



community connection

ISSUE 10 JANUARY 2010

6.00%* P.A.
5 MONTHS FIXED
ON \$5,000+
GOVERNMENT GUARANTEED DEPOSITS**

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Watch your investments grow with a Term Deposit

Term Deposits are a great investment option for anyone looking for a low risk investment with a predefined investment goal. Some of the key benefits of investing in Term Deposits include:

- > The ability to earn a higher interest rate than a traditional transaction or savings account.
- > The interest rate is fixed for the duration of the term, so you know exactly how much interest you will earn at maturity.
- > Terms range from 3 months up to 5 years, so you can choose the option that best suits your savings goals.
- > Investments start from as little as \$500.

With our Term Deposits you'll enjoy Lifestyle Rewards

At Community CPS, we love returning value to our members. That's why when you invest in a Term Deposit you'll automatically be eligible for our Lifestyle Rewards Program[^].

We've teamed up with the Ambassador Card to offer you a wide range of discounts at retail outlets, restaurants and cafes, as well as great savings on hotel accommodation and leisure activities.

We have also added exclusive offers on our products and services, including insurance, financial planning and loans.

So call 13 25 85 and talk to one of our Consultants today and enjoy the financial security of our Government guaranteed Term Deposits and the added benefits of our Lifestyle Rewards Program.

**This is a special offer and is not available in conjunction with any other offer. Full terms and conditions are in our product guide and are available on application. Some fees may apply. Before acquiring this product you should consider whether it is appropriate for you. Interest paid on maturity. These interest rates are valid from 15/12/2009 and are subject to change without notice. Community CPS Australia Limited ABN 15 087 651 143 AFSL 237 856. **Community CPS is an approved deposit-taking institution regulated by the Australian Prudential Regulatory Authority (APRA). The Government Guarantee only applies for deposits up to \$1 million and a fee is payable to guarantee deposits in excess of this amount. ^Valid until 31 December 2010.*



Your RediATM Network

We are pleased that our members are taking advantage of the recently expanded rediATM network, with rediATM now being the leading ATM network in a number of states.

Community CPS members now have access to 1700 more ATMs around Australia through our partnership with National Australia Bank (NAB). Our total network now consists of more than 3600 ATMs.

NAB ATMs will soon feature a rediATM logo alongside the NAB logo to assist credit union cardholders in identifying the ATMs.

We would like to remind you that to access your second and third accounts you will need to use a rediATM.

Community CPS wins Service Award

We are proud to announce that Community CPS has received a Service Excellence Award in the medium business category from the Customer Service Institute of Australia (CSIA).

The CSIA is Australia's peak customer service organisation which holds national awards to recognise, promote and reward excellence, professionalism and outstanding achievement in customer service.

We would like to thank our staff for their commitment to putting our members first which has enabled us to be recognised as a leading customer service provider.



Get ready for Christmas 2010!

You may well be wondering where all your money went over the festive season. Well, now is the time to do something about it – make your first New Year's resolution today!

Set up a Christmas Club Account and arrange a regular automatic payroll deduction - even a nominal amount like \$10 to \$15 a week adds up and by Christmas time you will have a nest egg ready to start your Christmas shopping!

Call us on 13 25 85 or visit your nearest Personal Financial Centre to set up your Christmas Club Account today and make next Christmas a breeze.



Companion Credit Union members approve merger

We are pleased to announce that our proposed merger with Companion Credit Union became effective on 1 January 2010 after the members of Companion voted overwhelmingly in favour of the union.

More than 95 per cent of votes cast by Companion members supported the merger at an Annual General Meeting held on Wednesday 25 November. The combined entity will be one of Australia's largest credit unions, representing a combined membership of more than 180,500.

Community CPS Chief Executive Officer, Kevin Bengler, said he was proud to officially link the two credit unions following approval from Companion members.

"This merger is an important step for Community CPS and Companion, ensuring we remain competitive in the financial services market and continue to deliver the best services to our members in NSW, SA, ACT and WA," said Kevin Bengler.

The business will continue to be known as Companion Credit Union in the Hunter Valley and Newcastle region, while Community CPS Australia will carry on business in South Australia and the Australian Capital Territory along with United Community in Western Australia.

Community CPS and United Community members will have limited services available through Companion from 1 January, however when our banking systems are combined in August 2010 complete access to all services will be available at any of our locations throughout Australia.

2009 Annual General Meeting Results

At the 2009 Community CPS Annual General Meeting held on Wednesday 25 November in Perth, the resolution in relation to proposed amendments to the Community CPS Constitution was passed. This was the only resolution put to the meeting.

The results of the ballot for the 2009 Directors' Election were announced with the successful candidates being Gary Green, Anne O'Donnell and Steven Nolis.



Smarter and safer Visa transactions

From February 2010, all new replacement and renewal Visa Debit cards we issue will feature a secure embedded microchip to give you a higher level of confidence in the security of your transactions.

The microchip is a smart chip, which appears as a gold or silver square embedded on the left hand side on the front of the cards. The chip stores your account details but unlike the magnetic stripe, the microchip is much harder to copy, which provides an unrivalled level of protection against counterfeiting, card skimming and other fraudulent use.

With this new technology, instead of swiping your card, you may soon be asked to insert your card in the new EFTPOS terminals.

The card remains in the terminal throughout the transaction and confirms your identity and transaction authorisation by requesting your PIN.

During the upgrade transition period, you will still be able to swipe and sign for transactions as before. As merchant terminals are upgraded, however, 'dipping the chip' and entering a PIN will become the new easier, faster and safer way to transact. If you are travelling overseas, we suggest you memorise your PIN as this is now the preferred payment authorisation method for most merchants.

If you'd like to know more about our introduction of the new chip cards for Visa Debit cardholders, call us on 13 25 85 or visit your local Personal Financial Centre.

We have cut our Exception Fees

We are pleased to announce that we have significantly reduced our Exception Fees to make them fairer and simpler.

Exception Fees are those fees charged when you do not have sufficient funds in your account for a payment or withdrawal or when we dishonour a cheque or direct debit on your account.

From 1 March 2010, we will have one Dishonour Fee. It replaces the following fees:

	Old Fee	New Fee
Dishonour Member Cheque Withdrawal Fee	\$41.00	\$11.00
Insufficient Funds for Direct Debit Fee	\$30.00	\$11.00
Quick Debit Dishonour Fee	\$30.00	\$11.00

At the same time we will also decrease our Overdrawn Account Fees and the Transfer/Honour Fee charged

if we transfer money from another account you have with us to honour a payment as follows:

	Old Fee	New Fee
Overdrawn or Over-Limit Account Fee		
Accounts overdrawn by \$100 or more	\$25.00	\$11.00
Accounts overdrawn between \$50.00 and \$99.99	\$15.00	\$11.00
Transfer/Honour fee	\$11.00	\$5.00

We are committed to having a transparent and competitive fee structure in place for all our members that also encourages careful money management.

We encourage you to take advantage of SMS alerts through our TEXT ME! service, as well as internet and phone banking to check your account balances regularly and assist you to avoid these fees altogether.

You should read 'Changes to your accounts' on page 5 for further information on our changes to these fees.

Changes to your accounts

To ensure that we are continually able to provide our members with a competitive range of products and services, it is important that we regularly review our accounts and fees and charges associated with our product and service offerings. This page outlines a number of changes for members effective 1 March 2010.

Change to Dishonour Fees

You will be charged a **Dishonour Fee** if a member cheque withdrawal, automatic payment or other direct entry is rejected due to insufficient funds or for any other reason. The fee will be charged when the payment is rejected: **\$11.00**

An automatic payment is a periodic payment, direct debit or quick debit.

A direct entry is an electronic transaction including an automatic payment, a transfer to another account using internet or telephone banking or a BPAY® payment.

The Dishonour Fee replaces the following fees and charges:

- > Dishonoured member cheque fee
- > Insufficient funds for Direct Debit fee
- > Quick Debit dishonour fee
- > Periodic payment insufficient funds rejection fee
- > BPAY® rejection fee

Changes to Overdrawn Account Fees

The **Overdrawn Account Fee** which is charged when you overdraw your account or exceed your credit limit by \$50.00 or more will be: **\$11.00**

Change to Transfer/Honour Fees

The **Transfer/Honour Fee** which is charged to transfer funds to honour a direct debit or member cheque withdrawal will be: **\$5.00**

Changes to Transaction Fees

Access Savings, All-In-One, Bonus Saver, BU Savings, Junior Savers Club, Freestyler, Mortgage Offset, Non-Interest Savings, Retirement, Wealth Accumulation and Cash Management Accounts

The Member Contact Centre Transfer Fee of \$2.50 will be included in the Fee Allowance; and

The Over the Counter Transfer Fee and Member Contact Centre Transfer Fee will be renamed the **Staff Assisted Transfer Fee**. Members 70 and over will be exempt from this fee.

The **Bank@Post Cash Withdrawal Fee** of \$3.00 will no longer be included in the Fee Allowance and instead be charged per transaction.

You will receive 4 free **Bank@Post deposits** per month. A fee will apply for each extra Bank@Post deposit you make: **\$3.00**

Members in remote areas who use Bank@Post may be eligible to have Bank@Post fees waived. Please call 13 25 85 to discuss your eligibility.

Christmas Club and monEsaver Accounts

Fees charged for withdrawals or transfers will be charged at the time of the transaction.

SMALLBiz and Business Accounts

The amounts of some transaction fees will change. The fees affected and the new amounts are as follows:

- > Visa Debit card or rediCARD cash advance within Australia or overseas **\$4.00**
- > Corporate cheque withdrawal **\$5.00**
- > Corporate cheque withdrawal via Internet Banking **\$5.00**

You will receive an allowance of **1 free declined ATM or EFTPOS/Visa Debit transaction** per month. A fee will apply for each additional **declined ATM or EFTPOS/Visa Debit transaction \$1.25**

Change to Level 5 Fee Allowances

Due to the significant expansion in the number of rediATMs (including NAB ATMs) available to members, the four free non-rediATM transactions will no longer be available to Genius, pinnacle+plus and pinnacle executive package members. From **1 March 2010** the Fee Allowance excludes all **non-rediATM transactions** which will be charged at the amount disclosed on the ATM at the time of the transaction.

Change to Relationship Portfolio Value

We will add \$4,000 to your **Relationship Portfolio Value** for each MasterCard account you have with us.

Changes to Loan Fees

The Mortgage Loan Establishment Fee will reduce to **\$445.00**

A Mortgage Loan Settlement Fee will apply for:

- > New loans **\$150.00**
- > Top-ups and loan variations **\$50.00**

A Name Change Documentation Fee of \$150.00 will apply.

The Refix Fee and Switch Fee will be replaced by a **Rate Variation Fee** of **\$300.00** to be charged if you refix your home loan at the end of a fixed rate period or when you convert a home loan from:

- > A variable interest rate to a fixed interest rate;
- > A fixed interest rate to a variable interest rate during a fixed rate period*;
- or
- > From one fixed interest rate to another fixed interest rate during a fixed rate period.*

Tips to reduce fees and charges

Use lower cost transaction methods

Use electronic transactions such as BPAY® or Internet and Telephone Banking where possible. Try to use fewer transactions that incur higher fees.

Fee Allowance

Take advantage of the monthly Fee Allowance available on some accounts by choosing transaction methods that allow you to perform certain transactions free of charge up to a set limit. Any transactions that exceed the Fee Allowance will be charged a fee.

Use your card

By using a Visa Debit card or rediCARD (if available on your account) you can access your funds via ATM¹ and EFTPOS².

Select the "credit" option when making purchases with your Visa Debit card (Visa Debit purchase), to use a low cost transaction method.

Alternatively withdraw cash at the same time as making a purchase³ by selecting the "savings" option when using a card. That's one transaction instead of two.

Account Balances

Remember to keep sufficient funds in your account and avoid dishonour and overdrawn account fees.

Check your account balance regularly using Internet or Telephone Banking or have SMS alerts sent to your mobile phone.

Plan ahead

Try not to withdraw cash from your account every day or two. Plan your week's spending and withdraw the funds in one or two transactions to reduce transaction fees.

¹If you convert a home loan interest rate during a fixed rate period, break costs may be payable. ²Higher fees which do not form part of your Fee Allowance will apply at non-rediATMs. ³Subject to systems availability and maintenance. Daily ATM and EFTPOS withdrawal limits apply. ⁴This service may not be available at all EFTPOS operators.

Personal Loans

We have Personal Loans tailored to help you make that dream purchase a reality. We will lend you money for any worthwhile purpose such as:

- > Car (new or used), Motor Cycle, Boat or Caravan
- > Home items such as renovations, a swimming pool or new furniture
- > Holiday
- > Consolidating your finances

Our Personal Loans include the following features:

- > You can borrow as little as \$5000. However, if you need to borrow less, talk to us about a line of credit
- > You can make extra repayments without penalty. Paying an extra \$10 or \$20 per payment could assist you in paying your loan off even sooner and save on interest!
- > We can let you know that your loan has been approved within 24 hours.

It's easy to apply. Simply...

- > Phone 13 25 85 and apply over the phone
- > Visit your nearest Personal Financial Centre
- > Complete the online application form on our website

Terms, conditions and normal lending criteria apply. Fees and charges are payable.

Important Insurance Reminder for Borrowers

Do you have a Home or Investment Loan with us secured by mortgage over a residential property?

If so, we'd like to remind you that under the terms of the mortgage loan agreement, you are required to keep the mortgaged residential property insured at all times. The amount of insurance protection should be at least the current replacement value of the building. Please check your policy to make sure it is current and that the sum insured is adequate.

We can help!

Why not talk to us about insurance for your mortgaged residential property? With our **PremierCare**[®] range of insurance* we can arrange cover for your home or investment property as

well as your contents and personal valuables. If you have a mortgage secured loan with us over the property, just mention this reminder notice and we'll give you 10% discount[#] on the premium.

* This insurance is provided by Allianz Australia Insurance Ltd ABN 15 000 122 850 AFSL 234708.

[#] Discount is not available in conjunction with any other insurance offer and applies to new insurance only. The minimum premium established by Allianz will apply. In arranging these insurances Community CPS Australia Ltd acts as agent for Allianz and not as your agent. All applications for insurance are subject to normal acceptance criteria. [®] A registered Trade Mark of Community CPS. You should consider the Product Disclosure Statement (PDS) available from Community CPS or United Community before deciding on these products. This is general information only and may not suit your needs.

Managing an inheritance

Making the right decisions about your finances has never been so important. A Financial Planner can help you do this by understanding your financial situation and helping you develop a financial plan to meet short and long term goals.

To illustrate just how much value a Financial Planner can provide, we've provided a case study below of a client who needed help managing an inheritance.

Mary's Story...

Mary was 73 years old, retired and a single woman. She was happily living on the Aged Pension – until she received an inheritance from her brother's estate.

While most people would be happy to inherit a substantial sum, receiving a share portfolio and cash to the value of over \$500,000 brought nothing but worry for Mary.

This sudden wealth brought an end to her Aged Pension as she no longer qualified for Centrelink assistance due to her level of assets.

At her wits end with worry and wanting to 'do the right thing', Mary made an appointment with one of our Financial Planners, Michael Possemato, and they established that:

- > Mary was quite happy living off \$14,000 a year from her Pension as that was all she needed to pay the bills.
- > To Mary, 'doing the right thing' meant preserving the funds her brother had left to her, and living off the interest.
- > Mary wanted her investments to be easy to manage and was not comfortable with taking too much risk.
- > Mary wanted to know what would happen to her wealth if she became ill or passed away.
- > Updating Mary's Will to ensure her assets would be distributed in a tax effective manner to her beneficiaries upon her death.

Mary felt at ease after receiving Michael's advice, and the Eastwoods ongoing service offer will ensure that her financial affairs remain on track.

Whether you have definite personal goals, like saving for retirement or funding your children's education, or you're facing a raft of financial challenges, a Financial Planner can make a worthwhile difference.

To make an obligation free appointment with one of our Financial Planners please call **(02) 6286 0564**.

After considering the above in conjunction with the possible impacts of income and capital gains tax, diversification of investments and the likely returns, Michael recommended the following:

- > Diversifying Mary's investments across cash, term deposits, managed funds and retaining the share portfolio.
- > Directing sufficient earnings into Mary's bank account to cover living costs and reinvesting the remainder.
- > Appointing appropriate Powers of Attorney and Guardianship to ensure Mary's affairs would be properly managed in the event she became incapable due to illness or disability.



This information is of a general nature only and has been provided without taking account of your objectives, financial situation or needs. Because of this, we recommend you consider, with or without the assistance of a financial adviser, whether the information is appropriate in light of your particular needs and circumstances. Financial Planning services are provided by Eastwoods Wealth Management Pty Ltd AFSL 237853, a subsidiary of Community CPS Australia Limited.





Canberra's Newborn Intensive Care Foundation required support to purchase a second mobile humidicrib to help transport critically ill babies, while providing them with the intensive care they need.

As a result of our fundraising appeal, we were able to raise the \$180,000 required to purchase the humidicrib.

Thank you to our members for your generous support!

\$180,000 — we did it!

Have you moved recently or are you about to move?

Please let us know by completing the form below and returning it to us. Alternatively, you can advise us of your new details via Internet Banking (under the Service Options menu) or by calling 13 25 85 (with your Telephone Banking Passcode).



Membership number(s):.....

Member name(s):.....

New residential address:

New postal address:

New telephone number(s): H: W: Mob:

Email address:

Signature(s):..... Effective date:...../...../.....

Yes, please update my address on my Insurance policies.

Send to: Community CPS Australia, Reply Paid, GPO Box 1430, Adelaide SA 5001 (no postage stamp required)

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