



Product Disclosure Statement

Date prepared: 11 August 2014

Issued by: Pacific Custodians Pty Limited,
ABN 66 009 682 866 Australian Financial Services
Licence No. 295142

Provided and Operated by: The Superannuation Clearing
House Pty Limited ABN 15 086 576 721 Corporate Authorised
Representative No. 290290

Phone: 1300 855 935

Correspondence to: The Superannuation Clearing
House PO Box 56 Parramatta, NSW, 2124

Website: www.sch-online.com.au

Email: support@schonline.com.au

Pacific Custodians Pty Limited can be contacted at:
Level 12, 680 George Street, Sydney, NSW 2000

Phone: (02) 8280 7100

1. About this document and the issuer	3
2. About SCH Online (the product)	3
3. Benefits	5
4. Risks	6
5. Fees and other costs.....	9
6. Privacy and confidentiality	10
7. Cooling off, support and dispute resolution.....	10
8. How to acquire this product.....	11
9. Cancelling this product.....	11
10. Terms and conditions	12

1. About this document and the issuer

1.1 What is a Product Disclosure Statement (PDS)?

A Product Disclosure Statement (PDS) is a document prepared by, or on behalf of, the issuer of a financial product and is required to be provided when an offer is made to issue the product. It is designed to help consumers compare products and make informed choices. A PDS must contain sufficient information about the product being offered to enable you to make an informed decision about whether or not to purchase the product.

1.2 About Pacific (the issuer) and TSCH (the provider/operator)

SCH Online is a financial product. Namely, it is a non-cash payment product (not a superannuation fund/product). It is issued by Pacific Custodians Pty Limited, which holds Australian Financial Services Licence (AFSL) No 295142 (Pacific). It is operated by The Superannuation Clearing House Pty Limited (TSCH), an Authorised Representative of Pacific (Authorised Representative No. 290290). That is, Pacific has appointed TSCH to operate the product on its behalf. Pacific is ultimately responsible for the product, services and TSCH.

As an Australian Financial Services Licensee, Pacific is subject to the *Corporations Act 2001* (Cth) and is regulated by the Australian Securities and Investment Commission (ASIC). It must have arrangements for compensating persons for loss or damage suffered because of breaches by it or TSCH. It does this by being covered by Professional Indemnity (PI) insurance arrangements (held directly, or through related bodies corporate). Because it is a custodian, Pacific also maintains net tangible assets (in cash or cash equivalent) of AUD\$10m, as required by law.

1.3 Up-to-date information

The information contained in this PDS is up-to-date at the time of preparation. Information that is not materially adverse is subject to change from time to time. Pacific reserves the right to change information in the PDS. Information that will not materially adversely impact you may be updated by a written update to this PDS which will be available via www.sch-online.com.au, and by paper copy free of charge on request. However, if the updated information may materially adversely impact you we will issue a supplementary or replacement PDS.

1.4 General information warning

The information contained in this PDS is provided for general information only and should not be taken as constituting professional advice. You should consider seeking independent legal, financial, taxation or other advice to determine how this information relates to your unique circumstances. Some terms have a defined meaning in this PDS; please refer to Section 10.12.

2. About SCH Online (the product)

SCH Online is a web-based, electronic payment facility that enables employers to make one or more bulk superannuation payments (accompanied by electronic contribution data), which is then broken up and distributed to the provider of the Nominated Superannuation Account(s) (or other Payment Agent(s)) by SCH Online, on the employer's (your) behalf. It is designed to reduce time and complexity for employers that need to pay superannuation contributions to multiple superannuation accounts.

2.1 How does SCH Online work?

SCH Online is accessed through the Employer Portal with Your Fund. From there, you are redirected to a secured website unique to Your Fund and are able to register for SCH Online.

You are able to make one or more bulk payments and submit electronic contribution data either via file or by entering data into the web interface. Once you have entered the data once, it will be stored for future reference to save you time and effort at the next Transaction. Available Payment methods include Authorised Bank Transfer (Self-Initiated Direct Debit), Electronic Funds Transfer, or BPAY®. You also need to provide us with details of a bank account that we can direct refunds to if required. If you pay by Authorised Bank Transfer, your refund account and debit account details must be the same.

SCH Online will break up the bulk payment in accordance with your instructions (the electronic contribution data detailing the amount in respect of each Employee and the Nominated Superannuation Account to be paid). Where the Nominated Superannuation Account is administered by an associate of TSCH, SCH Online will distribute the payment direct to the nominated account. Where the Nominated Superannuation Account is not administered by an associate of TSCH, SCH Online uses a Payment Agent to distribute contributions.

Money and/or data submitted to SCH Online will not constitute a Transaction unless and until the money has cleared into the SCH Online bank account and reconciles to the contribution data. The status of money and/or data submitted can be monitored via the Employer Portal with Your Fund. Reports of contributions and payments are available online.

For the step by step process of how you register for SCH Online, please refer to help guide available on the SCH Online website www.sch-online.com.au. A copy can also be obtained from us, upon request, at no charge.

2.2 Money received in connection with SCH Online

The amount of your Transaction (contributions plus fees payable (if any)) is paid by you, into a designated Pacific or TSCH bank account segregated from the assets of each company on an 'in trust for' basis. Fees and other amounts properly due to Pacific or TSCH are later deducted.

Incidental interest is earned on the bank account(s) during clearing. Generally, it is impracticable to account for interest attributable to each beneficiary during the clearing process. The cost of accounting for interest on a trust basis ordinarily outweighs the amount of interest payable and would also increase clearing times. As a result, Pacific and/or TSCH retain interest that is earned on the money held in their bank account(s) used in connection with SCH Online.

2.3 Your Superannuation Guarantee obligations

Making a payment to the SCH Online does not satisfy your obligations to make superannuation contributions within required time frames under the Superannuation Guarantee (Administration) Act 1992 (SGA Act). You must make sure superannuation contributions reach the Nominated Superannuation Account provider by the due date, allowing at least ten Business Days for receipt.

2.3.1 Contribution and payment timeframes

You should understand and make allowances for SCH Online processing times. To meet your obligations under the SGA Act you must allow sufficient time in total for your payment to reach the Nominated Superannuation Account providers.

The day your payment reaches the Nominated Superannuation Account provider depends on three factors:

- I. How you make your payment to SCH Online. Payments made by Authorised Bank Transfer (ABT) take three days longer to process than payments made by Electronic Funds Transfer (EFT) or BPAY;
- II. Our processing times, which are explained further below; and
- III. The time for the payment to reach the Nominated Superannuation Account provider if our Payment Agent is used to make payment to the Nominated Superannuation Account Provider. Payments made by cheque take longer to reach the destination fund than payments made by EFT.

SCH Online will normally send contribution data and disburse payment on to Your Fund, and other Nominated Superannuation Account providers administered by an associate of TSCH, as appropriate, on the Business Day after your payment has been cleared and matched to the contribution. For other Nominated Superannuation Account providers, not administered on this basis, a Payment Agent will be used. If the contribution is sent via our Payment Agent, they will take receipt on the Business Day after your payment has been cleared and matched to the contribution, and will normally send the contribution data and disburse payment on to the Nominated Superannuation Account provider by EFT on the day after they receive it, or post a cheque the day after that.

Payment processing by us may be delayed for a number of reasons. Please refer to section 4.1 in this document.

The expected time for a payment to reach Nominated Superannuation Account providers varies. For this reason, we recommend that you allow up to ten Business Days for payments to be received by all Nominated Superannuation Account providers.

2.3.2 If you pay by Authorised Bank Transfer (ABT)

An Authorised Bank Transfer is a self-initiated direct debit payment. Your payment will normally be received by Your Fund, by other Nominated Superannuation Account providers administered by an associate of TSCH, and by our Payment Agent, as appropriate, four Business Days after the scheduled payment date.

2.3.3 If you pay by Electronic Fund Transfer (EFT)

If you make the payment from your bank's internet payment site before 5pm EST time, your payment will normally be received by Your Fund, by other Nominated Superannuation Account providers administered by an associate of TSCH, and by our Payment Agent, as appropriate, two Business Days later. If you make payment after 5pm, payments may be received three Business Days later.

2.3.4 If you pay by BPAY

If you make the payment before 5pm EST, your payment will normally be received by the Your Fund, by other Nominated Superannuation Account providers administered by an associate of TSCH, and by our Payment Agent, as appropriate, two Business Days later. If you make payment after 5pm, payments may be received three Business Days later.

2.3.5 Over & under payments

The amount due for payment by you is the total of all contributions to all funds, plus any SCH Online fees and charges. The amount due is clearly displayed on the website when you submit a contribution. If you pay an amount greater than the total amount due, the surplus will be refunded to your nominated bank account.

If you pay an amount less than the total amount due (including any SCH Online fees and charges if applicable), we will send you an email to advise of the shortfall immediately after the payment is matched to the contribution. If we have not received another payment within 10 Business Days, the entire amount currently matched to the contribution will be refunded to your nominated bank account. No amounts will be disbursed to Nominated Superannuation Account providers and you will need to make other arrangements to meet your superannuation obligations.

If the amount cannot be refunded to your nominated bank account for any reason, we will make reasonable efforts to contact you to make alternate arrangements. If we are unable to refund the payment to you, the money may be treated as lost applications money and sent to the Australian Securities and Investments Commission (ASIC), in accordance with statutory requirements.

2.3.6 Limitations

Payments for contributions cannot be made to any Nominated Superannuation Account provider that does not have an active ABN. It is your responsibility at all times to conduct necessary investigations to confirm that Nominated Superannuation Account providers are compliant and capable of satisfying your SGA Act obligations. SCH Online will pay contributions in accordance with your instructions and will not check complying status of Nominated Superannuation Account providers.

3. Benefits

The potential benefits of SCH Online include, but are not limited to:

- being fully integrated with the Employer Portal of Your Fund – a single login that allows you to pay all contributions with a single payment;
- reduced complexity and administrative burden of making contributions;
- file-mapping functionality supports the import of contribution files from payroll systems and supports the automatic addition of new Employees and termination of existing Employees;
- simple and easy re-hire functionality, which is useful for casual and seasonal workers;
- ability to export contribution data and/or Employee data in various formats;
- single source for contribution history (self-serve) at both a contribution and Employee levels;
- ability to add and contribute to Self-Managed Super Funds;
- easy payments via EFT, BPAY or Authorised Bank Transfer (self-initiated direct debit);
- removes the need to register with each and every superannuation provider nominated by your Employee(s);
- reduced paperwork and may improve electronic record keeping; and
- save time and stress.

4. Risks

It is important for you to understand the risks associated with SCH Online. Voluntary acceptance of these risks forms part of the terms and conditions of acquiring and using SCH Online. If you are uncomfortable accepting these risks, you should consider whether this product is appropriate for you.

4.1 Risks within your control

4.1.1 Accuracy

The accuracy of the information that you provide and accurate amounts paid for the attempted Transaction are imperative to SCH Online operating effectively. Money and/or data submitted to SCH Online will not constitute a recognised Transaction unless and until the money has cleared into the SCH Online bank account and reconciles to the contribution data. If the contribution information or payment amount that you provide is inaccurate, it may result in:

- the contribution not reaching the Nominated Superannuation Account;
- an incorrect allocation;
- delays of contributions reaching the Nominated Superannuation Account;
- us refunding the contribution to You;
- you not meeting your legal obligations (and be subject to statutory penalties);
- your Employees not receiving their entitlements in a timely manner.

TSCH will rely on the data submitted for a Transaction in good faith. Once a Transaction has been processed and cleared, TSCH will no longer hold the money and will not be able to reverse or refund a Transaction. Pacific and TSCH will not be liable to you or any other person for any loss howsoever incurred in relation to this risk.

4.1.2 Timeliness

Completing a Transaction close to the superannuation guarantee cut off dates may result in you not meeting your compliance obligations. SCH Online will use reasonable endeavours to remit contributions to the Nominated Superannuation Account(s) as directed by you, in accordance with the timeframes disclosed in this PDS. However, once the amounts are disbursed to the provider of the Nominated Superannuation Account, it may take a number of days for money to clear into that provider's bank account and for them to process/allocate the contribution to your Employee's superannuation account. You need to consider these timeframes when paying superannuation contributions via SCH Online to ensure that you meet your compliance obligations. As noted above, we recommend that you allow up to ten Business Days for payments to be received by all Nominated Superannuation Account providers.

Where a Transaction has been handled in accordance with this PDS, Pacific and TSCH will not be liable to you or any other person for any loss howsoever incurred in relation to this risk.

4.1.3 Safeguarding log in credentials and passwords

Your Employer Portal log in credentials and password(s) must not be disclosed to any other person. Transactions can only occur through secured, user authenticated log in. If your credentials and passwords are compromised you may be exposed to risks of fraud or unauthorised Transactions. You must notify us or Your Fund immediately if you think that your credentials or password have been compromised.

TSCH will rely on information submitted by you in good faith. Once a Transaction has been processed and cleared, TSCH will no longer have control of the money and will not be able to reverse or refund a Transaction. Pacific and TSCH will not be liable to you or any other person for any loss howsoever incurred in relation to this risk.

4.2 Information technology (IT) risk

SCH Online is a web-based payment system that necessitates the use of computers, IT networks and the internet. While Pacific and TSCH take reasonable steps to protect SCH Online from information security risks, there is inherent risk in using information technology and related services over the internet. Such risks may include, but are not limited to: malware, computer virus, unauthorised interference with data, data loss, internet unavailability, computer error or malfunction, cyber hacking, etc. These risks are generally beyond the control of Pacific and TSCH, who will not be liable to you or any other person for any loss howsoever incurred in relation to these risks.

4.2.1 Delays due to system downtime or malfunctions

If TSCH's or our Payment Agent's computer systems or connections to the internet become unavailable we will take appropriate action to return them to full service. Computer system downtime may result in unavailability of the Employer Portal or TSCH's processing capability. In this case you may not be able to submit or pay a contribution, or we may not be able to process it within normal timeframes.

From time to time, your Employer Portal and/or SCH Online may be unavailable. Where this occurs, you will still be responsible for ensuring that you meet your SGA Act obligations, notwithstanding this unavailability. Pacific and TSCH will not be liable to you or any other person for any loss howsoever incurred for any delays caused by computer system downtime beyond our control. As access to SCH Online is dependent on connection to the internet, neither Pacific nor TSCH warrants or represents that access to SCH Online will be error free or uninterrupted.

4.3 Counterparty risks

Pacific and TSCH rely on contracts with a number of counterparties in order for SCH Online to operate effectively. Examples include Your Fund, providers of bank accounts, internet service providers and Payment Agents. While controls are in place to monitor and manage such relationships and/or services to mitigate operational risks, the termination of a contract or default of a service provider may prevent contributions being made, received or passed through SCH Online, and/or may prevent or hinder contributions reaching Nominated Superannuation Accounts within due dates, which may result in you breaching your compliance obligations.

Where all reasonable steps have been taken to provide SCH Online in accordance with this PDS and to manage counterparty risk by the exercise of due diligence in the selection, appointment and monitoring of service providers, Pacific and TSCH will not be liable to you or any other person for any loss howsoever incurred.

4.4 Payment to SCH Online does not discharge your obligations under the SGA Act

A Transaction made to SCH Online does not discharge your compliance obligations under the SGA Act. Contributions must reach the superannuation provider within required time frames under the SGA Act in order to satisfy your obligations. Pacific is responsible for SCH Online being provided in accordance with this PDS. However, you remain responsible for meeting your obligations under the SGA Act at all times

Delays in superannuation contributions reaching superannuation funds are possible when using SCH Online. A delay may result in you failing to meet your obligations under the SGA Act.

4.5 Errors and/or delays caused by TSCH or SCH Online

TSCH will exercise reasonable care and skill in the provision of SCH Online and in remitting contributions to Nominated Superannuation Account(s) or Payment Agent(s) in accordance with your contribution instructions and in accordance with this PDS. However, errors and/or delays may occur that could cause you not to meet your obligations under the SGA Act.

If you believe that an error has occurred in processing your instructions, you must notify us as soon as possible and include the details of the transaction in question. You must provide us, in a timely manner, with all reasonable information that we request to investigate and resolve the issue.

Where a delay or an error occurs, TSCH will take all reasonable steps to rectify the Transaction as soon as possible. Pacific is responsible for the conduct of TSCH and any failure to provide SCH Online in accordance with this PDS.

Pacific and TSCH are not responsible for any errors made by the Nominated Superannuation Account providers or Payment Agent(s) in accepting contributions remitted correctly through SCH Online.

4.6 Non-payment of superannuation contributions

4.6.1 Short payment

If you pay an amount less than the total amount due (including any SCH Online fees and charges if applicable), and a top-up payment is not received within 10 Business Days, the entire payment will be refunded to your nominated bank account. No amounts will be disbursed to Nominated Superannuation Account providers and you will need to make other arrangements to meet your superannuation obligations.

4.6.2 Rejected contributions

Contributions may be rejected by Nominated Superannuation Account providers for a number of reasons, for example;

- inability to allocate money to a fund member due to inaccurate information provided by you, or
- if you are not a participating employer for the fund; or
- the provider determines that it is not eligible to accept the contribution.

If a contribution is rejected and refunded to our Payment Agent, the amount will be refunded by the Payment Agent directly to you by EFT. The Payment Agent will send an email to you providing information that the Nominated Superannuation Account provider has given to them relating to the rejection. Pacific and TSCH will have no further obligations in these cases.

If the amount cannot be refunded to your account for any reason, we will make reasonable efforts to contact you to make alternate arrangements. If the payment is unable to be refunded to you, the money may be treated as lost applications money and sent to the Australian Securities and Investments Commission (ASIC), in accordance with statutory requirements.

5. Fees and other costs

5.1 Price of SCH Online

The following six points explain how much SCH Online will cost to use:

1. There is no fee for joining or exiting SCH Online;
2. There is an AUD\$2.95 fee for each Transaction (note point 6 below);
3. There is no additional charge for contributions to Employees in Your Fund;
4. There is no additional charge for the first 20 Employees in your Transaction;
5. Once the total number of Employees in your Transaction exceeds 20, each Employee whose contribution is directed to another superannuation account (that is, not in Your Fund) attracts an additional AUD\$0.65 charge per Employee (Note: point 3 above and point 6 below).

6. Above are the maximum fees and charges*. From time-to-time, the amount payable by you may be less than that quoted above. Where this applies you will receive specific notification. In all other circumstances, the fees and charges above will apply.

Note:

- The fees and charges payable by you (if any) are added to the contribution total, at the time of payment;
- A fee and charge calculator is available on the SCH Online website by visiting <http://sch-online.com.au/product/pricing/>

Example:

Fee Scenario Two

Contribution with more than 20 employees but less than 20 in Your Fund

15

Default Employees

10

Choice Employees

In a single contribution you specify to pay for 25 employees. Of these, 15 employees contributions are to Your Fund and 10 employees contributions are to Nominated Superannuation Account provider, your fees and charges payable would be:

\$2.95		per transaction fee inc GST
\$0.00	15 employees with Your Fund	no per employee fee
\$0.00	5 employees with Nominated Superannuation Account provider	no per employee fee for those employees with Nominated Superannuation Account provider who are under the 20 employee threshold
\$3.25	5 employees with Nominated Superannuation Account provider	5 employee contributions at \$0.65 inc GST to Nominated Superannuation Account provider, these choice employees are those over the 20
\$6.20	Total fees and charges	

If the 10 employees being paid to the Nominated Superannuation Account (Choice) belong to 4 different Super Funds, and it takes approximately 15 minutes to prepare, process and pay each different Super fund's contribution, then using SCH Online you will save one hour of work for \$6.20.

* SCH Online fees and other costs are subject to change. If any change will result in an increase to fees and other costs disclosed above, we will provide you with notice prior to the change and will also provide you with an updated PDS.

5.2 Tax

GST is payable on any SCH Online fees (and charges) and is included in the amount displayed to you. A tax invoice is available for download at the time of contribution submission.

To understand the tax implications relating to payment of superannuation contributions relevant to your circumstances, it may be appropriate for you to seek professional taxation advice.

6. Privacy and confidentiality

Both Pacific and TSCH are each subject to, and are committed to complying with, the *Privacy Act 1988* (Cth) (Privacy Act), including the Australian Privacy Principles. Personal information of individuals will only be used for the purposes of providing SCH Online as set out in this PDS, or as otherwise permitted by law.

The provision of SCH Online is supported by related bodies corporate of Pacific and TSCH, who will have access to personal information in connection with SCH Online. Those related bodies corporate are also subject to the Privacy Act and the same group privacy policy, known as the 'Link Group Privacy Policy'. You can obtain a copy of the policy free of charge from the SCH Online website or by contacting us.

TSCH will provide personal information to our Payment Agent as set out in this PDS. Where necessary, TSCH may also disclose personal information received in connection with SCH Online to auditors, contractors, consultants and legal advisers.

The types of information that may be disclosed include, but are not limited to:

Your:	Your Employee's:
employer ID, created by SCH Online	payroll ID
registered name as held in our systems	given name(s) & surname
Australian Business Number	date of birth
bank account details, for the purpose of refunds	Tax File Number
contact details: name, phone number, email address, postal address	fund member ID
contribution amounts	

Information provided through SCH Online will not update Employee records with the Nominated Superannuation Account providers.

7. Cooling off, support and dispute resolution

7.1 Cooling off

If you accept the terms and conditions of this PDS and activate SCH Online, you are not obliged to use the facility. There are no fees, charges or other costs associated with acquiring or cancelling SCH Online. You are able to cancel the product at any time. Fees and charges are only incurred if you use the facility.

7.2 Telephone and email support

TSCH has a dedicated team to support queries relating to the SCH Online. You can call TSCH support on 1300 855 935 or send an e-mail to support@schonline.com.au

7.3 Dispute resolution systems

7.3.1 Internal (at first instance)

We have an established process for dealing with enquiries and complaints about Pacific, TSCH or SCH Online and will make all reasonable efforts to resolve complaints within 45 days of receipt.

If you have a complaint about us or SCH Online, please write to:

Attn: The Complaints Officer
The Superannuation Clearing House Pty Limited
PO Box 56
Parramatta, NSW, 2124

In the event of a dispute, we will continue to provide SCH Online in accordance with this PDS, unless:

- (a) the product is cancelled; or
- (b) you do not pay all fees due and payable.

7.3.2 External (escalation)

Pacific is a member of the external dispute resolution provider, the Financial Ombudsman Service Limited (FOS) (Membership No. 12261). FOS fairly and independently resolves disputes between consumers and financial services providers. This service is free to consumers. There is no need to obtain legal or other advice when lodging a dispute unless you wish to. If you choose to use an adviser you will have to pay for the advice yourself.

Having made a complaint through our internal dispute resolution process described above and you are not satisfied with the way that your complaint is handled, your complaint has not been resolved to your satisfaction or you do not receive a response from us in 45 days, you may be able to lodge a complaint with FOS. However, FOS can usually only become involved after you have exhausted our internal dispute resolution process.

FOS can be contacted via:

Post to: Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
Phone: 1300 78 08 08 or (03) 9613 7366
Fax: (03) 9613 6399
Email: info@fos.org.au
Web: www.fos.org.au

8. How to acquire this product

To acquire and use SCH Online, you need to:

- a) read the FSG and PDS and contact us if you have any queries. You should consider seeking independent legal, financial, taxation or other advice to see if this product is appropriate for you.
- b) log into the Employer Portal of Your Fund, using your normal username and password (if you do not have access, please contact Your Fund). Navigate to the Preferences page and tick the box stating that you wish to use SCH Online and that you have read and agree to accept the terms and conditions contained in this PDS. Provide your ABN and bank details (if they are not already recorded in your Employer Portal).
- c) make a payment for contributions via your Employer Portal.

9. Cancelling this product

If you decide to acquire this product, it will continue to be provided until it is cancelled either by you or by us.

9.1 You may cancel this product

You may cancel this product at any time by logging into the Employer Portal with Your Fund, using your normal username and password. Navigate to the preferences page and uncheck the box to use SCH Online.

Any contributions already in progress via SCH Online will continue through until completion. Future contributions through the Employer Portal will be limited to Your Fund only. Any information you have entered in the SCH Online system will no longer be accessible online if you cancel the product.

9.2 We may cancel this product

We reserve the right to immediately cease providing you with SCH Online in the following circumstances:

- you breach any of the terms and conditions set out in this PDS;
- you cease being a participating employer sponsor of, or contributing to Your Fund;
- Your Fund ceases to provide the Employer Portal;
- the agreement between TSCH and Your Fund ceases;
- information security is compromised;
- continuing to provide SCH Online would be in breach of the law.

In all other cases, we will give you at least thirty (30) days written notice before we cease providing SCH Online.

9.3 What happens when the product is cancelled

After the product has been cancelled, we will complete any instructions you have given us at the time of cancellation.

Within 28 Business Days of the product being cancelled:

- we will deliver to you any property under our control which belongs to you; and
- you will deliver to us any property under your control which belongs to us.

10. Terms and conditions

10.1 Acceptance of risks, terms and conditions

Despite section headings, risks, terms and conditions are contained throughout the entirety of this PDS; not just in this section. If you chose to acquire or use SCH Online, you agree to voluntarily accept the risks and be bound by the terms and conditions set out in this PDS.

When you agree to use SCH Online, all contributions you make via your Employer Portal will be made through SCH Online. You may incur fees and charges as set out in section 5.1 when you make these contributions, whether or not a particular contribution includes contributions to funds other than the Your Fund.

10.2 Authority to acquire product

You represent and warrant that you have all the rights, power and authority to acquire this product on behalf of the employer.

By acquiring this product, you give us the authority to:

- a) provide your Transaction information to the Bank, our Payment Agent, Your Fund, and/or Nominated Superannuation Account providers for the purposes of facilitating superannuation contributions (including receiving, remitting, and refunding); and
- b) disclose information to or otherwise deal with, related bodies corporate and necessary third parties in relation to providing SCH Online as set out in this PDS, which includes investigating, contacting and receiving instructions from undisclosed third parties and other persons in order to rectify any errors or delays.

10.3 Remitting contributions

We will be under no obligation to remit contributions to Nominated Superannuation Account providers as directed by you unless and until you complete a Transaction (see defined terms).

We have no responsibility to ensure that your contributions are received by Your Fund or Nominated Superannuation Account providers. TSCH does not check, represent or warrant that any Nominated Superannuation Account providers you direct us to remit contributions to are compliant or eligible to receive your contributions. It is your responsibility to ensure that you discharge your legal obligations when completing a Transaction through SCH Online.

10.4 Liability and indemnity

Neither we nor Pacific will be liable to you or any of your Employees if for any reason a contribution is not paid by a date required by law. This may occur as a result of the Transaction failing for any reason.

Neither we nor Pacific will be responsible for any delays that may occur in remitting Transactions where:

- a) your instructions are received either on a day which is not a Business Day, or after 5pm EST on a Business Day;
- b) your instructions contain errors or omissions; or
- c) your payment does not match the amount payable, including any fees owing.

Neither we nor Pacific will be liable for any loss or damage caused in the proper performance of the services offered through the SCH Online product as set out in this PDS, other than loss directly caused by our default or negligence.

Subject to section 4.5 neither we nor Pacific will be liable to you or to your Employees, or to any other party, for any loss, whether direct or indirect, caused by a failure of the SCH Online or our Payment Agent's computer systems to complete an instruction correctly, nor for any loss where such loss is wholly or substantially due to a force majeure event, which includes any cause beyond our control, including war, sabotage, terrorist activity, national emergency, blockade or governmental action, inaction or request, and act of God.

10.5 Your indemnity

You agree to indemnify and hold Pacific and TSCH harmless against any loss, claim, penalty or liability howsoever incurred as a direct result of any omission or act taken by us in good faith in compliance with any request, notice or consent (whether written or oral), reasonably believed by us to be lawfully provided by you or your agent, and otherwise in compliance with the terms and conditions as set out in this PDS.

10.6 Insurance

Pacific will ensure that it is covered* at all times by adequate crime insurance and professional indemnity insurance covering the provision of SCH Online and the financial services provided by Pacific and TSCH.

* Insurance cover may be held by Pacific directly, or Pacific may be covered under a policy held by a related body corporate. Pacific's compensation arrangements comply with section 912B of the *Corporations Act 2001* (Cth).

10.7 Changes to terms and conditions

We reserve the right to change the terms and conditions set out in the PDS at any time. We will give you at least thirty (30) days written notice prior to any significant, material or adverse changes taking effect.

You agree that we can give notice of changes to the terms and conditions set out in the PDS in writing, electronically (including by posting the changes on SCH Online) or in any other way permitted by law.

10.8 Agents and sub-contractors

We will appoint a Payment Agent to process contributions to Nominated Superannuation Account providers that are not administered by associates of TSCH and may appoint an agent or sub-contractor to perform any of the services offered through the SCH Online product as set out in this PDS.

10.9 Serving of notices

All formal notices required to be given or served in relation to Pacific, TSCH or SCH Online must be in writing and will be deemed to be properly given or served if signed by an authorised person and delivered to the party at their address or sent by pre-paid post, hand or courier delivery or email.

10.10 Entire agreement

The terms and conditions contained in this PDS represent the entire agreement between the parties despite any prior negotiations, representations, warranties, covenants, understandings or agreements made or entered into before you acquire this product.

10.11 Governing law

The terms and conditions in this PDS are governed by the laws in force in New South Wales and you submit to the exclusive jurisdiction of the New South Wales courts at Sydney, Australia.

10.12 Important terms

In this PDS, unless the contrary intention appears, the following terms will have the following meanings:

Bank means a body corporate that is an Australian authorised deposit-taking institution (ADI) in relation to which an authority under section 9 of the *Banking Act 1959* (Cth) is in force;

Business Day means between the hours of 9am and 5pm EST on a day that is not a Saturday, a Sunday, a public or banking holiday in the state of New South Wales;

Complying Superannuation Fund includes, but is not limited to, a superannuation fund that complies with section 42 of the *Superannuation Industry (Supervision) Act 1993* (Cth). Complying funds are listed on www.superfundlookup.gov.au.

Contribution has the same meaning as the corresponding term in the *Superannuation Industry (Supervision) Regulations 1994* (Cth), and includes Superannuation Guarantee (SG) Contributions;

Employee has the same meaning as defined in section 12 of the SGA Act (as amended from time to time) and may include persons directly employed by you, certain contractors and/or persons you pay to perform, present or participate in certain activities. Please refer to the SGA Act for details;

Employer Portal means the web facility through which you gain electronic access to your employer account with Your Fund.

GST has the same meaning as the corresponding definition in the GST Act;

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth);

Nominated Superannuation Account means an account dedicated for an individual with a superannuation account provider (other than Your Fund), that you have instructed us to disburse your contributions to, presumably in accordance with choice/instruction given to you by your Employee;

Our means Pacific and/or TSCH;

Pacific means Pacific Custodians Pty Limited ABN 66 009 682 866 AFSL 295142;

Party means Pacific, TSCH or you, or a combination as appropriate;

Payment Agent means the service provider that we contract with to assist in the distribution of contributions to Nominated Superannuation Accounts with providers not administered by associates of TSCH.

PDS means this Product Disclosure Statement;

SCH Online means 'Superannuation Clearing House Online', which is the product being offered under this PDS;

SGA Act means the *Superannuation Guarantee (Administration) Act 1992* (Cth);

Superannuation Guarantee (SG) Contributions means the Contributions an employer is required to pay on behalf of its Employee(s) under the SGA Act;

Tax Invoice has the same meaning as the corresponding definition in the GST Act;

Transaction means when the total sum of contributions, fees and charges payable to SCH Online for a particular payment, appear as cleared and confirmed funds (in AUD\$) in Pacific or TSCH's bank account, and also reconciles with contribution data submitted for that particular payment, in an approved format. One Transaction may contain multiple contributions for multiple Employees. A Transaction will not have taken place until the above occurs, and the funds are both cleared and reconciled in accordance with this definition.

TSCH means The Superannuation Clearing House Pty Limited ABN 15 086 576 721;

Us means Pacific and/or TSCH;

We means Pacific and/or TSCH; and

You means a person (including natural person, body corporate, partnership, multiple trustees) who has acquired, or is considering acquiring, the product offered under this PDS. It is assumed you wish to, or have obligations to, make superannuation contributions for Employees.

Your Fund means the Responsible Superannuation Entity with whom you are a participating employer sponsor and whose trustee has an arrangement with The Superannuation Clearing House Pty Limited;

Unless a contrary intention appears:

- a) a reference to a statute, ordinance, code or other law includes its regulations, consolidations, amendments, re-enactments or replacements of it;
- b) singular includes plural and vice versa;
- c) person includes a body corporate, a firm, an unincorporated association or statutory authority;
- d) reference to TSCH includes its successors or permitted assigns and (where applicable) its servants, agents and contractors;
- e) reference to a monetary amount is references to Australian currency.