

Product Disclosure Statement (PDS)

22 May 2023

CFS Clearing House is offered by Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL), the issuer of this PDS.

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CFS Clearing House at a glance

What is CFS Clearing House?

CFS Clearing House is a non cash payment service used by employers to process Superannuation Guarantee (SG) contributions into their employees' super accounts. One of the impacts of Choice of Fund and the introduction of 'stapled fund' rules is that employers may have to make SG contributions to a wide range of chosen and stapled funds for their employees. CFS Clearing House is our solution to help you avoid this administrative headache.

Who can use CFS Clearing House?

CFS Clearing House has been established by CFSIL and is for the use by employers who offer FirstChoice Employer Super as their default super fund.

In order to use the CFS Clearing House, you will need access to FirstNet Employer (FirstNet). FirstNet is CFS' secure online service that allows you to easily administer your company's FirstChoice Employer Super plan from your office.

How to use CFS Clearing House

Your FirstChoice Employer Super plan contact (usually the administrator or payroll manager within your company) will be able to log on to FirstNet to update employee details and to make employee super contributions.

When your plan contact wishes to process your employees' super contributions, they simply send a single payment, and FirstNet will distribute that payment to your employees' chosen (or stapled) super funds. Where employees have not made a choice and (where they commenced employment on or after 1 November 2021) do not have a stapled fund, their contributions will be paid to FirstChoice Employer Super.

Payments to FirstChoice Employer Super accounts are processed on the same day, while payments to other super funds are transferred on the next working day.

The contributions you pay to your employees' superannuation fund other than FirstChoice Employer Super won't be considered paid until they reach the relevant super fund of that employee. Therefore, you must pay your contributions, upload and confirm your contribution file on FirstNet well in advance of the SG due dates (see table below) and before the end of the financial year.

Quarter	Due date ¹ for payment	Due date to lodge SG statement with ATO
July–September	28 October	28 November
October–December	28 January	28 February
January–March	28 April	28 May
April–June	28 July	28 August

1 To avoid the super guarantee charge (SGC) payments must be received by the fund on or before the due dates. Where a due date falls on a weekend or a public holiday, payment can be made on the next business day.

Note: There may be implications for you and/or your employee if contributions are not received in time. Refer to the section entitled ‘Risk that contributions not received in advance of SG due dates’ in this PDS for further information.

Offered by CFS

At Colonial First State, we’ve been helping Australians with their investment needs since 1988.

We’ve become one of Australia’s leading financial services organisations that provides investment, superannuation and pension products to individual, corporate and superannuation fund investors.

Our business has been built on people who exercise good judgement and are acknowledged as leaders in their respective fields of expertise. We’ve succeeded by doing the small things well, and we’re absolutely dedicated to the financial wellbeing of our investors.

For further information about Colonial First State, please refer to the ‘About Us’ section of our website cfs.com.au

CFS Clearing House contact details

GPO Box 3956
Sydney NSW 2001

Telephone: 1300 654 666

Email: employer@cfs.com.au

Benefits of CFS Clearing House

CFS Clearing House provides the following benefits:

- Reduced administrative burden by allowing employers to process contributions for all employees at once, regardless of their super fund

- Compliance with SuperStream data and payment standards
- Protects the privacy of contribution data through secure FirstNet login
- No charge for employers. Note: We reserve the right to charge a fee for offering this service in the future.

Key risks of using a clearing house

Risk that contributions are not received in advance of SG due dates

As CFS Clearing House is not a superannuation fund, the contributions you pay to CFS Clearing House will not be considered to be made until they reach the relevant super fund for the employee.

If you do not allow enough time for this processing, your contributions may not reach the relevant super fund in time and may impact:

- whether you will be considered to have complied with your SG obligations
- in which financial year the contribution is made for the purposes of tax deductibility
- in which financial year a contribution will count against an employee’s contribution caps.

Risks related to provision of incorrect information

It is important that the information you provide to us is correct and complete. Errors may result in delays in processing or rejection of contributions.

Risks related to unauthorised access

You must take appropriate steps to ensure FirstNet login details, including passwords are kept secure. Refer to the CFS Clearing House Terms and conditions in this PDS for information on what to do if you suspect unauthorised access has occurred.

Technology risk

There may be times when FirstNet and/or CFS Clearing House is not available. This can be due to scheduled maintenance and upgrades or emergency outages. In all events we endeavour to restore functionality as soon as possible.

Unauthorised, mistaken or unsuccessful transactions

CFS Clearing House will establish, maintain, enforce and continuously improve its safety and security procedures to safeguard against the unauthorised use, disclosure, destruction, loss or alteration of employer data, including the upholding of security requirements.

Any incidence of unauthorised, mistaken or unsuccessful transactions will be promptly investigated and dealt with. As required, this could include re-performing any services which were unsuccessful, correcting any identified faults, and strengthening the control environment.

Please contact us on 1300 654 666 or employer@cfs.com.au if you believe an instance of unauthorised, mistaken or unsuccessful transactions could have occurred.

What happens if an employee's chosen or stapled fund does not accept the contribution?

The chosen or stapled fund may not accept the contribution (for example, because of incorrect details). If this happens, you will need to update the employee's details in FirstNet.

It is your responsibility to identify returned money for any contributions we are unable to process and advise us of the correct details within 10 business days.

We'll refund any returned contributions to your Cash Management Trust (CMT) account.

Insurance

What happens to insurance cover when an employee chooses a fund?

While an employee has insurance cover and an account balance within FirstChoice Employer Super that is sufficient to cover the cost of insurance premiums, they will continue to be covered for insurance, even if contributions are being made to another super fund. For new employees who have contributions redirected to another superannuation fund and who are not members of FirstChoice Employer Super (ie have a zero balance), no insurance will be provided in FirstChoice Employer Super. Please refer to the FirstChoice Employer Super Insurance booklet for more information regarding insurance.

CFS Clearing House fees

CFS Clearing House is currently offered as a **free** service to FirstChoice Employer Super employers. However, we reserve the right to charge a fee for offering this service in the future.

No expiry date applies to the CFS Clearing House service.

Additional information

Privacy

Your personal information is important to us. The CFS Privacy Policy may be accessed at www.cfs.com.au/privacy

Information about how we collect, use, exchange and protect your personal information is also set out in the Reference Guide for Employers. Our Privacy Policy outlines how we do this and covers:

- information we collect
- how we use your information
- who we exchange information with
- keeping your information secure
- accessing, updating and correcting your information
- making a privacy complaint.

You should read this information when you apply to make an investment in our products and also when you transact with us. We regularly update this information, so it's important to check the most up-to-date Privacy Policy available online.

If you do not want to receive any direct marketing information, including telemarketing, please call us on 1300 654 666 to opt out of direct marketing.

You consent and agree to how we deal with the collection, use and disclosure of your personal information as set out in the current Reference Guide for Employers when you apply to make an investment in or otherwise transact on the products available. This consent continues to operate even though your relationship with us may come to an end.

What to do if you have a complaint

We recognise that even in the best run organisations things can go wrong. If you have a complaint as an Employer Sponsor, please tell us so we can work with you to try and fix the problem. We aim to resolve complaints promptly and we will do all we can to resolve the situation for you.

In resolving your complaint, we will:

- acknowledge your complaint and make sure we understand the issues
- record your complaint and investigate the matters raised
- do everything we can to fix any problems
- keep you informed of our progress
- give you our name, a reference number and contact details so that you can follow up at any time and
- provide a written resolution letter (for complaints not resolved within 5 business

days), which explains our investigation, decision and reasons for our decision.

We will make every effort to resolve your query as quickly as possible, but no later than 45 days.

Occasionally, there may be delays in responding to your complaint, due to the complexity of the resolution or due to circumstances outside of our control. If this occurs we will let you know about the delay, the reason for the delay and your options, including your right to complain to the external dispute body.

To lodge a complaint, you can contact us by:

Phone: 1300 654 666
Monday to Friday – for our contact centre operating hours, please refer to cfs.com.au/about-us/contact-us

Email: membercare@cfs.com.au

Website: Submit a feedback form (cfs.com.au/feedback)

Mail: CFS Complaints Resolution
Reply Paid 27
Sydney NSW 2001

External dispute resolution

If at any time you are not satisfied with the handling of your complaint or the resolution we have provided, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA by:

Website: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

Mail: Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Time limits may apply to complain to AFCA so they should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to their circumstances expires.

Terms and conditions

These terms and conditions apply when you open an account with us and when you instruct us by phone or electronically or when you access FirstNet or CFS Clearing House. It is important that you read them carefully before you provide us with instructions so that you know what will apply to your transactions.

Limitation of liability

- All other representations and warranties relating to these services are excluded except for any term that is implied by law, which is taken to be included in these terms and conditions. To the extent permitted by law, our liability for breach of that term is limited to resupplying the service or paying the reasonable cost of having the service provided again. However, our liability may be greater where we are negligent or fraudulent, but this liability may be reduced to the extent that you caused or contributed to the loss.
 - Subject to the paragraph above, to the extent permitted by law, we are not liable in any way for any losses that you suffer through using or supplying information electronically or by phone FirstNet or CFS Clearing House.
 - You acknowledge and agree that we will not be liable to you for any loss you suffer (including consequential loss) caused by an inability to transact with you or other persons including where we comply with any law or legislation or choose to exercise a discretion available to us, including in circumstances where we reasonably believe that you are a Proscribed Person. 'Inability to transact' may include delaying, blocking, freezing or refusing to process a transaction or ceasing to provide you with a product or service. A 'Proscribed Person' means any person or entity who AIL, CFSIL, and other CFS entities reasonably believes to be (i) in breach of the laws of any jurisdiction prohibiting money laundering or terrorism financing, or (ii) on a list of persons with whom dealings are proscribed by Australian laws or the laws of another recognised jurisdiction.
- A 'Proscribed Person' includes any person or entity who AIL, CFSIL, and other CFS entities reasonably believes to act on behalf of, or for the benefit of, a person or entity referred to in (i) and/or (ii).
- You agree to use these services only in accordance with these terms and conditions and your other legal obligations. We are not liable for, and you release and indemnify us against, any liabilities, claims, losses or costs arising from our acting in accordance with any communication that we receive by phone or electronically about your account or investments with us or arising from the use of FirstNet by you or any person using your Online Identity Number (OIN) and password.

Use of telephone and electronic communications

Security of phone and electronic requests

- We have procedures in place to reduce the risk of fraud, but we cannot guarantee that someone trying to impersonate you will not contact us about your account and change your details or make a withdrawal. We may dispute liability for any losses which happen because we have acted on instructions that you have not authorised but which appear to be authorised by you.
- All our customers are automatically given access to communicate with us by phone and electronically. You need to tell us if you do not want us to accept any future instructions over the phone or electronically by sending us an original signed request.
- We will block access to your account for phone and electronic instructions by the second business day after we receive that request. Until this happens, these terms and conditions for phone and electronic communications will still apply to your account.
- If you are a joint account holder, any of the joint account holders may give us instructions about the account.
- If the account holder is a company, any director of the company may give us instructions about the account.

Information received by phone or electronically

- If the details that we receive over the phone or electronically do not match the details that we have previously received for the account, then we will not proceed with the request.
- We also will not process a request if the instructions we receive are incomplete or illegible or appear to contain errors. This is to ensure that the transaction we perform is exactly what you were requesting.
- We can change or cancel these terms for phone and electronic communications at any time as long as we give you 14 days written notice.
- Apart from these terms and conditions, we may have other requirements for receiving instructions from time to time. You will be notified if this affects you or your request.
- If you do not accept changes to these terms, you may permanently stop instructing us by phone or electronically without fee or charge by providing us with an original signed request, as outlined under the heading 'Security of phone and electronic requests'.

Use of FirstNet or CFS Clearing House

Online Identity Number (OIN) and password

- You must keep your Online Identity Number (OIN) and password secret. You should not disclose them to anyone or record them in a way which could affect their confidentiality.
- If you give someone else permission to use your Online Identity Number (OIN) and password, you are responsible for any transactions they perform or changes they make to your account information, or anything that happens because you gave them that permission.
- Anyone can access FirstNet if they have a valid Online Identity Number (OIN) and password. This means that if someone else has your Online Identity Number (OIN) and password, they can access your account information and make transactions, even if you have not authorised them to use your Online Identity Number (OIN) and password. We are not responsible to you and will not pay for any losses that may happen because we acted on any instructions received through FirstNet which used your Online Identity Number (OIN) and password, whether or not these instructions were authorised by you.
- You must tell us immediately if you think that someone has accessed your account without your permission or if you think that someone else may know your Online Identity Number (OIN) and password. We will stop access to the account and issue a new password.

Access to FirstNet

- You can tell us if you want to permanently stop using FirstNet by sending us an original signed request. We will block FirstNet access to your account on the second business day after we receive that request. Until this happens, these terms and conditions will still apply to your account.
- We will do our best to maintain the operation of this service in accordance with the information you have received about it. However, we may suspend or restrict your access to the service at any time including, but not limited to, in circumstances where we have reasonable certainty of unauthorised transactions or fraud.
- We do not guarantee or warrant that the use of FirstNet will be uninterrupted or error free. We also do not warrant that it is suitable for any particular purpose or has any performance, functionality or security features, except what we are legally obliged to provide.
- We will take all reasonable steps to make sure that the information that you access through FirstNet is up-to-date and correct.

Transacting on FirstNet or CFS Clearing House

- ‘Transaction access’ means the ability to review, modify or update your contact details and accounts online; and apply for, withdraw and switch units between funds or options and set up automatic facilities or features.
- You agree to use this service in accordance with these terms and conditions.
- We will only act on transaction requests that are complete and received in full, are legible and do not appear to contain any error.
- For FirstNet, a transaction reference that is displayed on-screen is evidence that the instruction has been received.
- We are not liable for any losses or delays that occur because we did not receive an instruction.
- If there are any government fees and charges incurred by us in relation to your use of FirstNet, we can debit these from your account.
- You must only use FirstNet or CFS Clearing House to obtain information that you are properly authorised to access, and you must use this information only for lawful purposes.
- We can change these terms and conditions at any time by placing the changes on our website. When making any changes, we will act reasonably and, so far as possible, in accordance with prevailing market conditions and regulatory requirements for accounts of this type at that time. We may ask you to read and accept any amended terms and conditions so you can keep using FirstNet or CFS Clearing House but, unless otherwise required by law, once we have placed them on the website, they are binding on you, even if you have not read them. If you do not accept these changes, you may permanently stop using FirstNet or CFS Clearing House without fee or charge by providing us with an original signed request, as outlined under the heading ‘Access to FirstNet’.

We recommend that you check these terms and conditions on a regular basis. These terms and conditions include any instructions for using these services provided to you or placed on our website from time to time.

Use of CFS Clearing House

- You will include the contribution period start and end dates with your contribution details.
- You confirm that, if you use your own contribution file for FirstChoice Employer Super members, you have added the two mandatory fields referred to above, which have been re-mapped with us successfully.
- You confirm that all employees who have chosen their own super fund have the above details listed on FirstNet Employer (FirstNet) and you will provide this information for new

employees (we will contact you if you still have details outstanding).

- You understand that if you provide any information that doesn’t meet the standards or our terms of agreement, we will reject your contribution file.
- You understand that we accept most types of super contributions except child contribution amounts and third party contributions.
- You will be responsible for updating any employee details and identifying returned money for any contribution we are unable to process, and you must advise us of the correct details within 10 business days. We will refund any returned contributions to your Cash Management Trust (CMT) account.
- You agree that we will send FirstChoice Employer Super contributions directly into the employee’s account, rather than via the superannuation transaction network (STN) – the Australian Taxation Office (ATO) approved electronic transfer process for super contributions. Any other contributions we send on to other super funds will be through the STN.
- You are aware that any updated employee details that are made for Choice members through FirstNet will be sent on to other super funds in the contribution file. However, we won’t request that the other super fund updates these details. Any employees who select another super fund may need to update their address or contact information directly with their chosen super fund. We will only update all FirstChoice Employer Super default member details.
- You are aware that we won’t be able to accept contribution files with negative contribution amounts.
- You are aware that your ABN was required to comply with the standards and so we can send your employee contributions to other super funds.
- If you delegate another third party with login details to transact on FirstNet Employer on your behalf, you agree that they take full responsibility in acting as your agent and have the duty to inform you of all communication from us. If you are a third party with delegated power to transact on behalf of the employer, you agree that you take full responsibility in acting as the agent of the employer and you will inform the employer of all communication from us.
- You are aware that we will call or email you about any error message we receive from an external super fund or about a FirstNet error when contributions are rejected.
- You are aware that when you register an employee in FirstChoice Employer Super on

FirstNet, we will automatically check their Tax File Number with the ATO. If we receive an error, we will notify you. You will have to confirm with your employee and advise us the correct details within five business days.

Can we vary these terms and conditions?

A Changes we can make

We may from time to time:

- a add fees or charges within the limits prescribed by the trust deed
- b remove fees or charges
- c change the amount of any fee or charge within the limits prescribed by the trust deed
- d vary the distribution timing and frequency
- e vary or cancel the terms for use of phone or electronic communications and for transacting on FirstNet or CFS Clearing House, and
- f vary or cancel your direct debit arrangement.

Each of the changes in paragraphs a to f is a separate right, and this clause A is to be read as if such change was a separately expressed right.

B Changes to terms and conditions

We may from time to time change any of the terms and conditions to:

- a change the frequency with which fees are debited
- b add new concessions or benefits
- c change or remove any concessions or benefits
- d adopt or implement any legal requirement, decision, recommendation, regulatory guidance or standard of any court, tribunal, ombudsman service or regulator
- e accommodate changes in the needs or requirements of our customers, such as new product features or services
- f correct errors, inconsistencies, inadvertent omissions, inaccuracies or ambiguities

- g in the event that any part of the terms and conditions contained or referred to in the PDS are found to be void or unenforceable, achieve (as far as possible) the intention of the original provision without it being void or unenforceable
- h bring us into line with our competitors, industry or market practice or best practice in Australia or overseas, or
- i reflect changes in technology or our processes, including our computer systems.

Each of the changes in paragraphs a to i is a separate right, and this clause B is to be read as if such change was a separately expressed right.

C Without limiting our rights under clauses A and/or B, we may from time to time change any of the terms and conditions contained or referred to in the PDS.

How will we notify you of changes to your account features and terms and conditions?

The trustee may change any of the terms and conditions contained or referred to in the PDS and, where a change is material, the trustee will notify members in writing within the timeframes provided for in the relevant legislation.

CFS Clearing House is offered by Colonial First State Investments Limited ABN 98 002 348 352, AFSL 232468 (CFSIL). CFS Clearing House is a non cash payment product to process employers' superannuation contributions.

Colonial First State (CFS) refers to Superannuation and Investments HoldCo Pty Limited ABN 64 644 660 882 and its subsidiaries which include CFSIL. CFS is majority owned by an affiliate of Kohlberg Kravis Roberts & Co. L.P. (KKR), with the Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945 (CBA) holding a significant minority interest.

The issue of this PDS is authorised solely by CFSIL. In its capacity as product issuer, CFSIL takes full responsibility for the whole PDS. Apart from CFSIL, no other CFS entities are responsible for any statement or information contained within the PDS relating to CFS Clearing House.

Information contained in this PDS that is not materially adverse information is subject to change from time to time and may be updated via our website and can be found at any time by visiting www.cfs.com.au/product-updates. A paper or electronic copy of any updated information is available free of charge on request by contacting us on 1300 654 666.

The information provided in this PDS is general information only and does not take account of your objectives, personal financial or taxation situation or needs. Because of this, before acting on the information, you should consider its appropriateness having regard to these factors.

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