

issue 19 – Summer 10

defcredit dispatch

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Defcredit
Service banking

Great rates with DHOAS

Why not check out the competitive interest rates Defcredit is currently offering through the Defence Home Ownership Assistance Scheme (DHOAS)?

The DHOAS is a Australian Government initiative designed to help you purchase or pay off your own home sooner. It recognises the contribution of ADF personnel by subsidising home loan payments. As a part of the Defence community, Defcredit is one of only three providers authorised to offer you DHOAS loans.

Visit defcredit.com.au for more information on how much you could save with a DHOAS Advantage Home Loan from Defcredit, using our online calculators. Or to speak to us about the advantage of DHOAS home loans, drop into your local branch or call 1800 033 139 to make an appointment with a Defcredit home loan consultant.

DSNSG update

Fundraising continues at Defcredit branches across Australia for the Defence Special Needs Support Group (DSNSG), a great organisation that supports Defence families with special needs.

Defcredit staff run a range of activities annually, from raffles and sausage sizzles to dog washes, to raise money for this great cause. Our total so far this year is \$49,309 and, with your help, we're aiming to surpass last year's record-breaking total.

Defcredit reduces cost of banking

At Defcredit, we're always looking for ways to reduce your banking costs. Despite recent upheavals in financial markets we have, with your support, continued to grow and for this reason we are able to make a number of fee changes (effective 1 February 2010).

Name of fee	Payable	Old fee amount	New fee amount
Member cheque dishonour	For insufficient funds, payment stopped or incorrectly completed.	\$41	\$25
Direct debit dishonour	Direct debit declined due to insufficient funds.	\$41	\$25
Overdrawn savings	Each time your account becomes overdrawn by more than \$50 without authorisation. Daily for subsequent debit transaction/s where your account is already overdrawn by more than \$50.	\$22	\$10
Overdraft over-limit	Each time your account exceeds its credit limit by more than \$50 without authorisation. Daily for subsequent debit transaction/s where your credit limit is already exceeded by more than \$50.	\$22	\$10
Auto transfer dishonour	When payment not made because of lack of funds on the due date and subsequent representation the following day.	\$35	\$10
Credit card late payment	Charged if whole of minimum payment due is not paid by statement due date.	N/A (new fee)	\$20
Direct debit honour	Honouring direct debit request where there are insufficient funds or credit limit will be/has been exceeded.	\$10	\$25
Member cheque honour	Honouring each personal cheque where there are insufficient funds or credit limit will be/has been exceeded.	\$10	\$25

It's always important to protect your major assets and right now, if you arrange your insurance through Defcredit, you could claim prizes too.

If you take out or renew any CGU insurance policy or Swann motorbike insurance policy before 25 January 2010, you'll be entered into the draw to win one of seven great prizes. And with every policy you take out or renew, you get a new entry!

Prizes include:

- > a \$12,750 travel pack, which includes a \$10,000 Flight Centre voucher plus a \$2,750 Travelex Cash Passport
- > a \$5,000 online savings account
- > five Panasonic 50" full HD plasma TVs valued at \$3,099 each.

Best of all, because you're insured through CGU or Swann insurance, you'll be covered by some of Australia's leading general insurers.

To go into the draw, you'll need to take out or renew your insurance policies for any of the following:

- > home and contents
- > car
- > motorbike
- > landlord
- > barrack room contents
- > boat
- > caravan/trailer
- > travel.

And if you've recently purchased a CGU insurance policy or Swann motorbike insurance through Defcredit, you can still be in the draw.

Simply call 1800 033 139 to find out how. It's a win-win situation – so why not check your current policy and ask Defcredit for a quote today!

For an obligation-free quote, visit your local Defcredit branch or call 1800 033 139.

Terms and conditions available at defcredit.com.au. Authorised under NSW Permit No. LTPS/09/09554 VIC Permit No. 09/3316 ACT Permit No. ACT TP 09/04076 SA Permit No. T09/2369. Insurance products are issued by CGU Insurance Limited (CGU) AFSL 238291 or Swann Insurance (Aust) Pty. Limited (Swann) AFSL 238292. Please consider the Product Disclosure Statement (PDS) before deciding to acquire any insurance product. Defcredit receives commission when selling CGU or Swann Insurance products, please refer to the Financial Services Guide (FSG). The PDS and FSG are available by calling 1800 033 139 or visiting any Defcredit branch.

\$33,245 in fantastic prizes to be won!

If you take out or renew any CGU insurance policy or Swann motorbike insurance policy before 25 January 2010, you'll be entered into the draw to win one of seven great prizes.



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Few of us have escaped the effects of the recent global financial crisis on our superannuation and, over the last year or two, most people have come to realise that investing retirement savings in the stock market can be a risky option if you are near or in retirement.



With that in mind, now may be a good time to re-evaluate your retirement investments and your risk tolerance to ensure that you have only positive returns heading into the future.

While continuing volatility in financial markets may not affect younger workers, who have plenty of time to recover their losses over the years, the situation is not the same for those who are nearer to retirement age or who have already retired. These people will now be looking away from growth portfolios that depend on aggressive investments and higher risk. Instead, they will be seeking pathways to retirement and capital guarantees that offer less exposure to market volatility.

Transition to retirement is a way that you can obtain a regular and tax effective income stream while still in the workforce.

It works by maximising your contributions to superannuation through salary sacrifice. Available to people over the age of 55 who are still working for at least 20 hours per week, transition to retirement involves accessing your current superannuation in the form of a non-commutable income stream. While this is a viable option for a lot of people, you should keep in mind that taxation and superannuation regulations are complex and affect people in different situations differently, so it is wise to obtain professional advice before you make any final investment decisions.

If you have already retired, it will be important to you that your wealth is preserved and not exposed to the possibility of loss. Your focus will be on maximising your tax free pension stream to maintain your lifestyle in retirement.

a tax-free pension that you choose rate of return

Introducing Defcredit Super Assured

In response to member feedback, we have recently introduced a new product – the capital assured Defcredit Super Assured Retirement Savings Account (RSA).

Defcredit Super Assured is a superannuation investment facility designed to help you meet your financial needs in retirement. It is a superannuation account that enjoys the security of a term deposit with the tax advantages of super. It is also government guaranteed* and capital assured by Defcredit, so you can be certain of a positive return on your balance.

The product is simple, transparent and easy to understand. It operates in a similar way to a savings or investment account. You can choose your rate of return by selecting an RSA Term Deposit, or our competitive variable rate. Defcredit Super Assured is also an approved rollover fund, so you can pool your savings from other superannuation funds to reduce administration fees and add to your super nest egg. You also get the option of a tax-free pension so you can receive an income stream as your retirement funds continue to receive positive returns.

With Defcredit Super Assured, you can continue to enjoy your lifestyle, secure in the knowledge that that your income will not reduce suddenly in response to market fluctuations.

When you add in the extra benefits that Defcredit Super Assured offers, like no entry or annual administration fees and the option to receive a transition to retirement pension, then you'll see that it's a safe, certain, tax-effective super alternative.

To find out more about the Defcredit Super Assured RSA, call 1800 033 139 or visit defcredit.com.au

* 100% Government guarantee covers up to \$1 million of your total deposits with Defcredit until 12 October 2011. Terms and conditions, fees and charges apply. You should consider the Defcredit Super Assured Retirement Savings Account Product Disclosure Statement (PDS) (Parts 1 and 2) available at defcredit.com.au before deciding to acquire this product. This is general advice which has been prepared without taking into account your personal objectives, financial situation or needs. Before making any investment decision you should assess your own circumstance and seek independent financial advice. The Defcredit Super Assured Retirement Savings Account is issued by Defence Force Credit Union Limited AFSL 234582. For more information call 1800 033 139.

Sponsors

Legacy Junior Public Speaking Award

Once again, Defcredit proudly sponsored the Legacy Junior Public Speaking Award. This national competition, which encourages effective communication among young people, is conducted throughout Australian secondary schools for students aged 12 to 14 .

Caduceus Cup

More than 300 people attended this year's Caduceus Cup, a running event sponsored by Defcredit that is contested by Army signals units. Held at Borneo Barracks Cabarlah each year, it is a long distance relay that takes around six to seven hours to complete.

Kapooka Rugby League K9s

Defcredit was proud to sponsor the inaugural Kapooka Rugby League K9s, held in November in the Riverina area. Congratulations to everyone on a fantastic effort and a great show of sportsmanship.

Sydney to Wollongong bike ride

In November, six Naval Officers rode all the way from Sydney to the 'Gong to raise money to support people who are living with multiple sclerosis. Defcredit was with them all the way!

RAAF Williams Family Christmas Treat

Karaoke, magicians, camel rides and an adult jumping castle were just part of the fun at the most recent RAAF Williams Christmas Treat, sponsored by Defcredit. Defence and public service personnel and their families from RAAF Williams Laverton, Point Cook, Vic Barracks and Defence Plaza joined together to enjoy this great day.

RAAF Richmond raffle

Defcredit's RAAF Richmond branch held a monster raffle for Father's Day this year as part of their DSNNG fundraising. Proud first prize winner FLGOFF Jason Lynam was presented with his prize by Assistant Branch Manager Susan Lockwood.

IDCC

Defence teams from around the world competed in the recent International Defence Cricket Challenge, which was held in Canberra and sponsored by Defcredit. Teams from around the world including the Royal Malaysian Airforce and New Zealand and Australian Defence Forces competed in Twenty20 and limited over matches, to the enjoyment of an enthusiastic crowd.



Images left to right:

1. Winners of the Kapooka Rugby League K9s, ALTC Army Logistic Training Centre, celebrate their victory.
2. Assistant Branch Manager RAAF Richmond, Susan Lockwood, presents FLGOFF Jason Lynam with his Father's Day raffle prize.
3. Chairman of Defcredit, Mark Richards, with the Legacy Junior Public Speaking Award state finalists.
4. Former Australian cricketer Michael Bevan goes in to bat against the World Defence XI (best performers from the IDCC).

Our new partnership with GET Financial offers our members broader scope and benefits than those offered by previous providers – so why not take advantage of this easier and more cost-effective way to trade?

As a Defcredit member, you are now eligible to access the GET Trader platform to trade Australian and international shares, futures, forex, stock derivatives, gold and silver – from wherever you are.

Whether you are experienced in the market or a beginner, you'll benefit from the ease of use and the educational options that GET Trader provides. For example, there are online courses that can take you through from beginner level to advanced. And you can take advantage of a simulation platform that allows you to practise before you start operating with your own funds – a great way to learn.

Online share trading

Features of the GET Trader include live quotes complete with market depth and price history charts on one screen and a position indicator showing entry and exit points of your trades.

With stocks from 29 major exchanges worldwide available to you at competitive rates, GET Trader offers you the opportunity to trade stocks directly, across the globe, from just one account.

Forex and futures

Access to the GET Financial support team, simulation software and trading tips on what forex positions to take means that you can learn to trade like the professionals. And you can trade on 19 different futures exchanges with around 200 online and offline futures contracts for only \$10 per contract.

To find out more about GET Financial, visit getfinancial.com.au

GET Financial products and services are issued by Global Electronic Trading Pty Ltd AFSL 222629 trading as GET FINANCIAL. Please consider the PDS before deciding to acquire any Get Financial Product or service, the PDS is available from www.getfinancial.com. Get Financial may pay commissions to Defcredit on a referral agreement, please refer to Defcredit's Financial Services Guide for details.

Whether you are experienced in the market or a beginner, you'll benefit from the ease of use and the educational options that GET Trader provides.



get moving with GET Trader



Mark Richards, Chairman

Best wishes for the New Year and welcome to the summer edition of *dispatch*.

I have previously advised you in general terms of Defcredit's achievement of its strongest year to date against the background of the global financial crisis. At our recent Annual General Meeting, I was able to further advise that, in the financial year 2008-09:

- > over 7,000 new members joined us
- > our assets grew by 30% to \$840 million
- > we significantly increased our reserves.

Our surplus continues to be reinvested back into the credit union, ensuring that our fees remain low and that we continue to provide you with competitive products and excellent customer service.

This month, CGU is offering you an added incentive to insure through Defcredit. For a limited amount of time, any member who takes out or renews (or has recently taken out or renewed) specified insurance with Defcredit will go into a draw and could win one of the \$33,245 in prizes that are on offer. For more information on how to take part, go to our article on page three.

May I pass on the best wishes of the Board and all here at Defcredit to you, our members, for a safe and prosperous 2010. In particular, our thoughts are with those servicemen and women deployed in theatres around the globe during this special time of year.

from the board

Recent volatility in financial markets has meant that many of us have experienced reductions in our superannuation savings. In response to member feedback, we are proud to introduce the Defcredit Super Assured Retirement Savings Account, a new capital assured savings facility that also offers a pension stream and transition to retirement options. Best of all, it gives you certainty of continual positive returns on your investment (see page four for details). I encourage you to contact us to discuss this product with our consultants.



Defcredit
Service banking

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Any information is general advice only as it has been prepared without considering your objectives, financial situation or needs. Before acting on this advice, please consider its appropriateness to your circumstances.

Board election results

Defcredit's 34th Annual General Meeting was held in Melbourne on Monday 23 November 2009. At the meeting, the result of the 2009 postal ballot for the election of Directors was announced.

Three candidates stood for two vacancies on the Board. The new candidate was Frank Kelloway and candidates standing for re-election were Mike O'Brien and Callum Brown.

The successful candidates were Mike O'Brien and Callum Brown.

The Board of Directors met to consider Board appointments as a consequence of the results of the postal ballot. At that meeting, Directors elected Mark Richards as Chairman of the Board of Directors and Callum Brown as the Deputy Chairman. Paul Mulraney was elected Chairman of the Audit, Risk and Compliance Committee.

Defcredit recommends that you read the Products and Services Conditions of Use brochure, other relevant PDS, Fees and Charges Schedule and Financial Services Guide before acquiring any product. These documents are available from any branch or on Defcredit's website at defcredit.com.au

Cover photo: An Australian tank soldier climbs onto his M1A1 Abrams Main Battle Tank as the sun sets over the high desert of southern California during Exercise Gold Eagle. Cover image provided courtesy of Department of Defence.

This newsletter is printed using recycled paper.