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CPS CREDIT UNION — BSB NUMBER

When setting up a direct credit or direct debit, to or from your CPS membership you need to quote the CPS BSB number as well as your membership number. The correct BSB for CPS is

801-003



CPS CREDIT UNION
CO-OPERATIVE (ACT) LIMITED
ABN 31 087 649 670

The changing face of Credit Union regulation

A message from Robert Keogh,
General Manager



In the past twelve months, we have all seen the increased competition in the financial services market and changes taking place in the delivery of financial products and services. You will have noticed that there have been a number of new entrants.

CPS' response to this competition is to continue to position itself as a financial alternative to the banks under the principles of co-operation.

In addition, over the last year there have also been changes in the regulation of financial institutions which of course impacts on CPS.

From 1 July 1999, all credit unions have been subjected to the same legislative and regulatory requirements that are levelled on the banks.

Under the new scheme all financial institutions will be referred to as Authorised Deposit-Taking Institutions (ADI's). We will have to report to a number of regulators, primarily the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC).

Essentially, under the new regime, all ADI's will be treated the same and come under the same legislation. Prudential Standards will be the same across all ADI's irrespective of their structure or principles of co-operation.

The New Regulatory Environment

The main advantage in the new environment is that credit unions are now recognised in legislation as being on the same footing as their competitors.

All ADI's are expected to perform at appropriate levels in terms of profitability, capital adequacy and liquidity for example, and have appropriate systems in place to manage risk, as well as other key performance indicators.

APRA in particular has harmonised the various prudential standards that apply to banks, credit unions and building societies with the objective of issuing a single and consistent set of prudential rules for all ADI's. This will do away with the traditional regulatory distinction among the various financial institutions.

Continued page 2



QUEANBEYAN ATM ON THE MOVE

The in-lobby ATM at the Queanbeyan Personal Financial Centre has been moved into the Riverside Plaza, just outside Coles. We hope that this move will give members greater access to the ATM and their funds with CPS.

The ATM with street access outside the Personal Financial Centre is also available, providing 24-hour ATM access for Queanbeyan residents.

TRIATHLON ACT—PREPARING FOR A NEW SEASON!

The Triathlon ACT summer racing calendar has been set. There are four race series and one standalone race for every level of age, fitness and interest. Information on Race Entry details, the Race Calendar and Membership of Triathlon ACT can be found at www.triathlonact.com.au.

CPS is again the major sponsor of Triathlon ACT. We are very pleased to support this community based organisation.

From page 1

It is clear that APRA will be taking a much more 'risk-based' approach in these revised standards and indeed in its general approach to regulation of ADI's. Whilst CPS members may not feel that this new regulatory environment affects them directly, it will have an impact in a variety of ways.

Impact on CPS Members

For example, some of the decisions that the Board of Directors and Management are implementing, are concerned with positioning the organisation as a solid and financially sound institution which operates in a very competitive market place. This is because we will be judged by the new regulators, potential members and other external parties, in terms of how we are managing the risk involved in the organisation and how well we are performing vis-à-vis the other ADI's, in particular the banks.

In addition, competitive pressures will be such that we will have to be prepared to change as the market changes. This will challenge some of the traditional methods of transacting business. Regulations, increased competition and improved technology will have a dramatic impact on the way business is conducted in the future. This is because these old ways may no longer be as relevant as they were in the past, particularly when competition, progress and technology advances force us to introduce new ways of conducting business.

The Challenges Facing CPS

All financial institutions are facing major challenges in the way they deliver financial products and services, CPS is no different in this regard. It is difficult to maintain traditional and modern systems in parallel for too long a period and some of the services which many members have appreciated over the years may have to make way for newer alternatives. This is not to say that we will be abandoning our corporate ideals and ultimate mission and vision. In fact, we are more committed than ever to achieving our vision of being 'recognised as a co-operative financial institution of excellence and achievement' and our mission 'to improve the financial health of members and add value to their relationship with CPS through the provision of competitive products and services'. However, the way in which we achieve these commitments must take into account our new regulatory environment as well as the highly competitive market place within which we operate.

I look forward to your support as we meet these challenges together and continue to build on the co-operative ideals that have made our Credit Union a leader in the ACT financial services industry.

Robert Keogh
General Manager

Your Credit Union's Financial Performance 1999/2000

The 1999/2000 financial year provided a number of very encouraging results for CPS, including record loan fundings, strong membership growth and the maintenance of after tax profit performance.

The financial highlights were as follows:

- Operating profit after tax and including extraordinary items was \$1.811m up by \$42,000 from \$1.769m last year.
- Total assets increased to \$212.971m from \$201.372m last year, an increase of \$11.599m or 5.76%.
- Total loans funded for the year were \$98.822m up from \$88.584m last year, an increase of \$10.238m or 11.56%.



- Total gross loan balances outstanding reached \$176.834m up from \$150.048m, an increase of \$26.786m or 17.85%.
- Operating profit after tax and extraordinary items as a percentage of year end total assets was 0.85%.
- Total loan provisions as a percentage of total loan balances outstanding was 0.48%.

You can obtain a copy of the full Annual Report from any Personal Financial Centre or phone our Telephone Response Centre on 02 6286 0555 and we will mail a copy to you. Alternatively, you can view and/or print a copy from our web site, www.cpsact.com.au

Bill Payments –

Quick, Easy and Hassle-Free!

We all know what a hassle it can be to pay the household bills. Not anymore! CPS Credit Union is aiming to take the stress and inconvenience out of bill payments. The Credit Union now offers a range of convenient and flexible bill payment options to members.**

BPAY

Members are now able to use the BPAY network to pay the majority of bills. BPAY is quick, convenient and hassle-free as bills can be paid over the Internet or on the phone direct from your Visa card or Redicard—without leaving the home or office!

Once registered for the BPAY service members are issued with an Easy Access Number or EAN. This EAN is like a PIN that allows access to the BPAY network. This one EAN allows access to both the Telephone and Internet BPAY services.

The BPAY network has over 2,300 registered billers and is accessible 24 hours a day, seven days a week. That means you can pay your bills when it suits you, not just during business hours. BPAY even allows for future-dated transactions. For those of us who are organised, you can set the BPAY network to pay a bill up to 60 days in advance but no money will leave your account until the date you have nominated.

Direct Debits

Direct debits are another option for paying bills. Direct debits are set up with the organisation to whom the money for the bill is owed. These can be regular payments or one-off payments. In essence, a direct debit means you give permission for that organisation to debit a set amount from your account at regular intervals, say weekly, fortnightly or monthly, or as a one off payment, to pay for the service they are providing you. To set up a direct debit you will need to contact the payee organisation rather than CPS.

Card Payments

Many members find a Visa line of credit or debit card or a MyCard credit card a viable option when paying bills. These facilities can allow you to pay bills over the phone or on the Internet. This means no more lining up in your lunch hour or rushing around after work. You can pay your bills from your home or office with minimum hassle or fuss.

Personal Cheque

For those members who prefer to use cheques to pay their bills they may opt for a personal cheque book. This facility allows members to write a personal cheque to pay any bill where this type of payment is acceptable.

Electronic Payments

Some members of the Credit Union want to transfer money to another Financial Institution or another CPS membership and in the past have done this via the Periodical Payment system. CPS now offers an electronic transfer system that will allow these transfers to be carried out electronically rather than manually. This new system is quicker and more efficient than the manual system. If you are transferring funds within CPS or you can quote the BSB and Account Number within another financial institution, then electronic payments are the way to go.



Existing Bill Payments

In light of these many convenient options for bill payments, members might like to consider switching from their current bill or periodical payment, to one of the newer options. If you would like to pursue this, please contact the Telephone Response Centre on 02 6286 0555 or visit your Personal Financial Centre to discuss the alternative option that best suits your needs.

*** Please note: Terms and Conditions; Fees and Charges may apply to the services listed in this article and are available on request.*





Protect Yourself with CPS Insurance Products

CPS offers a diverse range of insurance products to enable members to protect themselves and their family.

CPS can offer members home, contents, motor vehicle, personal health, loan repayment, personal accident and sickness or even travel insurance.**

The home, contents and motor vehicle insurance is underwritten by CIC Insurance.

CPS, through CIC, can offer members quick, easy and paperless service when it comes to insurance proposals. Both quotes and signing up for insurance can be completed over the phone, without the need for members to come in and see a consultant.

Some of the features and benefits of CIC Home Cover Insurance include new for old replacement on most items and up to 12 months temporary accommodation. This applies if the house you live in is damaged by an insured event to such an extent that you cannot live in it. Also covered is fusion of electrical motors—if your fridge blows up, CIC will replace frozen food up to the value of \$500.

CIC Comprehensive Motor Vehicle Cover has special features designed with CPS Members in mind, like an automatic protected No-Claim bonus after 3 consecutive years claim free. Other benefits include the hiring of a replacement vehicle for up to 14 days if your insured vehicle is stolen and a lifetime guarantee on approved repairs.

Through Zurich Australia Limited, CPS members also have access to a life insurance policy. Zurich's Term Life Insurance is a way to protect your family in the event of the unthinkable. Zurich Term Life Insurance offers protection for people aged 20–54 with lower rates for females, discounts for non-smokers and a bonus first month free with very competitive rates.

For further information or a quote about any CPS Insurance product please phone the Telephone Response Centre on 02 6286 0555.

*** Terms and Condition apply to all insurance products and are available on request.*

SEMINARS 2000

Wealth Creation and Investment Fundamentals

The final two Financial Planning seminars for 2000 will be held in October and November.

They will both be held at CPS Credit Union, 105 Mawson Drive, Mawson. Registration is from 5.15pm and the seminars will begin at 5.30pm sharp. The topics and dates are:

- Wednesday 18 October — Wealth Creation. This seminar will cover topics such as investing in the share market, negative gearing and savings plans. It will be presented by Bridges Personal Investment Services.

- Wednesday 8 November — Investment Fundamentals. The special guest presenter for this seminar will be a fund manager from Perpetual Fund Managers. He will also be available to answer any questions members may have. Those attending this seminar will receive a free copy of the Credit Union booklets Smart Investing: A Basic Guide and Smart Investing II: A Strategy Guide.

Bookings are essential for both seminars as numbers are limited. To book your seat please phone the Telephone Response Centre on 02 6286 0555.

Tasmania

— the Apple of Australia's Eye!



Let me introduce you to Australian Pacific Tours, established for over 70 years and specialising in luxury coach tours throughout Australia and New Zealand as well as Europe and America.

Take the hassle out of your holiday, sit back and let Australia's largest tour operator pamper you as you experience the wonders of touring.

The holiday of a life time awaits you in Tasmania—the apple of Australia's eye.

APT's new Tasmanian "Short Breaks" have been designed for the traveller who wants flexibility whilst on holiday, but also wants to avoid the inconvenience of having to plan all the arrangements, which may lead to taking wrong turns and possibly missing attractions. In essence, an APT Short Break takes the 'work' out of your holiday.

The concept of a Short Break is easy, you simply choose one or more of the feature-packed itineraries, then travel in APT comfort. Add to that the insight you'll gain from the use of local guides in selected areas, as well as the commentary supplied by your own driver/guide, and you're in for a memorable experience.

From exploring stunning wilderness regions like Cradle Mountain to strolling through relics of Tasmania's intriguing past at Port Arthur Historic Site, you choose the tour you want, the attractions you would like to visit, and the standard of accommodation that suits and then simply sit back, relax and enjoy

Tasmanian Short Breaks—making the holiday that suits you!

- Visit Lacrum Cheese and Dairy and taste a variety of Tasmania's famous local cheeses
- Stay at Cradle Mountain Lodge in either deluxe spa cabins or pencil pine cabins and enjoy a local guided tour to Dove Lake and Waldheim Chalet
- Enjoy a guided tour of Woolmers Historic Estate housing many fine antiques as well as an antique car collection and glorious gardens
- Taste some of Tasmania's best wines at the Strathlyn Wine Centre including Pipers Brook
- Cruise the Gordon River
- Visit the ruins of Australia's most infamous penal settlement at Port Arthur Historic Site

- Indulge at Cadbury's chocolate factory

Call into Capital Travel Manuka at 34 Bougainville Street, Manuka or phone for a brochure on 6295 2733.

Book your Australia Pacific Tour before 30 October 2000 and receive \$100.00 per person discount for any tour 10 days or more.

This year make it Tassie!!

Trish Smith
Director

Capital Travel Manuka (Licensed Agent)
34 Bougainville Street, Manuka ACT 2603
Phone: 02 6295 2733



Asia Online Internet Connection Deal

—Get Your First Month Free!

Asia Online offer an exclusive Internet connection deal to CPS members. For only \$26.35 per month CPS members have access to unlimited hours and unlimited download with the Asia Online deal. As a bonus for CPS members Asia Online also waives the \$25 connection fee.

As a special bonus all CPS members who return the enclosed application form to Asia Online before 31 October 2000 will receive their first month FREE!



Be Prepared for Christmas!

It is fast approaching that time of the year again. That's right, Christmas and the New Year are just around the corner, so now is the time to start planning for this financially stressful time of the year. CPS members have a number of options to help them prepare for this time.

Firstly, for those members holding a loan with the Credit Union, one option is to pay a little extra each loan repayment in the lead-up to Christmas and then it may be possible to choose to skip a payment closer to Christmas. But remember you must be far enough in advance to cover any repayment before doing this. If not, you will find yourself even further behind during this expensive time of the year.

Another option is to open a CPS Christmas Club Account. Although it is late in the year you may still be able to save a little extra in a Christmas Club Account and because access is only permitted between 1 November and 31 January, you can't spend your savings before Christmas.

Credit cards always seem like a quick and easy option at the time. That is until the credit card bills start arriving in the mailbox! For those members who are organised, many stores offer a lay-by system that is much easier to manage financially than a credit card. If you can find that perfect Christmas present now, why not put it on lay-by and pay it off gradually as we approach the festive season.

CPS Credit Union is also happy to help members with budgeting advice. The Credit Union has a number of helpful booklets available free of charge to members with titles including Budgeting: Make it Easy. For further information on any of these options or for a copy of the budgeting booklet please phone the Telephone Response Centre on 02 6286 0555.

The Benefits of a Loan Redraw Facility

CPS offers a loan redraw facility as a standard feature on both personal and mortgage loans (excluding lines of credit). The redraw facility allows you to apply to withdraw any funds you have paid into the loan in excess of your minimum repayment requirements. The minimum amount you can draw is \$500 and there are no specific redraw fees. The redraw facility can also be used every six months if required.

For existing borrowers, we have slightly amended the redraw facility clause that is contained in the loan contract that was signed when taking out the loan. From 1 December 2000, the new wording of the redraw clause will be as follows:

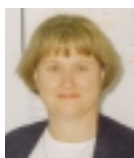
Redraw facility

1. We will make further advances to you if:
 - (a) neither we (CPS) nor you have cancelled or suspended this Redraw Facility; and
 - (b) you have paid to us amounts in addition to the repayment required by clause 4 ("Available Redraw Capacity"); and
 - (c) the Available Redraw Capacity is in excess of \$500, however the maximum allowable request amount is at our sole discretion; and
 - (d) you make a written request ("the Request") to us for payment of a part of the Available Redraw Capacity; and
 - (e) any Guarantor has consented to the Request; and
 - (f) we approve the payment of the amount requested, however we must not unreasonably withhold our consent to the Request; and
 - (g) the Request must be at least six (6) months from the date of advance of the Amount of Credit and there must have been no other requests in the last six months.
2. You must ensure that you do not redraw more than the Available Redraw Capacity.
3. You cannot redraw on cheques paid to us until they are cleared.
4. We will pay all approved redraw amounts to you or to your nominated account with us. We cannot pay the redraw amounts to a third party.
5. You acknowledge that interest is payable on any amount redrawn as provided by this Loan Contract.
6. The use of the Redraw Facility is governed by the Conditions of Use issued by us from time to time.
7. We may cancel or suspend this right to redraw at any time without prior notice to you, however, we will give you notice after we have exercised this right.
8. We may vary the above terms of the Redraw Facility by the giving of 30 days notice to you. The notice may be given by posting a notice to you or publishing one in our Newsletter.

STAFF MILESTONES 2000



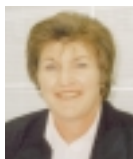
Monica



Irene



Sally-Anne



Jan



Pam

CPS would like to thank the following staff members for their years of loyal service to the Credit Union. The Board of Directors and Management appreciate the contribution they have made to the Credit Union during their employment at CPS.

Monica Brook—20 years, Manager Member Services Department

Peter Ipkendanz—15 years, Executive Manager Finance

Irene Elford—5 years, Member Services Department

Sally-Anne Crawford—5 years, Dickson Personal Financial Centre

Jan Schurmann—5 years, Supervisor Woden Personal Financial Centre

Pam Baker—5 years, Barton Personal Financial Centre

Win a silver BMW 523i

**and support the MS
Society of the ACT**

- Plus**
- Electric Sunroof
 - Stamp Duty
 - Registration
 - 6-stack CD Player

**And...you could
also win \$10,000
in the MS Advance
Order draw!**

MS Advance Buyers are entered in the exclusive MS Advance Order draw for \$10,000 for each raffle.

Only \$10 an entry and with a maximum of 25,000 tickets sold, take advantage of these great odds to drive away in luxury!



Committed to reducing the impact of Multiple Sclerosis on individuals, families and carers in the Canberra community.



Please complete the following to order your tickets today:

- Tickets: ☐ 1 ticket—\$10 ☐ 2 tickets—\$20 ☐ 5 tickets—\$50
☐ 10 tickets—\$100 ☐ 20 tickets—\$200

☐ Yes! I want to help the MS Society of the ACT and join MS Advance Order for a chance to win – twice per year, a BMW 523i and \$10,000 cash (credit card buyers only).

Mr Mrs Ms First Name : Surname:

Address:

Suburb: State P/C.....

Contact phone no:

☐ Mastercard ☐ Visa ☐ Amex ☐ Diners ☐ Bankcard ☐ Cheque/Money order

Card no:

Expiry Date: Signature:

Please send to: The MS Society of the ACT, PO Box 142, Curtin ACT 2605,

Fax this coupon to (02) 6281 0817 or phone Monday–Friday 9.30am–4.00pm (02) 6285 2999.

Closing Date: The MS Society of the ACT Restricted Raffle will be drawn on December 6, 2000.

Winners will be notified by mail, and the results will be published in The Canberra Times and

The Australian on December 11, 2000. Permit No: 00/0055

The BMW 523i is not transferable or redeemable for cash. All prizes are ex-ACT and must be claimed within 14 days. Major prize is a non-metallic white BMW 523i.

YES!

I'd like to access my accounts
quicker on the Internet or over
the phone!

Please send me information about:

- ☐ CPS Web-Link Internet Banking
- ☐ CPS BPAY-Link, Internet Bill Payment
- ☐ 24 hour Telephone Service for
information, balances and transfers.

YES!

I would like CPS Credit Union
to send me more information
on the following products!
(please tick)

- ☐ Personal Loans
- ☐ Home Loans
- ☐ Basic Home Loan
- ☐ All-In-One Home Loan
- ☐ New Vehicle Loans
- ☐ Savings Accounts
- ☐ Smart Saver
- ☐ Christmas Club Account
- ☐ Edvest
- ☐ Investment Accounts
- ☐ Home Insurance
- ☐ Motor Insurance
- ☐ Boat Insurance
- ☐ Caravan Insurance
- ☐ Travel Insurance
- ☐ Financial Planning
- ☐ BPAY

I would prefer to be contacted by

- ☐ Ph: _____ (AH or BH)
- ☐ Mail

Name _____

Member Number _____

Address _____

Postcode _____

Work phone _____

Home phone _____

Facsimile _____

Internet/E-mail _____

- ☐ Please tick box if this is your new
address / contact details.

Please return the coupon to

CPS Credit Union
Reply Paid 1000
Locked Bag 1000
Mawson ACT 2607
(no stamp required)
Fax: 02 6286 0642

INTEREST RATES[#]

(As at 22 September 2000)

SAVINGS ACCOUNTS

General Savings	(S1-S4)	
\$1-999		0.25%pa
\$1 000 plus		0.50%pa
Action Account	(S9)	
\$1-999		0.25%pa
\$1 000-4 999		1.25%pa
\$5 000-9 999		1.50%pa
\$10 000-19 999		2.00%pa
\$20 000 plus		2.75%pa
Smart Saver	(S10)	
\$1-999		1.00%pa
\$1 000-4 999		2.00%pa
\$5 000-9 999		4.00%pa
\$10 000-19 999		4.75%pa
\$20 000 plus		5.50%pa
Christmas Club Account	(S12)	
Pension Protection Plan	(S14)	
\$1-31 599		3.50%pa
\$31 600 plus		5.50%pa
Money Managers Account	(S15)	
\$1-4 999		1.50%pa
\$5 000-9 999		3.50%pa
\$10 000-19 999		3.75%pa
\$20 000-49 999		4.50%pa
\$50 000 plus		5.00%pa

INVESTMENT ACCOUNTS

(I73) 3-5 months	\$500-4 999	3.00%pa	\$5 000 plus	6.25%pa
(I75) 6-11 months	\$500-4 999	3.50%pa	\$5 000 plus	6.35%pa
(I77) 12-23 months	\$500-4 999	4.00%pa	\$5 000 plus	6.60%pa
(I86) 24-35 months	\$500-4 999	4.00%pa	\$5 000 plus	6.80%pa
(I88) 36-47 months	\$500-4 999	4.25%pa	\$5 000 plus	7.00%pa
(I92) 48-60 months	\$500-4 999	4.50%pa	\$5 000 plus	7.20%pa
(I99) 3-12 months	\$5 000 plus	6.25%pa		

LOAN ACCOUNTS

Variable Rates (except L50 and L55 which are fixed)

New Car Loan	(L42)			10.00%pa
New Car Loan Capped 1st 12 mths	(L52)			9.00%pa
Fixed Interest Rate New Car Loan	(L55)			9.50%pa
Used Car Loan	(L42)			11.00%pa
Personal Loans				
— Personal Computer Loan (fixed for 3 yrs)	(L50)			10.50%pa
— Secured	(L43)	11.20%pa	12.25%pa	14.00%pa
— Unsecured	(L41)	11.70%pa	13.50%pa	14.75%pa

Home Loans

— Standard Variable	(L48)			7.99%pa
— Basic Home Loan	(L57)			7.69%pa
All-In-One Home Loan				8.15%pa

Investment Property

Line of Credit	(L46)	8.20%pa	11.50%pa	12.00%pa	13.25%pa	15.25%pa
Cash Secured Loans						9.70%pa
Visa Line of Credit	(L45)			11.50%pa	13.25%pa	15.25%pa

EDVEST ACCOUNTS

Available to members of the EDVEST service.

EDVEST TERM DEPOSITS

(I36) 3-5 months	\$500-4 999	3.25%pa	\$5 000 plus	6.50%pa
(I38) 6-11 months	\$500-4 999	3.75%pa	\$5 000 plus	6.60%pa
(I40) 12-24 months	\$500-4 999	4.25%pa	\$5 000 plus	6.85%pa

Regular Income Plus

\$5 000 or more 12-24 months	(I32)			6.25%pa
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Redifund Plus

\$0-4 999	(S30)			1.75%pa
\$5 000-9 999				3.75%pa
\$10 000-19 999				4.00%pa
\$20 000-49 999				4.75%pa
\$50 000 plus				5.25%pa

Monthly Planned Withdrawal Plus

Minimum Deposit \$5 000	(I30)			5.75%pa
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#Rates are variable and subject to change after publication, without prior notice.

Loan rates quoted are annual percentage rates. All loans subject to CPS lending and assessment criteria. Fees and charges and terms and conditions apply to all accounts. Full details available on request. For any enquires please contact your Personal Financial Centre or the Telephone Response Centre on 02 6286 0555.

