



SmartBudget Account

PRODUCT INFORMATION BROCHURE

EFFECTIVE FROM 1 JANUARY 2016



**Queensland
COUNTRY
CREDIT UNION**

This Product Information Brochure (PIB) provides information about the Queensland Country Credit Union Limited (Queensland Country) SmartBudget Account and is intended to help you make an informed decision on whether to open a SmartBudget Account.

The product issuer of this account is Queensland Country Credit Union Limited ABN 77 087 651 027 and AFSL 244 533.

So what exactly is a SmartBudget Account?

SmartBudget lets you spread your bills evenly throughout the year.

The SmartBudget Account is a deposit product in which you agree to make regular deposits into your SmartBudget account and to present your nominated bills to us for payment at least 7 days prior to the due date. In return Queensland Country agrees to pay your nominated bills before the due date.

A SmartBudget Account is a great budgeting tool that enables you to set your budget for the coming year. It takes the stress out of your finances because it smooths out your nominated bills over a full 12 months.

It's a unique way to manage your time and your budget. We pay all your nominated bills for you out of your SmartBudget Account, and if all your bills come at once, we won't charge interest if your account becomes overdrawn.*

All you need to do is set aside an amount that you'll need each week, fortnight or month, and we'll take it from there.† You see all your nominated bills in the one place online where you can manage them anytime, anywhere and have them paid for you.

What's more, we'll help keep you up to date. You can choose to be notified when nominated bills are due plus keep an eye on the bills we've paid for you automatically. We'll also let you know if there are any problems.



*Please refer to points 4, 5 & 12 of pages 6 & 7 Important Things You Should Know

†Please refer to points 4 & 7 of page 6 Important Things You Should Know

As part of your application to open a SmartBudget Account we may ask you to provide us with certain documentation confirming your capacity to make the regular deposits required under the SmartBudget Agreement. The type of documentation we require will depend on whether you are self employed, a PAYG income earner or in receipt of a pension.

If you are self employed we may require your latest tax return for the business as well as the individual tax return of the person operating the business (proprietor) as well as the last two years' Profit & Loss Statements for the business.

If you are a PAYG income earner we may require the following documentation:

- If you are paid monthly, at least two months' worth of payslips; or
- All other pay frequencies, one month's worth of payslips; and
- Queensland Country Credit Union Member Statements of Account for the last two months which clearly show your average wage calculation

If you are in receipt of a Centrelink payment we will require:

- A Centrelink/Veteran Affairs statement confirming your income.

FEATURES AND BENEFITS

You don't need to spend money on postage for cheques, or lose time paying bills in person or online



Any extra funds at the end of your agreement are transferred into your default account



A low monthly fee of just

\$5[†]

†This fee does not relate to the provision of credit.



Important Things You Should Know

To find out more about the SmartBudget Account go to: qccu.com.au or come in and have a chat with us at your nearest branch.

1. The SmartBudget Account is only available to individual shareholding Members aged 18 years and over.
2. At the time of opening a SmartBudget Account, your first regular deposit payment is required to be made into the account.
3. All agreements are for a 12 month period.
4. If the balance in your account is going to be negative in the first 8 weeks (i.e. the dollar value of the bills that are due in the first 8 weeks plus the monthly service fee is more than your regular deposits) we will ask you to deposit the difference into your account.
5. Your SmartBudget Account cannot have a debit balance of \$5,000 or more at any time.
6. A Monthly Service Fee is payable. Refer to our Fees and Charges brochure for full details.
7. Bills submitted to Queensland Country for payment may take up to 48 hours to be processed. Bills must be submitted at least 7 days prior to the due date.
8. Only bills nominated in your agreement will be paid. Business related bills and past or overdue bills will not be accepted.
9. No cash is permitted to be withdrawn by a Member from their SmartBudget Account. Nominated bill payments will be made by BPAY® or electronic funds transfer.



10. Reimbursement is only available in limited circumstances and where the ability to pay a bill via BPAY or EPAY does not exist. Members requesting to be reimbursed for the cost of a nominated bill that they have paid directly themselves must provide us with proof of payment.
 11. Terms and conditions apply and will be provided prior to opening a SmartBudget Account.
 12. Regular deposits are required for SmartBudget Accounts.
 13. Interest on any credit balance in the account is calculated on the minimum monthly balance and paid annually.
 14. We may terminate a SmartBudget agreement if regular deposits are missed or for other unacceptable conduct on the account.
- Nominated bills will not be accepted for payment until the first regular deposit has been received. The account cannot be overdrawn within the first 8 weeks of the date of the agreement.

How does the SmartBudget Account work?

It's surprisingly simple and incredibly helpful.

At the start of your agreement, we work with you to nominate your bills for a year. Generally you'll always remember the big bills but sometimes forget about the little ones in between.

So here's a list of bills that people receive and which you might like to include in your SmartBudget service.

- **Insurances**
home & contents, car, health
- **Council rates**
- **Electricity & gas**
- **Home phone & mobile**
- **Fuel card accounts**
- **Pay TV**
- **School fees**
- **Gym/Sporting memberships**

You estimate an amount for each bill based on your recent experience and this helps to create an agreed budget. All of your nominated bills for the upcoming 12 months, including the monthly service fee, are totalled and then the figure is divided by the number of pays you'll receive over the same period to result in your regular deposit amount.

This is paid weekly, fortnightly or monthly – depending on your pay schedule. And just in case a nominated bill comes in that's a bit more than usual, we also add a 10% contingency.

So as long as you continue to make your regular deposits by the due date, the bills allocated on your agreement will be paid regardless of the balance in the account.*



*Please refer to points 4, 5 & 12 of pages 6 & 7 Important Things You Should Know



Here's an example:

Mary comes in to see Queensland Country to open a SmartBudget Account. She has the following nominated bills on her agreement:

Bill Type	How Often	Est. Amount	Contingency	Annual Amount
Telephone	Monthly	\$200	\$20	\$2,640
Rates	Half Yearly	\$1,200	\$120	\$2,640
Electricity	Quarterly	\$1,000	\$100	\$4,400
Car Rego	Yearly	\$700	\$70	\$770
Insurance	Monthly	\$250	\$25	\$3,300
Account Service Fee	Monthly	\$5	\$0	\$60
Total Agreement Value				\$13,810

Mary's Total Agreement Value is \$13,810.

She gets paid monthly so her regular deposit amount is \$1,151 (\$13,810 p/a).

This is calculated by dividing the Total Agreement Value of \$13,810 by 12 (the number of regular deposits required under the agreement) and rounding the amount upwards to the nearest dollar.

We then set up an arrangement for \$1,151 to come out of Mary's monthly pay and all of the nominated bills in the table above will be paid when due providing she keeps making her regular deposits.

What if a bill is more or less than you estimated?

No need to worry. SmartBudget has what we call the 'Rainy Day' balance.

Even the best budgeters won't be able to exactly predict how much some bills will be. These are referred to as variable bills in your agreement.

That's why we ask you to estimate how much your variable bills will be when setting up your agreement. We then add a 10% contingency to that amount to cover most of the variances that you may experience.



Let's look at a typical scenario:

As per the example earlier, Mary thinks her phone bill is about \$200 per month.

As telephone bills are variable bills we add a 10% contingency and Mary has \$220 available for her monthly phone bill.

If Mary is correct with her estimate, she receives a bill for \$200 which is then paid via her SmartBudget Account.

Because \$220 was available for the payment of this bill, the remaining \$20 goes into Mary's 'Rainy Day' balance which she can access later.

Mary then receives her insurance bill for which she's allocated \$250.

Again, we have applied a 10% contingency of \$25 meaning Mary has \$275 allocated and available to pay her insurance bill.

However, the actual total of Mary's bill comes in at \$285 which is \$10 more than her allocated amount including the contingency.



At this point Mary will have three options to pay the bill:

Option 1

Mary uses \$10 from her Rainy Day balance because there's \$20 in there from her earlier phone bill.

Option 2

Mary can transfer the extra funds from her default account to her SmartBudget Account.

Option 3

Mary can pay the \$275 that was allocated and then makes an arrangement directly with the biller to pay the remaining \$10.

If Mary doesn't have sufficient funds in her Rainy Day balance she will need to transfer the full amount of the difference between the actual bill amount and the allocated amount from her default account.

Importantly, Mary is unable to use her Rainy Day balance in this circumstance.

If Mary chooses Option 1, her Rainy Day balance reduces to \$10. At the end of her 12 month SmartBudget agreement, the remaining funds in Mary's Rainy Day balance gets transferred to her nominated savings account (excluding direct debits and automatic payments).

If you have any questions or need more information,
please contact us:

Branch Visit our website for a listing of all our branches

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 QueenslandCountry

Read with

This document must be read in conjunction with: Personal Savings and Transaction Accounts PIB, Fees and Charges brochure; Membership and Deposit Accounts Conditions of Use; Financial Services Guide; Deposit Interest Rates Schedule; SmartBudget Agreement Terms and Conditions.

The information provided in this document does not take into account your objectives, financial situation or needs. Before acting on the information you should consider whether it is right for you and seek your own advice.



Queensland Country Credit Union SmartBudget Account

 **1800 075 078**

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