

## PRODUCT DISCLOSURE STATEMENT

### **MLC EmployerPay** **Superannuation Contributions Clearing House** (a Non-cash Payment Facility Financial Product)

*MLC EmployerPay (the Site) is provided by SuperChoice Services Pty Limited (ACN 109 509 739). The Site has been prepared for the use of employer sponsors of plans in the MLC Super Fund. 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: 1 May 2019

**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 deal in the Clearing House facility and to provide general financial product advice about the Clearing House facility.

Your use of the Clearing House facility is governed by

- the Terms and Conditions set out later in this PDS, starting on page 13
- the Enrolment and Registration process described on page 3
- the Employer initiated Direct Debit Service Agreement on page 20

In this PDS, you may be referred to as the 'Client' or 'you', and 'we' are referred to as 'PayClear or 'we' or 'us'. In addition, there are terms used in this PDS that have specific meanings:

"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, direct debit and direct credit.

"Business Day" means a day not being a Saturday or Sunday or any public holiday in NSW or any public holiday in the State or Territory in which the MLC Fund operates.

"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 "Employer 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 pay superannuation contributions for an employee.

"MLC Fund" means the MLC Super Fund established by trust deed dated 9 May 2016 (as amended), 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.

"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 either:

- MLC Fund on 1300 888 413 (+61 3 9277 9930) if you are calling from outside of Australia.
- PayClear at [superchoickeenquiries@superchoice.com.au](mailto:superchoickeenquiries@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 are eligible to register with the MLC Fund and want a simple, cost-effective and secure way of managing 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 standards.
- **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 help line (see Enquiries and Complaints on page 5) and a User Guide (on the Site) to assist you with any questions you have.
- **Control:** Online access allows you to check and verify remittances before submission.
- **Accuracy:** Validation checks to help ensure contribution payment information is complete, correct and consistent.

### Enrolment and Registration

You can enrol and register, and agree to the Terms and Conditions, in accordance with directions given to you by the MLC Fund. This will include using an Online Employer Self Enrolment facility, but the MLC Fund may also agree or require that you print and sign the agreement.

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

1. You must be:
  - 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 MLC 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 an Employer initiated Direct Debit Service Agreement (see page 20).
- 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.
- This method allows you to pay from multiple payer accounts with a single submission.
- By following the **Online Employer Self Enrolment** process, you will be asked for pertinent information and to record your agreement to the Employer initiated Direct Debit Service Agreement. (see the Employer Initiated Direct Debit Agreement on Page 20).
- If the payment is authorised on or before 4:00 pm 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 4:00 pm AEST or on a non-Banking Day, the payment will be drawn on the next Banking Day.

## Payment by Direct Credit

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

If you send a Direct Credit you must ensure you pay the correct amount and provide the matching payment reference number submitted via the Site or the payment may 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 when successfully matched it is split and remitted to the various Funds.

## Timing of Payments to Superannuation Funds

The contributions data that you submit and your electronic payment can only be reconciled and matched on the later of the day you send the contributions information through the Site and the day that the matching payment is deposited into the PayClear Bank Account. Subject to clearance of your payment by your nominated financial institution, remittance to super funds occurs:

- If you paid by Direct Credit, within 1 Banking Day of matching by PayClear; or
- If you paid by Direct Debit, within 3 Banking Days of matching by PayClear

Subject to your payment and data submission, the expected time frames from the time of your submission and payment to receipt by the recipient Fund are:

<b>Direct Debit</b>	<b>At least 5 Banking Days</b> after your nominated bank account is debited. <ul style="list-style-type: none"> <li>▪ <b>Make sure you have sufficient funds in your bank account before submitting data</b></li> <li>▪ <b>Submit your contribution data by Cut-Off Time (4:00 pm AEST) for same day debit</b></li> </ul>
<b>Direct Credit</b>	<b>At least 2 Banking Days</b> after your make your electronic payment, provided that it matches with the data you submitted using EmployerPay. <ul style="list-style-type: none"> <li>▪ <b>IMPORTANT: contribution data and money must match, otherwise a delay will occur</b></li> </ul>

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, as these Transactions Fees are currently paid by the MLC Fund.

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

Where you are liable to pay fees, they will be indexed annually on 1 January by reference to the percentage changes in the Average Weekly Ordinary Time Earnings as published by the Australian Bureau of Statistics for the 12 months period immediately preceding indexation.

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

### Fee Changes other than Indexation

Where you are liable to pay fees, we reserve the right to change the fee at any time (other than indexation of fees). 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:

Currently there are no other fees payable by you. Fees may become payable in the following circumstances, but only after a notice is issued to you and then only applicable where the following events apply after such notice:

- **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 MLC as it will be able to assist you with most questions or queries. Contact details are provided below, and on the Site.**

<b>By phone</b>	1300 888 413 (+61 3 9277 9930 if you are calling from outside of Australia)
<b>In writing</b>	GPO Box 63, Melbourne VIC 3001

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:

<b>Email</b>	<a href="mailto:superchoiceenquiries@superchoice.com.au">superchoiceenquiries@superchoice.com.au</a>
<b>In writing</b>	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).

### Unresolved complaints

The Australian Financial Complaints Authority ("**AFCA**") is an independent dispute resolution service that can consider complaints about financial products.

AFCA's complaint resolution service is available to individuals and to small businesses of less than 100 employees whether a primary production business or otherwise, which includes a sole trader, a partnership or an incorporated business.

AFCA's guidelines require you to first complain directly to us, using the process described above. AFCA will generally not deal with your complaint unless you have first raised the matter with us and given us the opportunity to resolve the matter. If you're not satisfied with our resolution, or we haven't responded to you in 90 days, you can lodge a complaint with AFCA.

A person may submit a complaint by using AFCA's online form, writing to AFCA or by contacting AFCA by telephone. For contact details and other information about AFCA please visit its website at [www.afca.org.au](http://www.afca.org.au).

## 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>Privacy and Security</i>			
Privacy: Your employee(s) object to you sharing their details with a clearing house service	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.	Let employees know you are using a Clearing House to distribute the payments and that it is therefore necessary to provide their personal information (so that the contributions are allocated to their superannuation account).
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.  You must notify us 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 us 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
Privacy Data Breach (Data loss or theft)	<p>The employer or Clearing House provider may cause or encounter an issue that results in an employee's personal information being exposed or made available to parties not entitled to such information.</p> <p>In most cases this is unlikely to result in actual damage to the persons affected, but in extreme cases this may expose individuals to problems such as identity theft.</p> <p>Note that this item does not cover Privacy issues that might occur subsequent to Funds rightfully receiving an employee's personal information, as these are not within the scope of the Clearing House service. Seek information from the relevant Fund(s).</p>	<p>See the preceding item about Security.</p> <p>We use security measures such as Firewalls and Data encryption, and comply with Australian Information Security Management Policy (ISO/IEC 27001: 2013).</p> <p>We comply with the ATO SuperStream regulations, which require that data is encrypted in transit, although we cannot guarantee that transmission over the internet is totally secure.</p> <p>If we become aware of a breach or potential breach of security relating to your employees which might reasonably be expected to lead to serious harm to that employee, we must notify the employee and we will also notify you as soon as is reasonably possible and take all steps available to stop the breach or prevent the breach from recurring.</p>	<p>See the preceding item about Security.</p> <p>Always ensure that when you use the Site that unauthorised persons are not able to read or use the data you are viewing or processing.</p> <p>If you become aware of a breach or potential breach of security relating to your employees, you must notify us as soon as is reasonably possible and take all steps available to stop the breach or prevent the breach from recurring.</p>
Fraud (change of fund bank account)	<p>A Fund's bank account details might be changed in order to illegally divert superannuation contributions.</p>	<p>See previous item about Security.</p> <p>We reference ATO fund registers to validate and remit data and contributions to super funds. The Site will inform you if a check against these registers identifies a problem.</p> <p>If we become aware of a suspected or actual fraud, we must take all steps available to stop the fraud or prevent the fraud from recurring.</p>	<p>See previous item about Security.</p> <p>You must satisfy yourself about Fund details provided by employees.</p> <p>When details change for Self-Managed Super Funds, it is good practice to obtain an authorisation signed by all Trustees.</p> <p>If you become aware of a suspected or actual fraud, you must notify us as soon as is reasonably possible and take all steps available to stop the fraud or prevent the fraud from recurring.</p>



Risk	Description	How we help mitigate the risk	What you need to do
<i>Employer Mistakes</i>			
Dishonour: Insufficient money held in your nominated financial institution account to effect a Direct Debit transaction	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.	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.	Ensure you have sufficient money in your nominated financial institution account to cover the amount of the contribution, otherwise a dishonour will occur.  With an Employer 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.
Payment Mismatch: Direct Credit payment amount does not match the contribution amount and / or Payment Reference Number (PRN) submitted to the Site	If you make a payment by Direct Credit payment and the amount and / or Payment Reference Number (PRN) does not match the contribution submitted to the Site (e.g. overpay or underpay), this can lead to delays in forwarding the contribution to the Funds.  These delays can contribute to a failure to meet Superannuation Guarantee deadlines	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).  If there has been an overpayment, the contributions will be distributed to the nominated Funds and the surplus will be returned to you.  If you do not respond to correct the mismatch, the contribution will be returned to your nominated financial institution account after 15 Business Days.	Please respond promptly to our requests to correct the payment or the contribution information.  You can avoid such risks by choosing to pay by Employer initiated Direct Debit.

Risk	Description	How we help mitigate the risk	What you need to do
<p>Missing deadlines for</p> <ul style="list-style-type: none"> <li>Superannuation Guarantee or</li> <li>End of Financial Year</li> </ul>	<p><u>A Fund must <b>receive</b> contributions that you make by the following dates:</u></p> <ul style="list-style-type: none"> <li>For Superannuation Guarantee (SG), on or before the 28<sup>th</sup> of the month following end of quarter;</li> <li>For contributions cap purposes, on or before the 30<sup>th</sup> June.</li> </ul> <p>If there is a delay caused by your late payment, payment mismatch (Direct Credit) or payment dishonour (Direct Debit),</p> <ul style="list-style-type: none"> <li>you might miss a SG deadline or</li> <li>a contribution might not be included in the intended financial year and so cause an employee to exceed the “contributions cap” in the next financial year.</li> </ul>	<p>We have provided this information to help you understand your obligations.</p> <p>It is our job to ensure that your contribution submissions and payments are matched and sent to Funds in accordance with our obligations in this agreement.</p> <p>This commitment assumes that your contributions submissions and payments have been made using matching amounts and payment reference numbers.</p>	<p>Make sure Funds receive all your contributions by the deadlines (see “Description” column to the left).</p> <p>Make sure you understand your obligations in relation to the Superannuation Guarantee and the timing of employees’ contributions that affect their tax calculations under the “contributions cap”. You can find out more at <a href="https://www.ato.gov.au">https://www.ato.gov.au</a> or by contacting a superannuation fund.</p> <p>To avoid issues, PayClear recommends making <u>correct</u> Contributions at least 5 Banking Days before the deadline (if paying by Direct Debit) or 2 Banking Days (if paying by Direct Credit).</p>
<p>Stopping Payments:</p> <p>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><b>Incorrect Data:</b></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"> <li>• Use of an incorrect Unique Superannuation Identification (USI) Number or Australian Business Number (ABN)</li> <li>• Incorrect member number</li> <li>• First name &amp; surname not matching the Fund's records</li> <li>• Incorrect date of birth</li> <li>• Invalid member Tax File Number</li> <li>• Wrong Bank details for a Self-Managed Super Fund (SMSF)</li> <li>• Incorrect Electronic Service Address (ESA) when paying to a SMSF</li> </ul>	<p>The Site provides:</p> <p><b>Fund validation:</b></p> <ul style="list-style-type: none"> <li>• Checking USIs and ABNs are valid Funds and are related where Funds hold both forms of identification.</li> </ul> <p><b>Employer Identification:</b></p> <ul style="list-style-type: none"> <li>• Validation that allows you to supply your Employer Identification number held by the Fund, where you are registered with the Fund.</li> </ul> <p><b>Member Identification:</b></p> <ul style="list-style-type: none"> <li>• Where particular products have member Identification rules, we check member identification supplied against the rule.</li> </ul>	<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 the relevant Fund.</p>
<i>Clearing House and Banking Risks</i>			
<p><b>Clearing House or Finance System Failure</b></p>	<p>The Clearing House facility accesses the Bulk Electronic Clearing System (BECS) to receive contributions and payments to Funds. BECS co-ordinates 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 and deal with any applicable warnings when making your submission on the Site. 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 MLC 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, share or distribute 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 (see Enquiries and Complaints on page 5).
- 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 (ISO/IEC 27001: 2013). For more details see the Standards Australia website at [www.standards.com.au](http://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 and submit Contributions through payroll upload or e-form.
  - (e) Authorise and make payments for Contributions for the matching amount and using the correct PRN.
  - (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 in time for Funds to process them by the 28<sup>th</sup> of the month following the end of the relevant quarter to ensure sufficient time is allowed for the clearing of monies to meet the deadlines. **PayClear recommends making correct Contributions by the Cut-Off time at least 5 Banking Days before the deadline (if paying by Direct Debit) or 2 Banking Days (if paying by Direct Credit).**
- (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) PayClear 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, PayClear 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. 4.00 pm 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, PayClear 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, PayClear 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 PayClear receives payment, and subject to legislative requirements, these Terms and Conditions and the 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 as defined by the SIS Act.

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. 4.00 pm AEST) on a Business Day.
  - (c) Other circumstances identified in 9 below.
- 8.2 PayClear accepts no responsibility if a Contribution payment is delayed. Risks related to delayed payments are outlined on page 7.

## 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 3.00 pm AEST 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 in accordance with the Privacy Act 1988 (Cth) as amended from time to time and will collect, record and disclose it only as outlined in the Privacy Policy which may be found at <https://www.superchoiceservices.com.au/privacy-policy>, 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 (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 MLC Fund has made arrangements for payment of any such fees.
- 14.2 A tax invoice will be issued electronically and fee payment terms will be included on the tax invoice.
- 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, inaccurate or late 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 act or 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 PayClear's Liability

- 17.1 To the fullest extent permitted by law, in no circumstances will 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 under this Agreement 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 the 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 each meet its own expenses associated with discharging their obligations under this Agreement 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' prior 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 Employer 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 your 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.

## APPLICATION FORM AND DIRECT DEBIT SERVICE AGREEMENT - MLC EMPLOYERPAY (USE ONLY IF PRINTING AND SIGNING REQUIRED)

*You need only print and sign this page if MLC Fund agrees or requires that you do so  
You will provide these details in the Online Employer Self Enrolment facility*

### APPLICANT DETAILS

ORGANISATION NAME		
TRADING NAME (if different)		
ABN		
	REGISTERED ADDRESS	POSTAL ADDRESS (if different)
STREET		
SUBURB / CITY		
STATE		
POSTCODE		

AUTHORISED PERSON NAME	
AUTHORISED PERSON TITLE	
CONTACT NAME	
CONTACT EMAIL	
CONTACT PHONE NUMBER	

### PAYMENT METHOD AND NOMINATED FINANCIAL INSTITUTION ACCOUNT DETAILS

*In this section you need to select your payment method and provide details of your Nominated Financial Institution Account:*

- “Refund Account” - whether you select EFT / Direct Credit or Employer-initiated Direct Debit, we need these details so that Funds can, if necessary, make contribution refunds to you.
- If you wish to pay for multiple organisations and accounts using a single data submission on the Site, you **MUST** select Employer initiated Direct Debit as your payment method and complete the “Additional Bank Account Details” attached to the Employer initiated Direct Debit Service Agreement (see page 20).

Payment Method (select by marking with ‘X’ in right hand box)

<b>EMPLOYER INITIATED DIRECT DEBIT</b> <i>Please also complete and accept the Direct Debit Service Agreement on the next page of this document</i>	<ul style="list-style-type: none"> <li>• Maintain control over cash flow</li> <li>• Authorisation on the Site triggers payment</li> <li>• Ensures clearing house reconciliation of data and money</li> <li>• Allows multiple payer accounts for a single submission</li> </ul>	
<b>DIRECT CREDIT (EFT)</b>	<ul style="list-style-type: none"> <li>• You must use desktop or online banking to make payment</li> <li>• Ensure you pay the same amount as authorised on the Site</li> <li>• Ensure you enter the same unique Payment Reference Number as in the Site</li> <li>• Must have only one payer account for each submission</li> </ul>	

Refund Account (for returned contribution payments)

BANK/FINANCIAL INSTITUTION NAME	
BRANCH ADDRESS WHERE ACCOUNT IS HELD	

ACCOUNT NAME	BSB	ACCOUNT NUMBER

In completing this Application Form, you declare that you are authorised to enter into this agreement, have provided correct information and that you have read and understood the MLC EmployerPay Product Disclosure Statement dated 01 May 2019 including the Terms and Conditions.

SIGN HERE	Signature:	Name:
		Date:

## EMPLOYER INITIATED DIRECT DEBIT SERVICE AGREEMENT

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

*You can complete this by using the Online Employer Self Enrolment facility, or if MLC Fund agrees or requires that you print and sign the agreement, please print this Direct Debit Service Agreement and ensure you complete sections A and C.*

Employer 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 Employer 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 here and confirmed in the registration details supplied through the online Employer Self Enrolment.

#### A. Direct Debit Account (for multiple bank accounts, please complete "Additional Direct Debit Accounts" section)

<b>BANK/FINANCIAL INSTITUTION NAME</b>	
<b>BRANCH ADDRESS WHERE ACCOUNT IS HELD</b>	

<b>ACCOUNT NAME</b>	<b>BSB</b>	<b>ACCOUNT NUMBER</b>

#### Additional Direct Debit Accounts

Organisation Name	ABN	Financial Institution Account Name	BSB	Account Number

#### B. Terms

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 4:00 pm 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 4:00 pm AEST or on a non-Banking Day, the payment will be drawn on the next Banking Day.
- 1.3 PayClear may vary any details of this Direct Debit Service Agreement at any time by giving you at least fourteen (14) days' notice.
- 1.4 PayClear may cancel this Employer 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.
- 1.5 PayClear will keep private and confidential all information pertaining to your nominated financial institution account(s).

##### 2. Your rights and responsibilities:

- 2.1 It is your responsibility to ensure that the authorisation given to draw on the nominated account(s) is identical to the account signing instruction provided to the financial institution where each account is held. You should check the account details are correct by checking them against a recent account statement.
- 2.2 You must ensure that your financial institution account(s) remains open and has sufficient funds to cover the contribution payment including any transaction fees.
- 2.3 You should check your account statement to verify that the amounts debited from your account are correct

- 2.4 It is your responsibility to advise us if your nominated account(s) is closed.
- 2.5 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.
- 2.6 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 3.00 pm Sydney time on the day we receive the payment instruction.
- 2.7 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.

#### C. Authorisation:

TO: Payclear Services Pty Limited (User ID 481471) ABN 93 124 852 320 ("PayClear")

I / we declare that all the information provided is correct and that I / we are authorised in respect of each bank account listed in accordance with the account signing instruction provided to the financial institution where each account is held.

Effective immediately, I / we authorise PayClear as the payment services provider to arrange for funds to be debited from the account(s) specified above in the amounts specified in the superannuation contributions payment details that are submitted and authorised in the Site.

*(Note that if the account/s require two signatures, then both signatures are required here)*

<b>Authorised Signature</b>	<b>Additional authorised signature (if required)</b>
<b>Name as recorded for nominated account</b>	<b>Name as recorded for nominated account</b>
<b>Date</b>	<b>Date</b>

*(If more than two signatures are required, please use the additional signing boxes)*

<b>Additional authorised signature (if required)</b>	<b>Additional authorised signature (if required)</b>
<b>Name as recorded for nominated account</b>	<b>Name as recorded for nominated account</b>
<b>Date</b>	<b>Date</b>