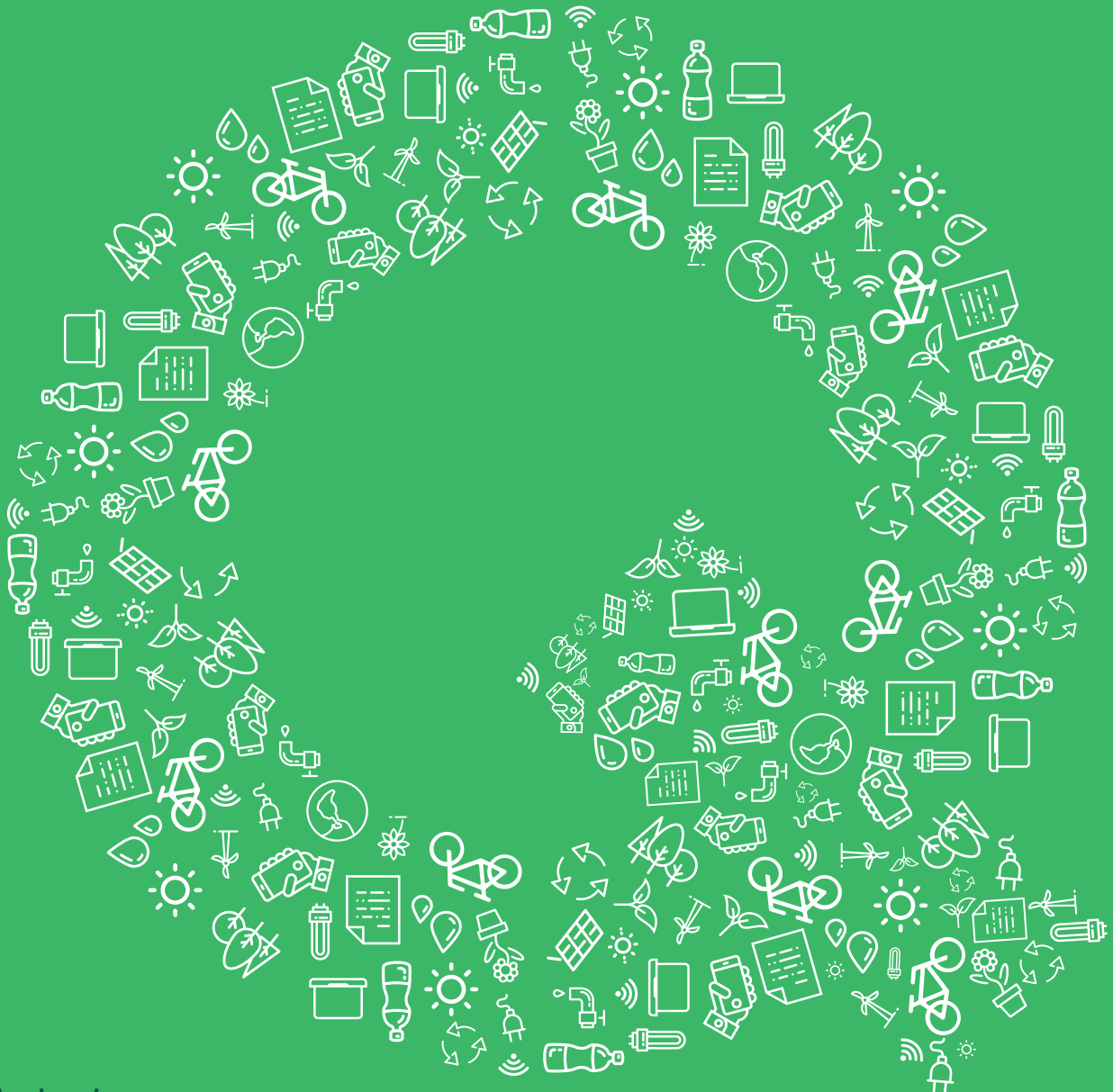




OCTOBER 2016

great news for you and Mother Nature!



this edition:



myQ going
100% digital



Welcome to
Qudos Bank Arena



Protect yourself
against card fraud

catch-up with our CEO



Scott King

It's been an eventful year to date with the launch of Qudos Bank, the announcement of our naming rights sponsorship of Qudos Bank Arena and the development and move to our headquarters at Mascot.

With a new name, newfound awareness and a new home, we're looking forward to a bright future for the business and improving banking for our Members.

Our FY16 results

Future growth and strength is vital to providing Members an expansive product range, competitive interest rates and improvements to technology to make banking easy and seamless.

Our home loans in particular continue to be some of the best value products available on the market and that coupled with our broker presence has contributed to a surge in our mortgage portfolio. From June 2015 to June 2016, our mortgage portfolio has grown by 24% from \$2.21 billion to \$2.73 billion. This growth has put us in great shape, however changes in regulatory policy and high market competition for home lending will make the same level of growth in 2017 unlikely.

Our pre-tax profit for 2015/16 was \$20.3 million, and at year end total assets sat at \$3.35 billion – placing Qudos Bank among the largest mutual banking institutions in Australia.

Interest rates and the RBA

The past 12 months have continued to see the market experience historically low interest rates, and like many banks, we have received a number of letters and emails from Members asking how we set our interest rates at Qudos Bank.

Importantly, the RBA's cash rate is just one of the factors we consider. We set our interest rates according to changes in the cost of sourcing deposits and market competitiveness, to ensure the long term stability and viability of the bank for benefit of all Members. We also are very conscious of balancing the financial needs of both borrowers and depositors – which sometimes (thankfully rarely in my experience) means we can't pass on the full interest rate adjustment on our home loan range.

Right now, we're offering the lowest home loan rates we've ever had, with competitive rates on both our variable and fixed rate home loan products. You can check out our latest rates inside, we think you'll be pleasantly surprised.

Scott
CEO, Qudos Bank

save big
live big
with our Low Cost Home Loan

Welcome rate[^]

3.89%[#]
p.a.

Comparison rate



 1300 747 747

 qudosbank.com.au

Normal lending criteria and fees and charges apply. Terms and Conditions apply and are available upon request. [^]Available for new owner occupier home loans over \$250,000, applications received from the 7 October 2016. 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 printing.



goes 100% digital

From January 2017, myQ will go 100% digital. Print editions will no longer be sent in the mail, you can view and read current and past editions of our quarterly newsletter online at qudosbank.com.au. Make sure we have your current email address on file so we can let you know once it's available and ready to view.

Update your contact details today!

So we can quickly and easily contact you about your accounts, it's important we have your correct contact details on file, including a current phone number and email address. As we look to the migration from our old banking platform to our new core banking system it's also important so we can best inform you of any product or service changes. Update your contact details in Online Banking today.

switch to e-statements, receive your statements online

E-statements, or electronic statements, are delivered to you online rather than by mail, so they are an environmentally friendly way to receive your statement. They also make organising and archiving your statements easy because your statements are stored online by date.

What are the benefits of switching to e-statements?

- ✓ **Security:** Lose the paper trail of personal information. With e-statements your information is protected by your password and login to Online Banking. You're also reducing the risk of identity fraud, protecting your information from potential mailbox theft.
- ✓ **Easy access:** Conveniently access your statements on the go, anytime, anywhere via Online Banking.
- ✓ **Eco-Friendly:** Contribute to the health of the environment, by reducing waste and excess paper.
- ✓ **Organised:** Declutter your home from paper and personal filing. With e-statements all your information is kept in one spot, available for download whenever you need.

Switch now it's easy, and it's free!

- › Login to Online Banking
- › Click on the Services tab
- › Then select the e-statements icon
- › Please read the Terms and Conditions then register
- › Once registered you can retrieve statements from within Online Banking straight away!
- › Paper statements will no longer be sent

Please note you need to login to Online Banking via qudosbank.com.au, the QActive app is not currently enabled for this service.

Haven't registered for Online Banking?

Call us on 1300 747 747 and one of our friendly staff can help set-up your Online Banking details or drop into your closest branch.

supporting our community



Qantas Pathfinders Revue 2016

As proud sponsors of the 2016 Qantas Pathfinders Revue, we'd like to encourage Members to buy tickets to their Annual Revue, which is always a fun and entertaining evening!

All funds raised go towards the Royal Institute for Deaf and Blind Children (RIDBC) and the cast and crew who are Flight Attendants, Pilots and friends generously donate their time and talents. Pathfinders Members are current and past Qantas employees, and since 1967 they've raised over \$7 million dollars.



Aviation Expo

Our Brisbane team recently attended the Aviation Expo in Queensland. There was a great turnout, with one lucky Member winning \$500 towards their Bonus Saver Account!



St George & Sutherland Shire Home Show

Our experienced Sydney lending specialists were on hand the St George & Sutherland Shire Home Show in August. Guests were treated to a relaxing massage and plenty of lucky door prizes were handed out on the day including a double pass to AUS X Open at Qudos Bank Arena.



experience



Have you been to a concert at Qudos Bank Arena yet? You may have noticed we've started spreading the news...

The news that you can get a better deal for all your banking, and some pretty unique rewards.

Member Lucas Coleman and his friends and family enjoyed some Qudos rewards with a night in our VIP Suite. All he had to do was enter our national competition, providing Qudos to someone deserving. He nominated his wife Rebecca for her support and assistance provided to refugee families in their local community.

Don't forget to visit the exclusive Qudos Bank Member Lounge on your next visit, where you can enjoy some live entertainment before the show, while having a drink and a bite to eat.

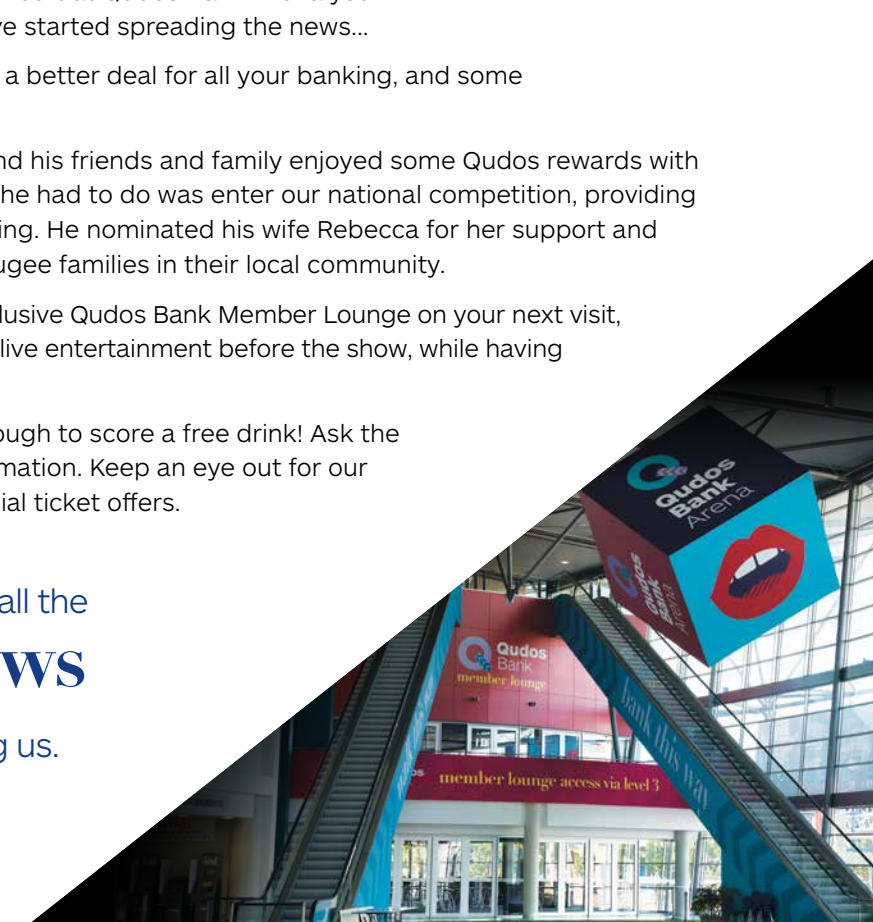
You may even be lucky enough to score a free drink! Ask the lounge staff for more information. Keep an eye out for our next competition and special ticket offers.

keep up to date with all the latest shows

Follow us, Like us, Tag us.



Winner Lucas Coleman and his friends and family at the Qudos Bank Suite



rest easy till 2020

with our fixed rate home loan

 qudosbank.com.au

3.99% p.a.
4 year interest rate

4.09% #
p.a.
Comparison rate

Loans are subject to approval. Terms and Conditions, fees, charges, and normal lending criteria apply. Terms and Conditions are available on request. Available for new owner occupier home loans over \$150,000. This offer can be withdrawn by Qudos Bank at any time. Investment rates are available on request. On expiration of the fixed rate period, the interest rate reverts to the relevant owner occupier Low Cost Home Loan tier for a loan amount of \$250,000. #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, a monthly repayment frequency and a term of 25 years.

why card and PIN
security matters and how you can

protect yourself



Credit card fraud is not something most of us think about, but in Australia it continues to be on the rise. In fact, according to the Australian Bureau of Statistics, just over a million Australians experienced credit card fraud in 2014-2015.

Knowing how to keep your card and PIN safe can go a long way to protecting you from being a victim of credit card fraud – and as a card and account holder, you have a duty of care to ensure that you take reasonable steps to protect the security of your card and PIN.

The first step in keeping your card secure is to sign the back of your card as soon as you receive it. Even though payWave technology is a popular option, a signature is still used in some transactions. Other things you can do to keep your card secure include:

- > Always knowing where your card is located
- > Not allowing anyone else to use your card
- > Never giving your card or account details to anyone who calls or emails you.

Switch to e-statements

E-statements help reduce your risk of identity fraud due to mailbox theft and paper trails of personal banking information. You'll also get the feel good factor of knowing you're helping the environment.

When it comes to your PIN there are some easy steps you can take to keep yourself safe. As soon as you receive your PIN memorise it, then destroy it. Keeping a written record of your PIN leaves you vulnerable to it falling into the wrong hands – this is especially true in cases where your PIN is kept near or with your card.

PIN security tips:

- > Don't disclose your PIN to anyone, including family or friends
- > Don't let anyone see you enter your PIN
- > Don't select a PIN that could easily be associated with you, such as your date of birth, phone number or postcode.

Online shopping is consistently growing in popularity, and another area to be card cautious. When you use your card to make purchases online, make sure you deal with reputable businesses – if you can't see a street address or other contact details you might want to reconsider. Make sure you're using a secure website and secure network. Public computers and networks may not be secure ways to shop online. If you're a regular online shopper, you might want to check out the Australian Investment Securities Commission website for more useful online shopping tips.

ATM and EFTPOS machines are another area where it's important to stay alert and mindful. We recommend you:

- > Always keep your hand covered when you enter your PIN, as you never know who might be watching
- > Stop a transaction if you notice or suspect suspicious behaviour at an ATM or EFTPOS terminal – trust your instinct
- > Never allow your card out of your sight, and insist on swiping your own card when you're making an in-store purchase.

Something weird? Call us

If you ever notice unusual or fraudulent activity on your account, please contact us immediately. The sooner you advise us of an unauthorised transaction, the easier it is to investigate and resolve. And in most cases, assuming you've complied with the terms and conditions of your account, you won't be responsible for any unauthorised transactions.

For more information on our card services, please see our Terms and Conditions for Savings Accounts and Payment Services or call on 1300 747 747.

don't wait for ages

get interest paid monthly

3.10%

p.a.

24 month Term Deposits

 qudosbank.com.au



Before opening an account with us, you should read our Terms and Conditions for Savings Accounts and Payment Services found on our website or by calling 1300 747 747. Minimum investment \$10,000. Rates current as at time of publishing, subject to change.

announcing

our 2016 AGM



This year's Annual General Meeting will be held on:

Date: Wednesday 30 November

Time: 3.00pm

Venue: Bendigo & Wangaratta Rooms,
Parkroyal Melbourne Airport, Arrival Drive,
Melbourne Airport VIC 3045

To register please contact Helen James:
(02) 9582 3231 or hjames@qudosbank.com.au

we've kept the best news 'til last!

Home Loans

Low Cost Home Loan - Welcome Rate

Term	Owner Occupier		Investment	
	Rate p.a.	Comp. rate ^{1,2}	Rate p.a.	Comp. rate ^{1,2}
\$150,000 to \$249,999.99	4.24%	4.24%	4.94%	4.94%
\$250,000 to \$499,999.99	3.89%	3.89%	4.94%	4.94%
\$500,000 to \$749,999.99	3.89%	3.89%	4.84%	4.84%
\$750,000 to \$999,999.99	3.89%	3.89%	4.84%	4.84%
\$1 million & over	3.89%	3.89%	4.84%	4.84%

Applicable for applications received from 7 October 2016.

Fixed Rate Home Loans

Term	Owner Occupier		Investment	
	Rate p.a.	Comp. rate ^{1,2}	Rate p.a.	Comp. rate ^{1,2}
1 Year Fixed Rate	3.89%	4.12%	4.84%	4.93%
2 Year Fixed Rate	3.89%	4.10%	4.84%	4.92%
3 Year Fixed Rate	3.89%	4.07%	4.84%	4.91%
4 Year Fixed Rate	3.99%	4.09%	5.09%	4.99%
5 Year Fixed Rate	3.99%	4.08%	5.09%	5.00%

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.

Qantas Points Home Loan - Welcome Rate

Term	Owner Occupier		Investment	
	Rate p.a.	Comp. rate ^{1,2}	Rate p.a.	Comp. rate ^{1,2}
\$150,000 & over	4.09%	4.09%	5.04%	5.04%

Applicable for applications received from 7 October 2016.

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. A loan amount of \$30,000, a monthly repayment frequency and a term of 5 years have been used to calculate the comparison rate 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. Qudos Mutual Limited 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 20 May 2015

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

Qantas Points Car Loan

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

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 7 October 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%	3.00%	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

