



THE MOST
TRUSTED
REDUNDANCY
FUND

Employee Entitlement Scheme

IMPORTANT INFORMATION AS AT 1 APRIL 2026

This page explains how ACIRT Pty Limited as trustee for the Australian Construction Industry Redundancy Trust (ACIRT) scheme works, what benefits may be payable, the main risks, fees and costs, and how to make a complaint. It is designed to help members understand ACIRT's key features and disclosures.

1. How employer contributions are used

When ACIRT receives a contribution from your employer, ACIRT credits 100% of that contribution to your ACIRT account, based on the allocation information provided by your employer.

Your total ACIRT account balance is generally payable to you when your employment ends, as set out in ACIRT's Trust Deed.

ACIRT invests scheme assets to earn investment income. How that income is used is explained below.

2. How investment income is used

ACIRT uses investment income to help pay the costs of running and administering the scheme.

After ACIRT pays the scheme's operating costs, any remaining income (called **Net Income**) may be distributed to eligible members. Currently, distributions are only paid to members whose account balance earns income above a minimum amount (currently **\$90**).

Distributions are expected to be taxable in the financial year they are paid, allowing for any tax-free component and other adjustments (for example, dividend imputation credits).

Investment income is also used to fund funeral benefits of **\$12,000** per benefit where members meet the scheme's eligibility rules.

ACIRT may keep (retain) some Net Income as reserves. This helps ACIRT keep member balances secure, including if investment returns are negative, or if the costs of running the scheme are higher than investment earnings.

3. When members can receive payments (benefits)

Benefits when your employment ends

If your employment ends due to redundancy (as defined in ACIRT's Trust Deed), your full ACIRT account balance is payable to you.

In this context, redundancy means your employment ends for any reason **other than** an employer reorganisation where your employment continues after the reorganisation.

Your total ACIRT account balance is also payable if your employment changes so that you are no longer employed under an industrial agreement that provides for contributions to ACIRT (sometimes described as going "off the tools").

If required, ACIRT will withhold PAYG tax from payments at the rates set by the Australian Taxation Office (ATO) and send that tax to the ATO.

Long service leave

ACIRT does not provide long service leave entitlements.

Funeral benefit

ACIRT may pay a funeral benefit of **\$12,000** where an active member has passed away, if the eligibility requirements are met and the person claiming the benefit (for example, a family member or other person responsible for funeral expenses) can demonstrate financial hardship.

Making a claim

Members may make a claim to receive a redundancy payment or a funeral benefit. A reference to a claim means a request made to ACIRT for payment of a benefit under the scheme (for example, payment of your ACIRT account balance when your employment ends, or a funeral benefit), supported by the information ACIRT reasonably requires to assess eligibility.

4. Key risks you should know about

ACIRT aims to pay valid claims in full and promptly. Except for any income distributions described above, members do not share directly in the scheme's profits or losses. However, members are exposed to ACIRT's ability to meet claims when they are due.

ACIRT's priority is to be in a position to pay 100% of valid member claims promptly. ACIRT has policies and risk management procedures designed to maintain adequate assets and liquidity to support the timely payment of valid claims. While ACIRT has paid claims since 1994, past performance is not a guarantee of future outcomes.

Investment approach (and what it means for members)

The Trust Deed confirms that the Fund is authorised to enter commercial or other undertakings, independently or in partnership with others, for investment purposes. It further establishes that all Trust property is held for the benefit of its members. ACIRT's records clearly identify that assets are held on behalf of the Australian Construction Industry Redundancy Trust.

ACIRT does not generally hold direct investments (other than its bank account). Instead, ACIRT invests through wholesale unregistered managed investment schemes run by independent professional investment managers. This means ACIRT relies on external investment managers to manage investments on its behalf.

With the help of an external investment adviser, ACIRT's investment strategy is designed to:

- preserve the scheme's capital so member account balances can be paid in full when a valid claim is made; and
- earn enough income to pay the operating expenses of the scheme.

These objectives are intended to reduce the risk that ACIRT cannot meet member claims when they fall due.

If there is a surplus after operating expenses are paid, the trustee will generally distribute this surplus to members (subject to the rules described in the income section above). Distributions depend on available income and are not guaranteed.

Liquidity risk

ACIRT aims to maintain a high proportion of its assets in liquid investments (that can generally be converted to cash within a short period) to support the timely payment of member claims.

Market and investment risk

ACIRT targets a strategic asset allocation of 65% defensive assets and 35% growth assets. This mix may change with market movements (for example, changes in share markets or currencies). Investment returns may vary over time and may be lower than expected. This may affect the level of income available to cover operating costs and to distribute to members.

ACIRT's investment managers are monitored quarterly by ACIRT's independent investment adviser, Mercer Investment Consulting. This monitoring is intended to support investment performance and risk management but does not eliminate investment risk.

Employer contribution risk

ACIRT relies on employers to tell ACIRT what contributions should be paid for each member. While ACIRT monitors unpaid contributions, there is a risk your employer may not pay all required contributions. This may affect the balance reflected in your account. You should check your statements when you receive them or check your account balance online regularly. ACIRT monitors unpaid contributions and follows up outstanding contributions but cannot guarantee that all contributions will be received.

Operational and systems risk

ACIRT uses a professional fund administrator. There is a risk that technology or system issues could delay processing or payment of benefits. ACIRT engages established service providers and monitors their performance, but operational disruptions may still occur.

Time limits for claiming (eligibility risk)

You must generally claim your benefit within **12 months** of ceasing employment. If you do not claim within that time, the benefit may not be payable until you either:

- leave the industry (see definition below); or
- cease employment with your next employer that contributes to ACIRT.

This means there is a risk that access to your benefit may be delayed if you do not submit a claim within the required 12-month timeframe.

Leaving the industry means you stop working:

- for an employer that has paid contributions to ACIRT; or
- for any employer in the construction industry, and you have no intention to become employed by another employer.

5. Fees and costs paid from scheme assets

Director fees

Directors are paid director fees from ACIRT's assets. Director fees are set through ACIRT's governance processes, taking into account relevant factors such as responsibilities, market practice and regulatory expectations.

Director fees are adjusted each year in line with changes in the Consumer Price Index (CPI). This is intended to maintain the value of fees over time.

Trustee and regulatory compliance costs

From **1 September 2026**, the trustee of ACIRT will charge the scheme a fee (after payment of income tax and GST on the fee) to fund the trustee's costs of meeting ASIC Australian Financial Services Licence (AFSL) requirements that will apply to the scheme and the trustee. These costs relate to operating and maintaining the regulatory, risk and compliance frameworks required under an AFSL.

These fees will be paid from scheme assets. The amount of these costs may vary over time depending on regulatory requirements and the operating needs of the scheme.

Administration and professional adviser costs

ACIRT appoints a professional administrator – Australian Administration Services Pty Limited (ABN 62 003 429 114) – to administer the scheme. Administration fees are paid from scheme assets. The administrator is responsible for services such as maintaining member accounts, processing contributions and claims, and supporting day-to-day operations.

ACIRT also uses professional advisers (for example, auditors, an investment adviser, lawyers and tax advisers). Their fees are paid from scheme assets. These services support the operation, governance and compliance of the scheme.

6. Payments to directors or related parties

Director fees are payable from scheme assets. Depending on the arrangements in place, director fees may be paid either directly to the director or to the shareholder organisation that appointed the director.

ACIRT has governance arrangements in place to manage potential conflicts of interest in relation to these payments.

The following is a table outlining the remuneration payment to Directors, effective 1 July 2025 (exclusive of GST and inclusive of superannuation contributions).

TYPE OF MEETING	REMUNERATION AMOUNT
Scheduled Board meeting other than Strategy Day	\$4,150.14 per Board meeting
Strategy Day	\$5,000 attendance fee for each Director attending, including Board meeting
Board Chair	\$5,000 per annum in addition to meeting fees
Short Board meeting (non-scheduled)	Nil
Audit, Risk & Compliance Committee meeting	\$2,012.20 – Committee Chair per meeting \$1,383.37 – Committee Member per meeting
Investment Committee meeting	\$2,012.20 – Committee Chair per meeting \$1,383.37 – Committee Member per meeting
Marketing & Retention Committee meeting	\$2,012.20 – Committee Chair per meeting \$1,383.37 – Committee Member per meeting
ACIRT Education Foundation Meeting – Board or Committee	Nil

7. Complaints

ACIRT has a Complaints Policy and aims to resolve complaints through its Internal Dispute Resolution process.

You can read the ACIRT Complaints Policy on our website, by accessing this link.

8. Who runs ACIRT?

ACIRT is managed and administered by a trustee company, ACIRT Pty Ltd. The trustee is responsible for overseeing the operation of the scheme and making decisions in accordance with the scheme rules.

The Board of Directors of ACIRT Pty Ltd includes directors appointed by employer associations and unions, as detailed below. This structure is designed to provide representation from both employer groups and employee representatives.

Employer association shareholders

- 3 Shares – The Master Builders Association (NSW)
- 2 Shares – The Australian Industry Group
- 1 Share – The Civil Contractors Federation (National)
- 1 Share – The Master Plumbers and Mechanical Contractors Association (NSW)

Trade union shareholders

- 3 Shares – The Construction Forestry Mining & Energy Union (National, ACT)
- 1 Shares – The Australian Council of Trade Unions
- 1 Share – The Australian Manufacturing Workers Union (National)
- 1 Share – The Australian Workers Union (QLD)
- 1 Share – The Communications, Electrical & Plumbing Union (NSW)

How Board decisions are made

Board decisions are made through a voting process designed to balance the interests of employer and employee representatives.

- Employer directors appointed by employer associations hold 50% of director votes
- Member directors appointed by unions hold 50% of director votes. This means decision-making is shared equally between employer and employee representatives
- Board decisions require at least a two-thirds majority of votes cast at a meeting, with a quorum that includes at least one employer director and one member director. This helps ensure that decisions are made with broad agreement and that both employer and employee perspectives are represented

Important information

Directors are required to act in accordance with the scheme rules and applicable laws, including duties to act in the best interests of members. ACIRT has governance arrangements in place to manage conflicts of interest and support appropriate decision-making.