

# Financial Services Guide

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1 January 2010

Defence Force Credit Union Limited  
ABN 57 087 651 385 AFSL 234582



**Defcredit**  
Service banking

# **Defence Force Credit Union Limited Financial Services Guide (FSG)**

This FSG is an important document which advises you about the financial services we are licensed to offer you. It also helps you to decide whether to acquire any Defcredit product or service. This FSG contains information on:

- product information and advice
- products and services
- our business partners and commissions
- our associations
- staff incentives and other rewards
- our complaints and disputes resolution process
- privacy and Mutual Banking Code of Practice
- how to contact us.

## **Product information and advice**

We will ensure that you have received a **Defcredit Products and Services Conditions of Use (DPS)** brochure prior to us recommending, offering or issuing to you a savings account, term deposit, transaction (non-cash payment) product or insurance policy.

Where we recommend, offer or issue to you a First Home Saver Account we will also provide you with a **Defcredit First Home Saver Account Product Disclosure Statement.**

If we recommend, offer or issue to you a Retirement Savings Account we will also provide you with a **Defcredit Super Assured Retirement Savings Account Product Disclosure Statement.**

Additionally, we will ensure that you have received a copy of our **Fees and Charges Schedule** so that you are fully aware of the various fees associated with our products and services.

The various documents as outlined on page one will help you compare financial products and decide whether to acquire a particular product or service and are available at any Defcredit branch or by visiting [defcredit.com.au](http://defcredit.com.au). These documents will contain:

- product information, including terms and conditions
- fees and charges information
- information on our complaints and disputes resolution process.

## **Products and services**

We are licensed by ASIC to provide financial product advice on and deal in relation to **Deposit Products and Non-Cash Payment Products (transaction), general insurance, consumer credit insurance and Retirement Savings Accounts**. Deposit Products comprise savings accounts and term deposit accounts. Transaction products comprise Online Banking (**OLB**), Telephone Banking (**TB**), **BPAY**<sup>®</sup>, Bank@Post<sup>™</sup>, Visa Debit Card (**Visa**), Redicard (**RC**), direct debits (**DD**), direct credits (**DC**), auto transfers (**AT**), member chequing (**MC**) and Travelex products.

The following table on page three details the available transaction products for each deposit product that is offered.

Deposit products	Transaction products								
	OLB	TB	BPAY	Visa	RC	DD	DC	AT	MC
Basic Access	✓	✓	✓	X	X	✓	✓	✓	X
Budget Savings	✓	✓	✓	X	X	✓	✓	✓	X
Investment Savings	✓	✓	✓	X	X	✓	✓	✓	X
Christmas Savings	✓	✓	✓	X	X	✓	✓	✓	X
General Insurance Savings	✓	✓	✓	X	X	✓	✓	✓	X
Max-E Saver	✓	✓	✓	X	X	X	✓	✓	X
Kids Club	X	X	X	X	X	X	✓	X	X
Pensioner Deeming	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cash Management	✓	✓	✓	X	X	✓	✓	✓	X
Flexi-Term	✓	✓	✓	X	X	✓	✓	✓	X
Mortgage Offset	✓	✓	✓	X	X	✓	✓	✓	X
National Access	✓	✓	✓	✓	✓	✓	✓	✓	✓
I-Saver	✓	✓	X	X	X	✓	✓	X	X
Smart Mover Home Loan	✓	✓	✓	✓	✓	✓	✓	✓	✓
Term Deposit Accounts	X	X	X	X	X	X	X	X	X
First Home Saver Account (FHSA)	✓	✓	X	X	X	X	✓	X	X

We also offer a Super Assured Retirement Savings Account (RSA): for details refer to the Super Assured RSA Product Disclosure Statement (Parts 1 and 2).

## Our business partners and commissions

### CGU Insurance Limited (CGU) and Swann Insurance (Aust) Pty Ltd (Swann)

Defcredit acts as agent for CGU and Swann (the insurer). These arrangements allow us to enter into general insurance contracts with you on their behalf. While we can arrange insurance cover for you, your contract of insurance will be with the insurer and not Defcredit. The insurer and not Defcredit will be responsible for the performance of the insurance contract.

Insurance products available comprise:

Insurance product	Offered by	
	CGU	Swann
Home – Building	✓	x
Home – Contents	✓	x
Motor Vehicle	✓	x
Motor Bike	x	✓
Caravan/Trailer	✓	x
Boat	✓	x
Landlord’s Cover	✓	x
Travel	✓	x
Loan Repayment	x	✓
Barrack Room	✓	x
Business/Office /Retail	✓	x
Liability	✓	x
Farm property/ Farm motor	✓	x
Construction/ Engineering	✓	x
Strata	✓	x

We receive commission on insurance products as a percentage of the premium paid (excluding stamp duty, fire service levy and GST) as follows:

<b>CGU</b>	5% -	30%
<b>Swann</b>	10% -	20%

The level of commission varies depending on the type of policy that is taken.

## **Visa International Service Association Inc. (VISA)**

### **Visa Debit Card**

When you use your Visa Debit Card to pay for goods or services, if you select the credit function, Defcredit receives a commission from the owner of the EFTPOS terminal.

The commission rate depends on the type of transaction:

- Electronic transaction \$0.08 per transaction
- Standard, card not present and paper transactions 0.30%

### **Visa Credit Card**

Defcredit receives the following commission in respect of Visa Credit Card transactions:

- Electronic transactions 0.40%
- Standard, card not present and paper transactions 0.45%

### **BPAY Limited (BPAY®)**

Defcredit receives commission from Cuscal when you use BPAY from:

- Credit card accounts - \$0.37 per transaction plus 0.27% of the dollar value
- Other accounts - \$0.41 per transaction

### **Executive Wealth Management Financial Services Pty Limited (EWM)**

When you acquire an EWM product, EWM will pay Defcredit a commission. Commissions received by Defcredit are detailed as follows:

- Risk Products - 0 - 122% of first year premium  
- up to 35% of renewal premium
- Investment Products - ranges from 0% - 4% of the amount invested  
- administration and advisor service fees up 3.075% of the amount invested.

## **Bridges Financial Services Pty Limited (Bridges)**

Bridges have arrangements in place to pay referral fees to Defcredit in respect of any members referred to them. Bridges may pay Defcredit a fee ranging from 0% to 30% of the entry and/or on-going fee

## **American Home Assurance Company (AHAC) trading in Australia as Chartis**

Defcredit has arrangements in place to act as a referrer for Chartis general insurance products such as sickness and accident insurance.

Defcredit will receive commission as follows:

- Initial and Renewal Marketing Fee: 13% of insurance premium for the first four years or part thereof of an active insurance policy

## **Secure Sentinel Pty Ltd (Secure Sentinel)**

If you are a member of Defcredit you are eligible to apply for Secure Sentinel services. Secure Sentinel offers an immediate reporting service for important items in the case of loss or theft. Defcredit receives the following in respect of this service (excluding GST):

- 50% of the new membership fees
- 15% of renewed membership fees

## **Global Electronic Trading Pty Ltd trading as GET FINANCIAL**

Arrangements are in place with GET Financial to offer members online share trading and other wealth management and investment options such as Contracts for Difference (CFD), foreign exchange and futures trading.

Commission received by Defcredit will range from a minimum of \$10 per trade to a maximum of 0.18% of transaction value where total monthly transaction value exceeds \$50,000,000.

## **Our associations**

Defcredit is a shareholder of Credit Union Services Corporation (Australia) Limited (CUSCAL), which is the major industry association body in Australia for credit unions.

Through our association with CUSCAL, we are able to provide you with the following financial services:

- Visa Debit Card
- Redicard
- BPAY
- Visa Credit Card
- Member Chequing

## **Staff incentives and other rewards**

Our representatives are salaried employees and do not receive any commission or benefits in respect of the products which they issue, arrange or provide advice. Any commissions are paid directly to Defcredit.

Not with standing, Defcredit or its business partners may offer incentives, including movie and event tickets, meals, wine etc, related to the sale of products and services.

## **Our complaints and disputes resolution process**

If you have a complaint about any of our products or services, Defcredit has established complaints resolution procedures that aim to deal with and resolve your complaint promptly, thoroughly and fairly.

To make a complaint:

- call Defcredit on 1800 033 139,
- talk to the staff at your local Defcredit branch
- email [info@defcredit.com.au](mailto:info@defcredit.com.au) or
- send a letter to Defcredit's Complaints Officer by mail at: PO Box 14537 Melbourne, VIC 8001

For more information about Defcredit's complaints resolution procedures, please refer to the 'Complaints and Disputes Resolution Guide' which is available at any Defcredit branch or by visiting [defcredit.com.au](http://defcredit.com.au).

If you are not satisfied with the steps taken by Defcredit to resolve the complaint, or with the result of Defcredit's investigation, you are entitled to have your complaint resolved free of charge by Credit Ombudsman Service Limited (COSL), an external dispute resolution body of which Defcredit is a member. COSL may be contacted as follows:

Credit Ombudsman Service Limited  
PO Box A252  
Sydney South NSW 1235

Phone: 1800 138 422 or 02 9273 8400

Fax: 02 9261 2798

Email: [info@creditombudsman.com.au](mailto:info@creditombudsman.com.au)

Website: [www.creditombudsman.com.au](http://www.creditombudsman.com.au)

Alternatively, for a complaint in relation to our Retirement Savings Account you may contact the Superannuation Complaints Tribunal as follows:

Superannuation Complaints Tribunal  
Locked Bag 3060  
GPO Melbourne VIC 3001

Phone: 1300 780 808

Email: [info@sct.gov.au](mailto:info@sct.gov.au)

Website: [www.sct.gov.au](http://www.sct.gov.au)

## **Privacy and Mutual Banking Code of Practice (MBCOP)**

We will collect personal information about you when you apply for membership, open a deposit account or establish any other product and service offered by Defcredit. We will use the personal information you provide to process your application and assist us in providing you with the required product or service.

If you are unable to provide us with the personal information requested then we may be unable to process your application and provide the product or service requested.

We may also use personal information collected from you in order to tell you about other products and services. We may engage third party service providers to assist in the provision of products and services to you.

Defcredit has adopted and abides by the National Privacy Principles and the MBCOP. A copy of our Privacy Statement and the MBCOP is available on request or via our website [defcredit.com.au](http://defcredit.com.au).

## **How to contact us**

For any query or for more information you may contact us as follows:

- call our Contact Centre on 1800 033 139
- email us at [info@defcredit.com.au](mailto:info@defcredit.com.au)
- visit any Defcredit branch or  
visit our website at [defcredit.com.au](http://defcredit.com.au)

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Phone	03 8624 5888
Fax	03 8624 5892
Contact Centre	1800 033 139
Online Banking	<a href="http://defcredit.com.au">defcredit.com.au</a>
Telephone Banking	1300 366 808
BSB	803-205

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