0.10
Mercer Conservative Growth	0.10 - 0.35	0.07	0.00 - 0.10
Mercer Sustainable Plus Shares	0.00 - 0.15	0.00	0.05 - 0.15
Mercer Sustainable Plus Australian Shares	0.00 - 0.10	0.00	0.10 - 0.25
Mercer Sustainable Plus International Shares	0.00 - 0.10	0.00	0.00 - 0.05
Mercer Sustainable Plus High Growth	0.10 - 0.35	0.08	0.05 - 0.15
Mercer Sustainable Plus Growth	0.05 - 0.35	0.02	0.05 - 0.15
Mercer Sustainable Plus Moderate Growth	0.10 - 0.35	0.08	0.05 - 0.15
Mercer Sustainable Plus Conservative Growth	0.05 - 0.20	0.01	0.00 - 0.10
Mercer Australian Shares	0.00 - 0.15	0.00	0.00 - 0.10
Mercer International Shares	0.00 - 0.10	0.00	0.05 - 0.15
Mercer International Shares - Hedged	0.10 - 0.20	0.00	0.00 - 0.10
Mercer Property	0.35 - 0.85	0.18	0.20 - 0.45
Mercer Global Listed Property	0.00 - 0.10	0.00	0.00 - 0.10
Mercer Fixed Interest	0.05 - 0.20	0.00	0.00 - 0.05
Mercer Cash	0.00 - 0.10	0.00	0.00 - 0.05
Mercer Passive Australian Shares	0.00 - 0.10	0.00	0.00 - 0.05
Mercer Passive International Shares	0.00 - 0.10	0.00	0.00 - 0.05
Mercer Passive Australian Listed Property	0.00 - 0.10	0.00	0.05 - 0.15
Mercer Enhanced Passive High Growth	0.00 - 0.10	0.00	0.00 - 0.10
Mercer Enhanced Passive Growth	0.00 - 0.15	0.00	0.00 - 0.05
Mercer Enhanced Passive Moderate Growth	0.00 - 0.10	0.00	0.00 - 0.10
Mercer Enhanced Passive Conservative Growth	0.00 - 0.15	0.00	0.00 - 0.05
Mercer Direct	0.00	0.00	0.00

Estimated IC ranges, average performance fees and estimated transaction costs – Taxed options

Investment option Taxed options	Estimated IC range (% per annum of your account balance)	Average performance fee for the period to 30 June 2021 (% per annum of your account balance)	Estimated transaction costs range (% per annum of your account balance)
Taxed Mercer SmartPath - Born 1954 to 1958	0.15 - 0.40	0.10	0.05 - 0.15
Taxed Mercer SmartPath - Born 1959 to 1963	0.15 - 0.40	0.10	0.05 - 0.15
Taxed Mercer SmartPath - Born 1964 to 1968	0.15 - 0.40	0.10	0.05 - 0.15
Taxed Mercer High Growth	0.20 - 0.40	0.15	0.05 - 0.20
Taxed Mercer Growth Maximiser	0.00 - 0.15	0.02	0.00 - 0.05
Taxed Mercer Select Growth	0.25 - 0.85	0.26	0.05 - 0.20
Taxed Mercer Growth	0.00 - 0.15	0.03	0.00 - 0.05
Taxed Mercer Moderate Growth	0.15 - 0.40	0.10	0.05 - 0.15
Taxed Mercer Conservative Growth	0.10 - 0.35	0.08	0.00 - 0.10
Taxed Mercer Sustainable Plus Australian Shares	0.00 - 0.10	0.00	0.10 - 0.25
Taxed Mercer Sustainable Plus International Shares	0.00 - 0.10	0.00	0.00 - 0.05
Taxed Mercer Sustainable Plus High Growth	0.10 - 0.35	0.08	0.05 - 0.15
Taxed Mercer Sustainable Plus Growth	0.05 - 0.20	0.01	0.05 - 0.15
Taxed Mercer Sustainable Plus Moderate Growth	0.10 - 0.35	0.08	0.05 - 0.15
Taxed Mercer Sustainable Plus Conservative Growth	0.05 - 0.20	0.01	0.00 - 0.10
Taxed Mercer Australian Shares	0.00 - 0.20	0.07	0.10 - 0.25
Taxed Mercer International Shares	0.00 - 0.10	0.00	0.05 - 0.15
Taxed Mercer International Shares – Hedged	0.10 - 0.20	0.00	0.00 - 0.10
Taxed Mercer Property	0.30 - 0.80	0.18	0.15 - 0.40
Taxed Mercer Global Listed Property	0.00 - 0.15	0.00	0.00 - 0.10
Taxed Mercer Cash	0.00 - 0.10	0.00	0.00 - 0.05
Taxed Mercer Passive Australian Shares	0.00 - 0.10	0.00	0.00 - 0.05
Taxed Mercer Passive International Shares	0.00 - 0.10	0.00	0.00 - 0.05
Taxed Mercer Passive Australian Listed Property	0.00 - 0.10	0.00	0.05 - 0.15
Taxed Mercer Enhanced Passive High Growth	0.00 - 0.10	0.00	0.00 - 0.10
Taxed Mercer Enhanced Passive Growth	0.00 - 0.15	0.00	0.00 - 0.05
Taxed Mercer Enhanced Passive Moderate Growth	0.00 - 0.10	0.00	0.00 - 0.10
Taxed Mercer Enhanced Passive Conservative Growth	0.00 - 0.10	0.00	0.00 - 0.10

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

Buy-sell spreads

There are no buy and sell spreads applied to any investment options as we use a single unit price for both the issue and redemption of units (i.e. the entry price equals the exit price).

If a buy and sell spread were applied it would be an additional cost to you. Any buy and sell spread is not subject to GST.

The trustee reserves the right to apply a buy and sell spread to any investment option in the future.

Other fees

The following fees may be additional to the fees and costs shown earlier in this PDS.

Intrafund and Advice fees

Fees for intrafund advice or limited financial advice are included in the administration fees and costs described above.

As a Mercer Super member, you can pay for advice that is related to your account in the Mercer Super Trust from your super and/or pension account balance.

You will need to provide written consent to us via our Advice Fee Deduction form, available at mercersuper.com.au (sign in using your personal login).

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

Call the Helpline if you wish to find out more about financial advice services.

Family Law fees

A charge of \$541 will apply if your pension is subject to an agreement or court order that splits your pension between you and your former spouse. This charge is generally split equally between you and your former spouse.

Mercer Direct fees

Brokerage fee

This fee applies only to members who are invested in the Mercer Direct investment option and have shares and/or exchange traded funds.

A flat brokerage fee of 0.11% inclusive of GST (subject to a minimum \$22 inclusive of GST) applies to each trade. The brokerage fee will be deducted from your Mercer Direct cash hub at the time the trade is processed. GST will be applied at this time.

For example, if you invested in the Mercer Direct investment option and purchased \$90,000 worth of shares, the brokerage fee charged and deducted from your Mercer Direct Cash Hub would be \$99 inclusive of GST (being 0.11% of \$90,000).

Management fee for Exchange Traded Funds

This fee applies only to members who are invested in the Mercer Direct investment option and have ETFs.

Fees incurred by the ETF, including management fees, custody costs and other expenses may be deducted from the returns 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

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.

Additional fees that can arise

The trustee may incur various costs, charges and expenses (outgoings) whilst acting as trustee of the Mercer Super Trust. These can include the legal expenses and the payment of taxes and charges.

Expense recovery fee

Under the terms of the governing rules, the trustee may recover these outgoings from the Mercer Super Trust.

Or the trustee may instead charge an expense recovery fee of up to 1.00% per annum on the value of your pension account balance. The trustee does not currently charge an expense recovery fee, but reserves the right to do so in the future. This expense recovery fee is a different fee to the expense allowance described above.

Where the trustee starts charging an expense recovery fee, the costs applicable to the relevant investment option may increase. We will write to notify you, at least 30 days before the increase.

Switching fees

The trustee is also entitled to charge members a switching fee of up to \$637.15 (indexed annually) for each switching request received. The next indexation is due on 1 January 2024.

The trustee does not currently charge a switching fee but reserves the right to do so in the future. We will let you know at least 30 days before such fees are charged.

Other fees

The trustee is also entitled to charge the following fees:

- a pension payment fee for each pension payment made; and
- a pension payment alteration fee for each pension payment alteration request received.

The trustee does not currently charge these fees but reserves the right to do so in the future. We will let you know at least 30 days before such fees are charged.

Fee changes

Indexation of fees

Family law and portfolio administration (for the Mercer Direct investment option) fees are indexed annually on 1 January to generally reflect Average Weekly Ordinary Time Earnings (see 'Fees and costs summary table'). The fees applicable for 1 April 2023 are set out in this PDS. The next indexation will be 1 January 2024.

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

Fee increases

In addition to indexing fees, the trustee has the right to increase fees at any time, without your consent, subject to the maximum fees set out below. Fees may increase due to changes in economic conditions, or Government regulations, supplier charges increases or a substantial reduction in the size of MSRI. We will give you at least 30 days written notice of any increase in fees.

Where there is a materially adverse change to the fees the PDS will be updated. Where the change is not materially adverse, the change will be detailed on the website mercersuper.com.au.

Further pursuant to legislation for pension accounts with a balance below \$6,000 at 30 June, there is a cap on the total combined administration and investment fees and costs and transaction costs that can be charged for those members' accounts for the prior year. Any fees in excess of this cap will be refunded.

GST

The GST disclosures in this PDS 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 PDS.

Any fees payable to us as set out in this PDS 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 earlier in this section of the PDS is shown including GST.

Maximum fees

Under the Mercer Super Trust rules, the trustee has the right to charge maximum fees as follows:

- a dollar based administration fee of \$20.35 (indexed annually) per member per month
- for investment options established before 1 July 2005, investment fees and asset based administration fees together not exceeding 2.5% per annum of your account balance
- for investment options established on or after 1 July 2005, investment fees and asset based administration fees together not exceeding 4% per annum of your account balance (see the 'Breakdown of certain fees and costs table' for details of those investment options where a combined maximum fee of 4% per annum applies)
- an expense recovery fee of 1% per annum of your account balance
- a pension payment fee of \$50.95 (indexed annually) for each pension payment made
- a pension payment alteration fee of \$127.40 (indexed annually) for each pension payment alteration request received, and
- a switching fee of \$637.15 (indexed annually) for each switching request received.

The trustee has chosen to forego these maximums for the fees charged (if any) as shown in the 'Breakdown of certain fees and costs table' earlier in this PDS. Any future increases will be within these maximum limits.

Tax and your super

The 'Tax and Centrelink' section of the *Other Things You Should Know* booklet provides a summary of how your super is taxed. For more details about tax and your super see our *Fact Sheets*.

See 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.

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.

DEFINED FEES

Definitions of the various fee types referred to in this section are listed below:

Activity fees

A fee is an activity fee if:

(a) the fee relates to costs incurred by the trustee of the Mercer Super Trust 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, or an advice fee.

Administration fees and costs

Administration fees and costs are fees and costs that relate to the administration or operation of the Mercer Super Trust and includes costs incurred by the trustee of the Mercer Super Trust that:

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

Advice fees

A fee is an advice fee if:

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

Buy-sell spreads

A buy-sell spread is a fee to recover costs incurred by the trustee of the Mercer Super Trust in relation to sale and purchase of assets of the Mercer Super Trust.

Refer to 'Buy and Sell spreads' in the 'Transaction costs' section earlier in this PDS for details. The trustee currently does not charge any buy-sell spreads.

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.

The trustee does not charge exit fees.

Investment fees and costs

Investment fees and costs are fees that relates to the investment of the assets of the Mercer Super Trust and include:

- (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 Mercer Super Trust that:
 - (i) relate to the investment of assets of the Mercer Super Trust, and
 - (ii) costs that are not otherwise charged as administration fees and costs, a buy-sell spread, a switching fee, an activity fee or an advice fee.

Switching fees

A switching fee is a fee to recover the costs of switching all or part of a member's interest in the Mercer Super Trust account from one investment option or product in the Mercer Super Trust to another.

Transaction costs

Transaction costs are costs associated with the sale and purchase of assets of the Mercer Super Trust other than costs that are recovered by the Mercer Super Trust charging buy-sell spreads.

Enquiries and complaints

To make an enquiry or complaint you can:

- call the Helpline on **1800 671 369** from 8am to 7pm AEST Monday to Friday (or if calling from outside Australia on 61 3 8687 1823 from 8am to 7pm AEST Monday to Friday)

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

or

- write to:

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

or email us: **MSALcustomer.complaints@mercerc.com**

Please include your Mercer SmartRetirement Income account number when writing to us.

Information regarding the Mercer Super Trust complaints process can be accessed online. Go to **mercercsuper.com.au/documents/governance-and-trustee-documents/** 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 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 a response within this timeframe, we will provide you 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

Online

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.

Cooling off

You can write to us to cancel your investment in MSRI within 14 days of joining. This is called the cooling off period. The 14 day period starts from the earlier of the date you receive our confirmation of your investment or 5 days after you invest. You will lose your right to cool off if you exercise any rights in MSRI, for example if you make an investment switch or withdrawal.

If you cancel your investment during the cooling off period, the amount we refund will be calculated at the price at which the units would have been acquired if you had acquired them on the day the cooling off right is exercised, adjusted for regular income payments or other distributions (if any) made to you during the period of investment, tax and reasonable transaction or administration costs. Therefore, the amount we refund may be greater or less than the amount initially invested.

We will generally pay your refund or roll it over, based on what you tell us.

However, if your initial investment was in a TTR allocated pension, we will pay your refund according to the following rules:

- any amount representing preserved or restricted non-preserved benefits cannot be paid directly to you and must be transferred to a regulated superannuation fund, approved deposit fund or a retirement savings account nominated by you, and
- any other amounts will be paid as directed by you. If you haven't given us any directions within one month of notifying us that you want to cancel your investment, or if the super fund you tell us to roll your money to doesn't accept it, we may transfer your money to the ATO or pay it to you in cash, where the law allows us to.

Where we transfer your super to the ATO, you'll no longer have any rights under the Mercer Super Trust.

If you are above age 65 and haven't told us how and where you'd like your super paid and you can't be contacted, then your payout will be considered unclaimed money and will be sent to the ATO. You can contact the ATO to claim this money directly.

See 'Important information' in the *Other Things You Should Know* booklet for further details.

If you have any questions contact us at:
Mercer Super Trust
GPO Box 4303
Melbourne VIC 3001
Helpline **1800 671 369**

Or visit mercersuper.com.au