

Your Guide to Minimising Fees

Handy hints to reduce charges



Now All Members Can Avoid Fees

Ideally, we'd like all members to maintain fee free accounts and this brochure will show you how.

Our user-pays fee structure is designed to give everyone responsibility and control in their use of Credit Union resources...and the opportunity to avoid paying fees.

It's easy to reduce or eliminate your fee outlay by planning your financial routine and choosing from the variety of banking options we offer.

Why Have Fees at All?

As you might expect, transactions performed through our variety of banking options incur a cost and some incur higher costs than others.

As a co-operative, our challenge is to minimise charges to members (as customers) while managing the costs incurred by the organisation (which impact on members as shareholders).

By applying fees, we can maintain that balance... recouping some of the cost and absorbing the rest.

So how do we decide what to charge and when? The fairest, most equitable way to attribute fees is via a user-pays system that directly reflects the cost of the transactions and provides opportunities for fee free banking.

How Does it Work?

Each transaction attracts a fee that reflects its cost to QTCU. Members accrue fees according to the transactions they choose to perform. (Exact fee amounts are available in our Fees and Charges booklet, or online at www.qtcu.com.au.)

The Credit Union assists by absorbing a portion of all members' transaction activity in the form of a monthly rebate valued between \$4 and \$50. A base rebate of \$4 is available to all members. Plus, every whole \$1,000 held in QTCU loans or savings attracts a \$1 rebate up to a limit of \$46. Note that if your rebate amount exceeds your monthly transaction fee

total, it will automatically be adjusted to reflect the lower amount. The deficit is not payable and is not carried forward to the following month.

All charge and rebate information is thoroughly itemised on statements.

Put simply, the system recognises both use and contribution. But ultimately, members control their fee outlay.

Member Benefits at a Glance:

- Fee free banking is possible for everyone.
- QTCU will continue to absorb a portion of everyone's transaction activity.
- No account keeping fees.
- No charge for deposits to personal accounts.
- Free options available for most transaction types.
- Increased rebates for participative relationships.

Minimising Fees Three Easy Ways

Later in this brochure you'll find specific examples of how small changes to financial routines of members could dramatically cut their fee outlay.

Generally though, there are three ways to reduce fees:

Decrease the cost of each transaction - by choosing low cost or free banking options.

Decrease transaction frequency - by making fewer transactions and restructuring accounts.

Increase rebate value - by enhancing your relationship with QTCU.

Take a look at your current transactional habits. It's probably easy to tell which of the above three strategies could easily reduce your fees. The good news is that under the user pays system, most customers will require only minor adjustments (if any) to achieve lower cost or completely fee free banking.

Now check the tips over to find out how you might reduce fees using each of the three ways.

Thanks Coach.

Tips for Decreasing Transaction Costs

1. Avoid staff assisted simple transactions.

Sometimes it's important to speak directly to staff for more involved transactions. But for simple withdrawals and transfers, it is the most costly approach of all. Try the ATM, EFTPOS cash out, NetAccess and Tele-access instead. Staff assisted transactions include branch, contact centre and giroPOST.

2. Use EFTPOS less and VISA Debit or MyCard

MasterCard more. You can purchase without fees using VISA Debit or MyCard and selecting the Credit option. Don't forget to pay off your MyCard purchases within the 55 day interest free period (BPAY® is the fee free way to do this).

However when you do use EFTPOS, consider using the cash out option for withdrawals instead of the ATM. It costs nothing.*

3. Use NetAccess or Tele-access wherever possible.

It costs nothing to keep track of your balances and transfer funds between accounts and memberships using phone or internet banking (transfers to other institutions attract a 30c charge). To register for NetAccess and Tele-access contact 13 29 30, or drop in to your local branch.

4. Use BPAY instead of Cheques.

BPAY transactions using NetAccess and Tele-access are free for personal accounts. Direct Debits are also cheaper than cheques, but keep in mind that they cost more than BPAY.

5. Beware the NON-REBATEABLES! Certain transactions cannot be offset against your monthly rebate. Avoid them altogether by tracking your balances. They include: Insufficient funds - ATM/EFTPOS, Incorrect PIN - ATM/EFTPOS, ATM Balance enquiries and giroPOST declines. It is our belief that the Credit Union and members in general should not absorb or subsidise these costs which can easily be avoided.

* Individual merchants may impose a separate surcharge for the use of the credit option. Your merchants should disclose this information to you at the time of purchase.

Case Study

Robert is 28. He has a personal loan worth \$11,000, average savings totalling \$3,000 and uses his account to fund a majority of the household expenses incurred by him and partner Jane.

Withdrawals:	6 Cheque, 11 ATM
Purchases:	59 EFTPOS, 8 VISA (free)
Transfers/Other:	4 Direct Debit, 4 BPAY (free) 1 Branch transfer,
Non-rebateable:	3 Insufficient funds
Total fees accrued:	\$57.75
Total rebate:	\$18.00
Total fee outlay:	\$39.75

Tip: Robert has a good relationship with the Credit Union which earns him a decent rebate, but his transaction activity is high. Some simple changes would help reduce his outlay.

- Using his VISA debit card to cover most purchases would have a dramatic effect. By selecting “credit” at the terminal Robert could save up to \$35.40.
- He could also reduce his ATM fees by consolidating visits, or drawing cash out on the occasions when he does perform EFTPOS purchases and save up to \$13.75.
- Robert should look at whether he could replace his cheques, direct debits and branch transfer with NetAccess or Tele-access transfers or BPAY. It could mean a saving of up to \$6.80.
- It’s hard to track balances effectively with so many transactions going on, but if Robert can check for free on NetAccess or Tele-access he will avoid non-rebateable fees.

Note: A full outline of transaction fee amounts and the rebate calculation method is available in our Fees and Charges brochure or online at www.qtcu.com.au.

Thanks Coach.

Case Study

Paul lives in regional Queensland and receives a Centrelink New Start Allowance. His monthly transaction activity includes:

Withdrawals:	7 giroPOST
Purchases:	3 EFTPOS
Non-rebateable:	1 giroPOST decline
Total fees accrued:	\$17.80
Total rebate:	\$4
Total fee outlay:	\$13.80

Tip: Paul has a modest transaction rate, but he needs to avoid giroPOST as a means of withdrawing cash. If he can plan it, he should use the "cash out" facility when purchasing through EFTPOS and save up to \$14. If not, even using an ATM would be better. The giroPOST decline is non-rebateable yet avoidable if he takes the time to check his balance over NetAccess or Tele-access first. By taking these steps he could avoid any fee outlay at all - important for low-income earners.

Case Study

Evelyn is a self-funded retiree who has a small portion of her savings (\$6,000) with the Credit Union, as well as \$10,000 in a term deposit.

Withdrawals:	8 ATM
Purchases:	4 EFTPOS, 12 VISA (free)
Non-rebateable:	1 ATM Balance Enquiry
Total fees accrued:	\$13
Total rebate:	\$20
Total fee outlay:	60c

Tip: Evelyn will be completely fee free if she can avoid those non-rebateable ATM balance enquiries! A simple, convenient solution would be to check her balance using Tele-access or NetAccess.

Tips for Decreasing Transaction Frequency

1. Consolidate Withdrawals

We all need to carry some cash. But if you're visiting the ATM daily to withdraw \$20, you will end up paying more. Try budgeting for the cash you'll need for the week and withdrawing it all at once. If you are making a lot of purchases using cash, but don't like carrying large amounts around, consider using EFTPOS instead, or to stay completely fee free, by using your VISA Debit Card.

Case Study

Jack has a mortgage with the Credit Union valued at \$115,000. He performs low value transactions frequently.

His monthly tally includes:

Withdrawals:	31 ATM
Purchases:	50 EFTPOS; 88 VISA (free)
Transfers/Other:	1 Direct Debit; 14 Direct Credit; 1 Branch transfer
Non-rebateables:	1 Insufficient Funds; 2 Incorrect PIN
Total fees accrued:	\$72.85
Total rebate:	Maximum \$50
Total fee outlay:	\$22.85

Tips: Jack is performing way too many withdrawals at the ATM (average 1 a day). He needs to try to consolidate his trips and withdraw more realistic amounts. There is also a high number of EFTPOS purchases. These would be better handled with his VISA Debit card (a saving up to \$30). Avoidable, non-rebateable transactions also add to the cost. This kind of excessive activity is not considered thoughtful use of Credit Union resources, regardless of the relationship value.

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Thanks Coach.

2. Reduce transfers by streamlining accounts.

If you are performing a large number of transfers within your own and family memberships it could be time to consider streamlining. Try not to keep more accounts than necessary. If you must keep them all, at least remember that NetAccess and Tele-access transfers within the Credit Union are free.

Case Study

Brett and Marie each have a primary membership with the Credit Union. Brett's encompasses the mortgage and Marie's is the working account for day-to-day and household expenses. Both have additional card access to each other's accounts. 1 ATM and 3 EFTPOS purchases are the only transactions on Brett's accounts for the month.

Marie's Withdrawals:	7 Cheque; 3 ATM
Marie's Purchases:	31 EFTPOS
Marie's Transfer/Other:	3 Direct Debit; 6 BPAY (free); 1 Internet transfer (free)
Marie's total accrued fees:	\$27.45
Brett's total accrued fees:	\$3.05
Marie's total rebate:	\$4
Brett's total rebate:	Maximum \$50
Marie's total fee outlay:	\$23.45
Brett's total fee outlay:	\$0

Tip: These people are transacting efficiently, but the structure of the accounts presents problems. Brett is earning the rebate by virtue of the mortgage but it goes to waste because it is Marie who is clocking up the transaction fees. The best solution would be to run an expenses account from Brett's primary membership with additional card access for Marie. They would be fee free. If she does not plan to use her account, Marie should ensure it is closed to avoid inactivity fees.

Tips for Increasing your Rebate

One of the obvious ways to reduce fees is to increase your rebate, and that can be achieved by transferring more of your business to the Credit Union. For every \$1,000 in savings or loans (including overdraft) that you have invested with QTCU, you will receive an extra \$1/month relationship rebate (up to a maximum value of \$46). This is in addition to your monthly member rebate of \$4. Some options are:

- Switch your home loan to QTCU.
- Consolidate your personal loans and outstanding cards with us.
- Take out a term deposit or start a savings program.

Remember, your Credit Union grows stronger only on the commitment of its members - it pays to participate!

Case Study

Jenny and John have a mortgage with QTCU of \$150,000. Jenny is the primary member, and both she and John transact on her primary account. During the month they perform a variety of transactions:

Withdrawals:	5 Branch, 5 ATM, 6 Cheque;
Purchases:	14 EFTPOS; 8 VISA (free);
Transfers/Payments:	2 Periodical Payments (1 to a savings account - free, 1 to the mortgage - free); 8 Direct Debit; and 8 Branch transfers (4 to savings, 4 to loan).
Total fees accrued:	\$46.65
Total rebate:	Maximum \$50
Total fee outlay:	\$0

Tips: By keeping transaction activity to a moderate level, Jenny easily avoids any fee outlay due to the value of her Credit Union relationship.

Note: A full outline of transaction fee amounts and the rebate calculation method is available in our Fees and Charges brochure or online at www.qtcu.com.au.

Thanks Coach.

Children's Accounts

Along with all other members, Junior Savers and Keyway account holders are subject to the fees system and will receive a rebate according to their relationship.

Given the low amounts of withdrawal activity in young children's accounts it should be easy to remain fee free.

For young adults starting to earn money part-time and use their accounts independently, some basic guidance about responsible financial management (planning, budgeting, saving) at this time can set a positive precedent for their future financial development.

As part of this guidance, parents are encouraged to discuss the importance of banking options and avoiding fees with their youngster to ensure that any hard earned money is not affected by fees, now or in adult life.

Case Study

Ashleigh is a 16-year-old high school student who works part-time. Her earnings are deposited into her account. Occasionally she also borrows money from her father (a member) and reimburses him by transferring funds.

Withdrawals:	6 ATM
Purchases:	8 EFTPOS
Transfers/Other:	1 Direct Debit; 6 Branch transfers
Total fees accrued:	\$24.60
Total rebate:	\$4
Total fee outlay:	\$20.60

Tips: This sounds like a lot for a teenager to pay given her modest transaction activity. The main problem is the Branch transfers - she needs to stop doing them over the counter and register for NetAccess or Tele-access where they will be free - and probably more convenient. This would bring the fee bill back to \$8.60 - still probably too much.

Ashleigh can save further by tracking her balances on NetAccess or Tele-access and then withdrawing cash when she's making EFTPOS purchases. By doing this she would reduce her fee outlay to just \$1.10.

Inactivity Fee

Too much activity can result in fees, but so can inactivity in some cases. If you have an empty account that is unused for years at a time, consider whether you still need it.

Inactivity fees can apply to accounts with less than \$500 balance, or children's accounts with less than \$100 that are untouched for over a year.

Get Help with Your Fees

As you can see, fees don't need to eat into your savings. Every one of the cases discussed could achieve fee free banking - and do it with minimal inconvenience. Often it's just a case of pressing different buttons.

If you would like assistance with practical ways to bank more efficiently, simply drop in to your local branch, or call 13 29 30 until 7pm weeknights. We'd be pleased to help you review your financial routine and find options and solutions.

Note: A full outline of transaction fee amounts and the rebate calculation method is available in our Fees and Charges brochure or online at www.qtcu.com.au.

Thanks Coach.

QTCU Branches

Cairns

Stockland Cairns,
Mulgrave Road, Earlville
(07) 4033 1911
Fax: (07) 4033 1705

Capalaba

Capalaba Park
Shopping Centre,
Cnr. Mt. Cotton Road
& Redland Bay Road
(07) 3823 3993
Fax: (07) 3823 3886

Fortitude Valley

QTCU Building,
454 St. Paul's Terrace
(07) 3842 6313 or 13 29 30
Fax: (07) 3842 6404

Gold Coast

Australia Fair Shopping Centre,
Scarborough Street,
Southport
(07) 5532 7011
Fax: (07) 5532 7204

Greenslopes

Greenslopes Shopping Centre,
720 Logan Road
(07) 3847 3282
Fax: (07) 3847 1121

Indooroopilly

Indooroopilly Shopping Centre,
Musgrave Road
(07) 3878 1155
Fax: (07) 3378 9626

Logan

Logan Hyperdome,
Cnr. Bryant's Road
& Pacific Highway
(07) 3801 2818
Fax: (07) 3801 4294

Stafford

Stafford City Shopping Centre,
400 Stafford Road
(07) 3856 1088
Fax: (07) 3356 8568

Strathpine

Westfield Shoppingtown,
295 Gympie Road
(07) 3205 1311
Fax: (07) 3205 3243

Sunnybank

Sunny Park Shopping Centre,
Cnr. Mains Road
& McCullough Street
(07) 3344 6477
Fax: (07) 3345 8107

Toowoomba

Clifford Gardens Shopping Centre,
Cnr. James Street
& Anzac Avenue
(07) 4634 1737
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