

A QUICK GUIDE TO VIRGIN MONEY SUPER AND SUPERSTREAM

WHAT IS SUPERSTREAM

SuperStream is part of a broader range of government initiatives aimed at improving the superannuation system in Australia. The broader reforms are known as Stronger Super.

SuperStream is the name of the new government standard for the creation and submission of superannuation contributions data and payments between employers and super funds.

SuperStream aims to improve the efficiency of Australia's superannuation system, and requires employers to send contributions electronically in a standard format with linked data and payments.

The benefits of SuperStream include reducing the cost and effort required by employers to prepare and submit contributions to often multiple super funds.

For employees, this will mean faster and more efficient processing of their superannuation contributions, a reduction in errors and administration costs thereby improving retirement savings of Australian workers.

WHO IS AFFECTED BY SUPERSTREAM

SuperStream is mandatory for all employers making super contributions, however depending on the size of your business, will affect the date on which you need to be compliant.

WHEN IS SUPERSTREAM COMMENCING

If you have 20 or more employees, you are regarded as a medium to large employer, and SuperStream started from 1 July 2014. From that date, employers needed to start implementing SuperStream and have until 31 October 2015 to be fully compliant.

If you have 19 or fewer employees, you are regarded as a small employer, and SuperStream started from 1 July 2015. As a small employer, you have until 30 June 2016 to meet the requirements of SuperStream when making superannuation contributions on behalf of your employees.

WHAT IS CHANGING WITH SUPERSTREAM

SuperStream has introduced a standardised format

for sending superannuation contributions to super funds. The wider superannuation industry including super funds, payroll providers, clearing houses, gateway networks and the ATO have developed an electronic solution to allow the easy transmission of contribution data and payments from you, the employer, to your employees' default or elected super fund.

The key to this new format is the ability to use one entry point to send all your contributions, regardless of the super fund destination, and all with one electronic payment.

To assist employers meet their obligations, your default super fund will provide a capability to enter the SuperStream network. If Virgin Money Super is not your default fund, you should refer to your default super fund to see how easy it is to provide SuperStream-compliant contributions.

Generally your first entry point to submit contributions will be your payroll provider, who will have updated their systems to be SuperStream capable, or a clearing house to receive and distribute your contributions and payments.

A simplified form of the new Data Standard format has been developed by the superannuation industry called the SAFF (SuperStream Alternative File Format).

WHAT ARE THE OPTIONS FOR MEETING SUPERSTREAM?

Every business is different, so there's no 'one size fits all' approach to adopting SuperStream.

Employers have options for meeting SuperStream – either using software that conforms to SuperStream; or using a service provider who can meet SuperStream on your behalf. We recommend that you start investigating your options now.

Your options may include:

- Upgrading your payroll software
- Using an outsourced payroll function or other service provider
- Using a commercial clearing house or the free Small Business Superannuation Clearing House (19 or fewer employees).

If Virgin Money Super is your default fund we can provide you with details about how to comply with the SuperStream using our preferred Clearing House.

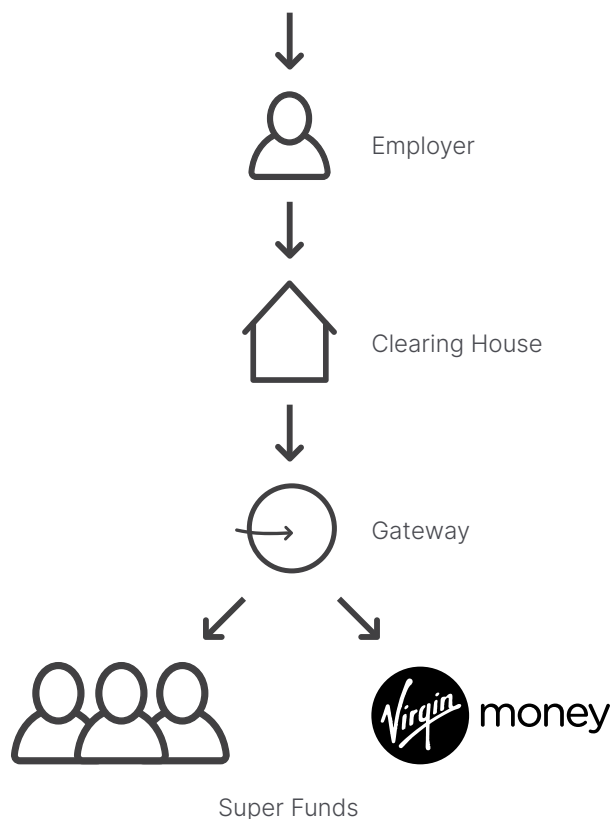
SAFF, CLEARING HOUSE, GATEWAYS – WHAT ARE THESE?

With the introduction of SuperStream, you may come across a number of new terms - SAFF, Clearing House and Gateways.

SAFF is an optional format that your payroll provider or clearing house may refer to, and it is simply a file format that providers can use to receive data from you about your employees, and use to construct the mandatory Data Standard format required under SuperStream.

Clearing Houses are intermediary service providers that provide a one-stop shop that allow you to upload their SAFF formatted file, enter data directly into a web portal page, or accept a standard file format generated from your payroll system. A clearing house will receive your employee contribution data to construct the mandatory SuperStream format. Once full payment for the contributions is received from you, they will send the contribution and payment to each super fund.

A Gateway is like a postal service. They receive all the SuperStream files and electronically direct those to the correct super fund for processing.



HOW DO I SUBMIT CONTRIBUTIONS

How you submit your contributions will all depend on the payroll provider or clearing house service provider you have selected to use.

Regardless of the solution you have selected, there will be a minimum set of information that must be provided each time you make your contributions. As you're already aware, some super funds may require additional information about your employees when accepting contributions. You will need to check with the other super funds to see if they require any specific information.

Sending superannuation contributions to Virgin Money Super however is very straight forward. The minimum mandatory set of information that will be collected by your payroll service or clearing house is sufficient to continue sending your employee contributions to Virgin Money Super.

FREQUENTLY ASKED QUESTIONS (FAQS)

What are the valid payment methods for submitting contributions to Virgin Money Super?

Under SuperStream, all payments must be done by electronic means. Cheque and cash payments are not allowed. The electronic methods available to you will be decided upon by your selected service provider. Most common however will be EFT to the bank account details advised by your service provider.

Can I still send an EFT payment or BPay® to the Virgin Money Super bank account I previously used?

There are specific requirements under SuperStream to match payment and contribution message by a common identifier. This is referred to as a Payment Reference Number (PRN). Your service provider will manage the correct PRN information, and as such you should not pay directly to the Virgin Money Super bank account you may have previously used. Always make payments by the method advised by your service provider to avoid delays in processing your employer contribution obligations.

Will I receive advice that my employee contributions have been received and processed?

Under SuperStream the timeframe for super funds to process and reject employer contributions has been reduced, however there is not a mechanism to confirm receipt and successful processing. To assist your service provider and you in being reasonably confident of successful processing to your employee accounts, the ATO has provided a guidance note for the industry to adopt. The ATO has indicated that the reasonable timeframe is 20 days. Virgin Money Super however would expect that most contributions will be processed within 3 days and employees could confirm via their online access if needed.

How can I setup new employees if Virgin Money Super is my default fund?

SuperStream includes a capability to have new employees automatically setup in your default super fund. This is completed by using the Member Registration Request functionality. Your selected service provider will manage this on your behalf as you add new employees to your contribution messages, however in some solutions you may need to confirm Virgin Money Super as your default. You should check with your selected service provider on how this is performed, as each solution may be different.

How will I be notified of any errors in my contribution file?

SuperStream provides for error messages and refunds using the same return path as contributions were originally received. Referring to the diagram previously shown in the section "SAFF, Clearing House, Gateways – What are these?" any errors and refunds would be returned back via the gateways and clearing house to you. Your service provider will be able to advise how they notify you of any errors to attend to, or contributions refunded to your own bank account. In some instances the administrator for Virgin Money Super may contact you directly, including providing any information that may assist in preventing recurrence of input errors.

Is there a cheat sheet guide that might help me if I receive a rejected contribution?

Under SuperStream there is a series of error codes that will typically be used by all super funds. With these error codes are capabilities for both "short" and "long" descriptions to help provide more information. How and what your service provider provides to you with regards to errors can vary. Please refer to the 'Important Information' where there is a table of some common error codes and their descriptions that Virgin Money Super may provide, along with some guidance on what you should look for to correct.

Where can I find out more about SuperStream and my obligations as an employer?

More details about SuperStream can be found on the ATO website: www.ato.gov.au/Super/SuperStream

Alternatively you can call our Customer Care Team on 1300 652 770 between 8am and 6pm AEST, weekdays (apart from public holidays).