

# Changes to investments in Virgin Money Super



30 May 2024

The information in this notice dated 30 May 2024 provides information in relation to your Virgin Money Super account in the Retail Division of the Mercer Super Trust. This notice should be read in conjunction with the Product Disclosure Statement (PDS), any other important information booklets referred to in the PDS and any member materials you have received since joining the Mercer Super Trust.

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

## Updates to estimated investment and transaction costs

Investment and transaction costs may vary each year. We review and adjust these costs based on the actual expenses from the previous financial year. The investment and transaction costs for the year ending 30 June 2023 have been finalised. Based on these costs, updated estimates for the year to 30 June 2024, are provided in the table below.

For more details, see 'Investment costs' and 'Transaction costs' in the 'Additional explanation of fees and costs' section in the Virgin Money Super Product Guide.

### Estimated investment costs and transaction costs (% per annum of your super account balance)

Investment Option Name		1 April 2023		Estimates for the year to 30 June 2024	
		Investment costs	Transaction costs	Investment costs	Transaction costs
Ready-made	LifeStage Tracker - Born prior to 1949	0.05%	0.02%	0.07%	0.04%
	LifeStage Tracker - Born 1949 - 1953	0.05%	0.02%	0.07%	0.04%
	LifeStage Tracker - Born 1954 - 1958	0.05%	0.02%	0.06%	0.04%
	LifeStage Tracker - Born 1959 - 1963	0.04%	0.02%	0.06%	0.04%
	LifeStage Tracker - Born 1964 - 1968	0.04%	0.03%	0.05%	0.04%
	LifeStage Tracker - Born 1969 - 1973	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 1974 - 1978	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 1979 - 1983	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 1984 - 1988	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 1989 - 1993	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 1994 - 1998	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 1999 - 2003	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 2004 - 2008	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 2009 - 2013	0.03%	0.02%	0.04%	0.04%
	LifeStage Tracker - Born 2014 - 2018	0.03%	0.02%	0.04%	0.04%
Choice	Cash	0.02%	0.00%	0.03%	0.00%
	Indexed Diversified Shares	0.04%	0.01%	0.04%	0.01%
	Indexed Australian Shares	0.03%	0.02%	0.03%	0.01%
	Indexed Overseas Shares	0.02%	0.02%	0.02%	0.02%
	Indexed Australian Listed Property	0.08%	0.00%	0.08%	0.02%
	Enhanced Indexed Growth	0.04%	0.01%	0.06%	0.04%
	Enhanced Indexed Conservative Growth	0.06%	0.03%	0.10%	0.05%

## Cost of product information – Virgin Money Super

### 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	New cost of product for 1 year
LifeStage Tracker - Born prior to 1949	\$378
LifeStage Tracker - Born 1949 - 1953	\$378
LifeStage Tracker - Born 1954 - 1958	\$373
LifeStage Tracker - Born 1959 - 1963	\$373
LifeStage Tracker - Born 1964 - 1968	\$368
LifeStage Tracker - Born 1969 - 1973	\$363
LifeStage Tracker - Born 1974 - 1978	\$363
LifeStage Tracker - Born 1979 - 1983	\$363
LifeStage Tracker - Born 1984 - 1988	\$363
LifeStage Tracker - Born 1989 - 1993	\$363
LifeStage Tracker - Born 1994 - 1998	\$363
LifeStage Tracker - Born 1999 - 2003	\$363
LifeStage Tracker - Born 2004 - 2008	\$363
LifeStage Tracker - Born 2009 - 2013	\$363
LifeStage Tracker - Born 2014 - 2018	\$363
Cash	\$330
Indexed Diversified Shares	\$390
Indexed Australian Shares	\$385
Indexed Overseas Shares	\$385
Indexed Australian Listed Property	\$415
Enhanced Indexed Growth	\$435
Enhanced Indexed Conservative Growth	\$460

## Fees and costs summary

Virgin Money Super		
Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs<sup>1</sup></b>		
<b>Administration fees and costs</b>	<p>We charge the following administration fees:</p> <ul style="list-style-type: none"> <li>An asset based administration fee<sup>4</sup> of 0.394% per annum of your account balance, and</li> <li>A dollar based administration fee of \$58.00 per annum (regardless of your balance), and</li> <li>Costs associated with product and strategic services, estimated to be <b>0.02%</b> per annum of Mercer Super Trust assets.</li> </ul>	<p>The asset based administration fee<sup>4</sup> is generally calculated and deducted daily (from the relevant investment option) when unit prices are determined and is reflected in your account balance.</p> <p>The dollar based administration fee is generally deducted on the last day of the month from your account balance.</p> <p>Costs associated with product and strategic services are deducted from reserves on a monthly basis.</p>
<b>Investment fees and costs<sup>2,3</sup></b>	<p><b>Investment fees</b> From 0.10% to 0.24% per annum of your account balance depending on the investment option you choose.</p> <p><b>For the LifeStage Tracker investment option</b> 0.116% per annum of your account balance.</p> <p><b>Investment costs<sup>3</sup></b> Estimated investment cost of between <b>0.02% to 0.10%</b> per annum of your super account balance depending on which investment option you choose.</p> <p><b>For the LifeStage Tracker investment option</b> Estimated investment costs of <b>0.04% to 0.07%</b> per annum of your super account balance, depending on which path you are in.</p>	<p>Investment fees are generally calculated and deducted daily when unit prices are determined. Investment costs are calculated and deducted daily (from the underlying investment vehicles or the relevant investment option) when unit prices are determined. These deductions will be reflected in your super account balance.</p>
<b>Transaction costs<sup>3</sup></b>	<p>Estimated transaction costs of <b>0.00% to 0.05%</b> per annum of your super account balance depending on which investment option you choose.</p> <p><b>For the LifeStage Tracker investment option</b> Estimated transaction costs of <b>0.04%</b> per annum of your super account balance.</p>	<p>Transaction costs are generally calculated and deducted daily (from the underlying investment vehicles or the relevant path) when unit prices are determined and are reflected in your super account balance.</p>
<b>Member activity related fees and costs</b>		
<b>Buy-sell spread</b>	Nil.	Not applicable.
<b>Switching fee</b>	Nil.	Not applicable.
<b>Other fees and costs</b>	Additional fees and costs may apply. Refer to the 'Additional Explanation of Fees and Costs' section in the Product Guide for more information.	

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

<sup>2</sup> Investment fees and costs includes nil performance fees. The calculation basis for this amount is set out under 'Additional explanation of fees and costs' in the Product Guide at [virginmoney.com.au/super](https://virginmoney.com.au/super).

<sup>3</sup> The investment and transaction costs are for the year ending 30 June 2024 and are based on the actual information available and/or reasonable estimates for the financial year ending 30 June 2023. Investment and transaction costs may vary from year to year. For more details see 'Investment Costs' and 'Transaction Costs' in the 'Additional explanation of fees and costs' section of the Product Guide at [virginmoney.com.au/super](https://virginmoney.com.au/super).

<sup>4</sup> The asset based administration fee may be reduced if you are eligible for the 'Virgin Money Super Baby Break'. See Section 3 in the PDS for more details.

## Example of fees and costs

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

Example – LifeStage Tracker™ - Born 1954 to 1958		Balance of \$50,000
Administration fees and costs	0.414%	For every \$50,000 you have in LifeStage Tracker you will be charged or have deducted from your investment <b>\$207</b> in administration fees and costs plus <b>\$58</b> regardless of your balance.
<b>PLUS</b> Investment fees and costs	0.176%	<b>And</b> , you will be charged or have deducted from your investment <b>\$88</b> in investment fees and costs.
<b>PLUS</b> Transaction costs	0.04%	<b>And</b> , you will be charged or have deducted from your investment <b>\$20</b> in transaction costs.
<b>EQUALS</b> Cost of product		If your balance was \$50,000 at the beginning of the year, then for that year you will be charged fees and costs of <b>\$373*</b> for the superannuation product.

\* Note: Additional fees may apply.

The above example is based on the 'Born 1954 to 1958' path. The investment fees and costs and transaction costs for the Mercer SmartPath investment option vary depending on your path. Refer to 'Additional explanation of fees and costs' in the Product Guide at [virginmoney.com.au/super](https://virginmoney.com.au/super) for more information

### Changes to costs paid from the Member Reserve

A small portion of the administrative fees and costs are deducted from the Member Reserve, which is used to fund services and initiatives for the benefit of Mercer Super members.

Due to an increase in ongoing expenses, the cost from the Member Reserve has increased from an estimated 0.017% to 0.02%. This means that members with an average balance of \$50,000 will be charged an additional \$1.50 per year.

## Important changes to your investment options

As part of our investment monitoring process, we review each investment option to ensure they align with current market conditions and provide the best possible outcomes for our customers. As a result of a recent review, the Trustee has decided to make some changes to the investment options available to you.

### Changes to the Virgin Money Super LifeStage Tracker™ investment options

The following changes have been made to the Virgin Money Super LifeStage Tracker investment options available in the Retail Division. The changes made have been bolded and were effective 1 January 2024.

Virgin Money Super LifeStage Tracker investment options						
	Born 1954 - 1958		Born 1959 - 1963		Born 1964 - 1968	
Asset allocation	Growth	Defensive	Growth	Defensive	Growth	Defensive
Total asset allocation %	50	50	64	36	77	23
Asset allocation ranges %	30-70	30-70	45-85	15-55	55-95	5-45
Asset class	Range %	SAA %	Range %	SAA %	Range %	SAA %
Australian Shares	5-35	18.5	10-40	25	15-45	31
International Shares	10-40	23.5	15-45	31	25-55	38
Real Assets	0-25	5	0-25	5	0-25	5
Alternative Assets	0-10	0	0-10	0	0-10	0
Growth Fixed Interest	0-15	6.5	0-15	6	0-15	6
Defensive Fixed Interest and Cash	30-60	46.5	20-50	33	5-35	20

### Changes to the Cash investment option

The Standard Risk Measure^ for the Cash option available in Virgin Money Super has been updated from 2 – Low to 1 – Very Low.

### We're here to help

If you have any questions, please call our Customer Care team on **1800 652 770**, Monday to Friday, 8am-7pm (AEST/AEDT).  
If you're calling from overseas, please call **+61 3 8306 0902**.

Powered by



\* See the Virgin Money Super Product Guide for more information about the Standard Risk Measure.

This notice has been issued by Mercer Superannuation (Australia) Limited (MSAL) ABN 79 004 717 533, Australian Financial Services Licence 235906, as trustee of Virgin Money Super, which is a plan in the Retail Division of the Mercer Super Trust ABN 19 905 422 981. MSAL has partnered with Virgin Money Financial Services Pty Ltd ABN 51 113 285 395 AFSL 286869 (Virgin Money) to provide you with this product. Any advice contained in this notice is of a general nature only and does not take into account the personal needs and circumstances of any particular individual. Before acting on any advice, please consider the Product Disclosure Statement available at [virginmoney.com.au/super](https://virginmoney.com.au/super). The product Target Market Determination can be found at [virginmoney.com.au/tmd](https://virginmoney.com.au/tmd). Seek professional advice from a licensed, or appropriately authorised, financial adviser if you are unsure of what action to take. Past performance is not a reliable indicator of future performance. The value of an investment in Virgin Money Super may rise or fall from time to time. The investment performance, earnings or the return of any capital invested are not guaranteed. 'MERCER' is a registered trademark of Mercer (Australia) Pty Ltd ABN 32 005 315 917. Copyright 2024 Mercer LLC. All rights reserved