



# Membership Application

Mechanical and Electrical Redundancy Trust

**A summary of the benefits and conditions of membership to MERT,  
a form to notify the administrator of any changes to your membership details.**

This brochure also contains: Membership Application

Valid as at January 2009.

# SUMMARY OF BENEFITS AND CONDITIONS

The following is a brief summary of the benefits and conditions of MERT. If you have any questions, please ask MERT's administrator, Australian Administration Services Pty. Limited (AAS). The contact details are shown on page 5.

## What is MERT?

MERT is the abbreviation for the Mechanical and Electrical Redundancy Trust.

MERT is an Approved Worker Entitlement Trust that accepts redundancy contributions paid in by participating employers for their employees. It allows employers to fund for their employees redundancy entitlements as provided for in industrial awards and agreements.

Benefits are payable to members on their redundancy or to their beneficiaries on death.

## The MERT Sponsors are:

- National Electrical and Communications Association - NSW Chapter
- Electrical Trades Union of Australia (NSW Branch)
- The Australian Worker's Union
- Australian Manufacturing Worker's Union

## Structure

MERT is governed by a trust deed that established the Fund in July 1989. MERT is managed by a Trustee Company called MERT Pty Limited (ABN 25 003 743 244). MERT has a Board of Directors with equal employer/employee voting rights.

Its main purpose is to preserve the value of members accumulated contributions. It is independently administered by a professional administration company called Australian Administration Services P/L 'AAS'.

## How Do I Join MERT?

Complete the attached application form and hand it to your employer. This information will be sent with their next contribution return.

On receipt, the administrator will register you as a MERT member and send you a MERT membership card. If you require any further information, please call AAS on 1800 023 692.

## Who pays what?

Your employer will pay contributions on your behalf as per the conditions of the applicable award, EBA or other agreement. There are no fees or deductions

on your account. Your accumulated redundancy contributions are held in trust until you are made redundant, eligible for a claim or die. Benefits are payable on completion of a claim form.

## Hidden costs?

There are no hidden costs involved in MERT. No payments, loans or commissions, etc, are made to any person or organisation other than genuine administration or other costs incurred in running the Trust.

## Changing jobs!

If you change jobs within the building and construction industry, it is likely that your new employer will be participating in the Trust and contributions to your account will continue.

When you join an employer who does not participate in the Trust, your account will remain in the fund until you become eligible to claim your benefits.

Tax rules regarding Employment Termination Payments from redundancy trusts are complex. As a general rule, MERT members should claim their redundancy benefit within 12 months of termination with their last employer.

However, a member can elect to defer their claim if they are receiving MERT contributions from another participating employer or if still in the industry.

## Fund Earnings and Expenses

The Fund invests in different asset classes. As a result returns may fluctuate. MERT must be able to pay all redundancy benefits as they fall due, together with expenses before any distributions of income can be considered.

Expenses will include administration fees, investment management fees, audit, secretarial, legal and other operating expenses.

The administration fee is levied as a weekly fee per active Member Account. This is deducted from fund income. However, a small fee is charged to members where they elect to receive any benefit paid by electronic funds transfer.

## Keeping you informed!

If you have applied to join MERT, you will receive a letter of acceptance and a membership card. MERT will send you half yearly account statements and an Annual Report. It is therefore important that you advise MERT of any change of address.

## The benefits for you and your family

To claim the following benefits provided by MERT, you or your beneficiaries will be required to fully complete the relevant claim form and submit it with the appropriate documentation, as advised below, to Locked Bag 20, Parramatta NSW 2124.

1. **Redundancy:** If your employment is terminated due to a shortage of work, submit a completed MERT claim form (your employer must complete the Employer Section).
2. **Retirement:** Leaving the Industry etc: If you terminated due to the above, you can still claim your MERT benefit by completing the claim form. As long as the claim form is correctly completed and all necessary documentation attached, AAS will pay your claim within five days.
3. **Death:** Death claims will be submitted for Trustee approval once all required documentation has been received. Any benefit will be paid to your nominated beneficiary or legal representative at the discretion of the Trustee. The claimant should submit a completed death claim form, death certificate, marriage certificate or proof of dependency, your will or letter of administration.

## Tax and your tax file number

All redundancy payments made from MERT to members, are classified as Employment Termination Payments (ETPs) under the Income Tax Act. PAYG tax is deducted as follows if you provide your tax file number:

- If a member is aged less than 55 years - 30% plus Medicare levy
- If a member is aged 55 years or more - 15% plus Medicare levy.

If you don't supply your tax file number MERT will deduct tax at the top marginal rate.

If MERT members receive other 'ETP's' these could affect the applicable rate on lodgment of their Income Tax Return.

## What is the ETP Cap Amount?

The ETP cap amount is an amount calculated each year by the ATO. It determines how much of the taxable component of the ETP is taxed at the above aged based reduced rates. The ETP cap amount for 2008/2009 is \$145,000 which is indexed annually.

## Can MERT Members 'Rollover' their ETP?

The rules relating to ETP's have been substantially re-written as a result of the removal of the Reasonable Benefit Limits 'RBL's'.

Only 'transitional ETP's' paid after 1 July 2007 can be rolled into a super fund. Transitional ETP's are ETP's provided for in employment contracts, relevant laws or enterprise agreements as at 9 May 2006 if the amount can be calculated. In addition, the ETP must be paid between 1 July 2007 and 1 July 2012.

MERT members who have significant redundancy benefits should consider obtaining advice before payment of their ETP, particularly if they are seeking to rollover into a super fund.

If your ETP is rolled over, no tax is deducted by MERT. The amount rolled over will however be subject to a 15% tax by the Super Fund.

## Audited Financial Statements

MERT members are entitled to receive (on request) a copy of the last audited accounts. To obtain a copy, please contact the administrator.

## Can I transfer my other redundancy fund benefits into MERT?

You can transfer your benefit as long as your current fund is an 'Approved Worker Entitlement Fund'. A transfer request form is available from AAS.

## Other Important Information

### Investments

The MERT trustee is responsible for the management of MERT assets. The fund currently invests in Cash, Australian and Overseas Fixed interest, Listed Property, Australian and Overseas equities. Current managers include AMP Global Investors, Macquarie Investment Management and Chifley Financial Services.

### Forfeiture of Member Benefits

The MERT Trust Deed provides for benefits to be forfeited to the Fund Reserve in certain circumstances including:

- bankruptcy,
- mental or physical disability and,
- lost members with small accounts.

## Your rights to privacy

This statement outlines what details we keep about you and why we need these details. This Privacy Statement applies to the MERT corporate trustee and Australian Administration Services Pty Ltd (AAS) our administrator.

The Privacy Amendment (Private Sector) Act 2000 commenced on the 21 December 2001. This Act regulates the way MERT and its service providers must handle personal information.

Further, the Act contains 10 National Privacy Principles that regulate how MERT must collect, store and protect the quality of personal information. They also regulate how MERT can use or share personal information with other organisations. These National Privacy Principles form part of our operating administration procedures.

## What personal information will MERT keep about me?

MERT collects personal information from MERT members to administer their accounts. The type of personal information they collect about you includes your name, address, date of birth, telephone number, employer, beneficiary and tax file number.

MERT collects this personal information when members lodge their 'membership application form' or use the MERT website @www.mert.com.au to lodge any data.

## Member Access

The MERT website has a facility called 'member access'. This allows members to access a range of information on your MERT account, such as:

- current account balance,
- employer contribution history and,
- benefit claims history.

MERT members must register with AAS (freecall 1800 023 692) if they wish to access this service. You will be given an individual user ID and password.

## Why does MERT need my personal information?

The personal information MERT collects about you, on our behalf, is used to establish a MERT membership account, to process contributions to your account, to correspond with you and to provide you with redundancy benefits and options from MERT.

If you choose not to provide your personal information, it may mean that we will not be able to provide these

services to you, including some MERT benefits and options.

There are other organisations that are connected to the administration services we provide to you and which may have access to your personal information. They are:

- Mailing companies - organisations contracted to do all mailing for MERT.
- Archiving companies - organisations contracted to ensure that all documents are stored in a secure environment.
- Auditors and Regulators - organisations that ensure MERT is complying with legislation and contractual obligations.

## Can I see the personal information MERT has about me?

Under the National Privacy Principles, you have a right to know what information MERT holds about you, and you are entitled to see this information to ensure it is correct. To obtain this information, please contact MERT to ask them for your personal details. The Privacy Act gives limited circumstances in which some or all access to this information may be denied. If this applies to you, MERT will explain this to you when you ask for your information.

If you want further information on how MERT handles personal information, or if you want to complain about a possible breach of privacy, please contact MERT in one of the following ways:

## Visit us at:

MERT Administration  
Ground Floor  
1A Homebush Bay Drive  
RHODES NSW 2138

## Write to us at:

MERT Administration  
Compliance Manager  
Locked Bag 20  
PARRAMATTA NSW 2124

or

Phone the MERT Administrator any weekday between 8:30am and 5:00pm (EST) on freecall

or

Fax on 1300 793 529

If you are unsatisfied with the resolution of any complaints, you can refer the matter to the Privacy Commissioner by calling 1300 363 992.

## How to contact us

1800 023 692

## Summary of the National Privacy Principles

### MERT bound by National Privacy Principles

We will abide by the National Privacy Principles at all times.

### Collecting information

We will collect personal information (where reasonable and practicable) directly from you. We may at times collect your personal information directly from your employer.

### Using and sharing information

MERT will use your personal information to run an account in MERT for you. This is known as a primary purpose. If we need to use your personal information for another reason, or secondary purpose, like a marketing campaign, we will ask your permission to do so. If we are unable to get your permission before sending our communication, we will give you the opportunity to opt out of any future direct marketing campaigns at the time of mailing to you.

### Keeping information accurate and up to date

MERT will ensure that the personal information we collect to run your MERT account is accurate and complete. We will do this by ensuring that you have the opportunity to advise changes in personal details at all times and particularly when you receive your annual MERT membership statement.

### Keeping information secure

MERT will not misuse or change your information without your knowledge. We will not share your information with anyone who doesn't have authority to see your information. To make sure of this, we will regularly audit access to the systems that support MERT and make sure that other organisations we deal with for your account have Privacy policies adhering to the National Privacy Principles.

### Sensitive information

Where we collect sensitive information, we will only use it for running your MERT account. We won't use it for any other purpose or share it with anyone else without your permission.



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## Privacy

MERT collects your personal information to set up and operate a MERT membership account in your name. If you choose not to give us your personal information we may not be able to provide you with all MERT benefits. We will only share your personal information with others where required. You are able to gain access to your own personal information by asking for it. We will send you complete details of the MERT privacy policy as soon as we have set up your MERT account.

## Direct Marketing

From time to time, the MERT trustees may send members communication material, also known as direct marketing material, about special offers and promotions, which are available to MERT members only.

If you are happy for MERT to use your information to send you direct marketing information tick the 'yes' box: YES

If you don't want MERT to use your personal information to send you direct marketing information tick the 'no' box: NO

Whatever you decide, you will have an opportunity to change your mind at any time.

## Declaration

I apply to become a member of MERT. I acknowledge that any redundancy benefit paid by MERT will be offset against any redundancy entitlements to which I may be entitled under any industrial award or enterprise agreement.

Member's Signature



Date (dd/mm/yyyy)

# MERT

## Application for Membership Form



**IMPORTANT:** Complete all sections in BLOCK letters and in BLACK ink. Read all the information on the back of this form.  
Your Personal Details help you complete your Change of Membership Details correctly. This request will be invalid if not signed and dated.

### Your Details

Mr/Mrs/Ms/Miss	Surname	
<input type="text"/>	<input type="text"/>	
Given Names		
<input type="text"/>		
Street Number / PO Box	Street Name	
<input type="text"/>	<input type="text"/>	
Suburb / Town	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>
Home / Mobile Phone Number	Date of birth (dd/mm/yyyy)	
<input type="text"/>	<input type="text"/>	

### Your Employer Details

Employer / Company Name	
<input type="text"/>	
Employer Phone Number	Date joined Employer (dd/mm/yyyy)
<input type="text"/>	<input type="text"/>

### Preferred Beneficiaries

Surname	Given Names	Relationship (eg. wife, son)	Portion of Benefit
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> %
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> %

MUST BE WHOLE NUMBERS. TOTAL MUST ADD TO: 100 %

### Tax File Number (TFN) Notification

I agree to provide my tax file number: YES, my TFN is:                      NO

Please Note: You may choose to quote your tax file number. If you choose not to quote it, it will cause the administrator to deduct tax at the highest marginal rate on redundancy or other benefit payment.