

Watch your savings

Earn up to
6.50* % pa



grow

with a credit union term deposit

* 6.50% pa based on a term deposit of \$25,000 or more over 6 months. Full terms and conditions available in branch

Hello,

Welcome to the Autumn edition of MCU News.

We have been busy over the last few months changing over to a new computer banking system. This was completed last month and our new computer banking system will improve our operational capacity and allow us to offer better products and services.

I'd like to take this opportunity to thank all our members for their patience during the changeover and to apologise for any inconvenience that may have been caused.

While Christmas may be well and truly over, many of us may find that we haven't finished paying for it yet. For those of us with a number of different credit cards and store cards, consolidating them into one low rate personal loan may be the answer. Read more about consolidating your credit card debt on page 2.



Congratulations to the winner of our Country Energy Survey competition, Martyn Webb - we hope you enjoy using your new digital camera.

Are you looking to renew your Car Insurance policy? Remember to shop around and get the best deal - don't just renew. Read more about Car Insurance from our insurance partners, CGU, on page 3.

Our Financial Planning partners, Bridges, have provided us with some advice on wealth management. This issue they have provided an article about making sure you have enough super when you retire.

I hope you enjoy reading this issue of the MCU News.

Regards,
Bob Malcolm



Cure your credit card's condition

Convert your card debt into a personal loan at one low rate

The Christmas summer holiday period is a time when debts can spiral out of control. Spending over the periods of December and January on Christmas presents, holidays, back to school expenses and sales quickly adds up to thousands of dollars. Although paying with a credit card is convenient, if you have a number of credit cards and loan repayments this can be a disaster. That is

where Macquarie Credit Union can help. We can consolidate all the outstanding amounts into a single loan with a single repayment whether it be weekly, fortnightly or monthly.

Call one of our experienced loans officers for further information or visit www.macquariecu.com.au

Nine percent super – is it enough?

Employers have been required for some time to pay eligible staff a superannuation contribution of 9% pa of their assessable income under the Superannuation Guarantee (SG) Act 1992.

While some employees pay an additional voluntary contribution into their superannuation fund, automatically deducted from their salary, many do not. So it's worth examining whether this 9% alone will be enough to provide a comfortable lifestyle in retirement.

Will I have enough super?

The answer to this question depends on a range of factors and assumptions for each individual, such as:

- time until retirement
- current super balance
- earning capacity
- disposable income for investment
- additional super contributions
- a partner also with super savings
- investment earnings and inflation
- other retirement savings and assets eg family home
- the standard of living you expect in retirement

Take one example. Rob, aged 30, is currently earning \$50,000 pa, has already accumulated a super fund balance of \$30,000 through SG contributions and expects to retire at age 60. Assuming that his salary grows at 5% pa and that over his lifetime investment

earnings average 6% pa and inflation 3% pa, how much will Rob have accumulated in his super fund by retirement in 2034 and what retirement income will that give him?

If Rob relies ONLY on the 9% pa SG contributions, when he turns 60 his super, converted to an allocated pension, will give him a retirement income of only \$17,200 pa for his life expectancy, expressed in today's dollars (this means an income which provides the same living standard as \$17,200 pa does today).

If Rob matches the employer super contribution with an additional voluntary contribution of 9% pa paid through his salary package, this "salary sacrifice" will boost his retirement income to \$31,000 pa. Much of this income will be tax-free.

And because he pays less tax through his salary package, Rob is in effect contributing much less than he would have had to pay from after-tax salary to achieve an equivalent super contribution.

Of course, most superannuation assets are preserved until retirement age – they cannot ordinarily be withdrawn for other purposes. So Rob may also choose to keep some of his savings more accessible by investing outside superannuation, such as in shares or property. He should however diversify his investments according to his needs and seek professional advice.

For advice on how much super and other savings you will need for a comfortable lifestyle, call Macquarie Credit Union on 6884 8172 to arrange a free, no-obligation meeting with a Bridges Financial Planner.

Bridges Financial Services Pty Limited (Bridges). ASX Participant. AFSL No 240837. This is general advice only and does not take into account your objectives, financial situation and needs. Before acting on this advice, you should consult a financial planner. In referring members to Bridges, Macquarie Credit Union does not accept responsibility for any acts, omissions or advice of Bridges and its authorised representatives.

Why protect my loan repayments?

Accidents and serious illness can occur swiftly and without warning. At one time or another most of us will experience disabilities or illness which will keep us off work for prolonged periods.

Often they bring in their wake severe financial hardships for dependants. The bills keep coming in, even when our income doesn't.

How do I protect my loan obligations?

Now you can protect your loan at an affordable cost, it's easy to pay as the full premium can simply be added your loan repayment. Essential cover loan repayment insurance allows you, the member, to cover all or part of your loan repayment, providing you with the security of knowing that if something unforeseen happens; your major commitment will be taken care of.

This is general advice only and does not take into account your individual objectives, financial situation or needs ('your personal circumstances'). Before using this advice to decide whether to purchase this insurance policy, you should consider the appropriateness of it having regard to your personal circumstances, plus obtain and consider the current Product Disclosure Statement for the insurance policy.

This insurance product is issued by Swann Insurance (Aust.) Pty. Ltd. (Swann). ABN 80 000 226 680. An IAG Company. You can get a Product Disclosure Statement (PDS) for the product from any office of Swann or its agents. You should consider the PDS when deciding whether to buy or hold the product.

Here at Macquarie Credit Union we offer our members four types of cover:

- Sickness & Accident
- Trauma ("Cash Assist")
- Involuntary Unemployment
- Life

Please talk to your loans officer about the benefits of these covers and the price to suit your circumstances. Please note, Essential cover is only available at the time you apply for a loan. You should, therefore, consider the valuable protection of this product before loan commencement.

Have you compared the No Claim Bonus (NCB) on your Car Insurance recently?

You might be surprised.

CGU don't do what many insurers do. They look at you and your circumstances, and don't just match another insurance company's No Claim Bonus.

With CGU, your No Claim Bonus is rated on how many years you've been driving and how many at-fault incidents you've had.

Have you been a nominated driver on someone else's policy, or been driving a company car and not needed to have your own insurance?

THAT'S RIGHT.... Even if you have never had insurance before, you may still be entitled to a No Claim Bonus* when you take out a CGU Motor Vehicle Insurance policy.

*Maximum NCB is 60% and CGU's normal underwriting terms and conditions, and acceptance criteria apply.

Don't delay, phone Macquarie Credit Union now for a quote on 1300 885 480

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Manage
your money
anywhere,
anytime



Earn up to
6.10% pa*
with a Money Market account

*6.10% pa is based on balances over \$5,000. For full terms and conditions contact the branch on 1300 885 480.

Member Survey winner

Thank you to all those who took part in our second survey. Your feedback is extremely important to us.

Congratulations to our second survey winner, Martyn Webb. Martyn's answer to the question, 'What do you look for in a bank/financial institution?', won him a digital camera.



It's that time again when everyone thinks they know who is going to win the footy, whether it is Rugby League, Rugby Union or AFL. Think you know! Then why not join Macquarie Credit Union's free footy tipping competition online for your chance to win up to \$17,000 in prizes.

Register now at www.macquariecu.com.au. Set up a comp with your friends or just see how good you think you can go. Super 14 has already commenced but you can still join. NRL kicks off on the 16th March with the AFL to follow on the 30th March.

Interest rates

Term Deposit interest rates

\$ Amount	3 months	6 months	12 months
500 < 5,000	5.20%	5.50%	5.70%
5,000 < 25,000	5.75%	6.10%	6.20%
25,000 < 50,000	5.90%	6.10%	6.25%
50,000 < 150,000	5.95%	6.15%	6.30%
150,000 < 250,000	5.95%	6.20%	6.35%
250,000 and above	5.95%	6.25%	6.35%

Loan interest rates

Loan type	Loans approved prior to 1/12/05	Current loan rates	Comparison rates
Home Loan	7.92% pa	7.82% pa	7.87% pa*
Investment Property Loan	7.92% pa	7.82% pa	7.87% pa*
Property Secured Personal Loan		8.45% pa	8.45% pa*
Business Loan	from 9.20% pa*	from 9.20% pa*	from 9.20% pa*
Equity New Car Loan		8.65% pa^	8.65% pa**
Equity Used Car Loan		9.95% pa^	9.95% pa**
New Car Loan	9.20% pa	9.20% pa	9.20% pa**
Used Car Loan	12.25% pa	12.20% pa	12.20% pa**
Personal Loan	12.50% pa	13.20% pa	13.20% pa**
Overdraft / Visa 55	13.25% pa	13.25% pa	

Access accounts

0 < 500	Nil % pa
500 < 5,000	0.10% pa
5,000 < 10,000	0.15% pa
10,000 < 20,000	0.20% pa
20,000 < 50,000	0.30% pa
50,000 and above	1.00% pa

interest calculated daily, paid annually

Special purpose

	1.00% pa
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interest calculated daily, paid annually

Christmas club

	1.00% pa
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interest calculated daily, paid annually

Investment accounts

0 < 500	Nil % pa
500 < 5,000	2.20% pa
5,000 < 10,000	2.95% pa
10,000 < 20,000	3.20% pa
20,000 < 50,000	3.75% pa
50,000 < 100,000	4.25% pa
100,000 and above	4.50% pa

interest calculated daily, paid annually

Money market (e-saver)

0 < 500	Nil % pa
500 < 5,000	5.00% pa
5,000 and above	6.10% pa

interest calculated daily, paid monthly

Note:

Term Deposit interest Rates

All interest rates quoted are per annum

- Fees and charges and terms and conditions apply and are available on request
- Rates may be negotiable for deposits over \$100,000

Loan Interest Rates

Terms and conditions, fees and charges apply which are available on application, refer to Fees & Charges brochure. Rates current at time of printing.

* Comparison rates are based on a \$150,000 loan over 25 years with monthly repayments

** Comparison rates are based on a \$25,000 loan over 5 years with monthly repayments

^ Only applicable for the purchase of any motor vehicle with a minimum 10% deposit

Accounts

Fees & charges apply.

Terms and conditions available on request.

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