

# **Combined Financial Services Guide and Product Disclosure Statement**

Provided by Payleadr Pty. Ltd. (ABN 69 615 881 162)  
Australian Financial Services Licence No. 501914



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## About us and this document

This document is a combined Financial Services Guide (**FSG**) and Product Disclosure Statement (**PDS**). The purpose of this document is for you to understand the financial services that we provide and whether you would like to acquire our financial product. It is split into two parts – the FSG and PDS. Terms defined or incorporated in either part will apply to the other unless otherwise expressed.

Payleadr Pty Ltd ABN 69 615 881 162 (**Payleadr, we, us, our**) is a financial services company that provides an automated direct debit solution to businesses through its online and mobile phone platform. The platform facilitates the collection of recurring fees owing from the businesses' customers according to payment plans that are configured by the business and agreed by the customer through the platform (**Platform**). The Platform removes all paper-based forms and manual processes that are all too common in facilitating direct debits the traditional way.

# Financial Services Guide

## 1. Important information

This FSG has been prepared by Payleadr.

This FSG is designed to assist you make an informed decision about whether to use our financial services. It contains important information about:

- the financial services we provide and documents you may receive in respect of those services;
- the remuneration that we may receive for providing the financial services to you; and
- how you can make a complaint to us and how we will deal with your complaint.

## 2. Documents you may receive

You will receive this document at the time we think that we may provide you with a financial service. The FSG is intended to be provided before you decide to acquire any financial services from us. The PDS provides you with information about the Platform, its features, benefits, risks, costs and other relevant information and is intended to be provided to you before you decide to acquire the Platform. The FSG and PDS have been combined in accordance with section 942DA of the Corporations Act.

We are the issuer of the Platform, which is a non-cash payment facility which facilitates the payment of direct debits from credit cards, debit cards and bank accounts. The Platform is governed by General Terms and Application Form, both of which can be obtained by contacting us. The Platform is interdependent with the payment services provided by Assembly Payments Platform Pty Ltd T/A Assembly Payments (**Assembly**). These services are governed by the Assembly Terms which are included as a link in the General Terms.

The Platform is also governed by our Website Terms and Privacy Policy, which are also available at our website at [www.payleadr.com](http://www.payleadr.com).

You should read the General Terms, Assembly Terms, Website Terms and Privacy Policy before you decide to acquire the Platform.

We may also publish guidelines regarding the use of the Platform on our website from time to time.

### **3. Financial services we can provide**

We are the issuer of the Platform. We may provide general advice on the Platform and any basic deposit product (such as a transaction account with an ADI) that may be used by a business to receive funds from direct debit payments facilitated through the Platform. General advice does not take into account your personal circumstances. You should obtain your own independent advice if you would like advice on whether the Platform (or receiving payments from customers via direct debit) is appropriate for your circumstances.

We hold an AFSL and are authorised to provide the following financial services to retail and wholesale clients:

- provide general financial product advice on non-cash payment products and basic deposit products; and
- deal (issue, apply for, acquire, vary or dispose) or arrange for another person to deal in non-cash payment products.

We provide financial services to you as principal and do not act on behalf of any other person or licensee.

### **4. How to provide us with instructions**

You will be issued with the Platform once we have approved your Application Form. We may accept or reject the Application Form in our discretion. Any instructions in relation to a direct debit arrangement (i.e. setting up, amending or cancelling a direct debit payment plan) must be provided to us through the Platform.

If you have any issues with accessing or using the Platform, you can give us instructions or contact us for help by using the contact details set out in this document.

### **5. How we are paid**

The costs and fees associated with the Platform are set out in the PDS. Please refer to clause 2 of the PDS. We are not entitled to any other remuneration.

### **6. How our employees are paid**

Our employees are remunerated by way of salary and a discretionary bonus that may be paid by us from time to time. The discretionary bonus does not relate to general advice provided by the employees but rather is based on the individual performance of the employee (which is measured by various quantitative and qualitative factors) and our overall performance.

## 7. Referrals and partnership programs

We may establish partnership and referral programs with industry bodies, the general public, software providers, social media influencers, accounting practices and independent sales organisations under which those parties may refer clients to us in return for a referral fee. How this referral fee is determined will be disclosed to you by those parties at the time they make the referral. If you have not received this information, please contact us.

## 8. Remuneration disclosure

As the remuneration and benefits described in sections 5 and 7 cannot be ascertained at the time this document is given to you, you may within a reasonable time after receiving this document (and before we provide you with any financial services) request from us additional information in relation to the remuneration we receive as a result of providing those services to you.

## 9. Complaints

We are committed to providing you with exceptional services. However if you have any complaint please follow the procedure set out below:

### *Step 1*

Please contact us:

Mail: PO Box 433  
Rose Bay  
NSW 2029

Email: [info@payleadr.com](mailto:info@payleadr.com)

Please explain the complaint in detail. We will review the complaint and, if possible, will seek to resolve it immediately.

If you are happy with the outcome, you do not need to do anything further. However if you are not happy with the outcome, please contact us and our compliance officer will review your complaint and the proposed resolution. The compliance officer will contact you with his or her decision.

### *Step 2*

If you are not satisfied with the decision of the compliance officer or we do not respond to you within 45 days after you make the initial complaint, you can contact the Australian Financial Complaints Authority (**AFCA**). We are a member of AFCA, which is an independent dispute resolution scheme. You can only complain to AFCA once you have followed the procedure above.

AFCA' details are:

Telephone: 1800 931 678  
Fax: 03 9613 6399  
Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

Mail: GPO Box 3  
Melbourne VIC 3001

## **10. Compensation arrangements**

We hold professional indemnity insurance which covers the financial services we are authorised to provide. This professional indemnity insurance complies with the requirements set out in section 912B of the Corporations Act.

## **11. Associations and relationships**

We are required to disclose any associations or relationships between us, our related entities and product issuers that could reasonably be capable of influencing the financial services we provide to you. No such associations or relationships exist.

## **12. Contact us**

Contact us at:

Email: [info@payleadr.com](mailto:info@payleadr.com)

Address: PO Box 433  
Rose Bay  
NSW 2029

# Product Disclosure Statement

## 1. Important Information

This Product Disclosure Statement (**PDS**) has been prepared by Payleadr.

The date of this PDS is 27 February 2019.

The PDS covers the Platform, which is issued by Payleadr.

The PDS has not been lodged with the Australian Securities and Investments Commission (**ASIC**) and does not need to be lodged with ASIC. ASIC takes no responsibility for the contents of the PDS.

This PDS is an important document. It is intended to assist you to decide whether the Platform described in this PDS is appropriate for you.

The information in this PDS has been prepared without taking into account your personal circumstances, needs or objectives. Nothing is intended to constitute investment, legal, tax, accounting or other professional advice and you should seek professional advice on whether the Platform is appropriate for your particular circumstances.

The PDS may only be used by persons who receive it in Australia. The information in this PDS does not constitute an offer in any jurisdiction other than Australia. The distribution of this PDS in jurisdictions outside Australia is limited and may be restricted by law. Persons who come into possession of this PDS who are not in Australia should seek advice on any such restrictions that apply.

The information in this PDS is subject to change and is up to date at the date of this PDS. Where new information is materially adverse, we will issue a new PDS or supplementary PDS. However where the information is not materially adverse, we will not issue a new PDS or supplementary PDS but you will be able to find the updated information on our website at [www.payleadr.com](http://www.payleadr.com).

Assembly has given its consent to be named in this PDS and for the statements about it and the services it provides to be included in sections 2 and 3 of this PDS. Assembly has not withdrawn its consent at the date of this PDS.

## 2. Platform

You must apply to acquire the Platform by completing the Application Form. We may accept or reject the Application Form in our discretion.

The Platform is a financial product that is regulated by the Corporations Act. It provides you with a direct debit solution by facilitating the payment of fees owing by your customers in accordance with any tailored payment plan agreed between you and your customer. The Platform doesn't process the transactions. This is done by Assembly which is the payments processor of the direct debit transactions. By completing the Application Form, you also agree to be bound

by the Assembly Terms which govern the terms of the services Assembly will provide to you.

The Platform operates in the following manner:

- At the point of sale, you (which for these purposes, includes any employees you have authorised to use the Platform) log into the Platform to configure a payment plan for your customer.
- You select the payment frequency and first payment date.
- You then input the instalment amount to be paid by the customer at the selected payment frequency.
- You then input the minimum number of payments payable by the customer under the plan (i.e. the minimum term of the payment contract).
- Upon completion of the payment plan, you are presented with a screen to input the mobile phone number of the customer.
- The customer then receives an SMS containing a personalised link to their secure payment plan application form. This also contains a link to the terms the customer will enter into with us to facilitate their payments.
- The payment plan application is completed using OCR (optical recognition technology) which is facilitated using the camera attached to the customer's smart phone.
- The customer is prompted to photograph their driver's licence or proof of age card to capture their name, date of birth and address information.
- The customer is prompted to photograph their debit card or credit card to capture their payment information.
- The customer is then presented with a summary of the payment plan they have committed to along with the contact and payment information captured via OCR. The customer is prompted to confirm this information and confirm they accept the terms and conditions.
- The customer then receives an SMS confirming the successful completion of the application along with a link to the terms and conditions of their application.
- The direct debit arrangement is completed.

Customers can also be onboarded manually through paper-based means.

The Platform also provides your business with tools it needs for its invoicing and collection cycles, including by providing comprehensive reporting and credit control communication templates as well as scheduling.



We have engaged Assembly to process direct debit payments which are initiated through the Platform. Funds will initially be settled and transferred from the customer's bank to Assembly's custodian account. Those funds (once they have been cleared) are then remitted to you (less the fee payable to Assembly which it retains and the fees payable to us which are remitted directly to us by Assembly). On a business day each week, funds will be remitted to you and paid to your settlement account. . You are not entitled to any interest which is accrued on the funds while they are held in Assembly's custodian account.

We may also use a third-party service provider to provide us with fraud screening and identity verification services.

### **Key features**

The key feature of the Platform is that it allows your business to easily accept direct debit payments from customers' credit cards, debit cards and bank accounts.

Other features of the Platform are:

- it provides you with more flexibility to set up payment plans that are tailored, meet the customers' needs and hopefully maximise collection success rates;
- the entire process of setting up a direct debit arrangement is conducted online on the Platform, which is easy and efficient for your business and improves customer satisfaction. This is in contrast to the traditional method of setting up direct debit arrangements, which are heavily reliant on paper based, manual and often cumbersome processes;
- it's provided online and is compatible to desktop and mobile devices;
- it contains sophisticated fraud screening services which aim to reduce the level of chargebacks and reversals;
- it's PCI DSS (Payment Card Industry Data Security Standard) compliant, which is a security standard mandated by the major card schemes that seeks to maximise the protection of your customers' card and bank details;
- it's generally available at all times, subject to any breakdown or scheduled maintenance and the availability of Assembly's services;
- it contains tools to support your businesses' invoice and collection cycles; and
- no interest accrues on funds held in Assembly's trust account.

## Significant benefits and risks

The significant benefits of the Platform include:

- *Online*

Payment plans and direct debit requests can be set-up online through the Platform. The process is quick and simple. No paper-based forms or documents need to be retained by the business unless it onboards customers manually, which is an option.

- *Accept direct debits*

You can accept payments from debit cards, credit cards and bank accounts held with an Australian ADI.

- *Tailored payment plans*

You can customise payment plans with your customers (i.e. date and time of payment, frequency etc.) which best suits the customer's needs. This should lead to greater customer satisfaction as well as maximise collection success rates given direct debit payments occur automatically and do not rely on the cooperation of the customer.

- *No costs to operate the Platform*

No costs are payable in respect of opening and holding the Platform. However fees and charges will be incurred for each transaction, reversal or chargeback transactions processed by the Platform. Failed payments may also attract fees and charges. See more in section 2.

- *Efficient collection of fees*

Direct debits provide your business with an efficient and automated method of collecting recurring fees owing to you. It provides you with more revenue and budgeting certainty.

- *Flexibility and convenience*

Subject to any breakdown, scheduled maintenance or the availability of Assembly's services, the Platform will be available at all times, which provides you with flexibility to enter into payment plans with your customers at any time.

- *PCI DSS compliant*

The Platform is PCI DSS compliant which provides you with greater comfort that your customer's card or bank details are safe and secure.

The significant risks of the Platform include:

- *No interest*

Direct debit payments will be settled to Assembly's custodian account on each business day, but only cleared funds will be remitted on a weekly basis (on a business day). You will not be entitled to any interest accrued on funds held in Assembly's custodian account.

- *Unauthorised access*

There is a risk of unauthorised access to the Platform. This access may be by someone within or external to your business and that person may use or view the information on the Platform or send instructions to us to amend, suspend or cancel payment plans. Under the General Terms, you will be liable for any instructions provided to us on the Platform, even if you did not authorise such instructions. You should not provide your username or password to the Platform anyone and we recommend that you regularly update your password.

- *Cyber security risk*

The Platform is only available online. Thus, there is a risk that the Platform may be hacked or accessed by an unauthorised person.

Like with most services that are provided online, there is also a risk that your device from which you access the Platform will be exposed to a virus, worm, trojan horse or other harmful component.

- *Payment reversals and chargebacks*

While the Platform contains fraud screening capabilities, there is a risk that a customer may seek to reverse or chargeback a transaction processed by the Platform (i.e. the customer did not authorise the transaction or you did not provide the goods or services that you were supposed to provide to the customer). You will be liable to us or Assembly for the amount of the reversed transaction as well as any fees charged for processing the reversal.

- *Counter-party risk*

We rely on Assembly to process direct debit transactions initiated through our Platform. The funds collected from those transactions are initially held in Assembly's custodian account and are then remitted to you.

Counter-party risk is the risk that the other party may default on their contractual obligations. There is a risk that we or a third-party (such as Assembly) may default on performing obligations to you. This may result in the unexpected cancellation or suspension of services or the failure to pay moneys owing to you. You will have a credit exposure to us and Assembly between the time we debit your customer's account and arrange for those funds (less our fees and fees payable to Assembly) to your bank account.

- *IT risk*

The ability to arrange or amend a payment plan depends on the Platform's availability, which in turn is dependent on the internet and other IT infrastructure. While we have established business continuity plans and risk management systems, there is a risk that the Platform will not be accessible due to a breakdown, cyber-attack, operational failure, scheduled maintenance, breakdown in Assembly's systems or other similar causes.

- *Holding back funds*

Assembly will hold funds processed from direct debit transactions in its custodian account and then remit cleared funds (less fees) to you each week (on a business day). However we have the right to suspend the Platform whilst fees are owing to us and Assembly can debit your settlement account for amounts you owe to Assembly and us at any time.

- *Legal risk*

By opening and holding the Platform, you have agreed to comply with the General Terms, Website Terms and Privacy Policy. You also agree to enter into the Assembly Terms which is a direct contract between you and Assembly. There is a risk that you may be unable to comply with these terms, in which case you will be in breach. If you breach these terms, we or Assembly may enforce our rights against you, which may include terminating the Platform or taking action to recover amounts of money that we have lost, incurred or are otherwise entitled to claim from you.

## **Fees and charges**

The fees and charges we will charge you for the facilitation and processing of direct debit transactions will be set out in your Application Form which forms part of the General Terms. These will be based on and will be for an amount up to the fees and charges set out below. We can vary these fees in accordance with our rights in the General Terms.

- *Establishment Fee* – collected along with a customer's first instalment: Up to \$50.00 (excl. GST).
- *Transaction Fee* – applied to each instalment: Up to 5.00% and/or up to \$5.00 (excl. GST).
- *Late Payment Fee* – added to the outstanding balance of a customer's account for each failed/dishonoured payment: Up to \$20.00 (excl. GST).

These fees and charges include amounts payable to Assembly for processing the direct debit transactions.

## **Tax implications**

Funds received by you from direct debit payments will be treated for tax purposes in the same manner as revenue received through traditional payment methods (i.e. cash or merchant terminal transactions). Chargebacks and

reversals may be subject to special taxation rules or concessions and you should obtain professional advice from a tax adviser with respect to these and any other special implications that the Platform may have on you.

### **Cooling-off rights**

No cooling-off rights apply to the Platform. However, you can terminate the Platform at any time. If you terminate the Platform, we will arrange for any outstanding transactions to be cancelled, and cleared funds remitted to you. We will have the right to withhold amounts owing by us to you and set-off those amounts against amounts which you owe us. Assembly has similar rights to withhold paying such funds and setting them off against amounts you owe it as well as debiting your settlement account for outstanding amounts.

### **Legal terms and conditions**

The terms of the Platform are set out in the General Terms, which can be obtained by contacting us. You should read and understand these terms before acquiring the Platform as they primarily govern the legal relationship between you and us. A summary of the key concepts contained in the General Terms is included in section 3.

The terms governing Assembly's involvement in processing direct debit transactions are set out in the General Terms, which are included as a link. You can also obtain these by contacting us. You should read and understand these terms before acquiring the Platform.

## **3. Applicable laws**

### **Privacy**

We are committed to complying with the Australian Privacy Principles established under the Privacy Act. Our Privacy Policy sets out detailed information about how, why and when personal information is collected, disclosed, used, stored and otherwise handled by us. Our Privacy Policy is available at [www.payleadr.com](http://www.payleadr.com). You may request a copy of our Privacy Policy in hard copy.

Our Privacy Policy sets out:

- the purposes for which we collect your personal information;
- the consequences if you don't provide your personal information to us;
- the third parties to which we disclose your personal information;
- how to access and seek correction of your personal information;
- how to complain about a breach of our obligations in respect of your personal information and how we will deal with such a complaint; and

- whether your personal information is likely to be disclosed by us to overseas entities and in which countries these entities reside.

### **AML-CTF Laws**

The AML-CTF Laws require us to collect and verify certain identification information about you. We will collect personal information from third parties to verify your identity for this purpose as well.

We may be required to disclose certain information about you to AUSTRAC. We may not be permitted to tell you when this occurs. We may also be prohibited from fulfilling our obligations to you, such as continuing to provide you with the Platform. We may also be required by the AML-CTF Laws to delay or suspend the Platform.

### **General Terms**

The General Terms primarily govern your relationship with us in relation to the Platform.

Key concepts addressed in the General Terms are:

- That we may or may not accept an application from you to acquire the Platform.
- By agreeing to the General Terms, you are also agreeing to the Assembly Terms.
- That the provision of the Platform is interdependent with the payments processing services that will be undertaken by Assembly.
- The level of functionality of the Platform will depend on the package you acquire from us. We can add to and modify the functionality of the Platform at our discretion.
- You and your authorised users will be able to arrange direct debit instructions through the Platform. We will receive these instructions and facilitate them accordingly. You are responsible for the actions of your authorised users, regardless of whether they are authorised to act on your behalf.
- Payment plans will be formulated on the Platform and submitted to us. You are responsible for the content of the payment plans. We aren't obliged to inquire into the accuracy or validity of those instructions.
- Assembly will collect and remit amounts payable under your customers' payment plans. Assembly will remit cleared funds (less amounts payable to Assembly and us) directly to your settlement account. Payments, reversals and chargebacks are dealt with in the Assembly Terms.

- We have the right to suspend your access to the Platform in the circumstances set out in the General Terms.
- We will be primarily responsible for collecting overdue amounts from your clients, and we will be entitled to recover our expenses for undertaking this task in accordance with the General Terms.
- You are required to comply with various obligations under the General Terms. You should check the General Terms and ensure you can in fact comply with these obligations before agreeing to the General Terms.
- You are required to provide us with warranties set out in the General Terms. You should check to ensure that you can provide those warranties while you hold the Platform. We don't provide any warranties in relation to the Platform.
- Either party can terminate the General Terms by providing the other with 30 days' notice. We can also terminate immediately for cause, in the circumstances set out in the General Terms.
- We exclude our liability to the maximum extent permitted by law, and where it can't be excluded, limit our liability to the re-supply of the services or cost of having those services supplied again. You agree to indemnify us in the circumstances set out in the General Terms.
- We can vary the General Terms at our discretion by providing you with notice of the variation.

The above dot points are a summary of the key terms in the General Terms to provide you with more information on the topics covered. They are not a substitution for the General Terms. We strongly encourage you to read and understand the General Terms and the Privacy Policy before acquiring the Platform.

## **Assembly Terms**

Key concepts addressed in the Assembly Terms are:

- That you engage Assembly to act as your payments facilitator and collect amounts owing under direct debit plans you have with your customers.
- You are required to provide personal details to Assembly so that they can verify your identity. This information may be shared with third-party service providers in accordance with the Assembly Terms.
- You agree to be bound by Assembly's Privacy Policy, a link of which is available in the Assembly Terms.
- You agree to Assembly crediting your settlement account for amounts due to you under the direct debit plans. You agree to Assembly debiting your account for amounts you owe to Assembly and us.

- Assembly will hold funds payable to you in its custodian account, which is held separately from other accounts it holds and is subject to the restrictions set out in the Assembly Terms. You will not receive any interest accrued on the funds while they are held in the custodian account. However Assembly will be entitled to any interest accrued on such funds.
- You authorise Assembly to deduct its transaction fee from the amount it remits to you. Transaction fees are non-refundable. Assembly is not responsible for taxes payable on the goods you sell or services you provide.
- You must not use the Platform to process any prohibited transaction set out in the Assembly Terms.
- Assembly has the right to refuse to process a transaction in the circumstances set out in the Assembly Terms.
- Where a transaction is reversed (for various reasons, including where it is disputed or reversed), you will be liable for the full amount of the reversal. Assembly is not liable for any transaction reversals – that is your responsibility and liability. Assembly can delay or withhold funds or debit your account to recover funds that are subject to a transaction reversal.
- Assembly can terminate the Assembly Terms immediately. You can terminate the Assembly Terms by ceasing to use the Platform and notifying us. At termination, pending transactions will be cancelled and all cleared funds will be paid out subject to the Assembly Terms.
- How payment claims, and disputes with Assembly, are dealt with are set out in the dispute resolution provisions of the Assembly Terms.
- Assembly can defer or restrict access to funds related to a disputed transaction, or debit funds from your settlement account for the amount charged back.
- Assembly excludes its liability for performing its services, and where it can't be excluded, limits its liability to the value of the transaction that is subject to the claim. Assembly excludes its liability for the acts or omissions of third-parties in the manner set out in the Assembly Terms.
- Assembly's services are provided 'as-is' and without any express or implied warranties or representations.
- You are required to provide the representations set out in the Assembly Terms. You should ensure you can provide these representations. You are also required to implement and maintain certification of the PCI DSS (Payment Card Industry Data Security Standard).
- You will be required to comply with the terms of Assembly's Commercial Entity Agreement where you process over \$100,000 in sales or Assembly's bank partner requires it.



- Assembly can update the Assembly Terms at its discretion by providing you with notice of the variation.

The above dot points are a summary of the key terms in the Assembly Terms to provide you with more information on the topics covered. They are not a substitution for the Assembly Terms. We strongly encourage you to read and understand the Assembly Terms before acquiring the Platform.

## **4. Contact us**

Please refer to section 12 of the FSG for details on how to contact us.