

LATEST NEWS, INFORMATION AND FINANCIAL TIPS

Spring 2016

AWA REMOVES TRANSACTION AND ACCOUNT KEEPING FEES

AWA has made the bold decision to remove Transaction & Account Keeping fees on all savings accounts effective 1 September 2016.

This is in direct contrast to the business model of most banks who rely heavily on fee revenue from their customers to enhance their profits. This is another example of AWA delivering exceptional member value.

For the latest information see our website <http://www.awaalliancebank.com.au>

AWA REMOVES
TRANSACTION &
ACCOUNT
KEEPING FEES



PASSING ON THE FULL RBA RATE CUT \$\$\$

When an official rate cut is announced by the RBA, there is always media speculation around what percentage will be passed onto the consumers via their financial institutions. Terry McCrann published an interesting article in the Herald Sun after the latest rate cut explaining the banks position. See below an excerpt from the article.

"Much of the media seem to think that the only people that interface with a bank are those borrowing money to buy property.

In fact there are also those who deposit money with banks without which, it should be blindingly obvious, the bank would have no money to lend to those home buyers.

Some not too complicated arithmetic tells us if the banks had "passed on" the RBA rate cut in full they would have had to cut deposit rates by more than the 25 points.

Just think about it: the banks have tens of billions of dollars sitting in transaction accounts. They can't cut the rates paid on those funds by even one point because they are already at zero. So they would have to cut the

rates on all the other deposits by more to fund a bigger rate cut to borrowers.

Not unless they were going to accept a big cut in profit and so have to cut the dividend paid to investors, mostly superannuation savers; along with also then cutting the tax paid to Canberra.

As both Thorburn (CEO NAB) and Narev (CEO CBA) have been trying to explain, a bank has to balance all these competing interests not with the intent of "choosing" one ahead of another, but to best maintain the individual bank as a healthy and absolutely irreplaceable component in having an Australia that looks broadly as it does now."

Terry McCrann: bank profit is good for everyone

*Terry McCrann, Herald Sun
August 10, 2016*

RETIRING DIRECTOR WARWICK PEEL



Over our 47 years of operation AWA has had many different directors, but only a handful who have demonstrated the dedication to complete more than 24 years on the board. Service like this is a true indication of just how strong Warwick's social conscience is.

Warwick leaves behind a significant legacy which will remain with us for years to come. He has been a member of a Board which has successfully confronted many business challenges and has personally been a very active member's representative in ensuring that AWA does not lose sight of its history as it progresses beyond the boundaries of Alcoa into new community based frontiers.

On behalf of members, staff and directors, we wish Warwick success and good health in his semi-retirement status and assure him that in conjunction with his board colleagues, he has played an integral part in ensuring that AWA continues its success.

WELCOME TO OUR NEW DIRECTOR SEAN O'NEIL



CURRENT EMPLOYER/OCCUPATION:

Kelly & Associates - Accountant

WHAT SKILLS/EXPERIENCE DO YOU BRING TO AWA:

Reliability, Enthusiasm, Social Awareness, Approachability.

HOBBIES:

Football, Golf, Cricket, Holidaying.

FAVOURITE HOLIDAY DESTINATION:

Ireland

FAVOURITE MOVIE:

The Castle

I'm very excited by this opportunity to be involved with AWA Alliance Bank and I thank all the members for having me represent them.

WE CAN BE CONTACTED BY VISITING OUR WEBSITE WWW.AWAALLIANCEBANK.COM.AU OR PHONING US ON 1300 056 953 OR BY VISITING A BRANCH AND SPEAKING TO ONE OUR FRIENDLY STAFF IN GEELONG PORTLAND OR MANDURAH.

Online Redicard Activation

GET UP AND RUNNING IN NO TIME

You can now activate your Redicard online by simply logging into your Internet Banking page, hovering your mouse over the "OTHER" tab and clicking on "Card Activation" and following the prompts. If you have any problems please give us a call on 1300 056 953

ACTIVATE YOUR REDICARD ONLINE
VIA YOUR INTERNET BANKING PAGE
www.awaalliancebank.com.au

SPRING STIMULATES TRAVEL PLANS

A MAJOR PART OF TRAVEL PLANS SHOULD BE TRAVEL INSURANCE.

Many credit cards come with 'complimentary' travel insurance, but will you be covered if something goes wrong on your trip? Check what you are covered for and how this type of travel insurance works.

1. HOW CREDIT CARD TRAVEL INSURANCE WORKS.

Many credit cards offer 'extras' to attract consumers in the competitive credit card market. One common extra is overseas travel insurance, covering you for your trip overseas in case something goes wrong.

2. ACTIVATING TRAVEL INSURANCE THROUGH YOUR CREDIT CARD

To be covered you will need to activate the travel insurance. You usually do this by paying for part of your trip with your credit card. Each policy is different so make sure you check with your provider how to activate it.

3. CHECK WHAT YOU'RE COVERED FOR AND EXCLUSIONS.

Most credit card providers have a booklet containing the terms and conditions of their credit card travel insurance. Be aware that most credit card travel insurance usually only covers you for the trip you have paid for on your credit card and only for overseas travel.



4. MAKE A CLAIM ON YOUR CREDIT CARD TRAVEL INSURANCE

Many policies require you to take documentation overseas to be eligible for travel insurance. To make a claim you will need to contact the insurer that provides the cover. The details of the insurer will be in the terms and conditions. Travelling overseas can create some great memories. It pays to spend some time checking you've got the cover you need before you go. Read the whole ASIC article here www.moneysmart.gov.au/insurance/travel-insurance/credit-card-travel-insurance

CONGRATULATIONS JESSE MCMILLAN

WINNER OF OUR YOUTH SAVER ACCOUNT COMPETITION

Jesse can now check out his Youth Saver Account online with his new iPad. Did you know our Youth Saver Account has the following benefits:

- Nil Transaction and Account Keeping Fees
- Phone & Internet Access
- RediATM Card
- Interest at a competitive 1.25% pa



Jesse with Kirby (AWA Portland)

INTEREST RATES: Effective 01/10/2016

S1 - GENERAL SAVINGS ACCOUNT	0.10%	S5 - BONUS SAVER ACCOUNT	1.25%
Balance Range		Balance Range	
\$1 - \$99,999	0.00%	\$1,000+	1.25%
\$100,000+	0.10%		
<i>Interest calculated on daily balance and credited 30 June and 31 December each year.</i>		<i>Interest calculated on daily balance and credited 30 June and 31 December each year. Minimum balance \$1,000.</i>	

S2 - PENSIONER ACCOUNT	2.25%
Balance Range	
\$1 - \$1,999	0.25%
\$2,000 - \$48,599	1.25%
\$48,600+	2.25%
<i>Interest calculated on daily balance and credited 30 June and 31 December each year.</i>	

LOAN INTEREST RATES		
Personal Loans	Interest Rate	Comparison Rate
Secured	6.70%	6.91%
Unsecured	11.70%	12.75%
<i>WARNING: These comparison rates apply only to the example or examples given. Different amounts and terms will result in different comparison rates. Fees and charges apply.</i>		

S3 - BILL PAYING ACCOUNT	0.01%
<i>Interest calculated on daily balance and credited 30 June and 31 December each year. Interest calculated daily on debit (overdrawn) balances and debited to the account at the end of each month.</i>	

MORTGAGE LOANS - OWNER OCCUPIED (COMPARISON RATES)			
	<\$250,000	\$250,000 - \$499,000	\$500,000+
Standard Variable	4.08%	4.03%	3.98%
Interest Only	4.08%	4.03%	3.98%
Fixed (1 - 5 Yr Options)	Rate on Application		

S4 - CHRISTMAS CLUB ACCOUNT	0.25%
<i>Interest calculated on daily balance and credited 30 November each year.</i>	

S6 - YOUTH ACCOUNT	1.25%
<i>Interest calculated on daily balance and credited 30 June and 31 December each year.</i>	

MORTGAGE LOANS - INVESTMENT (COMPARISON RATES)			
	<\$250,000	\$250,000 - \$499,000	\$500,000+
Standard Variable	4.36%	4.31%	4.26%
Interest Only	4.36%	4.31%	4.26%
Fixed (1 - 5 Yr Options)	Rate on Application		

FIXED TERM ACCOUNTS		\$5,000-\$49,999	\$50,000-\$99,999	>\$100,000
I1	1 Months	1.50%	1.50%	1.60%
I2	2 Months	1.75%	1.75%	1.85%
I3	3 Months	2.50%	2.55%	2.60%
I4	4 Months	1.75%	1.80%	1.85%
I5	5 Months	1.75%	1.80%	1.85%
I6	6 Months	2.65%	2.70%	2.75%
I7	7 Months	1.75%	1.80%	1.85%
I8	8 Months	1.75%	1.80%	1.85%
I9	9 Months	2.70%	2.75%	2.80%
I10	10 Months	1.75%	1.80%	1.85%
I11	11 Months	1.75%	1.80%	1.85%
I12	12 Months	2.85%	2.90%	2.95%
I24	24 Months	3.00%	3.05%	3.10%

Interest fixed for the term of the investment. Interest calculated on daily balance and credited on maturity. For terms greater than 12 months, interest also credited annually.

LOAN ESTABLISHMENT FEE	
Personal Loan	\$150.00
Mortgage Loan	NIL
Overdraft	\$150.00

1. The comparison rates displayed are calculated as follows:
 -Mortgage Loans with a loan amount of \$150,000 over a 25 year loan term
 -Secured Personal Loans with a loan amount of \$30,000 over a 5 year loan term
 -Standard Personal Loans with a loan amount of \$10,000 over a 3 year loan term

WARNING: These comparison rates are true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate.