

FINANCIAL SERVICES GUIDE

This Financial Services Guide was prepared on 15 May 2012.

What is the purpose of this Financial Services Guide?

We have designed this Financial Services Guide (FSG) to assist you in deciding whether to use any of the financial services we offer. This FSG must provide you with information about:

- our name and contact details;
- the financial services we are authorised to provide;
- any remuneration that we, or any other relevant person, may be paid in relation to the financial services we offer; and
- how we deal with complaints against us.

However, this FSG does not provide information about our financial services in relation to basic deposit products and non-cash payment facilities, other than the information about:

- our name and contact details; and
- how we deal with complaints against us.

What other documents might I receive?

When we provide you with a financial service, we may also have to provide you with a Statement of Advice or a Product Disclosure Statement. These documents are described below.

Statement of Advice

A Statement of Advice is a document that sets out personal advice we give to you, the basis on which we give the advice, and any benefit or association that may influence the advice we provide to you. The Statement of Advice helps you to make an informed decision about whether to act upon that advice.

We must give you a Statement of Advice when we provide you with advice in relation to a financial product, after taking into consideration your objectives, financial situation or needs. We will not provide you with a Statement of Advice if our advice relates only to our basic deposit products and non-cash payment facilities.

Product Disclosure Statement

A Product Disclosure Statement (PDS) is a document that provides you with information about a financial product and the entity that issues the financial product (the Issuer).

We must provide you with a PDS about a financial product when:

- we recommend that you acquire the financial product; or
- we issue, offer to issue, or arrange the issue of, the financial product to you.

The PDS must contain information about the financial product so that you can make an informed decision whether or not to acquire it. A PDS about a financial product must include, amongst other things:

- the Issuer's name and contact details;
- the significant features of the financial product and its terms and conditions;
- any significant benefits and risks associated with holding the financial product;
- the fees and costs associated with holding the financial product;
- dispute resolution procedures, and how you can access them.

What financial services can we provide?

Our Australian Financial Services Licence authorises us to deal in and provide advice about the following financial products:

- deposit products - our transaction, savings and term deposit accounts;**
- non-cash payment facilities - such as member chequing, Redicard, telephone and internet banking;**
- term or investment deposit accounts that are not basic deposit products;
- general insurance; and

- consumer credit insurance.

** Please note that the only information we provide in this FSG about our deposit products and non-cash payment facilities is about our contact details and our dispute resolution system under “What should you do if you have a complaint?”

In addition to the financial services we provide under our Australian Financial Services Licence, we also deal in and advise on consumer and commercial lending products.

On whose behalf do we provide financial services?

When we provide advice about non-basic term or investment deposit accounts or insurance products, we do so on our own behalf.

When we issue our non-basic term or investment deposit accounts we do so on our own behalf.

When we arrange to issue insurance products, we do so on behalf of the insurers who are the product issuers. Details of who the relevant product issuer is will be included in the Product Disclosure Statement for that insurance product.

What remuneration or other benefits do we receive for providing financial services?

We do not receive fees or commissions for financial product advice we give or for issuing our non-basic term or investment products.

We receive commission and other income on some of our products and services as follows:

- We provide Cash passport cards and associated products through Travelex Limited and receive 1% commission on the sale or a minimum of \$10 on each sale of cards or foreign cash;
- We provide BPAY facilities for our members to pay bills using BPAY via phone banking or Internet banking and receive a commission of 42 cents is paid on all transactions, the biller institution pays us these commissions;
- We can issue, vary, renew or cancel Consumer Credit insurance policies on behalf of CGU Insurance Limited ABN 27 004 478 371 AFSL: 238291 and The National Mutual Life Association of Australasia LTD ABN 72 004 020 437 AFSL 234649 under a binder authority, we receive up to 20% commission based on the premium paid for each policy;
- We can issue, vary, renew or cancel General Insurance policies on behalf of CGU Insurance Limited ABN 27 004 478 371 AFSL 238291 under a binding authority and receive 10 - 25% commission based on the premium paid for each policy; and
- We may refer you to ClearView Life Assurance Limited ABN 12 000 021 581 AFS Licence No. 227682 for life risk insurance products and we receive commission of 20% of the premium paid for each policy.

If you receive personal advice from us in relation to insurance products, we will be required to provide you with more detailed information about the amount of commission that we may receive or the method in which commission is calculated, in or with your Statement of Advice.

What remuneration or other benefits do our employees receive for providing financial services?

As a rule, our staff are remunerated principally by salary and do not receive any direct benefits for providing you with financial services in relation to our non-basic term or investment deposit accounts or insurance products.

From time to time we may allow insurers to run promotion programs under which they may reward or provide benefits to our staff for their success in arranging the issue of insurance products during the promotion period. If you receive personal advice from us, we will be required to provide you with more detailed information about any relevant benefit in or with your Statement of Advice.

What should you do if you have a complaint?

We conduct a dispute resolution system to deal with any complaints you may have about any of our banking products or services, or about any financial service we provide in relation to insurance products. Our dispute resolution policy requires us to deal with any complaint efficiently, speedily and sympathetically. If you are not satisfied with the way in which we have to resolve your complaint, or if we do not respond speedily, you may refer the complaint to our external dispute resolution centre. The Credit Union is a member of Financial Ombudsman Service (FOS).

You can contact FOS on 1300 780 808 or visit www.fos.org.au and have the dispute determined in an independent manner.

If you want to make a complaint, contact our staff at any branch and tell them that you want to make a complaint. Our staff have a duty to deal with your complaint under our dispute resolution policy. Our staff must also advise you about our complaint handling process and the timetable for handling your complaint.

We have an easy to read guide to our dispute resolution system available to you on request.