

PAYMENT SERVICE PROVIDER ADVISORY FORUM

Introduction

The Payment Service Provider Forum is intended to support the work of the Australian Payments Plus (AP+) Board by representing the views of payment service providers (PSPs) who use the services of BPAY, eftpos and the NPP and other organisations in the payments ecosystem such as Token Servicers.

An Independent Director from the AP+ Board will serve as Chair and the Forum will publicly report on its progress on an annual basis.

Representation

The Forum is intended to have a broad and diverse cross-representation of different PSP organisations and other organisations who provide supplementary or adjacent services to the core payment schemes and services of BPAY, eftpos and the NPP. These representatives will provide feedback and input relevant to the operation and future strategic direction of the three payment schemes.

Nomination process and term

Interested parties will be able to nominate for appointment to the Forum by submitting their details and credentials. Appointments will be selected from nominations received by the Payment Service Provider Advisory Forum Chair and will be reviewed by the Independent Directors on the AP+ Board in consultation with the CEO.

FORUM TERMS OF REFERENCE

Objectives

The key objectives of the Forum will be to ensure that the AP+ Board has a strong understanding of the issues, concerns and future needs of PSPs and other related organisations including by:

- a) identify priority areas for consideration by AP+ which could result in a better experience and outcome for PSPs and their customers;
- b) identify specific issues that may relate to all or some PSPs and proposing possible resolutions; and
- c) provide feedback on priority areas, including information sharing, explanation of practices and where applicable, joint research and reports on specific issues; and
- d) enabling PSPs and related organisations to provide input to AP+ on the context of payments and future developments; and
- e) allow AP+ to provide an overview and receive feedback on its roadmap, capability development and changes or developments to the payments system infrastructure.

Forum Composition

The Independent Directors of AP+ will have the responsibility of appointing the members of the Forum with members being selected from the nominations received. No less than 10 persons will be appointed to the Forum at any given time. The Chair may invite subject matter experts as well as AP+ leaders to participate in Forum meetings.

Selection of Forum members will be conducted according to the following criteria:

- a) **Independence** – with the nominee not currently, or not within the last two years having been, on the board or any advisory committee of, or employed by, or a material professional adviser, material consultant, material external legal adviser or material supplier to, AP+ or any Wholly Owned Subsidiary of it; and

- b) **Diversity** – ensuring that the overall composition of the Forum has a broad and diverse representation of PSPs and related organisations whilst also ensuring a manageable number of Members in terms of the overall size of the Forum.

Each Member will generally be appointed for a period of two years, although initially half of the Members will be appointed for an initial period of one year to allow for expiration and renewal of terms without vacating the entire Forum membership. Members may renominate and/or be re-appointed thereafter if determined by the Independent Directors. A Member may resign at any time by providing a minimum of four weeks' notice in writing to the Secretariat. A Member must resign if they cease to meet any of the criteria outlined above or if they cease to be employed by the Payment Service Provider that nominated them.

Chair

The Board will appoint an Independent Director of AP+ as the Chair and Member of the Forum. The Chair is appointed for a period of two years and may be re-elected for a further two terms.

The Chair is responsible for the conduct of all Forum meetings and for the approval of all agendas and minutes of the Forum meetings.

Secretariat

AP+ will provide a secretariat service to the Forum and the facilities and services required to convene Forum meetings. The Secretariat will:

- a) circulate agendas, notices and arrange and minute the Forum meetings;
- b) arrange the distribution of the meeting agendas, minutes and other relevant documents of the Forum meetings within reasonable timeframes; and
- c) act as the liaison between the Forum and the Board of AP+.

Operating Procedures

The Forum will meet bi-monthly or more frequently as determined necessary by the Chair.

The Chair will set the Forum agendas, taking into account the objectives of the Forum. The Forum will invite attendees to provide submissions into topics for the sessions. Items will be added to the session's agenda, at the discretion of the Chair. Time will be allocated to topics as outlined in the session agendas, and the Chair will maintain agenda timings.

The Forum constitutes a quorum when more than half of its Members and the Chair are present. A Member may appoint a delegate to attend a Forum meeting in their place upon written request to the Chair.

None of the recommendations made by the Forum are binding on any person, including AP+ or any Payment Service Provider.

The following non-voting attendees can participate in the meetings of the Forum, if required:

- a) the Secretariat;
- b) such Corporate Officers of AP+ as deemed necessary by the Chair;
- c) senior representatives of each of BPAY Group Pty Ltd, eftpos Payments Australia Limited and NPP Australia Limited;
- d) one or more Attendees of the End User Forum; and
- e) any other persons as deemed necessary by the Chair.

The Forum can constitute any sub-groups as required which are related to the Forum's mandate in order to investigate and/or prepare discussions of specific issues. Members of each sub-group are appointed by and amongst the Members.

Confidentiality

By accepting their appointment, Members and the Chair are bound by confidentiality. Each Member agrees that any information provided by AP+ in the exercise of their functions as Member is confidential, unless the contrary is explicitly stated. Each Member undertakes to keep such information confidential and not use it for other purposes than for the exercise of their function as a Member of the Forum. Each Member agrees not to provide commercially sensitive information to the Forum or to any other third party.

Every attendee of the Forum meetings are also bound by confidentiality regarding the information provided in the agenda of the meetings and during those meetings. This confidential information must be kept strictly confidential during the entire period of their mandate and for a period of two years after Membership is ended.

Competition Protocol

To the extent that Members are actual or potential competitors with each other, Forum meeting discussions will be governed by a Competition Protocol whereby competitively sensitive information will not be shared during the course of Forum business.

Conflicts of Interest

A conflict of interest is a situation pertaining to a Member:

- a) where the judgment of the Member concerning one interest may be unduly influenced, directly or indirectly, by a second interest of that Member; and
- b) which creates a risk of damage to the interests of AP+ or its Wholly Owned Subsidiaries, another Payment Service Provider or one or more of the Payment Service Provider's own clients.

A Member (other than the Chair) is entitled to take into account the interest of the Payment Service Provider that they represent, provided that this is done in a manner consistent with the objectives of the Forum.

If a Member becomes or should be reasonably aware of a situation of conflict of interest as defined above, they should inform both the Secretariat and the Chair. A Member has the duty to consider and disclose any conflict of interest both upon receipt of the agenda of the upcoming Forum meeting and during the meeting itself. Similarly, should an attendee at a Forum meeting become aware of such conflict, they will duly inform the Chair. The Chair will maintain registers and records of declarations and notifications of conflicts made by Members from time to time. Where a conflict of interest in relation to a particular matter has been raised for a Member, that Member shall not be allowed to vote on that matter.

Other Matters

Any member considered to have breached any of the terms of reference for the Forum may result in that member's immediate dismissal. Any such dismissal shall be approved by the Independent Directors.

The Independent Directors of AP+ will review the operation of the Forum and its terms of reference every two years.