



Please find following the latest edition of **What's News** Synchronised Software's client newsletter. This edition contains information relating to latest CAPITAL developments, recent project highlights and plans for upcoming legislation. We hope you enjoy the newsletter. Stories covered in this edition include:

Client and Project News

CBA completes successful conversion to CAPITAL

A joint team between CBA and SyncSoft has successfully completed the migration of two master funds from other industry software onto CAPITAL. The 9-month project was delivered on time and by all accounts senior management with in both organisations are extremely happy with the outcomes. Our conversion and project management experience have strengthened substantially over the past 18 months and as a result clients are benefiting from our accumulated conversion experience.

Primary goes live at Pillar

Another recent achievement was the implementation of CAPITAL Retail for Primary Industries Superannuation Fund at Pillar Administration. In all there were over 120,000 members that were transferred onto CAPITAL Retail. Our fully configurable package allowed the Fund to go-live in record time. The standard functionality in the package includes a comprehensive suite of financial services products, complimented by a client centric design and user defined account structure. CAPITAL Retail has also been able to demonstrate excellent high volume transaction performance.

We look forward to assisting Pillar with other new business successes.

Straight Through Processing Update

STP trends in administration back offices as many would know can influence the reduction of ongoing administration costs, introduce client / employer efficiency, and increase member satisfaction. SyncSoft recently completed additional development to the already present STP capability. The STP process eliminates manual file management by:

- Picking up files from a source directory;
- Copying and archiving original files;
- Validating file owner, format and data (header and records)
- Completing file processing via the appropriate CAPITAL process, e.g. Contributions, New Memberships, Member Maintenance, etc
- Emailing the originator on the successful processing of their file. Where there are problems with a file, STP will also send the originator and/or administration team an email outlining the specific problems with a file.

In the case of contributions, payment can be received electronically through direct credit or by automatically initiating a direct debit.

The business case for introducing STP is very strong. It reduces:

- Administration specialisations;
- Costs associated with the use of 3rd party contribution management software; and
- Manual processing; and introduces efficiency for high volume processes such as contributions, new memberships, and member maintenance.

Recent highlights at AMPNZ

Outsourcing of CAPITAL Support

In September 2003 AMP agreed to trial the outsourcing of support of their Master Trust and Unit Trust CAPITAL systems to Synchronised Software. Services offered under this arrangement include:

- Guaranteed defect resolution service levels
- Dedicated support staff / help desk and account management
- Discounted time-cost rates for set resource allocation

This initiative is expected to lead to lowering AMPNZ's cost of ownership of CAPITAL in the medium term.

Savings and Investment Product Version 2

In November 2003 the CAPITAL Retail package was selected as the platform for the new version of AMPNZ's successful Unit Trust product.

Their new unit trust product is due for launch in the 3rd quarter of this year.

If you would like to know more about CAPITAL's Unit Trust capability please call Karen De Angelis on (03) 9837 1411.

General News and Information

New faces welcomed at Synchronised Software

Over the past six months, Synchronised Software has embarked on an extensive recruitment program to assist in the increased project work for clients. This has seen the hiring of two experienced CAPITAL permanent staff, five experienced CAPITAL contractors and importantly Synchronised Software has invested in a graduate hire program where we have taken on eight eager graduates. The combination of experienced permanent and contractor staff together with our graduates is seen as an asset to both Synchronised Software and our customers as we move forward.

Plans for CAPITAL and Growth Pensions

After review of the recent announcement by the Federal Government for the introduction of a growth pension product SyncSoft is pleased to advise clients that we will be enhancing CAPITAL Retail to cater for growth pension requirements.

Effectively a growth pension combines the principals of complying pensions and allocated pensions. In essence the proposal is to make the pension, a lifetime, non-commutable pension, but allow members to control the investment allocation and therefore manage the risk of running down the account. One imagines a similar minimum and maximum arrangement to allocated pensions will apply.

At this point we do not believe there is a great deal of development work in getting CAPITAL Retail ready for a growth pension product. There will be some work in stopping redemptions that are paid directly to a member, there may also be some amendments to the RBL tape and perhaps some other ATO reporting requirements will be needed.

If your organisation is considering launching growth pensions please contact us for more information

SyncSoft continues to support the Industry

Synchronised Software for the second year in a row was among friends at the CMSF Conference recently on the Gold Coast, situated conveniently between the CBA and BT booths.

Synchronised Software continued the theme used successfully at ASFA last year in conjunction with Pillar. Take the stress out of moving to a new administration system and relax in the knowledge that CAPITAL can refresh and invigorate your administration centre.

To complement the theme we were offering neck and shoulder massages by qualified therapists and giving away bath bombs.

Synchronised Software will continue its sponsorship of industry events as a bronze sponsor at the IFSA conference in Brisbane in August.

Legislation Program 2004

As many of you are aware the Super Co-contributions started on 1 July 2003 and replaced the tax offset for personal superannuation contributions.

How does it work?

To be eligible for the Super Co-contribution members need to meet certain requirements. Broadly, these are:

- Have made or make personal contributions to super;
- Earn less than \$40,000 a year before tax (individual income, not household income);
- Be employed full-time, part-time or on a casual basis (but not self-employed);
- Be entitled to receive superannuation contributions from your employer (Note: the Government is proposing that the law be amended to change this Requirement, making more people eligible); and
- Be under 71 years of age.

While members are eligible, make personal super contributions and lodge a tax return, the Government will make a Super Co-contribution.

The Super Co-contribution will be treated as an undeducted contribution for taxation purposes and will not be subject to any taxation when paid into a members account. The amount will not be taxed as an end benefit and will not count towards the Reasonable Benefit Limit.

What are the delivery dates?

Synchronised Software after consultation with clients is delivering the enabling software to its customers in a progressive roll out to meet the operational requirements of funds as the components of the recording and reporting cycles fall due. The key deliverables and dates are:

Recording of Personal and Other Contributions when rolling money in or out. - End of May

Interfaces to ATO and supporting infrastructure for management of Co-Contribution funds. - End of July

More information

If you would like more information about Retail Features, Growth Pensions, Unit Trust capability or any other features contained in this newsletter please contact your account manager or alternatively contact Karen De Angelis on 03 9837 1411. You may also wish to visit our website at www.syncsoft.com.au