

PRODUCT DISCLOSURE STATEMENT

PayClear Services Pty Limited

Superannuation Contributions Clearing House

(a Non-cash Payment Facility Financial Product)

SuperChoice Services Pty Limited (ACN 109 509 739) provides a website known as the Employer Portal, referred to in this document as the “Site”. It is the website that you will access to make superannuation contributions, which are then disbursed by means of the Clearing House facility described in this PDS. The Clearing House facility is provided by SuperChoice’s affiliate, PayClear Services Pty Ltd.

This Product Disclosure Statement (PDS) is prepared and provided by PayClear Services Pty Limited (ACN 124 852 320) holder of Australian Financial Services Licence Number 314357.

Prepared: 05 October 2016

NOTE:

This document is intended for distribution in Australia only. If you have received it electronically, we will give you a paper copy on request. To obtain a copy, refer to the contact details in this document.

PRODUCT DISCLOSURE STATEMENT

This Product Disclosure Statement (“**PDS**”) is intended to comply with the Product Disclosure Statement requirements of the *Corporations Act 2001* (“**Act**”) and the regulations (“**Regulations**”) made pursuant to that Act and is provided to assist you in deciding whether or not to accept the offer to provide you with a Financial Product being the non-cash payment facility (“**Clearing House facility**”).

This PDS is prepared and provided by PayClear Services Pty Ltd (ACN 124 852 320) (“**PayClear**”), the holder of Australian Financial Services Licence Number 314357. PayClear is licensed to provide general financial product advice about and to operate the Clearing House facility.

Your use of the Clearing House facility is governed by the terms and conditions set out later in this PDS, in the Online Employer Self Enrolment registration process and the online Client Initiated Direct Debit Service agreement.

In this PDS:

“AFSL” means Australian Financial Services Licence

“Banking Day” means a day that Bulk Electronic Clearing System (BECS) is operating. BECS is used by financial institutions for such payments as internet banking transactions and direct debit and direct credit instructions.

“Business Day” means a day not being a Saturday or Sunday or any public holiday in NSW or any public holiday in the State in which the Default Fund operates its support services.

“Default Fund” means any Fund which is to receive superannuation contributions in default of your employee choosing a specific Fund to receive superannuation contributions made on behalf of that employee.

“Direct Credit” means the facility by which you may elect to pay superannuation contributions on behalf of your employees by electronic transfer from your financial institution account to the PayClear Bank Account.

“Direct Debit”, and “Client Initiated Direct Debit”, means the facility by which superannuation contributions may, at your election, be debited from your financial institution account and paid into the PayClear Bank Account.

“Financial Product” has the meaning set out in the Act.

“Fund” means a superannuation fund to which you are to pay superannuation contributions for an employee.

“PayClear Bank Account” means the bank account which receives superannuation contributions remitted by you and from which those contributions are then disbursed to various Funds.

“Site” means the website that you will access to make superannuation contributions which are then disbursed by means of the Clearing House facility.

Contact Details

If you have questions about this PDS, please contact Payclear on 1300 659 456 or SCAdmin@superchoice.com.au.

When you are using the service and need support, please refer to the contact details on the Site.

THE CLEARING HOUSE FACILITY

Who can use the Service

- Employers who want a simple, cost-effective, secure and SuperStream compliant way of managing their employee superannuation contributions online.

Benefits of using the Service

- **Online and Electronic:** Superannuation payments and contributions data are remitted electronically as is required by the Australian Tax Office (“ATO”) via its SuperStream criteria.
- **Single Submission and Payment:** Multiple payments to various Funds are replaced with one online payment.
- **Accessibility:** The Site is available 24/7, except when unavailable because of routine or emergency maintenance. If you need support, the contact details are displayed on the Site.
- **Security:** The Site is protected by a cryptographic key system which is widely used by banks for internet banking applications.
- **Support:** Employers are provided with a support infrastructure. There is also a help line and a user guide to assist you with any problems you have.
- **Control:** Online access allows you to check remittances.
- **Accuracy:** Validation checks to help ensure contribution payment information is complete, correct and consistent.

Getting Started

You will be advised of the Internet link to use for the **Online Employer Self Enrolment**. To register, go to the link in your Internet browser and follow the prompts.

Before you start the registration process and in order to sign-up for the service:

1. You must be any of:
 - a) An owner of the business being registered; or
 - b) A managing director or other executive of the business being registered; or
 - c) A person who has delegated authority from a person as described in 1a) and 1b) above to register the business and to provide the business nominated financial institution account details.
2. You will need the following information for the business you are registering:
 - a) Australian Business Number (as issued by the Australian Business Register);
 - b) The business postal address;
 - c) Your full name and contact details, including mobile number;
 - d) Your nominated financial institution account (including where applicable Account Name, BSB and Account Number) which will be debited or to which any returns will be paid.

At the end of a successful registration process, you will be emailed a temporary password and a link to the Site, at which point you can login and commence using the service.

Payment by Direct Debit

The Default Fund may agree that contribution payments can be made by Direct Debit to PayClear.

- The simplest, most efficient and least time-consuming payment method is for you to enter into a Client Initiated Direct Debit Service Agreement.
- This authorises PayClear to deduct money from your nominated financial institution account. The relevant amount for the contributions is deducted from that account and distributed to the various nominated Funds.
- This method still allows you to control your cash flow because the debit cannot be made until you actually submit the superannuation contributions payment details to the Site.
- By following the **Online Employer Self Enrolment** process, you will be asked for pertinent information and to record your agreement to the Client Initiated Direct Debit Service Agreement. A pro-forma agreement is included at the back of this PDS.

Payment by Direct Credit

The Default Fund may agree that contribution payments can be made by Direct Credit to PayClear.

- If you send a Direct Credit you must ensure you provide the matching payment reference number provided by the Site; or the payment will be returned to you. When the relevant amount for the contributions is paid to the PayClear Bank Account, it is reconciled with the information you sent regarding the payment, and it is then split and remitted to the various Funds.

Timing of Payments to Superannuation Funds

Subject to legislative requirements and the Terms and Conditions set out later in this PDS, and the satisfactory clearance of your payment by your nominated financial institution, contributions made using the Clearing House facility will be disbursed within 1 Banking Day, in the case of Direct Credit, or 3 Banking Days, in the case of Direct Debit, from the day you send the contributions information through the Site and the payment is deposited into the PayClear Bank Account.

You need to take these time frames into account to ensure that all payments are made by you and received by Funds in time to meet the legislative deadlines for payment of Superannuation Guarantee contributions.

FEES AND CHARGES

Transaction Fees

Currently there are no fees payable by you for transactions submitted via the Site.

PayClear will notify you on the Site at least 30 days prior to any fees being levied in future.

If transaction fees apply, they will be indexed annually on 1 January to Average Weekly Ordinary Time Earnings.

You are responsible for paying any fees and charges imposed on you by your nominated financial institution.

Fee Changes other than Indexation

Other than indexation of fees, we reserve the right to change the fee at any time. You will be provided with 30 days' written notice of any such change. Please see the Terms and Conditions later in this PDS.

Other Fees that may apply:

Fees may also be payable in the following circumstances:

- **Refund Fees:** a refund fee of \$35 where money is returned by the Fund due to an error by you or your employee (e.g. selecting an incorrect fund).
- **Dishonour Fees:** a dishonour fee of \$35 where a direct debit request is dishonoured by your nominated financial institution.
- **Stop Payment Fee:** a stop payment fee of \$35 where a payment is submitted and you subsequently recall the payment.

ENQUIRIES AND COMPLAINTS

In the first instance, you should contact your Default Fund as it will be able to assist you with most questions or queries.

However, if you have a query or a complaint that you wish to raise with PayClear, you should contact our affiliate SuperChoice, whose contact details are:

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|-------------------|--|
| By phone | 1300 659 456 |
| Email | superchoiceenquiries@superchoice.com.au |
| In writing | Level 8, 35 Clarence Street Sydney NSW 2000 |

Dealing with complaints

To assist in a speedy and confidential investigation of your complaint by a Complaints Officer, please ensure that you provide the following information:

- Your name
- Employer name and ABN
- Fund Name and ABN
- Details of the problem
- The date when the problem occurred; and
- Your phone number or email address

A written complaint will be acknowledged within 5 Business Days and every effort will be made to resolve the complaint within 45 Business Days of receipt, during which time you will be kept informed of the progress of the investigation. If the complaint is complex or if there is a problem locating relevant documents, an extension of time might be necessary.

The complaint handling process has been established in accordance with the Australian Securities and Investments Commission (ASIC) Regulatory Guide 165 and the Australian Standard on Complaints Handling (AS 10002:2004).

Other options

The Financial Ombudsman Service of Australia (“**FOS**”) is an independent dispute resolution service that can consider complaints about financial products. The service is free to retail clients which are any entities employing less than 20 employees or any manufacturing entity employing less than 100 employees.

If you are not satisfied within 45 Business Days of notification of your complaint, you may contact FOS. You should be aware that FOS will not deal with your complaint unless you have first raised the matter with us and given us the opportunity to resolve the matter.

For more information about FOS please visit its website at www.fos.org.au. The contact details for FOS are:

| | |
|-------------------|--|
| By phone | 1300 78 08 08 |
| Email | info@fos.org.au |
| In writing | GPO Box 3 Melbourne Victoria 3001 |

RISKS

The following Table sets out the risks associated with the Clearing House facility, and how those risks can be managed:

| Risk | Description | How we help mitigate the risk | What you need to do |
|--|--|--|---|
| <i>Getting started</i> | | | |
| Privacy: Disclosing to your employees that you are making payments through a Clearing House | You should seek advice about whether you need to disclose to your employees that you are providing personal information so as to facilitate SuperStream compliant payment of superannuation contributions to their superannuation account. | Our Privacy Policy can be provided to you, which sets out how we deal with personal information. | When you give employees the ATO Choice Form, it is generally good business practice to let employees know you are using a Clearing House to distribute the payments. |
| Security: Unauthorised Access | Access by an unauthorised party, including in circumstances where the UserID and password have been compromised, may lead to fraud, data corruption, defects in transmissions and viruses. An employer must ensure it does not facilitate unauthorised access to the Site. | The software provides for multi-level user access (e.g. from view only through to submission authority and payment authority) for processing work and can accommodate dual payment authorisation. For example, only managerial access can authorise payments. PayClear must be notified immediately if a Login or Password is lost or stolen or if you suspect that another person knows or has used its Login or Password. | Notify PayClear immediately in the event of any unauthorised access. Structure user access so that each user has a level of access that matches their delegated authority; and make sure you maintain user permissions as changes in personnel and their responsibilities occur. In particular, make sure that users with permission to submit contributions for payment, alter payment methods or alter bank account details are authorised by your organisation to do so. |

| Risk | Description | How we help mitigate the risk | What you need to do |
|--|---|---|---|
| <i>Employer Mistakes</i> | | | |
| <p>Dishonour: Insufficient money held in your nominated financial institution account to effect a Direct Debit transaction</p> | <p>If there is not enough money in your nominated financial institution account to enable a Direct Debit of the full payment, then the contribution will be cancelled and must be re-submitted which may result in additional charges from your financial institution and PayClear and potentially a Superannuation Guarantee charge if the subsequent contributions do not meet the Superannuation Guarantee deadlines.</p> | <p>You will be notified in the Site in the event of a payment failure, on the same Banking Day that PayClear becomes aware of the failed payment.</p> | <p>Ensure you have sufficient money in your nominated financial institution account to cover the amount of the contribution, otherwise a dishonour will occur.</p> <p>With a Client Initiated Direct Debit process, you also control the timing of the Direct Debit because it cannot occur until you submit your payment instruction via the Site.</p> |
| <p>Payment Mismatch: Direct Credit does not match the contribution amount submitted to the Site</p> | <p>If you make a payment by Direct Credit and the amount of the payment does not match the contribution amount submitted to the Site (e.g. overpay or underpay), this can lead to delays in forwarding the contribution to the Funds.</p> <p>These delays can contribute to a failure to meet Superannuation Guarantee deadlines</p> | <p>You will be contacted within 5 Business Days or sooner (by email or phone) to notify you of the error and seek instructions (e.g. correct the amount of the payment).</p> <p>If there has been an overpayment, the contributions will be distributed to the nominated Funds and the surplus will be returned to you.</p> <p>If you do not respond to correct the mismatch, the contribution will be returned to your nominated financial institution account after 10 Business Days.</p> | <p>Please respond promptly to our requests to correct the payment or the contribution information.</p> <p>You can avoid such risks by choosing to pay by Client Initiated Direct Debit.</p> |
| <p>Stopping Payments: In certain circumstances, you may seek to stop a payment (e.g. duplicate payment or overpayment)</p> | <p>Once contribution information has been lodged with a matching payment, it cannot be cancelled or reversed unless you notify PayClear before the cut-off time (see the Terms and Conditions).</p> <p>Once contributions have been sent to the Fund, you bear the responsibility for any attempts to recoup monies from any Fund. Usually the Fund trustee or administrator will require the written consent of its member (i.e. your employee).</p> | <p>PayClear is able to lodge a stop payment but these must be notified within the cut-off times specified in the Terms and Conditions set out later in this PDS.</p> | <p>It is imperative that if you wish to cancel or reverse a payment, you notify PayClear immediately, and before the cut-off time, upon realising that an incorrect contribution has been made, so payment can be stopped.</p> |

| Risk | Description | How we help mitigate the risk | What you need to do |
|---|---|---|---|
| <i>Employer (Employee) Risks</i> | | | |
| <p>Incorrect Data:</p> <p>It is your responsibility to ensure information about your employee and the contribution are complete and correct. If you provide inaccurate or incomplete information, this may result in a contribution being rejected, delayed or even sent to the wrong Fund</p> | <p>Incorrect data includes:</p> <ul style="list-style-type: none"> • Use of an incorrect Unique Superannuation Identification (USI) Number or Australian Business Number (ABN) • Incorrect member number • First name & surname not matching the Fund's records • Incorrect date of birth • Invalid member Tax File Number • Wrong Bank details for a Self-Managed Super Fund (SMSF) • Incorrect Electronic Service Address (ESA) when paying to an SMSF | <p>The Site provides:</p> <p>Fund validation:</p> <ul style="list-style-type: none"> • Checking USIs and ABNs are valid Funds and are related where Funds hold both forms of identification. <p>Employer Identification:</p> <ul style="list-style-type: none"> • Validation that allows you to supply your Employer Identification number held by the Fund, where you are registered with the Fund. <p>Member Identification:</p> <ul style="list-style-type: none"> • Where particular products have member Identification rules, we check member identification supplied against the rule. | <p>When you are first registering employees with their nominated Fund and the Site identifies an error (e.g. a Fund which cannot receive contributions), you will need to correct it.</p> <p>When Funds notify errors electronically to you, information is displayed in the Site (e.g. incorrect product, incorrect member ID or assign a Fund Employer Number). You may need to correct information in the Site and in your payroll data for lodgement of subsequent contributions.</p> <p>When Funds refund contributions (usually for members who have exited from the Fund), you will need to determine the appropriate corrective action, which may result in the need to re-submit contributions to either the Default Fund or an alternative choice Fund.</p> |
| <i>Clearing House and Banking Risks</i> | | | |
| <p>Clearing House or Finance System Failure</p> | <p>The Clearing House facility accesses the Bulk Electronic Clearing System (BECS) to receive contributions and payments to Funds. BECS coordinates and facilitates the exchange and settlement of bulk electronic transactions – in this case, for Direct Debits and Direct Credits between employers' financial institution accounts, the PayClear Bank Account and Fund accounts</p> <p>In rare instances, the Clearing House facility or the Banking system may not be available.</p> | <p>Banks and PayClear respectively have appropriate disaster recovery and business continuity plans to manage such events.</p> | <p>It is advisable to allow a few additional days to ensure contributions are received before the Superannuation Guarantee deadlines.</p> |

| Risk | Description | How we help mitigate the risk | What you need to do |
|--|--|---|---|
| <i>Receiving Fund Risks</i> | | | |
| Fund is unable to accept contributions | <p>Certain Funds such as pensions, eligible rollover funds, certain government funds, closed or terminated funds and corporate funds (that do not operate retained divisions) are unable to accept contributions.</p> <p>In other circumstances, a Fund may have been declared non-compliant by APRA or the ATO.</p> | The Clearing House facility provides a warning system to block payments to those Funds. | <p>You will need to check any applicable warnings when first linking your employee to the chosen Fund. In certain circumstances, you may be able to contribute to a blocked Fund if you are an approved employer.</p> <p>Otherwise, you will need to direct the contribution to the Default Fund or an alternative choice Fund selected by the employee.</p> |
| Fund not SuperStream compliant | <p>Funds must be able to receive SuperStream compliant data (messages) and payments.</p> <p>If a Fund has not appointed a SuperStream Gateway or does not provide an alternative compliant service, it may not be able to receive the contributions that you remit.</p> | <p>PayClear sends contributions by reference to the ATO's Fund Validation Service, which is a register of all APRA-regulated Funds, their SuperStream status and account details.</p> <p>PayClear also maintains and references the details for Self-Managed Super Funds (SMSF).</p> <p>Any issues with Funds or their service providers are resolved through procedures to negotiate rectification of such issues.</p> | <p>By using this Clearing House facility you ensure that you are insulated against SuperStream compliance issues experienced by Funds.</p> <p>In addition, you should encourage your employees wishing to pay into a SMSF to ensure that the SMSF has an established "Electronic Service Address" (or ESA). PayClear can assist with providing a valid ESA to SMSFs that require one.</p> |

TERMS AND CONDITIONS

The following are the general terms and conditions that will apply if you decide to use the PayClear Clearing House facility ("Facility"). In these terms and conditions, you may be referred to as the 'Client' or "you", and 'we' are referred to as 'PayClear or "we" or "us" etc. A 'User' is a person authorised to access the Facility. A 'Contribution' is your payment on behalf of your employee. 'Contribution Data' is information concerning a Contribution. 'Data' is any information concerning this Agreement and its performance, and includes Contribution Data. A reference to 'Agreement' means these terms and conditions (as they may be varied at any time) and the PDS.

1 General Client/User Access Obligations

- 1.1 Client warrants it is authorised to enter into this Agreement.
- 1.2 You must provide all the required information in your application submitted through the on-line Employer Self-Enrolment process which is to be used unless PayClear approves of some alternative process.
- 1.3 You will be advised by email when you successfully sign up for the Facility. We reserve the right, at our discretion, to decline your application and access to the Facility.
- 1.4 You may authorise other Users of the Facility with equal or lesser rights and privileges.
- 1.5 You must ensure that each User is authorised to gain access to the Facility and complies with all obligations and responsibilities as outlined in these Terms and Conditions.
- 1.6 You must ensure access to the Site is undertaken in a secure manner.
- 1.7 You must ensure that your software and hardware is capable of accessing the Site and that it utilises a web browser which is compatible with the Site.
- 1.8 You are responsible for maintaining your own industry standard anti-virus and security measures to prevent unauthorised access to the Facility and to avoid viruses affecting the Site.
- 1.9 You must not, and must use reasonable endeavours to ensure Users do not, change, impair or damage the Site.

2 Availability/Access to the Site

- 2.1 The Site is available 24 hours a day, 7 days a week, except for outages for routine or emergency maintenance.
- 2.2 Access to Users will not be provided unless a Valid Login and Password is entered.

- 2.3 Access to Users will not be provided if your registration has been suspended or cancelled.

3 Security of Login and Password

- 3.1 A User's Login and Password must be kept safe and secure.
- 3.2 Users must not disclose the Login or Password to any other person.
- 3.3 Users must not record their Login or Password in any way which would allow anyone else to identify the record as their Login or Password.
- 3.4 Users must not permit any other person to use their Login or Password.
- 3.5 Users must not select a Login or Password which is easily identifiable, such as a birth date or a street name.
- 3.6 Users must take care to log off the Site and/or close the browser window (if necessary) to ensure unauthorised persons do not obtain access to the Site.
- 3.7 PayClear must be notified immediately if a record of your Login or Password is lost or stolen or if you are aware or suspect that another person knows or has used your Login or Password. PayClear will then arrange cancellation of the Login or Password and will arrange for you to select a new one.
- 3.8 PayClear may cancel a Login or Password at any time without notice if it believes that the Login or Password is being misused or has been used to perform an unauthorised transaction.
- 3.9 PayClear takes no responsibility for any loss whatsoever where unauthorised parties have used your Login or Password.

4 Security

- 4.1 PayClear will utilise a range of security measures to help ensure the security of the service including:
- (a) Firewalls; and
 - (b) Data encryption, using Secure Sockets Layer (SSL) protocol.
- 4.2 PayClear will comply with its security policy which complies with the Australian Information Security Management Policy (AS ISO/IEC 20000.1-2007). For more details see the Standards Australia website at www.standards.com.au.
- 4.3 PayClear cannot guarantee that any data transmission over the internet is totally secure.
- 4.4 If you become aware of a breach or potential breach of security relating to the Site or the Facility, you must notify PayClear as soon as is reasonably possible and you must take all steps available to stop the breach or prevent the breach from recurring.

5 Client's Obligations

- 5.1 It is your responsibility to undertake the following tasks in utilising the Service:
- (a) Create User Accounts for staff to access the Service.
 - (b) Create/Change/Update employer details.
 - (c) Upload payroll file.
 - (d) Create Contributions through payroll upload or e-form.
 - (e) Authorise and make payments for Contributions.
 - (f) Authorise and make payments for fees.
 - (g) Register new employees (members) including providing all required and optional data.
 - (h) Nominate the employee's Fund.
 - (i) Allocate Contribution types.
 - (j) Designate Contribution amounts in respect of employees.
 - (k) Change/update/amend employee details as applicable.
 - (l) Establish that any Fund chosen by an employee is a complying Fund.

- (m) Provide the Unique Fund Identifiers (USI, ABN, Fund Name) as required to identify a Fund.
- (n) Notify PayClear in advance of any changes of financial institution accounts.
- (o) Ensure your nominated financial institution account holds sufficient funds to meet the Contribution payment and the Fees.

5.2 Other Client obligations:

- (a) It is your obligation to provide Contribution Data and the Contribution payment in a timeframe that ensures you will meet your obligations under the *Superannuation Guarantee Administration Act (SGAA) 1992*. You must make contributions well before the 28th of the relevant quarter to ensure sufficient time is allowed for the clearing of monies to meet the deadlines. **PayClear suggests making Contributions at least 10 Banking Days before the deadline.**
- (b) If you believe there has been a mistake in the Contribution Data, such as the amount of a Contribution and the corresponding bank transaction, you must notify PayClear immediately. Any delay in notifying PayClear may prejudice the ability to rectify the error.

6 Contributions

- 6.1 When you make Contributions through the Site, PayClear will provide the following services:
- (a) Based on the Contribution Data, it will identify the Fund to be paid, the total amount payable to each Fund, the employees for whom the Contributions are payable and the individual amounts.
 - (b) It will arrange payment via Direct Debit (see 7.2), or Client will arrange Direct Credit (see 7.1).
 - (c) If Contribution Data has been provided in full and without error or defect, it will arrange to reconcile Contribution Data to the Contribution payment including any transaction fees prior to the Cut-Off Time each Business Day (i.e. 4.00pm AEST).

- (d) If Contribution Data has not been provided in full, or has an error or defect, or there is a mismatch between the Contribution Data and the Contribution payment including any transaction fees, it will endeavour to contact Client within 5 Business Days to resolve the error and either return the Contribution or prepare a re-submission of the Contribution.
 - (e) Once there is an exact match between the Contribution Data and the Contribution payment including any transaction fees, it will arrange payment of the Contribution to the account (by EFT) of each nominated Fund, accompanied with Superstream compliant electronic remittance that sets out the Contribution Data to enable the Fund to reconcile the contributions.
 - (f) From the time it receives payment, and subject to legislative requirements, these Terms and Conditions and the satisfactory clearance of your payment by the respective financial institutions, PayClear will use reasonable endeavours to arrange payment of the Contribution to the account (by EFT) of each nominated Fund within 1 Banking Day, in the case of Direct Credit, or 3 Banking Days, in the case of Direct Debit.
 - (g) If the Contribution or the corresponding Contribution Data is not received on a Business Day, it is taken to be received on the next Business Day.
- 6.2 You may only use the Service to make Contributions to a complying Superannuation Fund or Retirement Saving Account. This is a Fund that has elected to be regulated and complies with the *Superannuation Industry Supervision (SIS) Act, 1993*, or a Self-Managed Superannuation Fund.
- 6.3 You may need to comply with certain other requirements of a Fund before you can make a Contribution to it. For example, it may be a requirement of some Funds that an employer be registered with that Fund before Contributions can be accepted. The Site will publish messages identifying Funds which require prior employer registration, but it is Client's responsibility to meet the registration requirements before making any Contribution.

7 Making contribution payments through the Facility

7.1 By Direct Credit (EFT):

- (a) When you authorise a Contribution, a Payment Reference Number (PRN) will be generated and the account number for the payment will be displayed. You have the ability to override the PRN for Direct Credit payments.
- (b) You must include the PRN with the payment from your financial institution so that PayClear can match the payment to the Contribution.
- (c) PayClear is not responsible for any delays arising from a failure to supply the correct PRN or financial institution account.
- (d) If the payment transaction is successfully lodged to the correct account number and with the correct PRN, PayClear will issue a status update which will appear on the Site.

7.2 By Direct Debit:

- (a) A valid Direct Debit Request must be in place when using the Facility. The Facility will be unavailable if you cancel the Direct Debit Request or your financial institution account is closed or not available to be debited.
- (b) You must ensure that your financial institution account remains open and has sufficient funds to cover the Contribution payment including any transaction fees. If the financial institution dishonours the debit, it may charge you a dishonour fee.
- (c) You must complete and send a new Direct Debit Request form to PayClear if you change your financial institution account details.

8 Delayed Contributions

8.1 Delayed Contributions may occur when:

- (a) The Contribution Data and Contribution are received on a non-Business Day.
- (b) The Contribution Data (and Contribution) is received after the Cut-Off time (i.e. 4.00pm AEST) on a Business Day.
- (c) Other circumstances identified in 9 below.

8.2 PayClear accepts no responsibility if a Contribution payment is delayed.

9 Unsuccessful and Mistaken Contributions

9.1 Submitted Contribution Data generally cannot be cancelled or changed except in the circumstances outlined below:

- (a) Contribution Data may not be promptly and successfully processed online if there is an error in the Contribution Data.
- (b) In limited circumstances you may be able to correct an error and re-submit Contribution Data if the Contribution has not been processed).
- (c) You must notify PayClear before 3.00pm AEST (Cut-Off time) on the same day if you wish to stop a Contribution.
- (d) If you receive notice that a Contribution has been dishonoured (e.g. because of insufficient cleared funds in your account), you may be charged a dishonour fee by your financial institution and/or by PayClear.
- (e) If a technical error prevents a Fund from processing any Contribution, PayClear will notify you after receiving notice that the file has been rejected and either correct the technical errors or create a replacement Contribution. If the technical error cannot be corrected, PayClear will notify you.
- (f) If any Contribution is not accepted or is returned by a Fund, and PayClear is unable to resolve the problem within 10 Business Days of receipt of the returned payment, it will refund the money to your financial institution account and notify you of the error by email), in which event you must resolve the issue with the Fund and re-submit the Contribution.

10 Data Maintenance

10.1 PayClear will:

- (a) Maintain at least 7 years of historical data on-line at any point in time.
- (b) Use best endeavours to ensure that you have access to the Data at all times except during scheduled or emergency downtime.

11 Confidentiality of Data

11.1 PayClear is committed to the protection of confidential Data and will collect, record and disclose it only as outlined in the Privacy Policy which may be found at <http://www2.superchoice.com.au/legal/privacy/index.html>, or you may obtain a copy upon request.

11.2 You agree that PayClear may contact and liaise with third parties about Data for the purpose of providing the Facility.

11.3 You agree that PayClear may use, or enable third parties to use, Data to compile usage statistics where such statistical results do not include confidential Data or data which can be used to identify you or your employees.

11.4 PayClear may disclose Data:

- (a) To relevant employees, financial institutions and to Funds solely for the purposes of providing the Facility.
- (b) To your or PayClear's legal advisers, auditors and other consultants who have a need to know the Data.
- (c) If it is required to disclose the information by law or a regulatory body or in connection with any legal proceedings.

12 Anti-Money Laundering and Counter-Terrorism Financial Law

12.1 By accepting these Terms and Conditions, you agree:

- (a) PayClear is not required to accept and/or act on a payment instruction if under the AML/CTF Act it suspects that 1) you are not the person who has been authorised to use the service and/or 2) by processing the payment instruction it may be breaching the AML/CTF Act or any similar law in any country in any other country (collectively AML/CTF Law).
- (b) PayClear may delay and block any transactions if it believes that a transaction may compromise its business and place it in breach of any Law.
- (c) PayClear will not incur liability to you for any loss (including consequential loss) which may have been caused to you as a result of taking any actions specified in 12.1(a) and 12.1(b) above.

(d) To provide such information as we may require to comply with any obligations under the AML/CTF Act.

13 Production of Data

13.1 If required by any law or any judicial, regulatory, administrative or similar body (whether foreign or Australian), PayClear will produce reports and information, answer enquiries, attend court and meetings and deal with any similar requests, provided that, where permitted by law, PayClear notifies you prior to actioning any request. You must pay to PayClear at PayClear's then current standard rates, its costs and expenses (including the costs of legal and other professional advice) which PayClear incurs.

14 Fees and Charges

14.1 Client must pay the fees set out in the PDS unless the Default Fund has made arrangements for payment of any such fees.

14.2 Transaction fees are paid at the same time as Contributions. A tax invoice will be provided online for these charges.

14.3 If the fees are not expressed to be GST inclusive, the amount is increased by an amount equal to the GST payable.

14.4 You acknowledge you may incur fees from your financial institution in respect of any payments made or dishonoured.

15 Warranties

15.1 Where any law implies in this agreement any term that cannot be excluded or modified, such term is deemed to be included. However, subject to any law, PayClear's liability for breach of that term will be limited to the resupply of services or payment of the Client's cost of the resupply of the services.

16 Limits to PayClear Liability

16.1 PayClear is not liable:

- (a) for any loss or damage you may suffer as a result of incomplete or inaccurate Contribution Data or non-matching Contributions.
- (b) for any loss or damage arising from any interception of Data or any unauthorised access to your financial institution account(s) save to the extent that PayClear caused or contributed to such loss by any negligent or wilful actor omission.

(c) for any loss or liability arising from charges being levied on the Client by any Government agency for late payment of superannuation Contributions, save to the extent that PayClear caused or contributed to such loss or liability by any negligent or wilful act or omission.

16.2 Client's Liability

(a) You indemnify PayClear against any loss, liability or damage which PayClear may suffer arising from your or any of your Users' failure to observe your obligations under this Agreement or arising from you or your User acting negligently or fraudulently when accessing the Facility.

17 Limit to Client's and PayClear's Liability

17.1 To the fullest extent permitted by law, in no circumstances will either you or PayClear be liable for any special or indirect loss or damage (including loss of profits, fines or penalties).

17.2 PayClear's total liability for any loss or damage for which it may be liable is limited to \$2 million for any one event involving your use of the Facility.

18 Termination

18.1 Either you or PayClear may terminate this Agreement by giving 30 days' notice in writing (including by email) to the other.

18.2 PayClear may suspend your access to the Facility if you are in default of any of your obligations until such default is rectified.

18.3 You may suspend payment of fees if PayClear is in default of any of its obligations under this Agreement until such default is rectified.

18.4 On termination of this Agreement, and subject to payment of all reasonable fees and expenses calculated at PayClear's then standard rates, PayClear will provide you access to Contribution Data.

18.5 On termination of this Agreement, you must return all hard copies and delete all electronically stored copies of PayClear's documentation and materials.

18.6 You and PayClear will meet its own expenses associated with discharging their obligations on termination of the Agreement.

19 Changes to the Agreement

- 19.1 PayClear may change any term in these Terms and Conditions at its discretion with 30 days' written notice. If you do not agree to any such change, you must immediately provide notice of intention to terminate the Agreement in accordance with clause 18.1.
- 19.2 Notice of any change may be given electronically (including by posting notices on the Site).

20 General Provisions

- 20.1 The parties will be deemed to have entered into this Agreement when PayClear accepts your Application to access the Facility.
- 20.2 Entire Agreement: These Terms and Conditions, the PDS and the Client Initiated Direct Debit Agreement constitute the entire agreement of the parties in respect of the Clearing House facility.

- 20.3 Agents/Contractors: PayClear may engage agents or subcontractors to assist it with performing its obligations under this Agreement without your prior consent. However, PayClear remains principally liable under the Agreement.
- 20.4 Assignment: You may assign or novate all or any of its rights or obligations under this Agreement to a related company provided that you give PayClear not less than 30 days' prior written notice. An assignment or novation to a non-related company by must be consented to by PayClear, which will not unreasonably withhold its consent. PayClear may charge reasonable fees for any services provided as a consequence of any assignment or novation by you. PayClear may assign or novate its rights and/or obligations in this Agreement at any time.
- 20.5 Jurisdiction and governing law: This Agreement is governed by the laws applicable in New South Wales, the courts of which shall have non-exclusive jurisdiction to determine all matters arising from the Agreement and its performance.

PRO-FORMA CLIENT-INITIATED DIRECT DEBIT SERVICE AGREEMENT

PayClear Services Pty Ltd (ACN 124 852 320) ("PayClear")

Client Initiated Direct Debit is a simple option to pay your superannuation contribution payments through the Clearing House facility of PayClear Services Pty Limited (Australian Financial Services Licence 314357 and Direct Debit User ID 481471). Before choosing this option, you should check with your financial institution to ensure that the Direct Debit facility is an available feature of your nominated account.

If you elect to pay by Client Initiated Direct Debit, you are required to register for the Clearing House facility to provide pertinent information and to accept your agreement to the following terms.

Authorisation to:

PayClear Services Pty Limited (User ID 481471) ABN 93 124 852 320

Effective immediately, PayClear is authorised, upon receipt of a payment instruction from time to time, to debit an amount equal to the total of the payment instruction from the nominated financial institution account specified in the registration details supplied through the online Employer Self Enrolment or through an alternative registration process as first approved by PayClear.

You and PayClear agree:

1. Drawing arrangements:

- 1.1 PayClear will debit your nominated financial institution account with the exact amount specified in the superannuation contributions payment instruction, but only after receipt of that instruction.
- 1.2 If the payment is authorised on or before 4:00pm AEST on a given Banking Day (i.e. any day that the Bulk Electronic Clearing System (BECS) is operating), the payment will be drawn from your account on that day. If a payment is authorised after 4:00pm AEST or on a non-Banking Day, the payment will be drawn on the next Banking Day.
- 1.3 PayClear may cancel this client-initiated direct debit service agreement if two or more drawings are returned unpaid by your nominated financial institution and PayClear may then seek to arrange an alternate payment method.
- 1.4 PayClear will keep private and confidential all information pertaining to your nominated financial institution account.

2. Your rights and responsibilities:

- 2.1 It is your responsibility to ensure that the authorisation given to draw on the nominated account is identical to the account signing instruction provided to the financial institution where the account is held.
 - 2.2 It is your responsibility to advise us if your nominated account is closed.
 - 2.3 It is your responsibility to arrange a suitable alternative payment method before you cancel your direct debit authorisation. You may do so by contacting PayClear on 1300 659 456 or by writing to PayClear at Level 8, 35 Clarence Street, Sydney NSW 2000, or through your nominated financial institution.
 - 2.4 You may stop payment of a drawing by contacting PayClear on 1300 659 456 or by writing to PayClear at Level 8, 35 Clarence Street, Sydney NSW 2000, or through your nominated financial institution. You must contact us prior to 3.00pm AEST on the day we receive the payment instruction.
 - 2.5 If you believe that a drawing has been made incorrectly or contrary to authority or a payment instruction, you may take the matter up directly with PayClear, or lodge a Direct Debit Claim through your nominated financial institution.
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