



APRIL 2017

apparently, we've got a

ripper home loan



qudosbank.com.au

this edition:



Do you really understand your home loan?



Building a better future



Give your super a boost before the end of financial year



catch-up with our CEO

Scott King

We've recently celebrated our first birthday as Qudos Bank, and what a year it's been. In just the first few months of 2017, you will know that our technology team has delivered a fantastic new card management feature within Online Banking, which gives you the ability to manage your credit and debit cards online, anytime and anywhere. You can now change your PIN online or report your card if it's lost or stolen.

We've also implemented an online booking form that puts home loan applicants in the driver's seat for making appointments with our lending specialists.

But these two releases represent the tip of the iceberg as far as technology innovation is concerned. By far the biggest project in the company's history is now only months away from delivering a platform we believe will improve the digital experience you have in dealing with us – to make banking easier.

Over the coming months, we will be communicating with you more frequently regarding what this project will mean for you. However, in the meantime we have launched a section on our website to explain the breadth of the project and allow you to read a range of FAQs, latest developments and timelines.

For the latest news visit:
qudosbank.com.au/buildingabetterfuture

Interest Rates and Housing Affordability

Interest rates and housing affordability has been a hot topic across all media for a number of months now. Core Logic's Home Value Index for February reported a year on year growth for Sydney dwellings of 18.4%, Melbourne's growth at 13.1%, and a combined capital city average of 11.7%.

Given widespread acceptance that the pressure is largely being driven by lending on investment properties, the Australian Prudential Regulation Authority (APRA - the primary regulator that oversees financial institutions in this country) is ensuring that Qudos Bank is doing its bit to limit growth of investment lending, to ensure that houses remain as affordable as possible for the owner-occupier.

While we fully support APRA's macroprudential responsibility to take the upward pressure out of the housing market driven by investment lending, we will continue with our responsibility to offer our customers a great owner-occupier home loan.

To that end, I am pleased to advise you that our Low Cost Home Loan has recently been awarded an "Outstanding Value" award by Canstar. If you have a home loan somewhere else, I encourage you to look carefully at what you're paying each month, and get in touch with one of our lending specialists to see if we can do a better deal for you.



Scott

CEO, Qudos Bank



do you really understand your home loan?

One of the things our lending specialists hear frequently from potential borrowers is that they don't really know what interest rate they're currently paying on their home loan. Product features, interest rate and fees are the 'big three' of home loan comparison, yet too many borrowers continue to be swayed by "discounts" from artificially high standard variable rates offered by other lenders, and are simply paying too much. With this in mind, we thought we'd share a 'how-to' on comparing home loans.

Interest Rate

There's more to a home loan than price, but let's face it – price matters. Our recommendation is to not be lured by how much of a discount you negotiated from your lender, the size of your lender, nor the interest rate in isolation from the features of the loan. Like buying anything, it's important to ensure that before you look at a price comparison between two loans, that you also compare the loan fees and features.

Offset Account

Everyone seems to be talking about offset accounts when it comes to home loans and there's a reason why. An offset account is usually a transactional account which links to your home loan. Offset accounts are a much sought after home loan feature because the balance held in this account 'offsets' the balance of your mortgage, helping to reduce the interest paid over the lifetime of the loan. For example, if your home loan balance is \$700,000 and you have \$50,000 in your offset account, you may only pay interest on \$650,000 instead of \$700,000. The wonderful thing here is that you can add as much money into your offset account as you wish and vice versa.

Whilst offset accounts are a common feature in variable home loans, it's worth doing your research and comparing loan against loan as some lending providers may charge higher monthly fees or require a minimum balance with the offset account. Look for a lender that can offer you this benefit free of charge.

Redraw facilities and extra repayments

Whether you want to repay your loan quicker or just build a buffer for a rainy day, most lenders have products with redraw facilities that give you the ability to make extra payments.

A redraw facility allows you to take back the extra payments you have made on your loan account. For example, your minimum monthly loan repayments are \$3,000. If you pay \$3,200 each month for a period of 6 months you'll have paid an additional \$1,200 on top of your minimum repayments. The redraw facility allows you to access that extra \$1,200 if required.

Not all products have redraw, meaning if you make extra payments you won't be able to access the additional payments you have made. Ensure you check the product features on your home loan so you know you're getting the features you need.



Establishment, application and ongoing fees

Many financial institutions may offer a competitive interest rate however it's important to look at the comparison rate also. If the comparison rate is higher than the interest rate, the home loan package probably includes either establishment, application or ongoing fees which can really add up over the life of the loan. If you're paying these fees, it's worthwhile asking yourself if they add any value to your loan. If not, our recommendation is to compare your loan to similar loans in the market and look for one that charges little to no ongoing or establishment fees. In doing so, the money you save can be used to pay off your mortgage.

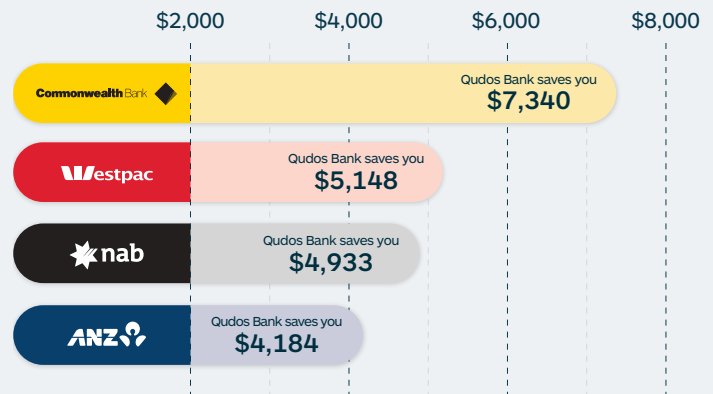
The good news for potential borrowers is that there are a number of very good financial comparison websites around where meaningful comparisons can be made very quickly and easily. Two such sites are Canstar and Mozo. To give you a sense of the savings, we asked MOZO to crunch the numbers against the big four banks to see how much a Qudos Bank Low Cost Home Loan could have saved a customer over the last two years (refer to graph on right).



You should also know that our Low Cost Home Loan has recently been awarded a 5 star rating for outstanding value by Canstar! So while there's not much we can do about house prices in general, we can help you get a great value home loan.

A Big 4 home loan would've cost you thousands more

*Savings over the past 2 years:



Loan size: \$500,000 Owner Occupier loan with a 30 year term

Powered by mozo

*Source of analysis and competitor data provided by mozo.com.au. Table shows selected products (NAB Choice Package, ANZ Breakfree Package, CBA Wealth Package and Westpac Premier Advantage Package) compared against Qudos Bank's Low Cost Home Loan. Other products may be cheaper. Savings based on historical data over 2 years to 31 March 2017. Rates are variable and future savings are not guaranteed. Loans are subject to approval.

Our Lending Specialists are here to assist you with your home loan needs and questions.

Contact us today by booking an appointment online at qudosbank.com.au/book or call us on 1300 747 747.

apparently, we've got a
ripper
home loan

Welcome rate[^]
3.99%[#]
Comparison rate

1300 747 747

Talk to us in branch

qudosbank.com.au



Loans are subject to approval. Terms and conditions, normal lending criteria, fees and charges apply and are available upon request. [^]Available for new owner occupier home loans over \$250,000. Excludes existing loans, switching and variations. This offer can be withdrawn by Qudos Bank at any time. Investment rates are available on request. #WARNING: This comparison rate applies to the example or the examples given. Different amounts and terms will result in different comparison rates. Costs such as redraw fees or early repayment fees, and cost savings such as fee waivers, are not included in the comparison rate but may influence the cost of the loan. Our comparison rate assumes a loan of \$150,000, monthly repayment frequency and a term of 25 years. Rates current as at time of publishing. Qudos Mutual Limited trading as Qudos Bank ABN 53 087 650 557 AFSL/Australian Credit Licence 238305.

introducing our

online booking system



to help you with your home loan needs

Choosing the right home loan is one of the biggest decisions you'll have to make in your lifetime. You'll want to make sure that the home loan you choose includes all the features you need, with \$0 fees, at the best possible rate.

Our new online booking system aims to give you options and convenience when it comes to your home loan enquiries. This system allows you to book a face to face, Skype or phone appointment with one of our experienced lending specialists at a time that suits you. Whether you're interested in more information on the features and benefits of our home loans, wanting to know the difference between fixed vs variable rates or ready to proceed with your application, our lending specialists are here to help.

Face to face appointments are available at the following branches: Hunter Street Sydney City, Qantas Campus Mascot and Miranda in Sydney, Niddrie in Victoria, Chermiside in Queensland and Redcliffe in Western Australia.

Don't live near any of the listed branches? No problem! Our Online Booking system allows you to book a phone or Skype appointment so you can chat with our lending specialists from your work or home.

To book your appointment with one of our lending specialists, head to qudosbank.com.au, click on the 'Products' tab in the menu bar and then 'Home Loans.' From the drop-down box, select a home loan and then click 'Need Assistance?'

With years of experience, our lending specialists are here to help you choose the best home loan to suit your needs. We look forward to meeting you.



Marcelle Hakim
Lending Specialist, Niddrie VIC



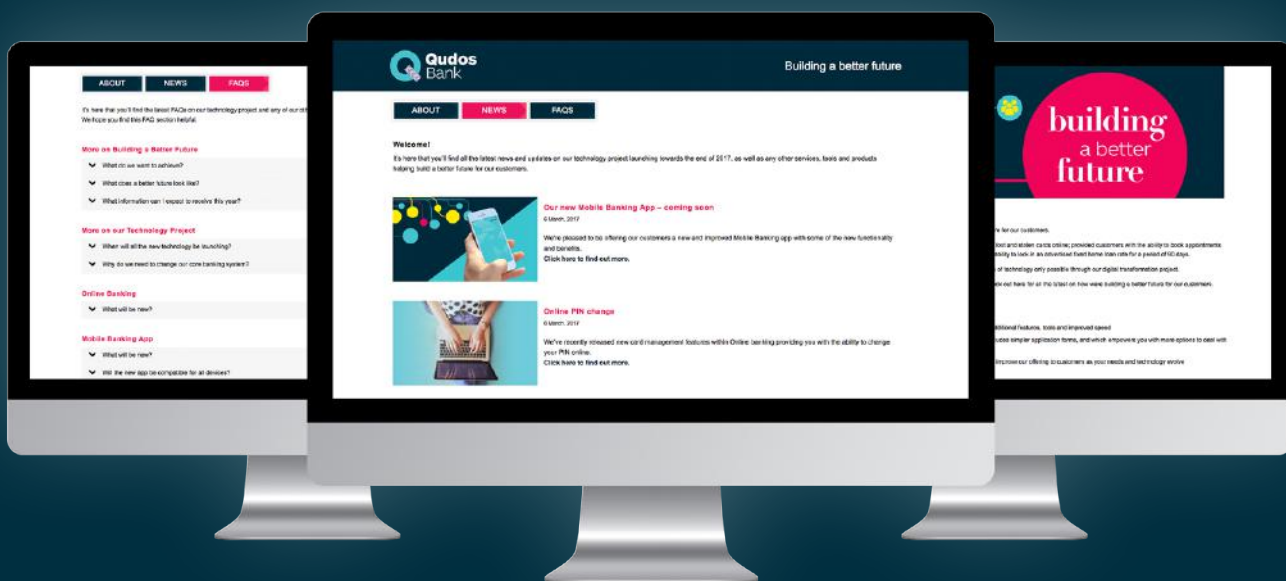
Sue Abela
Lending Specialist, Miranda NSW



Stuart Bowyer
Lending Specialist, Mascot NSW

building a better future

Update from our Executive Manager Technology, David Bridges



In the spirit of making banking easier and building a better future for our customers, I'm pleased to announce the launch of our new minisite 'building a better future'. It's here that you'll find all the latest news and FAQs on our technology project and other initiatives launching over the next 12 months and beyond.

We'll continually add to this minisite over the coming months, so keep a look out for sneak peeks of the new mobile banking app and online banking, as well as 'how to' videos and need-to-know information as we progress closer to launch at the end of the year.

We're well on our way

Already this year we have launched the ability to change your PIN and manage lost and stolen cards online, provided customers with the ability to book appointments directly with our home loan lending specialists and empowered customers with the ability to lock in an advertised fixed home loan rate for a period of 90 days.

And, we've only just begun!

We're looking forward to sharing with you more on how we're building a better future for our customers – so keep a look out for links to our new minisite from your online banking or our website, or go direct for all the latest at: qudosbank.com.au/buildingabetterfuture

David Bridges,
Executive Manager Technology



give your super a boost

before the end of financial year

Are you guilty of not paying enough attention to your super? Don't worry, you're not alone. With all the recent talk about the Government's superannuation reforms taking effect from 1 July 2017, it's worthwhile going back to basics to understand how super works, the benefits of salary sacrificing and why you should consider super to be one of your most important investments.

Regardless of whether you work casually, part-time or full-time in Australia, your employer is generally required to deposit a percentage of your salary (currently 9.5%) into your nominated superannuation fund which is invested so it can provide an income for you in your retirement years. The reality is that the superannuation guarantee contributions made by your employer won't provide enough money for a comfortable retirement so most of us will need to add to our super to continue enjoying the lifestyle we've had whilst working.

Super is going to play an important part in your future, that's why it's imperative that you take a proactive approach. It's your money, and there are things you can do now to maximise your super savings. Find out how below:

Salary sacrifice

If you earn more than \$37,000 per year, salary sacrifice can be a good way to grow your super. Salary sacrifice is an arrangement with your employer to forego part of your before-tax salary or wages for increased super contributions. By 'sacrificing' some of your before-tax salary and putting it into your super fund, not only do you boost your super, but you can also save on tax. That's because salary sacrifice contributions are generally taxed at 15%, rather than your marginal tax rate which can be up to 49% (including applicable levies).

For example, Jessica earns \$90,000 before tax, excluding her employer's super contribution. If Jessica decides to redirect \$10,000 of her pay into salary sacrifice super contributions, she will save \$2,085 in tax, with the extra money going to her super fund.

Jessica's super	Does not salary sacrifice	Salary sacrifices \$10,000
Take-home pay	\$67,268	\$60,853
Tax	\$22,732*	\$19,147*
Extra money into super	\$0	\$8,500 (\$10,000- 15% tax)
Net benefit	\$67,268	\$69,353 (\$2,085 better off)

*Assumptions: The figures used in this table are estimates only and are based on 2016/2017 income tax rates and a Medicare Levy of 2%.

Currently, individuals can make concessional (pre-tax) contributions up to \$30,000 for those aged under 49 at 30 June of the previous year and \$35,000 otherwise.

From 1 July 2017, the Government will lower the annual concessional contributions cap to \$25,000 for all individuals irrespective of their age.

Tailor your investment mix

When was the last time you reviewed your super investments? You may find you have never reviewed your investments which usually means you would have opted for your fund's default option upon opening your super account. The default option is generally a 'balanced' portfolio of growth and conservative assets chosen by the fund manager to suit the average fund member who might be anywhere between 18 to 65 years of age. The issue with this approach is that it may not account for different financial circumstances.



Tailor your investment mix (continued)

Your super will grow as your employer keeps making the required contributions but you can make these payments work even harder by choosing an investment strategy that's right for your life stage. To do this, consider your retirement goals and how many years you have to reach them.

At age 25 and with many work years ahead, you will have time to ride out the highs and lows in investment markets meaning you could take advantage of a growth investment strategy with the potential to deliver higher returns over the long term.

On the other hand, if you are nearing retirement in the foreseeable future it may make sense to choose a more conservative investment strategy. Your returns will most likely be lower than with a growth option, but they are also likely to be more stable.

Get help from a financial planner

Just because super is a long-term investment doesn't mean that you should invest and forget about it until you retire. Making smart choices and putting in a little extra now can make all the difference in the future.

The changes to the annual concessional contributions cap come into play on 1 July 2017, so you still have time to make higher concessional contributions if you are able to do so.

If you're unsure about where to start, a ClearView financial adviser can help recommend a financial strategy that aligns with your retirement goals. For more information, visit quodosbank.com.au or call 1300 747 747.

Important information:

As the information on this page is of a general nature and has been prepared without considering your objectives, financial situation or needs, before acting on the information, consider its appropriateness to your circumstances.


Our Financial Planners are Authorised Representatives and provide advice under the authority of ClearView Financial Advice Pty Ltd, ABN 89 133 593 012, AFSL 331 367. Qudos Bank receives a commission for referrals to ClearView.

You should read any relevant product disclosure statement, our Financial Services Guide, ClearView's Financial Services Guide and ClearView's Information Handling Policy (available at www.clearview.com.au) and consider talking to a financial adviser before deciding to acquire or hold any product.

be your own
superhero



With Qudos Super, you'll thank yourself in the future.

 1300 747 747

 Talk to us in branch

 quodosbank.com.au

This information does not take into account your personal objectives, financial situation or needs. You should read the Product Disclosure Statement (PDS) available at www.quodosbank.com.au or on request by phoning 1300 721 720 before making a decision to acquire this product. Fees and charges apply, refer to the Fees and Costs Fact Sheet available at www.quodosbank.com.au or on request by phoning 1300 721 720 for more information. Qudos Super is issued by Equity Trustees Superannuation Limited (ABN 50 055 641 757 AFSL 229757) as trustee of the CUBS Superannuation Fund (ABN 90 120 177 925). Qudos Mutual Limited trading as Qudos Bank (ABN 53 087 650 557 AFSL/Australian Credit Licence 238305) is the sub-promoter of the CUBS Superannuation Fund.



history timeline

Last month we proudly launched our history timeline on our website, which tells the story of the remarkable achievements and success of the organisation and people who contributed to one of Australia's greatest banking stories.

Beginning in 1959, the timeline highlights the company's most noteworthy events each year, including total assets and Membership milestones. You'll also find some interesting facts about what happened in other news each year by clicking on the year in review.

To view our History Timeline, visit qudosbank.com.au/ourhistory

1998

Above: Qantas Staff Credit Union employees at the Melbourne Airport branch.



1996

Lending commenced to non-Qantas employees. 'Savings Account Zero' rated as the best transaction account by Personal Investment Magazine.



1999

Membership reached 48,245. All Credit Unions were registered as Public Companies and the Credit Union Internet Site launched in December 1999.



2000

'A Current Affair' rated Qantas Credit Union's Visa Debit Card linked with overdraft as the best card available in Australia. BPAY was introduced.



2002

Membership reached 62,663 and a project to provide a new and improved core banking system commenced.



2009

Qantas Credit Union celebrated 50 years and won the Money Magazine Service Excellence Award for the second year running.



2013

Membership reached 89,781 and new Service Centres were opened in Niddrie (VIC), Melbourne Qantas Domestic Terminal and Chermside (QLD).



2015

A three year digital transformation project commenced to upgrade core banking, online banking, mobile banking and all internal operational systems.



2016

Qantas Credit Union was re-branded to Qudos Bank and announced the naming rights of Qudos Bank Arena at Sydney Olympic Park.



tips for keeping your credit or debit card secure

At Qudos Bank, protecting our customers against fraud is very important to us. As we continue to use our cards more and more to buy things and make payments online, card fraud is also increasing despite continuous improvements to security and technology.

When you use your Qudos Bank Visa card, you have peace of mind knowing that any unauthorised transaction claim will be reimbursed, provided you have not contributed to the loss. It's worth noting that fraudsters can use very clever techniques or scams to get your personal information or card details, so whilst you will not be held liable, it's important to take the necessary steps to keep your details safe.

We have several processes in place to help protect you and reduce incidents of fraud. These include:

- › Partnering with ORION, who have a dedicated team to monitor and identify suspicious card transactions 24/7.
- › Issuing cards embedded with security chip technology.
- › Protecting your card online using 'Verified by Visa.'
- › Offering SMS and email alert notifications to notify you of purchases.
- › A card management feature within Online Banking that makes it easier for you to report a lost or stolen card, anytime and anywhere.

Here are some smart ways you can reduce the risk of payment fraud and enhance your card security.

Online

- › Only buy from trusted merchants or websites. If you're unsure, look for a locked padlock icon in the toolbar and 'https' in a website's address.
- › Ensure you do your research and read customer reviews before purchasing a product or service online.
- › Check the Terms and Conditions online to know what you are agreeing to.

- › Avoid public computers and WiFi.
- › Be wary about clicking on hyperlinks in unknown emails.
- › If signing up for a "Free Trial or Subscription" ensure you read the fine print and cancel it before the trial period ends.

Over the Phone

- › Don't feel obligated to provide card details should someone call. It's okay to say no.
- › Rather than asking for a call back number, conduct your own research to decide if the caller and company is legitimate.

General Card Security

- › Ensure your contact details with us are up to date: i.e. mobile number and email address.
- › Let us know exactly where and when you'll be travelling.
- › When using an ATM, check that it's not damaged or tampered with before using it.
- › Cover the PIN pad when at an ATM or EFTPOS terminal.
- › Be wary of your surroundings when using an ATM.
- › Never leave your card unattended i.e. at a bar, restaurant or in your car.
- › Always treat your card as if it were cash and never hand over your card details to anyone.

You're the best line of defence when it comes to protecting your card and account details. If you have noticed suspicious activity on your card contact us immediately on 1300 747 747 for further assistance. For more information please refer to the Terms and Conditions for Savings Accounts and Payment Services located on our website.

we've kept the best news 'til last!

Home Loans

Low Cost Home Loan Welcome Rate[^]

- from 26 April 2017

Term	Owner Occupier		Investment	
	Rate p.a.	Comp. rate ^{1,2}	Rate p.a.	Comp. rate ^{1,2}
\$150,000 to \$249,999.99	4.34%	4.34%	4.74%	4.74%
\$250,000 to \$499,999.99	3.99%	3.99%	4.64%	4.64%
\$500,000 to \$749,999.99	3.99%	3.99%	4.64%	4.64%
\$750,000 to \$999,999.99	3.99%	3.99%	4.59%	4.59%
\$1 million & over	3.99%	3.99%	4.54%	4.54%

Applicable for applications received from 26 April 2017.

Fixed Rate Home Loans - from 26 April 2017

Term	Owner Occupier		Investment	
	Rate p.a.	Comp. rate ^{1,2}	Rate p.a.	Comp. rate ^{1,2}
1 Year Fixed Rate	3.89%	4.21%	4.39%	4.62%
2 Year Fixed Rate	3.89%	4.18%	4.39%	4.59%
3 Year Fixed Rate	4.09%	4.20%	4.39%	4.57%
4 Year Fixed Rate	4.39%	4.29%	4.59%	4.62%
5 Year Fixed Rate	4.49%	4.34%	4.79%	4.70%

On expiration of the fixed rate period, the interest rate reverts to the relevant owner occupier or investment variable rate Low Cost Home Loan tier for a loan amount of \$250,000, currently 4.24% p.a. and 4.64% p.a. respectively.

Qantas Points Home Loan Welcome Rate[^]

- from 26 April 2017

Term	Owner Occupier		Investment	
	Rate p.a.	Comp. rate ^{1,2}	Rate p.a.	Comp. rate ^{1,2}
\$150,000 & over	4.19%	4.19%	4.79%	4.79%

Important information:

All interest rates current as at time of printing, subject to change. Normal lending criteria and fees and charges apply. Terms and Conditions apply and are available upon request. 1. Warning: Comparison rates apply only to the example or examples given. Different amounts and terms will result in different comparison rates. Costs such as redraw fees or early repayment fees and cost savings such as fee waivers are not included in the comparison rate but may influence the cost of the loan. A monthly repayment frequency has been used to calculate the comparison rates. 2. A loan amount of \$150,000, a monthly repayment frequency and a term of 25 years have been used to calculate the comparison rate on our home/investment loans. 3. Our comparison rate assumes a monthly repayment frequency and an unsecured loan of \$10,000 with a term of 3 years, or a secured loan of \$30,000 with a term of 5 years (as applicable) on our personal loans. Financial products referred to in myQ are offered, issued and administered by Qudos Mutual Limited trading as Qudos Bank ABN 53 087 650 557 AFSL/Australian Credit Licence 238 305, unless noted otherwise. [^]Available for new owner occupier home loans over \$250,000. Excludes existing loans, switching and variations. The offer can be withdrawn by Qudos Bank at any time. *Available for new owner occupier home loans over \$150,000. Excludes existing loans, switching and variations. The offer can be withdrawn by Qudos Bank at any time. Qudos Bank is the issuer, offeror and administrator of the Qantas Points Banking Products and is a credit provider and credit licensee under National Consumer Credit laws. This newsletter contains general advice and has been prepared without taking into account your objectives, financial situation, or needs. Before acting on any advice you should consider its appropriateness to your circumstances. You should read and consider the Terms and Conditions brochure before opening an account.

Personal Loans

Personal Loans - from 1 March 2017

Loan Type	Rate p.a.	Comp. rate ^{1,3}
Car Loan – Secured	7.09%	7.30%
Personal Loan – Unsecured	11.64%	12.69%
Overdrafts – Unsecured	11.84%	n/a

Qantas Points Car Loan - from 1 March 2017

Loan Type	Rate p.a.	Comp. rate ^{1,3}
Fixed Rate Loan – Secured	8.59%	8.80%

Deposits

Bonus Saver - from 22 August 2016

Balance	Base Rate p.a.	Bonus Rate* p.a.	Maximum Base Rate p.a.
All balances	0.05%	2.35%*	2.40%

*Bonus Rate applied if no withdrawals are made during the month.

Term Deposits - from 1 November 2016

Term Deposits [#]	3 months	6 months	9 months	12 months	24 months	36 months
\$2,000 to \$4,999.99	1.05%	n/a	n/a	n/a	n/a	n/a
\$5,000 to \$9,999.99	1.75%	1.75%	1.75%	1.75%	2.00%	2.00%
Over \$10,000	2.50%	2.60%	2.70%	2.70%	3.10%	3.20%

*All rates are per annum. More information on Qwealth and Retirement Savings Account interest rates can be found in the relevant Supplementary Product Disclosure Statement or Interest Rates booklet.

DIY Super Saver - from 22 August 2016

Tier	Base Rate p.a.	Bonus Rate* p.a.	Maximum Base Rate p.a.
\$10,000 & over	1.75%	0.65%*	2.40%
Below \$10,000	1.75%	0.00%	1.75%

*Bonus Rate applied if no withdrawals are made during the month.

1300 747 747 | quodosbank.com.au

Qudos Mutual Limited trading as Qudos Bank

ABN 53 087 650 557 | AFSL/Australian Credit Licence 238 305 | BSB 704 865

