With the Cowboys season now well underway, we couldn’t be prouder of their fantastic start to the season!

On March 18 we invited some lucky Members along to our Corporate Box at the Cowboys vs Sea Eagles game at 1300Smiles stadium. Our invitee’s were randomly chosen after responding to an email we sent to our Members. They had to answer the question: ‘What makes you proud to be a Member of Queensland Country Credit Union?’ Read what they had to say on page 4.
What a wonderful year 2017 is shaping up to be. I would like to extend a warm welcome to all of our new Members who have commenced the transition to Queensland Country from ECU Australia on 1 April. Migration onto the Queensland Country banking system is progressing well and we expect ECU Members will be fully migrated by mid-year.

February was a month of celebrations with Queensland Country Credit Union celebrating our 46th birthday with a Member Update at our home town of Mount Isa. We took the opportunity to introduce our three new Board Members from ECU, Greg Nucifora, John Gilbert and Tony Williamson who have now joined our Board. We also introduced new Director, Deidre Comerford, who was appointed to the Board at November’s Annual General Meeting. The Member Update was also a chance to celebrate Queensland Country Health Fund’s 40th birthday and acknowledge some of our first Health Fund Members who were in attendance.

Our partnership with the North Queensland Cowboys has continued this year with the season already off to a fantastic start. We have already had the opportunity to attend the Cowboys Community Day and hand out bacon samples from locally owned Strand Butchers in Thuringowa. Everyone loved the bacon samples and it was a huge hit on the day and helped us to promote our game day promotion ‘Bring Home the Bacon’. This was a fun way to promote our Cowboys Credit Card!

Since first opening our Ayr branch in 1979, we have gone through many changes and one of our biggest changes in the Burdekin is almost complete. In February we commenced refurbishments on our Queen Street, Ayr branch and are expecting construction to be completed before Easter. We are happy that where possible we were able to engage local trades throughout the construction adding further to our investment in the local community. As this has been a staged construction, we have been able to keep the branch open throughout the majority of the construction. The modern look and feel branch will be fitted with a coin counting machine and a comfortable Member chat zone. We are excited to show you through our new branch and are excited to show you the end result in our July edition.

Aileen Cull
Chief Executive Officer

FROM THE CEO’S DESK

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Queensland Country Health Fund Ltd ABN 18 085 048 237
Comparison rates have been required to be included when advertising lending interest rates in Australia for many years now, but there is still some confusion around what they are and how they can help you when deciding on your next loan. Comparison rates have been designed to give a snapshot of the loan on offer once certain prescribed fees are included so that the consumer can compare ‘apples with apples’. They calculate the interest rate over a set period of time while also including fees which are reasonably ascertainable (i.e. it is almost certain that the particular fee will be payable). Examples of fees included in the calculation of the comparison rate are the establishment fee, annual home loan package fee or account maintenance fees.

Comparison rates are particularly valuable tools when comparing variable interest rates and fixed term loans whereby the fixed term is the same as the loan term. This is common amongst personal and car loans.

Home loans however, rarely will fit into this category as the fixed term is usually between one to five years over a loan term of up to 30 years. When calculating a comparison rate credit providers take into account the introductory rate, loan term and the variable interest rate that the loan will revert to for the remainder of the term of the loan. This in itself may be confusing as it is assumed that for the remainder of the term of the loan you will leave it at that rate and not choose to fix your interest rate again.

It is detailed clearer in the table below:

<table>
<thead>
<tr>
<th></th>
<th>LOAN 1</th>
<th>LOAN 2</th>
<th>LOAN 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOAN AMOUNT</td>
<td>$150,000</td>
<td>$150,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>TERM (YEARS)</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>INTRODUCTORY TERM (MONTHS)</td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>INTRODUCTORY INTEREST RATE</td>
<td>3.89% P.A.</td>
<td>3.99% P.A.</td>
<td>4.09% P.A.</td>
</tr>
<tr>
<td>STANDARD INTEREST RATE (THIS IS THE VARIABLE RATE ONCE THE FIXED TERM ENDS)</td>
<td>4.99% P.A.</td>
<td>4.64% P.A.</td>
<td>4.94% P.A.</td>
</tr>
<tr>
<td>ESTABLISHMENT FEE</td>
<td>$500</td>
<td>$500</td>
<td>$500</td>
</tr>
<tr>
<td>ANNUAL FEE</td>
<td>$350</td>
<td>$350</td>
<td>$350</td>
</tr>
<tr>
<td>COMPARISON RATE</td>
<td>5.14% P.A.</td>
<td>4.88% P.A.</td>
<td>5.14% P.A.</td>
</tr>
</tbody>
</table>

In the adjacent table, all of the loans are the same amount, term and have the same fees. The only changes are to the interest rates. It is interesting to see how greatly the standard interest rate affects the comparison rate. This is because it is calculating the introductory rate over two years (in this example) and the standard interest rate over the remaining 23 years.

Although Loan 1 offers the lowest fixed interest rate, the lowest comparison rate is on Loan 2. Also of note is that although Loans 1 and 3 have quite different interest rates, they have the same comparison rate.

If you are planning to only fix your loan for the initial term then let the loan sit at the standard variable rate for the remainder of the term then the comparison rate will give a true comparison.

However, if you plan to review your loan after the fixed term ends, it will pay for you to do your own investigation into the real cost of the loan and fees as you may find the comparison rate does not reflect the true cost of the loan.

If you are interested in discussing loan options, please contact one of our friendly team today.

ECU MERGER UPDATE

On April 1, ECU Australia became a trading entity of Queensland Country Credit Union Limited. This means that they are legally part of the Queensland Country family. The formal transition over to our banking system and products is scheduled to happen on July 1 which is when you will be able to start using the ECU branches to complete transactions.

We have started some parts of the conversion early with Queensland Country Credit Union Members and ECU Members able to use each other’s ATM’s without incurring a fee.

To find out where your nearest ATM is please head to qccu.com.au/atm-locator or phone 1800 075 078.
What makes you proud to be a Queensland Country Credit Union Member?

“We’re proud to be Queensland Country Credit Union Members because the staff are so supportive. We feel proud every time we drive past the massive Cowboys window at the Queensland Country head office in Townsville and flash our Cowboys credit card when we make a purchase!”

– Megan G., Member

“Queensland Country went above and beyond in their services toward myself and my family when we were facing some very difficult times. My son became very unwell and we were sent to Brisbane for 12 months. Your team were aware of my circumstances and assisted to maintain my home repayments and other financial commitments. Without their personalised care we would’ve lost everything.”

– Kate M., Member

“I have been a Queensland Country Credit Union Member since the first day I opened an account as a young teenager. I love how the staff are always friendly and helpful and I have never had a negative experience with them, which is why I’m still a Member today!”

– Courtney H., Member

IMPORTANT CHANGES to the Pension Plus and Cash Management accounts

From 1 April 2017, the way interest is calculated on our Pension Plus and Cash Management accounts changed from tiered interest to stepped interest. What this means is that instead of one variable interest rate being applied to your entire balance, different variable interest rates will be applied to separate portions of your balance. All other features to your account will remain unchanged.

Being a Member owned organisation, Queensland Country is committed to providing competitive interest rates on a range of Savings Accounts and Fixed Term Deposits to assist you in maximising your returns. Please talk to one of our friendly team today about which accounts we have to best suit your needs.