Electronic Payment Services

Product information guide

July 2016
This document describes the Electronic Payment Services (EPS) offered by Automatic Data Processing Limited (ADP) and provides an understanding of what to expect from your interactions with ADP and the use of our EPS product.

Who is ADP?
Automatic Data Processing Limited ABN 70 003 924 945 (ADP) is a subsidiary of Automatic Data Processing, Inc which is headquartered in Roseland, New Jersey in the United States of America.

ADP, provides globally a range of payroll and human resource administration solutions for organisations of any size within any industry. Here in Australia, ADP maintains offices in Melbourne, Sydney, Brisbane, Adelaide and Perth. ADP has been granted an Australian Financial Services Licence (AFSL No. 312078) by the Australian Securities and Investments Commission which authorises it to issue EPS as a non-cash payment facility and to provide general financial product advice concerning EPS. General enquiries regarding EPS can be directed to:

Automatic Data Processing Limited EPS Team
Level 1, 6 Nexus Court
Mulgrave 3170 Victoria

Telephone: 1300 955 280
Email: eps@au.adp.com
Website: www.adppayroll.com.au

Electronic Payment Services

What is EPS?
ADP Electronic Payment Services (EPS) enables employers to make electronic transfers to recipient organisations for a wide range of employee related deductions and benefits. This includes PAYG withholding tax payments to the Australian Tax Office, superannuation contributions, insurance premiums, car leasing payments and so on. It allows the recipient, which could be the trustee or administrator of a superannuation fund or insurer, to receive those payments or transfers using the streamlined features of EPS. EPS is designed to simplify data and funds exchange between employers (on behalf of their employees) and recipients. Employers can channel all payroll deduction data and payments to many different recipients, using one online interface.

How can employers use EPS?
ADP requires employers to sign a service agreement for the provision of EPS. This service agreement will detail the terms and conditions under which we'll make EPS available to you. To use EPS we require that you provide information about your business. We require details of the recipient organisations to which you wish to transfer payments and details of your account held with a bank or other approved Australian deposit taking institution (e.g. building society, credit union etc.) that permits non-cash payments to be made. Once your business details are established in EPS, you may provide instructions on any configuration changes such as new recipient organisations to be set up or changes to the account from which your payments are made, using our online, secure internet facility, or emailing (a scanned copy) a completed form/s to us. Instructions as to amounts to be transferred from your account will take the form of electronic data records that may come from your payroll instructions to us or they may be loaded directly by you into our secure internet facility and confirmed by you online.

How do we protect your privacy?
ADP is committed to complying with the requirements of the Privacy Act 1988 when it comes to handling personal information that you provide. Please visit our website www.adppayroll.com.au/privacy for further information regarding our security and privacy policies.

What is the cost of EPS?
The costs of the EPS service for your business can be obtained from the EPS Service team or an ADP sales consultant. Please note that ADP may charge you for any time changes or introduce new fees and charges for EPS in accordance with the service agreement. Please see the ‘Questions and Answers’ section of this Guide for further information about the cost of EPS. ADP will retain interest accrued on funds held in EPS trust accounts during the clearing and reconciliation period between receipt of transfer monies from employers and payment to recipients.

Issue resolution and complaints
We have a simple and accessible process which you can use for any issues or complaints you have regarding EPS. In the first instance please contact the EPS Service Team by telephone on 1300 955 280 or by email to eps@au.adp.com.

If your issue remains unresolved, you may contact the ADP Dispute Resolution Officer (DRO) by sending an email to DRO@au.adp.com. Please provide as much detail as possible regarding the unresolved issue and the reasons why you disagree with the response from the EPS Service Team. If the DRO is unable to resolve your issue, it will be referred to the ADP Dispute Resolution Committee. If you remain unsatisfied, you may lodge your complaint with the Financial Ombudsman Service. Their contact details are GPO Box 3, Melbourne Victoria 3001, Telephone: 1300 780 808

Professional indemnity insurance
ADP has a Professional Indemnity Insurance Policy (PI Policy) in place. The PI Policy covers ADP and its employees for claims made against ADP and its employees as a result of their conduct in the provision of EPS Services.

Would you like more information?
For further information relating to product, the cost of EPS or aspects of our services related to EPS, please contact our EPS team on 1300 955 280 or email eps@au.adp.com
Questions & Answers

The following information is general advice to all our clients and has been prepared without taking into account an individual client's objectives, financial situation or needs. Before deciding to use EPS, you should read this Guide and consider whether EPS is appropriate for you.

Electronic Payment Services

EPS is a payment solution offered by ADP Employer Services (ADP) to allow employers to make superannuation, PAYG and other employee entitlement payments from one channel to different recipient organisations. It is a service primarily designed to streamline and simplify data and funds exchange between employers and recipients organisations (such as Superannuation Funds, ATO and Health Insurance providers).

EPS is an ATO certified SuperStream solution. All relevant superannuation data is sent in accordance with the SuperStream file specifications and linked to the payment using a Payment Reference Number (PRN).

Yes, in most cases the ADP sales person with which you deal will receive a small commission payment as a result of the sale. This is in line with ADP sales reward procedure and represents a very small component of their overall remuneration.

EPS requires internet access and no special software other than a standard Web Browser. We can provide full specifications on request. All prospective EPS clients must pass ADP's a Know your Transaction (KYT) and Anti Money Laundering (AML) screening process prior to receiving EPS.

Subject to the client providing necessary and accurately completed documents and relevant Anti Money Laundering checks being satisfied, the amount of time taken to set up a client and to link all their recipient organisations to their client profile within the system normally takes up to five business days. It may take longer for larger clients.

Electronic Payment Services

EPS provides a single distribution channel for all employee deductions and entitlements to recipients across all sectors of the market. Some of the main types of recipient organisations include:

- ATO for PAYG withholding tax
- Superannuation funds, including Self Managed Super Funds
- Health funds
- Childsupport
- Leases and other fixed payments
- Life and general insurance
- Share Plans
- Memberships, professional associations and union subscriptions
- Donations
- Garnishee payments

Cheque payments can still be made for non-superannuation payments or superannuation payments exempt from SuperStream. SuperStream legislation states that all superannuation payments (unless exempted) must be made electronically (EFT or Bpay). EPS will make all superannuation payments via EFT to the bank accounts supplied by the superannuation funds.

Electronic payment is the preferred method as it is quicker and removes the risk of potential late or misplaced payments.

The cost is expected to be no more than 34c per employee per process plus GST. The cost of the service will depend on the range of ADP services that are used. Where contributions are not paid by direct debit from your account, an additional fee of 31c per employee per process plus GST applies.

We can provide a specific costing after discussing your service needs.

The key benefits of EPS for employers include being able to make all employee deduction and entitlement payments through one interface, potentially reduced administration costs related to writing cheques and producing lodgement reports to be posted to different organisations.
**Questions & Answers**

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<th>Electronic Payment Services</th>
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<tr>
<td><strong>What benefits do recipients gain from Electronic Payment Service?</strong></td>
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<tr>
<td>The key benefits of EPS to recipients are reconciled data and payment, cleared funds with no dishonours, standard electronic data file format or customized data files to suit individual recipients for straight through processing and regularly scheduled payments.</td>
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<tr>
<td><strong>Is my data transfer secure with EPS?</strong></td>
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<tr>
<td>EPS data and reports are held on a secure server in ADP’s data centre located in Melbourne, Victoria. All files stored on the server are encrypted. Once successfully logged in, you connect to our server through an SSL secure connection. EPS uses technologies equivalent to those used by the banks in their internet banking applications.</td>
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<tr>
<td><strong>How do I give you the money to cover the payments, by cheque?</strong></td>
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<tr>
<td>EPS does not accept cheque payments. The standard method of funds collection is by direct debit or direct credit. This is facilitated by signing relevant forms to allow ADP to direct debit or for you to authorise direct credit for the relevant amounts from your nominated bank account.</td>
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<tr>
<td><strong>How does the payment process work?</strong></td>
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<td>Contributions are paid to recipients after a minimum of two to five business days from the date on which the funds are received in our EPS bank account(s). Payments are generated five business days later where funds are collected by direct debit, or two business days later when funds are received by direct credit. When we transfer contributions to a recipient, we act on your behalf as your agent.</td>
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<tr>
<td><strong>Why is there a delay between ADP getting payment and ADP making payment to recipients?</strong></td>
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<td>When we collect funds from you via direct debit there is a banking industry period of three business days at the end of which ADP will be informed of any rejections or problems with a direct debit request that causes it to fail. This accounts for the first three business days. On the fourth business day we reconcile all funds collected and address any file rejections and on the fifth business day the payments are generated.</td>
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<td><strong>What if I don’t have enough money in my account when ADP perform the debit?</strong></td>
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<td>In this case our debit of your account will dishonour and no payments will be performed. We will contact you to determine if you wish to make the payments yourself on that specific occasion or whether you wish ADP to resubmit the debit after you have transferred sufficient funds to your bank account. Dishonour fees (approx. $16 per process) and resubmission fees may apply (approx. $32 per process).</td>
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**Electronic Payment Services**

| EPS will only debit the amounts in accordance with your advice of what amounts need to be distributed. This data is loaded by you and the total amount to be debited is reported to you on the day of the debit. You must so notify us not less than five business days prior to the date on which you wish to cease having contributions payable to any recipient or debited by us from you. A fee for cancellation may apply (approx. $16 per process). |
| **Does ADP hold my funds in an interest bearing account?** |
| ADP holds all funds on trust in interest bearing bank accounts with funds of other clients during the clearing period. ADP is entitled to all the interest accrued from funds held in the bank accounts. |
About ADP

ADP has worked with Australian businesses for more than 35 years and has over 7000 clients. Globally, the ADP group is one of the largest providers of Human Capital Management and payroll solutions, serving more than 650,000 clients. We provide our customers with a platform to mitigate compliance risk, deliver business insight and gain operational efficiency. From software to outsourcing solutions, organisations of all sizes take advantage of ADP’s deep expertise to free their teams and help them focus on driving greater business results. For more information, visit adppayroll.com.au

Connect with us:

1800 000 729
adppayroll.com.au
blog.adppayroll.com.au
Search companies for ‘ADP Australia and New Zealand’
@ADP_ANZ
youtube.com/user/ADPANZ

Office Locations:

Adelaide
Level 1, 1284 South Road
Clovelly Park, SA 5042

Brisbane
Level 1, Building 2
Gateway Office Park
747 Lytton Road
Murarrie QLD 4172

Melbourne
Level 1, 6 Nexus Court
Mulgrave VIC 3170

Perth
The Gateway
G2/59 Albany Highway
Victoria Park WA 6100

Sydney
Level 3, 15 Bourke Road
Mascot NSW 2020