

## TERMINATION ACCOUNT CLAIM INFORMATION

### LODGE ONLINE FOR FASTER RESULTS

Members are encouraged to lodge initial severance claims through our [online worker portal](#) or phone App for super fast results. Please consider using either of those alternatives before completing this form. Download the 'Protect Services' App via [the App Store](#) or [Google Play](#).

Call us to register for online access: 1300 344 249.

### DO YOU HAVE THE CORRECT FORM?

Protect offers two types of severance accounts:

1. Termination Account (TER), the default account
2. Genuine Redundancy Account (GRA).

To claim on your severance account using this form you must have a Protect Termination Account.

### GENERAL INFORMATION ON YOUR CLAIM

**A severance payment will only be made if your position is genuinely terminated and/or you are no longer covered by the Award.**

Payment will be made to you or as you direct within five (5) business days of the claim received by the Fund Administrators provided your claim is accepted. Please note that we cannot pay your benefit into a credit card account. Payments from Protect generally qualify for the concessional tax treatment as an Employment Termination Payment (ETP). The taxation of ETPs is set out in more detail opposite.

On the same day we transfer the funds to your bank account we will also post to you a Payment Summary. This should be kept with your other records for income tax purposes and used in completing your tax return for the financial year.

### BANKING DETAILS

We depend upon the accuracy of the details that you are providing to us. Please write clearly and check with your bank if you are unsure of your bank account details. If insufficient bank details are provided to us, payment will not be made and a bank fee may be charged for rejected payments. All banking details provided will be kept confidential.

### PAYMENT UPON TERMINATION

#### MAKING AN INITIAL CLAIM

Under the terms of the Trust Deed which governs Protect, if you claim your severance entitlements the maximum amount which will be paid initially is the total amount standing to your credit in your Protect account or \$6,500, whichever is the lesser. Any balance that may remain of your entitlements will be available to you after four weeks, as a subsequent claim, providing you meet certain conditions.

#### LEAVING THE INDUSTRY

If you are leaving the industry or are no longer covered by the relevant award, you can claim the balance of your account 39 weeks after you have terminated from your employer. At that time you will need to complete and sign a Statutory Declaration stating you have not worked in the industry and have not been covered by the award during that period.

#### LEAVING THE COUNTRY

If you are leaving the country you can claim your entire balance. You will need to provide travel documents as proof of leaving the country. You will also need to complete and sign a Statutory Declaration stating you will be outside Australia for at least two years.

#### TAX ON CLAIMS

Severance payments are taxed as Employment Termination Payments (ETP). The amount of tax payable on an ETP up to \$210,000 is 32% if under your preservation age, or 17% if over your preservation age. Severance payments over \$210,000 are taxed at 49%.

**Please note:** Failure to provide your Tax File Number will result in tax being paid at the highest tax rate of 47% including Medicare levy.

#### INCOME + ETP COMBINED

Should your income, including your Protect ETP, exceed \$185,000, part of your ETP may be taxed at your marginal tax rate via your personal tax return. Your ETP may also effect other entitlements such as family payments and private health insurance rebates. Payments which are made for genuine redundancy are the exception, these are not included in your ETP.

#### LATE TERMINATION PAYMENTS

If you make a claim on your account more than 12 months after you are terminated, your claim payment is no longer considered an ETP. Under tax law, after a year these payments are considered to be ordinary income and taxable at your marginal tax rate. Accordingly, Protect will withhold tax at 47% from all late termination claims.

Protect cannot provide you with specific tax advice, so you should consult your financial advisor or the Australian Taxation Office to discuss the effect of your Protect claim payment on your own personal circumstances. We strongly recommend that you contact your financial advisor before requesting payment.



## CLAIM FORM - TERMINATION ACCOUNT

### MEMBER DETAILS

TITLE  GIVEN NAME/S  SURNAME

DATE OF BIRTH  /  /  PROTECT MEMBERSHIP NUMBER  TAX FILE NUMBER

ADDRESS

SUBURB  STATE  POSTCODE

MOBILE NUMBER  EMAIL ADDRESS

### EFT PAYMENT DETAILS

ACCOUNT NAME  BSB  ACCOUNT NUMBER

BANK  BRANCH

### CLAIM DETAILS

This claim form is appropriate for initial claims on a Protect Termination Account (TER). From 1 July, 2018 initial claims up to \$6,500 may be made. Claims from this account type are taxed at 32% if you are under preservation age and at 17% if you are over preservation age.

REASON: for what reason are you making claim on your Protect TER account?

YOUR EMPLOYER  COMMENCEMENT DATE  /  /   
TERMINATION / RESIGNATION DATE  /  /

Please advise the amount you wish to be paid from your severance account

Please pay me PART of my account balance: \$ \_\_\_\_\_

OR

Please pay me my FULL entitlement up to the initial \$6,500 limit

- a) I declare that I have separated from my employer.
- b) I request that I be paid the amount standing to my credit in my Protect member account.
- c) I request that I be provided with all relevant payment summaries covering the amount in point b) within 14 days of that amount being paid.
- d) I authorise, if applicable, that any balance held in my name in Protect Severance Scheme be transferred to Protect Severance Scheme No 2, in order to pay this claim.
- e) I confirm that I have read and understood the General Information provided with this claim form.
- f) I declare that all details provided on this claim form are true and correct.

SIGNED \_\_\_\_\_ DATE  /  /