

EMPLOYEE ENTITLEMENT SCHEME DISCLOSURES



ASIC Corporations (Employee Entitlement Schemes) Instrument 2026/199

BERT Fund and BERT Fund No. 2 are trusts established to provide redundancy and related benefits to eligible workers. Contributions are paid into the fund by participating employers on behalf of their employee members, and these contributions are held on trust until a member becomes eligible to claim a benefit.

BERT Fund and BERT Fund No. 2 are both Approved Worker Entitlement Funds as prescribed by the *Fringe Benefits Tax Assessment Act 1986 (Cth) (FBT Act)* and employee entitlement schemes for the purposes of *ASIC Corporations (Employee Entitlement Schemes) Instrument 2026/199 (ASIC Instrument 2026/199)*. BERT Fund Limited (**BERT**) is the trustee of both the BERT Fund and the BERT Fund No 2. Each fund has its own Trust Deed, copies of which are available on our website. BERT Fund has been closed to new members and new contributions since BERT Fund No. 2 was established in 2003. It continues, however, to hold residual balances for members who have not yet claimed their entitlements.

The BERT schemes operate for the benefit of building and construction workers by providing redundancy and other approved benefits payable upon termination of employment, as well as supporting the financial security of workers in the construction industry by contributing to industry wellbeing, training and charitable initiatives through approved programs.

Each Fund is managed in accordance with its Trust Deed, relevant laws and the governance processes established and monitored by BERT's board of directors.

BERT provides the following disclosures in accordance with condition 9(5)(a) of ASIC Instrument 2026/199.

How are contributions to the scheme used?

Contributions paid into the Fund are held on trust for members and used to provide redundancy and related benefits in accordance with the Trust Deed. All contributions paid by your employer form part of the scheme property. When your employer makes a contribution on your behalf, that contribution is allocated or credited to your member account. Your benefit (or account balance) is based on the contributions paid on your behalf by your employer and the rules of the Fund.

Under the Trust Deeds (s6 BERT Fund No.2 Trust Deed; s7 BERT Fund Trust Deed) participating employers must pay to the Fund the minimum required contribution amount for each week you have worked during the previous month, subject to the terms of any applicable industrial instrument that applies to you. These contributions are then used to provide redundancy and related benefits when you meet a condition of release.

BERT invests contributions and other scheme property to generate income. Any profits or investment income earned are then used to support the ongoing operation of the scheme and to benefit the wider building and construction industry.

How is the income derived (directly or indirectly) from contributions or other scheme property used?

Any income the Fund earns from investing contributions or other scheme property is used to support the ongoing operation of the Fund.

In accordance with the BERT Fund No. 2 Trust Deed (s27 and 27A BERT Fund No.2 Trust Deed), BERT also applies a portion of this income to support industry related charities and wellbeing initiatives, such as MATES in Construction, Danger Sun Overhead and the Ron Monaghan Foundation, which provide important safety, health and welfare support to workers in the building and construction industry. In addition, BERT may distribute investment income to other approved institutions such as BERT Welfare, BERT Training Fund and BERT Financial Services that deliver welfare, training and support services to construction workers. These contributions help strengthen the broader industry and provide benefits that indirectly support members.

What are the rights of members to received payments in relation to benefits payable upon termination of employment, and other entitlements incidental to employment?

Under the Trust Deed, as a member you have the right to:

- Receive benefits in accordance with the Trust Deed
- Be treated equally with other members in your class
- Access information about your membership and benefits
- Make a claim for benefits when eligible

A member's benefits is equal to the positive balance in their member account on the date the benefit becomes eligible to be paid.

Members have the right to receive a benefit from the Fund when they meet the conditions of release set out in the Trust Deed. These conditions are designed to ensure benefits are paid fairly and consistently.

In accordance with the Trust Deeds (s29 BERT Fund No.2 Trust Deed; s31 BERT Fund Trust Deed), you may be entitled to a payment when one or more of the following events has occurred:

- Your employment ends due to redundancy, shortage of work or end of contract / season;
- You retire from the workforce on or after attaining the Pension Age (as defined in the *Social Security Act 1991 (Cth)*);
- You suffer financial hardship and evidence of that hardship is provided to BERT;
- You die;
- You become totally and permanently disabled;
- You permanently leave the construction industry (you will be considered to have permanently left the construction industry if you have not been employed in the industry for 12 months preceding the date of your claim); or
- You permanently leave Australia.

In accordance with the Trust Deeds (s30 - 33 BERT Fund No.2; s32 - 35 BERT Fund Trust Deed) the Funds have certain conditions of release of your entitlement including that you provide the required information or documentation to support your claim.

Neither Fund provides long service leave entitlements.

Availability and location of financial reports

Special purpose financial reports for the Funds for the financial year ending 30 June 2025 can be accessed on our [Disclosure web page](#).

Are there any risks associated with holding an interest in BERT?

As with any employee redundancy scheme, there may be operational or administrative risks that impact the operation of the BERT schemes. BERT seeks to ensure robust controls and oversight measures are in place to manage these risks and protect members entitlements.

- **Investment and liquidity:** Members do not share in the profits or losses of the BERT schemes. A member's interest in the BERT scheme is limited to receiving an amount equal to the credit balance in their member account, if an event that triggers that entitlement occurs. This means your benefit (or the amount credited to your member account) is based on contributions paid by your employer on your behalf and the rules of the Fund, rather than on investment performance. Members are, however, ultimately exposed to BERT's ability to pay out members claims.

Ensuring that the Funds are always in a position to promptly pay member claims in full is a key priority. The Funds operate under a rigorous risk management framework designed to maintain adequate assets and liquidity to support the timely payment of valid claims. This includes external audits, audit and risk committees, policies and procedures and a risk register.

BERT's investment strategy is also designed to ensure adequate asset and liquidity cover with approximately 76% of assets able to be turned into cash within five days.

- **Employer contribution risk:** BERT relies on employers to provide accurate information about the contributions payable for each member. While BERT monitors unpaid contributions and follows up outstanding amounts, there remains a risk that an employer may not pay all required contributions. This may impact the balance shown in your member account. Members are therefore strongly encouraged to regularly monitor their account balance to ensure contributions have been correctly recorded.
- **Changes to laws or regulations:** Government or regulatory changes relating to financial services, taxation or worker entitlement funds may affect how the scheme operates.
- **Cyber security and data protection:** There is a risk that the Fund may experience a cyber security or data protection incident resulting in unauthorised access to, loss of, or misuse of information, including members' personal or confidential data. Such incidents may arise from cyber attacks, system failures, human error, or weaknesses in internal controls or third party service provider systems. While BERT takes reasonable steps to maintain appropriate security controls and monitoring, cyber threats continue to evolve and cannot be entirely eliminated.
- **Forfeiture risk:** Under the Trust Deeds, a member's entitlement to benefits may be forfeited in certain limited circumstances.

What rights does BERT or its associates have to be paid fees out of scheme property?

Under the Trust Deeds, BERT may pay from scheme property operating costs of the Funds, including taxes, and fees payable to investment managers, lawyers, accountants, auditors and other advisers. It is also entitled to be indemnified out of each Fund against liabilities incurred by virtue of being the trustee of the Fund.

BERT does not charge administration fees directly to members, and no fees are deducted from your member account balance. The costs of running the schemes, including management, administration, compliance and investment management fees, are met from the income and other assets of the Funds in accordance with the Trust Deeds. This means your member account balance (being the contributions credited on your behalf) is not reduced by these costs.

Directors of BERT are paid director fees from scheme property. Director fees are determined in accordance with BERT's governance processes and reflect the directors' responsibilities and time commitment.

BERT closely monitors and manages expenses carefully to ensure that they remain reasonable and consistent with the Funds obligations to act in the members' best interests.

What agreements or arrangements are there under which a benefit is given or paid out of scheme property to the BERT or an associate?

BERT may enter into agreements and arrangements that allow payments to be made from the scheme property to itself or to organisations that support the operations and objectives of the Fund.

Subject to the conditions set out in each Trust Deed and the requirements of the FBT Act, payments may be made under arrangements that:

- Cover the daily operating and management expenses of running the Funds;
- Pay for director fees. Depending on the arrangements in place, director fees may be paid either directly to the director or to the union or employer organisation that appointed the director pursuant to BERT's constitution;
- Pay for service providers (including union sponsors), including administration, legal, auditing, compliance, arrears recovery, investment management and other professional services;
- Support industry related charities and wellbeing initiatives, such as MATES in Construction, Danger Sun Overhead and the Ron Monaghan Foundation;
- Provide funding to other industry funds or organisations that deliver welfare, training and support services to building and construction workers.
- Support promotional, advertising and sponsorship activities, including arrangements with unions and industry bodies that help raise awareness of the Fund and its benefits.

All arrangement and agreements are either governed by formal contracts and / or subject to approval by the Board, ensuring appropriate oversight and accountability.

For more information, please refer to the Financial Reports and Trust Deeds available on our website.

How can you make a complaint to BERT, and how will it be dealt with?

Members can make a complaint if they are unhappy with a decision, service or experience with the scheme. Complaints can be made by email, phone, mail or online, and you can choose the method that is easiest for you. Contact details can be accessed on our [Complaints Webpage](#).

BERT has an internal dispute resolution (IDR) system to ensure all complaints are managed fairly, promptly and in a way that supports members' rights. This system includes a formal complaints policy, a complaints web page and complaints register that records and tracks all complaints.

The complaints policy and [webpage](#) explain:

- How to lodge a complaint;
- What information you should provide;
- How your complaint will be assessed;
- The timeframes for responding; and
- How you will be kept informed throughout the process.

All complaints will be reviewed in a fair and respectful way. If you are not satisfied with the outcome of your complaint, BERT will explain your next steps including any internal or external review options that may be available to you.