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**MERCER SUPERANNUATION (AUSTRALIA) LIMITED
ABN 79 004 717 533
(Trustee)**

MERCER MASTER FUND

**MERCER RETAIL DIVISION
(A DIVISION OF THE MERCER SUPER TRUST)**

CONSOLIDATED DESIGNATED RULES

**Being Master Deed dated 28 June 1995 as amended by
Amending Deed dated:
27 March 2017**

TABLE OF CONTENTS

1.	INTERPRETATION	2
2.	COOLING OFF	8
3.	SETTING UP A PLAN	9
4.	EMPLOYER POWERS	12
5.	MEMBERSHIP	13
6.	MEMBER INVESTMENT CHOICE	14
7.	POLICY COMMITTEES	15
8.	FEES AND EXPENSES	15
9.	CONTRIBUTIONS - GENERAL PROVISIONS	17
10.	MEMBERS' ACCOUNTS	18
11.	PLAN ACCOUNTS	19
12.	ACCOUNTS - GENERAL PROVISIONS	21
13.	BENEFITS	22
14.	REDUCTIONS IN BENEFITS	25
15.	AMENDMENTS	28
16.	MYSUPER	28
17.	NON MYSUPER MEMBERS in MYSUPER OPTION	30

MERCER MASTER FUND

Designated Rules for the Retail Division

(A DIVISION OF THE MERCER SUPER TRUST)

1. INTERPRETATION

1.1 Definitions

In these Designated Rules:

'Account' means, a Member Account or a Plan Account and for a particular Plan, means the Member Accounts and/or Plan Account (if any) held for that Plan.

'Another Fund' means, in relation to a fund, a superannuation or other benefit arrangement other than the Plan, and includes another complying superannuation fund, Division, Plan or Member Account in the MST;

'Benefit Specification' means in relation to a Member or Employer the details relating to participation in the Division and set out in a form agreed with us;

'Binding Nomination Form' of a Member means a notice:

- (a) given to us by the Member;
- (b) which we have accepted;
- (c) which nominates the Member's legal personal representative and/or one or more of the Member's Dependants as the beneficiary or beneficiaries of the Member's death benefit.

'Child' of a person includes:

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

'Commencement Date' means, in relation to a Plan, the date set out in the Schedule as the commencement date of the Plan.

'Dependant' of a Member means:

- (a) a Spouse of the Member;
- (b) a Child of the Member;
- (c) any person we consider is (or was at the date of death of the Member) wholly or partly dependent on the Member; and
- (d) any person with whom the Member has (or, at the date of death, had) an Interdependency Relationship.

'Designated Rules' means the Designated Rules for the Retail Division.

'Division' means this Retail Division of the MST.

'Eligible Member' means a Member who we determine:

- (a) is eligible for insurance cover; and
- (b) for whom insurance cover is maintained under a Plan,

However, Eligible Member does not include a Member to the extent that the Member has elected to opt out of a particular type of insurance cover. For the avoidance of doubt, where a Member elects to opt out of a particular type of insurance cover, the Member will not be an Eligible Member for the purposes of that type of insurance cover only.

'Employee' means, in relation to a Plan:

- (a) a person who is employed by an Employer; or
- (b) a director or officer of an Employer; or
- (c) any other person the Employer tells us is an Employee for the purpose of the Plan;

'Employer' means:

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

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

'Group Life Insurance' means death or disability insurance held by us in respect of a Member (on a group or individual basis).

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

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

'Member' means, a person who has been accepted as a member under rule 5.1 and who has not ceased to be a Member under rule 5.5.

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

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

'Mercer Direct Investment Portfolio' means a Portfolio we offer as an investment option with specified kinds of assets and made available for investment for Members subject to terms and conditions we determine.

'MySuper Plan' means the "MySuper Plan" under rule 16.

'MySuper Portfolio' means the Portfolio we designate from time to time as the Portfolio in which the assets of the MySuper Plan are invested.

'MySuper Product' means the class of beneficial interest we are authorised to offer as a MySuper product under Superannuation Law for the purposes of this Division.

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

'Plan' means a Plan set up under a Schedule. In relation to a Sponsor, an Employer and a Member means respectively the Plan established at the Sponsor's request, the Plan in which the Employer has been permitted to participate and the Plan to which the Member has been admitted.

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

'Portfolio' has the meaning set out in the Master Deed and for a Plan, means the particular Portfolios that we have agreed with the Sponsor to make available for that Plan.

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

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

'Schedule' in relation to a Plan means the document signed by us and the Sponsor to establish the Plan and which is designated as the Schedule for that Plan (as amended from time to time).

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

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

'Spouse' of a person includes:

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

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

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

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

'Termination Date' means, in respect of a Plan, the date referred to in rule 3.4

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

- (a) if there is a relevant policy of insurance in force - means disablement which the insurer determines qualifies as permanent disablement under that policy; or
- (b) if there is no relevant policy of insurance in force - means disablement due to an illness or injury as a result of which:

- (i) the Member has been continuously absent from active employment for six months; and
- (ii) we determine (after considering any medical or other evidence we require) the Member is sufficiently incapacitated to be unlikely ever to engage in any gainful employment for which the Member is reasonably qualified by education, training or experience.

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

'We' or **'us'** means the trustee for the time being of the MST.

1.2 Words and Phrases

In these Designated Rules:

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

- (e) the singular includes the plural and vice versa; and
- (f) words implying one gender include the other genders.

1.3 Similar Terms

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

1.4 Law

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

1.5 Schedules and Designated Rules

Each Schedule is part of these Designated Rules. To the extent of any conflict the Schedule prevails unless specifically stated otherwise either in these Designated Rules or in a Schedule.

1.6 Severance

Any provision of these Designated Rules (including any Schedule) which is:

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

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

1.7 Express References

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

1.8 Headings and Index

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

1.9 Compliance with Superannuation Law paramount

- (a) Notwithstanding anything else in the Designated Rules, we, each Sponsor, each Employer and each beneficiary must comply with Superannuation Law.
- (b) To the extent that a provision of these Designated Rules would be void under Superannuation Law because it allows a person (other than us) to exercise a discretion or to give us a direction, then
 - (i) that discretion; or
 - (ii) that direction,is taken by the Designated Rules to be exercisable only with our consent (which may be given or withheld at our discretion).
- (c) To the extent that any other action or inaction envisaged by these Designated Rules would not be permitted by Superannuation Law, the Designated Rules are to instead to be read as requiring that action or inaction be done to the extent permitted by or in a manner consistent with Superannuation Law.

1.10 Policies and rules

We may make any rules and set any policies about any matter to do with the administration of the Division and/ or any Plan.

1.11 Electronic notification

To the greatest extent permitted by Superannuation Law, where we are required to give a Member or other beneficiary any information (or make that information available to them), we may do so using any electronic means we consider appropriate.

2. COOLING OFF

2.1 Cooling off Period

If we issue Units in respect of a Member following a contribution or transfer being made to a Plan and:

- (a) the contributor or Member, as relevant, requests redemption of those Units; and
- (b) Superannuation Law requires us to redeem those Units,

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

3. SETTING UP A PLAN

3.1 Applications to set up a Plan

- (a) A person may ask us set up a Plan in the Division to provide superannuation benefits to certain customers identified by that person.
- (b) If we agree to set up a Plan, that person becomes the Sponsor of that Plan
- (c) The rights and obligations of the Sponsor and its relationship to us, and the provisions for that Plan, are set out in these Designated Rules and in the Schedule for that Plan.
- (d) The Sponsor can invite customers and employers to participate in the Plan as set out in that Schedule.

3.2 Schedule

The Schedule for a Plan may set out:

- (a) the name of the Plan;
- (b) the Commencement Date for the Plan;
- (c) the name of the Sponsor for the Plan;
- (d) to the extent the features of the Plan are different to the features set out in these Designated Rules:
 - (i) the features of the Plan (such as, the Portfolios that will be offered through the Plan, the insurance arrangements that will apply to the Plan and the default settings of the Plan); and
 - (ii) any special terms or conditions that will apply to the Plan (including alternative arrangements on termination of the Plan to the arrangements set out below).
- (e) the terms on which the Plan will be offered to customers;
- (f) any additional or different rights and obligations we or/and the Sponsor will have in relation to that Plan;
- (g) any other matters that we agree with the Sponsor should be in the Schedule.

3.3 Sponsor Powers/Discretions

Except where the Schedule or other agreement (signed by the Sponsor) otherwise requires, in the exercise of their powers and discretions under these Designated Rules, each Sponsor:

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

3.4 Terminating a Plan

- (a) Unless otherwise set out in the Schedule, we must terminate a Sponsor's Plan if:
 - (i) the Sponsor asks us in writing to do so; and
 - (ii) Superannuation Law allows us to do so.
- (b) We may terminate a Plan in the circumstances set out in the Schedule for that Plan and must do so if the Schedule requires.
- (c) Unless otherwise set out in the Schedule, we may terminate a Sponsor's Plan on 6 months' written notice to the Sponsor.
- (d) If a Sponsor ceases to carry on business for any reason or becomes insolvent or bankrupt:
 - (i) the Sponsor immediately ceases to be the Sponsor of that Plan and will no longer have any rights in relation to the Plan; and
 - (ii) we can exercise any of the rights or powers of the Sponsor in these Designated Rules (and Schedule). Those rights and powers will be exercised by us solely in our interests (or the interests of beneficiaries of the Plan if required by Superannuation Law); and
 - (iii) at any time after a Sponsor ceases to carry on business or becomes insolvent or bankrupt, we may terminate the Plan.
- (e) The Termination Date is the date determined under the Plan Schedule as the Termination Date, or, if none:
 - (i) 6 months after the date we receive the Sponsor's direction under sub-rule 3.4(a) or any date we agree with the Sponsor; or
 - (ii) the date we determine where the Plan is terminating under rules 3.4(b), 3.4(c) or 3.4(d)(iii).

- (f) On termination of a Plan, we must redeem all of the Units (if any) attributable to that Plan and apply the Plan's assets in the following order of priority:
 - (i) all costs, expenses and liabilities which have been incurred or are likely to be incurred in respect of the Plan (including the termination of the Plan);
 - (ii) paying to or in respect of each Member, the Member Account Balance of the Member. But if the assets of the Plan are not sufficient, the amount to be applied in respect of all Members under this rule must be proportionately reduced;
 - (iii) any balance (if any) in a Plan must be dealt with as set out in the Schedule;
 - (iv) if the Schedule does not deal with how any balance is dealt with, any balance in a Plan must be dealt with as we decide.

3.5 Securing of Entitlements

- (a) We may make any arrangements we consider appropriate in securing any entitlements of a Member or beneficiary on the termination of a Plan, including:
 - (i) the purchase of an annuity; or
 - (ii) the transfer of assets representing the entitlement to Another Fund. For clarity, this could include a transfer to any other part of the Fund, another Plan, a Division or between Member Accounts under the Master Deed or any part of these Designated Rules; or
 - (iii) payment to the Member or beneficiary,or any combination of the above. We may do so without the Member's or the beneficiary's consent and may do so even if the arrangement is contrary to the particular beneficiary's wishes.
- (b) However, where a Plan terminates (and the Sponsor has not ceased to carry on business and has not become bankrupt) and the Sponsor makes a Request, then we must comply with that Request if Superannuation Law permits.

A “**Request**” is where the Sponsor has chosen a new superannuation arrangement to which the beneficiaries of the Plan and their assets can be transferred and asks us to transfer those beneficiaries and assets of the Plan to that new superannuation arrangement.

3.6 Our Discharge on Transfer

- (a) On completion of any annuity purchase, transfer, payment or other arrangement under rule 3.5:
 - (i) no person (including any contingent beneficiary) has any right against us; and
 - (ii) we are discharged from our obligations, in respect of the former arrangement.
- (b) No person (including any contingent beneficiary) has any right against us in respect of any money or assets transferred to another complying superannuation fund.
- (c) We have no responsibility to enquire about the application of any money or assets transferred to another complying superannuation fund.

4. EMPLOYER POWERS

4.1 Dismissal from employment

Nothing in these Designated Rules:

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

4.2 Employer Powers/Discretions

In the exercise of their powers and discretions under these Designated Rules, each Employer has an absolute discretion to exercise or not exercise that power or discretion and to do so in its own interests.

4.3 Employer leaving a Plan

- (a) An Employer may choose to no longer contribute to the Plan for its employees.
- (b) We may give an Employer written notice we will not accept contributions to the Plan (generally or for specific member/s).

5. MEMBERSHIP

5.1 Becoming a Member

- (a) A person becomes a Member of a Plan:
 - (i) from the date we accept the person's application for membership; or
 - (ii) from the date the person is automatically admitted as a Member under any automatic admission arrangement set by us from time to time.
- (b) We may:
 - (i) reject any application; or
 - (ii) refuse to admit any person as a Member, without giving a reason.

5.2 Information and Evidence

Each Member must:

- (a) give the information and evidence; and
 - (b) sign the documents; and
 - (c) undergo the medical examinations and tests; and
 - (d) satisfy the other requirements,
- as and when we reasonably require.

5.3 Special Restrictions or Conditions

We may:

- (a) admit a Member to a Plan on special terms, conditions and restrictions agreed with Sponsor, the Member or the Member's Employer;
- (b) apply special terms, conditions, and restrictions on:
 - (i) benefits; and
 - (ii) contributions,in respect of any Member:
 - (A) who fails to comply with any of the requirements rule 5.2; or
 - (B) whose medical examination or test results are not satisfactory; or

- (C) whose statement or evidence contains a misstatement, mistake, inaccuracy or omission; or
- (c) remove or change any special terms, conditions and restrictions previously imposed.

5.4 Categories of Members

We must allocate Members to the category of membership in the Plan as required by the Schedule or, if there is no requirement, to the category we decide is appropriate.

5.5 Ceasing to be a Member

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

6. MEMBER INVESTMENT CHOICE

6.1 Choice of Portfolio by Member

- (a) We may invite some or all of the Members of a Plan to choose to invest some or all of the Member Account of the Member by reference to one or more Portfolios.
- (b) A Member may make that choice in a form agreed with us.

6.2 Revocation or Variation by Member

If we agree, a Member may:

- (a) revoke or change their previous choice under rule 6.1;
- (b) make further choices under rule 6.1.

6.3 Revocation or Variation by us

We may revoke or vary any choice made by a Member under rules 6.1 or 6.2:

- (a) as required by Superannuation Law;
- (b) in respect of a Plan, as requested by the Sponsor of that Plan (subject to Superannuation Law); or
- (c) as we consider appropriate.

6.4 Our Liability

Without limiting clause 21 of the Master Deed, we are not liable or responsible for any cost, loss, expense or detriment suffered by any person as a result of the exercise, partial exercise or non-exercise of any power exercisable by us under this rule 6 including any detriment suffered if we do not act on any election by a Member or any delay by us in doing so.

7. POLICY COMMITTEES

7.1 Member and Employer Representation

If required by Superannuation Law, we will set up one or more Policy Committees for a Plan.

7.2 Policy Committees

If we are required to set up one or more Policy Committees for a Plan under Superannuation Law, we will establish, administer, dissolve, reform or replace those Policy Committees as necessary in accordance with Superannuation Law.

7.3 Our Expenses

We are entitled to recoup costs relating to Policy Committees from the assets of the Plan in accordance with Superannuation Law.

8. FEES AND EXPENSES

8.1 Membership Fee

We may deduct and retain for our own use out of each Plan a fee of \$150 pa for each Member in the Plan pro rataed for each day we act as trustee of the MST.

We will calculate this fee as at the last day of each month based on the number of Members in each Plan on that day.

8.2 Mercer Direct Investment Portfolio Account Fees

We may deduct and retain for our own use out of each Member's Member Account a fee for the assets invested in the Mercer Direct Investment Portfolio. The amount of that fee is \$300 per annum, calculated on the number of days a Member was invested in the Mercer Direct Investment Portfolio and is payable monthly by the Member.

8.3 Contribution and Benefit Payment Fees

We may deduct and retain for our own use:

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

8.4 Tax Reimbursement Fee

We may deduct and retain for our own use a fee of \$800 from each Member for whom we claim from the Commissioner of Taxation a tax offset for tax we previously paid in respect of no-TFN contributions income (as defined in the Income Tax Assessment Act 1997) which relates to that Member if all other benefits to which the Member is entitled have been paid from the Fund.

8.5 Switching Fee

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

8.6 Indexation of Fees

At the end of each calendar year we may increase the dollar amounts referred to in rules 8.1 - 8.5 by the amount of the increase (if any) for the year to 31 May in that calendar year in respect of the average weekly adult ordinary time earnings as published by the Australian Bureau of Statistics. The revised dollar amounts apply for the whole of the following calendar year.

8.7 Reimbursement of Expenses

In addition to our right of indemnity under clause 18 of the Master Deed we are also entitled to recover out of each Plan the following costs, charges and expenses in relation to that Plan:

- (a) setting up the Plan;
- (b) disbursements in connection with the acquisition or disposal of any asset, including commission and brokerage;
- (c) any Tax or reimbursement of Tax properly charged in connection with the Plan;
- (d) all costs in connection with the initiation, carriage, defence and settlement of any tribunal or court proceedings;
- (e) arranging transfers of groups of Members into and out of a Plan;
- (f) all other costs, charges and expenses incurred in connection with the administration, maintenance, management or operation of the Plan; and

- (g) any other costs, charges and expenses incurred in connection with the administration, maintenance, management or operation of this Division that we consider should equitably be allocated to that Plan.

8.8 Allocation of Fees and Expenses

Amounts paid or payable to us under this rule 8 must be allocated in accordance with rule 12.2.

8.9 Reimbursement of expenses as an expense recovery fee

We may from time to time recover some or all of the expenses to which we are entitled to be indemnified (under Rule 8.5 or clause 18 of the Master Deed) by charging a monthly expense recovery fee of 1.0% per annum of the redemption price of all the Units issued in respect of that Plan or its Members.

9. CONTRIBUTIONS - GENERAL PROVISIONS

9.1 Employer Contributions

- (a) An Employer may contribute for any Member, any amount that we are permitted by Superannuation Law to accept for that Member.
- (b) A company associated with an Employer may make contributions under sub-rule (a) on behalf of that Employer.

9.2 Member Contributions

A Member may contribute any amount that we are permitted by Superannuation Law to accept from that Member.

9.3 Other contributions

We may accept any amount for a Member from any source permitted by Superannuation Law.

9.4 Contributions other than Cash

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

9.5 Contributions Paid by Mistake

We must repay contributions or Government co-contributions which:

- (a) we determine were paid by mistake, unless:
 - (i) Superannuation Law prevents that repayment; or
 - (ii) we otherwise agree with the person who mistakenly paid the amount; or

- (b) we should have refused to accept under clause 10 of the Master Deed.

9.6 Payment of Contributions

- (a) We can set rules about the times and the manner of contributions paid to a Plan.

For example, some Plans may be electronic-only hence we may only accept contributions paid electronically for those Plans.

- (b) We can refuse to accept any contributions from any person at our discretion.

10. MEMBERS' ACCOUNTS

10.1 Accounts

We must establish and maintain a Member Account for each Member.

Member Account

10.2 We must credit to each Member's Member Account:

- (a) any contributions received in respect of the Member under rule 9;
- (b) any amounts credited to this Account under rule 11.2;
- (c) any proceeds received from any insurer in respect of the Member;
- (d) the portion of any amount transferred into the Plan in respect of the Member which we determine is appropriate to credit to this Account;
- (e) any tax offset received by us for tax we previously paid in respect of no-TFN contributions income (as defined in the Income Tax Assessment Act 1997) which relates to that Member; and
- (f) any other amount which we consider appropriate to credit to that Account.

10.3 We must debit to each Member's Member Account:

- (a) any amount debited to this Account under rule 12.2;
- (b) any amount which we determine to debit to this Account because of a roll over, transfer or allotment to Another Fund;
- (c) any amount which is permitted by Superannuation Law to be debited to a Member Account and which the Member (in accordance with any form we prescribe), requests us to debit to the Member's Member Account;
- (d) any benefit amount paid to or in respect of the Member (not already debited under paragraphs (b) or (c));

- (e) any premiums relating to insurance provided for the Member (not already debited under paragraph (a));
- (f) any amount for Taxes; and
- (g) any other amount which these Designated Rules require to be debited to this Account or we consider is appropriate and equitable to debit to this Account.

10.4 Selection of Portfolio

If there is no current choice under rule 6 for any part of a Member's Member Account, we may choose one or more Portfolios by reference to which that part of the Member Account is to be invested. We may change that choice from time to time.

10.5 Issue of Units

Upon amounts being credited to a Member Account, Units referable to any unitised relevant Portfolios must be created and issued in accordance with the Master Deed. Those Units will be held by us until they are redeemed or cancelled under rule 10.6.

10.6 Redemption of Units

Upon amounts being debited to a Member Account, we will redeem and cancel Units referable to the relevant unitised Portfolios and held by us in relation to that Member Account in accordance with the Master Deed.

11. PLAN ACCOUNTS

Maintenance and Operation

11.1 We may establish and maintain a Plan Account for a Plan.

11.2 We may credit to the Plan Account for a Plan:

- (a) any part of the amount we are entitled to deduct under rule 8 that we decide to credit to the Plan Account;
- (b) any part of the amount debited to Member Accounts under rule 12.2 that we agree to credit to the Plan Account;
- (c) any amounts transferred to the Plan that are not allocated to Member Accounts; and
- (d) any other amount required to be credited to that Plan's Plan Account under the Schedule for the Plan;
- (e) any other amount we agree with the Sponsor be credited to the Plan Account; and

- (f) any other amount we consider appropriate to credit to that Plan's Plan Account.

11.3 We may debit to a Plan Account for a Plan:

- (a) amounts set out in the Schedule to be debited to the Plan Account;
- (b) any Plan costs or expenses that the Sponsor agrees be paid from the Plan Account;
- (c) amounts applied under rule 11.4;
- (d) reasonable amounts relating to the costs or expenses of the Plan Account or any Tax referable to the amounts credited to the Plan Account; and
- (e) any other amount we consider appropriate and equitable to debit to that Account.

11.4 Discretionary Application of Plan Account

We must apply the amounts in the Plan Account of a Plan:

- (a) as set out in the Schedule for that Plan; or
- (b) as agreed with the Sponsor.

11.5 Selection of Portfolio

The amounts in the Plan Account are to be invested in one or more Portfolios:

- (a) as we agree with the Sponsor from time to time; or
- (b) if there is no agreement at the particular time, as we determine.

11.6 Issue of Units

When amounts are credited to a Plan Account, we must create and issue Units referable to the relevant unitised Portfolio/s in accordance with the Master Deed. We will hold those Units until they are redeemed or cancelled under to rule 11.7.

11.7 Redemption of Units

When amounts are debited to a Plan Account, we must redeem and cancel Units referable to the relevant Portfolio/s held by us in relation to that Plan Account in accordance with the Master Deed.

11.8 Our Liability

Without limiting clause 21 of the Master Deed, we are not be liable or responsible for, or in connection with, any cost, loss, expense or detriment suffered by any person as a result of the exercise, partial exercise or non-exercise of any power exercisable by us under this rule 11, including, any detriment suffered as a result of failing to act on any agreement with a Sponsor or any delay by us in doing so.

12. ACCOUNTS - GENERAL PROVISIONS

12.1 Sub-Accounts

We may:

- (a) establish sub-accounts within any Account for a Plan; and
- (b) maintain and operate any sub-account for any purpose and in any manner:
 - (i) set out in the Schedule for that Plan; or
 - (ii) we consider appropriate.

12.2 Account Expenses

- (a) Subject to clause 3 of the Master Deed and any Schedule for that Plan, each Member's share of the Account expenses and Group Life Insurance premiums for a Plan must be:
 - (i) deducted from contributions or Government co-contributions before they are credited to the Member Account; or
 - (ii) debited to the Member Account; or
 - (iii) dealt with in any other manner determined by us; or
 - (iv) any combination of (i), (ii) or (iii),whichever we determine.
- (b) We may make:
 - (i) any deduction or debit under this rule on an estimated basis; and
 - (ii) appropriate subsequent adjustments to take account of any difference between estimated and actual amounts.

12.3 Closing of Accounts

- (a) We must close a Member Account after all benefits which could become payable from the Plan in respect of the Member have been transferred or otherwise paid or applied. Any amount remaining in a Member Account at that time is forfeited to the Plan.

- (b) We may close a Member Account:
 - (i) if the Member Account Balance falls below or is likely to fall below zero or any other minimum balance which we determine;
 - (ii) if certain terms and conditions determined by us have not been complied with by the Member; or
 - (iii) at the request of the Member,and take any action in relation to any amount remaining in the Member Account as we determine.
- (c) Where a Member Account is closed under rule 12.3 the Member will no longer be entitled to any insurance cover under the Plan.

13. BENEFITS

Amount of the Benefit

- 13.1 The total amount of the benefit payable in respect of a Member at a particular time is that Member's Account Balance at that time.

Payment of Benefits

- 13.2 We will pay to a Member that part of the Member's Account Balance that the Member asks us to pay as long as Superannuation Law permits us to make that payment.
- 13.3 We must pay to the person entitled to a benefit that part of any benefit that Superannuation Law requires be paid.
- 13.4 We may impose reasonable conditions on the payment of any benefit.

Death Benefits

- 13.5 On the death of a Member, we must pay any remaining Account Balance of that Member ("**benefit**"):
- (a) If a Binding Nomination Form of the Member is valid and in effect under rule 13.6 then the benefit must be paid in accordance with the Binding Nomination Form.
 - (b) If the benefit is not required to be paid under sub-rule (a) then the benefit must be paid to:
 - (i) one or more of the Member's Dependents;
 - (ii) the Member's legal personal representative; or

(iii) any combination of (i) and (ii),

as we determine, and in the proportions as we determine.

(c) If:

(i) the benefit is not required to be paid under sub-rule (a); and

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

then the benefit may be paid to any one or more natural persons we determine.

Binding Nominations

13.6 A **Binding Nomination Form** of a Member is:

(a) invalid if:

(i) any nominee in the Binding Nomination Form was not a Dependant or legal personal representative of the Member at the time of the Member's death;

(ii) the proportion of the benefit to be paid to any nominee in the Binding Nomination Form is not clear from the form;

(iii) the Binding Nomination Form is not in the form or in accordance with the guidelines set by us from time to time;

(iv) the Member marries after the date of the Binding Nomination Form;

(v) any nominee in the Binding Nomination Form died before the Member;

(vi) the Member was legally incapable of making the Binding Nomination Form;

(vii) it is unlawful for us to pay the benefit to any nominee in the Binding Nomination Form; or

(viii) the Binding Nomination Form was not completed in accordance with Superannuation Law; and

(b) not in effect:

(i) if a period of three years (or a shorter period determined by us) has elapsed from the day the Binding Nomination Form was signed or last confirmed or amended by the Member;

- (ii) if the Binding Nomination Form was revoked by the Member by giving us written notice in the form specified by us and in accordance with Superannuation Law;
- (iii) if and for so long as we are prevented from making a payment in respect of the Member due to the operation of the Family Law Act 1975 or an order made under that Act; or
- (iv) if the Member was subject to a Court order at the date of the Member's death prohibiting the Member from completing a Binding Nomination Form or requiring the Member to revoke a Binding Nomination Form that is otherwise valid and in effect.

Form of Benefits

- 13.7 We may agree with the Member (or any other person entitled to the Member's benefit) the form in which the benefit will be paid. That agreement is final and binding on all persons, including any person with a contingent entitlement.
- 13.8 We may purchase a pension or annuity from a suitable institution, and every person will be bound by our decision and the terms on which the pension or annuity is arranged.
- 13.9 Any pension or annuity we consider is a trivial amount may be paid in lump sum form.

Proof of Entitlement

- 13.10 We may delay payment of a benefit until any proof of entitlement we require is given to us.

Beneficiary under Disability

13.11 If:

- (a) a beneficiary (including a Member) is under a legal disability (for example, if the beneficiary is a minor); or
- (b) it becomes apparent to us that the beneficiary is unable to manage his or her affairs,

we may apply the whole or part of the benefit:

- (c) towards the maintenance or education of the beneficiary; or
- (d) directly for the benefit of the beneficiary; or
- (e) to a guardian, trustee, spouse, parent or child of the beneficiary or some other person we consider has the care and custody of the beneficiary for the time being.

13.12 Any payment or application under rule 13.11 is a complete discharge to us for the amount paid or applied and no person has a right of action against us for that amount on any grounds.

Transfer to a Plan

13.13 We may accept money or other assets from:

- (i) Another Fund;
- (ii) a Member;
- (iii) a prospective Member; or
- (iv) any other person,

in respect of a Plan, a Member or a prospective Member and in doing so may make whatever special arrangements we consider appropriate.

Transfer from a Plan

13.14 If a Member becomes or is eligible to become a member of Another Fund, we may transfer all or part of the Member's Member Account Balance to that Another Fund.

- (A) with the consent of the Member; or
- (B) without the consent of the Member if permitted under Superannuation Law.

13.15 We may transfer all or part of the amount which we consider represents the benefit to which a beneficiary is then entitled to Another Fund:

- (A) with the consent of the beneficiary; or
- (B) without the consent of the beneficiary if permitted under Superannuation Law.

13.16 In relation to any transfer from a Plan to Another Fund, we may set a minimum transfer amount and impose other conditions as we consider appropriate.

13.17 The amount transferred to another complying superannuation fund under rules 13.14 or 13.15 must be treated as a benefit payment for the purpose of clause 13 of the Master Deed.

14. REDUCTIONS IN BENEFITS

14.1 Taxation

- (a) We must comply with the law relating to the deduction and payment of Tax.
- (b) We must:
 - (i) deduct any Tax which the law requires us to deduct; and

- (ii) pay that Tax to the proper authority at the appropriate time.
- (c) We may adjust any benefit payable or which may become payable to or in respect of a Member if a tax, surcharge or governmental impost is or may become payable from the Fund, any Plan or the Division in respect of:
 - (i) the Member;
 - (ii) any payment of or transfer of money to or from the Fund, Plan or the Division; or
 - (iii) anything to be done pursuant to these Designated Rules.

We may adjust a benefit under this sub-rule in any manner as we consider appropriate, including altering the basis of calculation of any benefit.

- (d) We must adjust (either or both of):
 - (i) the amount of; and
 - (ii) conditions relating to,

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

14.2 Deductions and Forfeiture

- (a) We may deduct:
 - (i) any amount which the Member owes to us or to the Member's Plan; and
 - (ii) any amount we think is necessary to compensate the Member's Plan for loss as a result of the Member's fraud, dishonesty or other misconduct,

from any benefit payable in respect of a Member, except to the extent that Superannuation Law prevents that deduction.
- (b) Any amount deducted under sub-rule (a) must be retained in the Plan to be used as we consider appropriate.

14.3 Assignment of Benefit

- (a) A beneficiary must not assign or charge any benefit under a Plan.

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

14.4 Insurance Offset

If:

- (a) insurance is not obtained in respect of some or all Members on the insurer's standard terms; or
- (b) the level or scope of insurance obtained is restricted in respect of any, some or all Members; or
- (c) the insurer does not admit or pay all or part of a claim in respect of a Member; or
- (d) the Member is not an Eligible Member on the date of death or disablement (as applicable) for any reason,

we must reduce any benefit which is otherwise payable on the death or disablement (or both death and disablement) of the Member concerned.

14.5 Spouse Contribution Splitting

- (a) A Member may ask us to roll over, transfer or allot an amount to the Plan or to Another Fund for the benefit of their Spouse (a **Splitting Application**). The amount requested to be rolled over, transferred or allotted is the Member's Splittable Contributions made by or on behalf of the Member in respect of the preceding financial year or, where Superannuation Law permits, the current financial year.
- (b) The Splitting Application must be made in accordance with:
 - (i) Superannuation Law; and
 - (ii) such conditions, forms and procedures as we may determine from time to time.

- (c) We:
 - (i) are not required to accept a Splitting Application;
 - (ii) may accept a Splitting Application if to do so does not contravene Superannuation Law.
- (d) We may roll over, transfer or allot an amount to Another Fund to give effect to a Splitting Application we have accepted under sub-rule (c).
- (e) The amount to be rolled over, transferred or allotted to Another Fund under sub-rule (d) must be treated as a benefit payment for the purpose of clause 13 of the Master Deed.

15. AMENDMENTS

15.1 Power to Amend

- (a) We may amend these Designated Rules (including this rule but excluding the Schedules) by deed or resolution to the extent that it is permitted under Superannuation Law.
- (b) With the consent of the Sponsor, we may amend the Schedule for their Plan to the extent that amendment is permitted under Superannuation Law

15.2 Retrospective Effect

Any amendment under rule 15.1 takes effect:

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

16. MYSUPER

- 16.1 If Superannuation Law requires an amount of any Member of this Division to be attributed to a MySuper product, then the following rules apply:
 - (a) Except to the extent set out in paragraph (b), the MySuper product for this Division is Mercer MySuper and clauses 3(a) and 28.2 of the Master Deed apply.
 - (b) To the extent that we are required by Superannuation Law to offer a MySuper product for the Virgin Money Superannuation Plan, the following rules apply:

- (i) At commencement of the Virgin Money Superannuation Plan:
 - (A) the MySuper product for the Virgin Money Superannuation Plan is Virgin Money MySuper; and
 - (B) the MySuper Portfolio for Virgin Money MySuper is LifeStage Tracker Portfolio. We will invest all assets of the Plan attributable to Virgin Money MySuper in the LifeStage Tracker Portfolio. From time to time, we may agree with the Sponsor to change the MySuper Portfolio of the Virgin Money Superannuation Plan.
 - (ii) We must take all actions necessary to ensure that we comply with the MySuper Requirements and may establish Virgin Money MySuper Rules in respect of Virgin Money MySuper.
 - (iii) The MySuper interest of a Virgin Money MySuper Member is determined under the Designated Rules and the Schedule for the Virgin Money Superannuation Plan and is subject to the MySuper Requirements and any Virgin Money MySuper Rules.
 - (iv) To the extent that a provision of the Designated Rules or the Schedule of the Virgin Money Superannuation Plan conflicts with the MySuper Requirements, the MySuper Requirements prevail.
 - (v) Any Virgin Money MySuper Rules must comply with the MySuper Requirements at all times and are void to the extent that they do not do so.
 - (vi) To the extent that Superannuation Law requires certain provisions of Superannuation Law to be included in the governing rules for Virgin Money MySuper, those provisions are deemed to be included in these Designated Rules (and/or the Schedule) for the time and to the extent that Superannuation Law requires them to be included.
- (c) A MySuper Member or a Virgin Money MySuper Member may choose a different Portfolio at any time for all or part of their Account Balance as set out in Rule 6.
- (d) In Rule 16.1:
- “Virgin Money MySuper Rules”** means any written rule, guideline, business policy or requirement we make relating to Virgin Money MySuper
- “Virgin Money MySuper”** means the MySuper product we are authorised by the Australian Prudential Regulation Authority to provide for the Virgin Money Superannuation Plan

“Virgin Money Superannuation Plan” means the Plan established under rule 3.1 for Virgin Money Financial Services Pty Ltd as the Sponsor.

16.2 Insurance

"Insured Benefit" means in relation to an Eligible Member, subject to rule 16.2, the amount of any insurance we hold for a Member and is paid to us by the insurer in the event of the death or Total and Permanent Disablement (as applicable) of the Member.

The amount of an Insured Benefit in respect of a MySuper Member will be the amount:

- (a) chosen by the Member and agreed by us from time to time. (This amount could be zero); or
- (b) if no amount is agreed, then the amount, if any, that we have determined is the default amount of insurance for MySuper Members.

17. NON MYSUPER MEMBERS in MYSUPER OPTION

- (a) Unless paragraph (b) applies, the same level of insurance cover for death and Total and Permanent Disablement benefits which is provided to the MySuper Members will also be provided to the Members wholly or partially invested in the MySuper Portfolio who are not MySuper Members.
- (b) The same level of insurance cover for death and Total and Permanent Disablement benefits will not apply to each Member invested in the MySuper Portfolio who is not a MySuper member:
 - (i) to the extent that the Member has been provided a higher level of insurance cover;
 - (ii) to the extent that the Member has opted out of that insurance cover. A Member may elect to opt out of either:
 - (A) the cover for Total and Permanent Disablement benefits only; or
 - (B) the cover for death and Total and Permanent Disablement benefits; or
 - (iii) to the extent that contrary special terms and conditions or restrictions apply to that Member, for example, under rules 5.3 or 14.4.