

LATEST NEWS, INFORMATION AND FINANCIAL TIPS

Autumn 2018

Banking with AWA has its rewards.

Even though official interest rates have not changed for a considerable period of time, the Board of AWA Alliance Bank has determined that in keeping with our strategy of delivering benefits back to members, we are reducing our Principal & Interest Owner Occupied Mortgage Loan interest rate to **3.93%*** effective from 3 April 2018.

Regardless of your mortgage loan balance, all members with a Principal and Interest Owner Occupied Mortgage Loan will in future receive the same competitive rate.

Your new repayment will be available via Internet Banking or by contacting your local office and speaking to one of our friendly staff.

We appreciate your support and look forward to being able to deliver even greater member value in the future.

*The Comparison Rate for all AWA Loans is equivalent to the advertised rate, that's because **we have no loan related fees !**



New Employees at our Geelong & Portland offices – Hannah Willder (Geelong) and Sally Carn (Portland)

Hannah has had a busy 2018, married in February, new job with AWA Alliance Bank in March and currently building a new house.

In her spare time she enjoys going to Geelong Cats AFL matches, playing music (currently plays guitar and is learning the keyboard), and being outdoors.

Sally has worked in lending on and off for the last 20 years. She has moved from Queensland to Portland to be closer to family who recently moved to the area. Sally enjoys reading, eating out and shopping.

We look forward to Hannah and Sally having long and successful careers with AWA.



Hannah Willder (Geelong)



Sally Carn (Portland)

NPP – New Payment Platform



The NPP has recently been launched in Australia, it is brand new infrastructure for payments which will allow Australians to transfer money from one account to another much more quickly—24-hours a day, 7 days a week.

NPP has five main benefits.

- 1) **Speed.** It allows you to make payments in real-time.
- 2) **24/7 availability.** You can transfer money any time of the day or night.
- 3) **Greater information.** You will be able to send 280 character descriptions (including emoji's 🍌) for more accurate descriptions, rather than be constrained to the current limit of 18 characters.
- 4) **Simpler.** You will be able to use mobile phone numbers or other easy to remember information to identify your bank accounts (PayID) or still have the option to use your BSBs and Account Numbers.
- 5) **Certainty.** When you transfer money using the NPP, you will receive confirmation it's going to the right place.

How fast?

Funds will be available to the payee:

Within 15 seconds (95% of the time)

Within one minute (99% of the time)

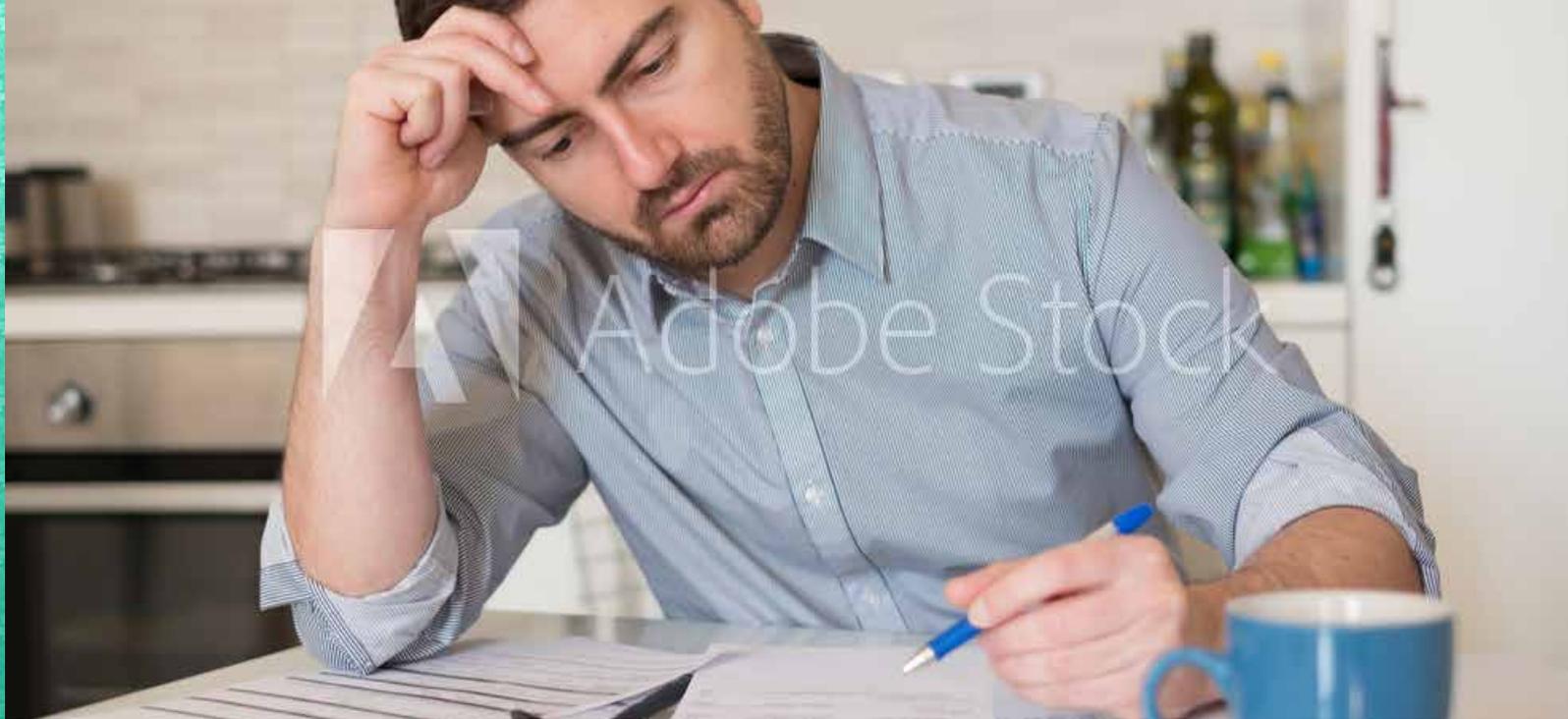
What is a PayID?

A "PayID" is a smart address for payments. It links your account to a recognisable and memorable piece of information you use in everyday life – such as your phone number or email address. A PayID can only be linked to one account at a time, but accounts can have more than one PayID. A PayID can be a phone number, email address, ABN or 'organisation ID' such as a company name.

Will fraud increase with the NPP?

Fraud levels in Australia are very low compared to global standards and it is expected that this will continue. Australian banks have some of the most sophisticated fraud detection technology and methods in the world. The NPP forum have learned from other countries where real-time payments have been implemented, and have added extra fraud detection methods and continue to collaborate with other Australian financial institutions, law enforcement agencies and the Telco providers. An important point to note is that NPP payments need people to authorise the transfer of money out of their account. This has nothing to do with the most common type of fraud in Australia which is 'card not present' fraud. This is normally where card details are fraudulently obtained and used to purchase things online.

Watch this space, we are looking to launch NPP in July this year.



If you are sick of the sinking feeling because you are weighed down with debt, help is available. **AWA Alliance Bank** has waived its Loan Establishment fee of \$150 and maintained its Secured Personal Loan interest rate at 6.70% (Comparison Rate 6.70%)

NEED HELP CONSOLIDATING YOUR DEBTS ?

Don't let rising debts get on top of you, with a rate this low, now has never been a better time to consolidate those annoying debts. Borrowing \$15,000 for debt consolidation could be as cheap as **\$68.00 per week¹** based on this great new offer.

MORE THAN JUST A GREAT INTEREST RATE.

Our secured personal loan has more than just a great

rate, and debt consolidation is just one of the ways our Members can use it.

You can use this loan to purchase a car, caravan, boat, or even help take you to your dream destination.

You simply need to be able to provide a vehicle equivalent to 70% of the loan amount to qualify for this great rate.

All with the peace of mind that you will pay no ongoing fees and therefore ensuring that your payments are totally applied to the reduction of your debt.

INTERESTED? FINDING OUT MORE IS EASY!

You can visit our website to find out more or call us on **1300 056 953** to talk to one of our friendly loans staff.

Homebuyers warned of interest rates pain when honeymoon is over

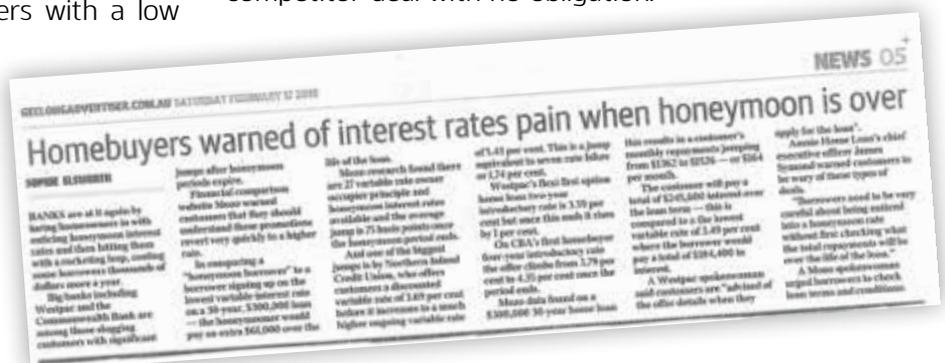
There was an interesting article in the Geelong Advertiser Saturday 17 February 2018 regarding honeymoon interest rates and their pitfalls. See below some interesting quotes from the article

"Banks are at it again by luring homeowners in with enticing honeymoon interest rates and then hitting them with a rocketing leap, costing some borrowers thousands of dollars a year." We see this a lot where financial institutions draw in unsuspecting borrowers with a low rate and either increase the rate when the honeymoon period expires or they gradually increase the rate overtime.

"In comparing a "honeymoon borrower" to a borrower signing up on the lowest variable interest rate on a 30 year, \$300,000 loan, the honeymooner would

pay an extra \$61,000 over the life of the loan" It pays to do your homework. The Comparison Rate is a good guide to the actual rate you are signing up for as it includes all fees and charges. AWA's Comparison Rate and quoted rate are the same as we have no loan establishment or ongoing fees.

"Mozo research found there are 27 variable rate owner occupier principal and interest rates available and the average jump is 75 basis points once the honeymoon period ends" If your mortgage loan is with another financial institution and you are unsure of your rate, check your current statement or contact your local AWA office and we would be happy to do a comparison on any competitor deal with no obligation.



INTEREST RATES: Effective 1 April 2018

S99 - EVERYDAY ACCOUNT	0.00%
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S98- PENSIONER ACCOUNT	1.70%
Balance Range	
\$1 - \$1,999	0.40%
\$2,000 - \$48,599	1.00%
\$48,600 +	1.70%
<i>Interest calculated on daily balance and credited 30 June each year.</i>	

S92 - YOUTH ACCOUNT	0.25%
<i>Interest calculated on daily balance and credited 30 June each year.</i>	

S72 - BILL PAYING ACCOUNT	0.00%
<i>Interest calculated daily on debit (overdrawn) balances and debited to the account at the end of each month.</i>	

S45 - CHRISTMAS CLUB ACCOUNT	0.25%
<i>Interest calculated on daily balance and credited 31 October each year.</i>	

S37 - ONLINE SAVER ACCOUNT	1.25%
<i>Interest calculated on daily balance and credited on the last day of the month.</i>	

S90 - BUSINESS EVERYDAY ACCOUNT	0.00%
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S38 - BUSINESS ONLINE SAVER ACCOUNT	1.00%
<i>Interest calculated on daily balance and credited on the last day of the month.</i>	

I95/96 - FIXED TERM ACCOUNTS	2.95%
1 Month	1.65%
2 Months	2.10%
3 Months	2.40%
4 Months	1.90%
5 Months	1.90%
6 Months	2.50%
7 Months	1.90%
8 Months	1.90%
9 Months	2.60%
10 Months	1.90%
11 Months	1.90%
12 Months	2.70%
24 Months	2.95%

Minimum balance of \$5,000. 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.

MORTGAGE LOAN - OWNER OCCUPIED		
	Interest Rate	Comparison Rate¹
Principal + Interest - Varibale	3.93%	3.93%
Interest Only - Variable	5.08%	5.08%
Fixed (1-5 Years Options)	Rate on Application	

MORTGAGE LOAN - INVESTMENT		
	Interest Rate	Comparison Rate¹
Principal + Interest - Varibale	4.41%	4.41%
Interest Only - Variable	4.76%	4.76%
Fixed (1-5 Year Options)	Rate on Application	

PERSONAL LOAN		
	Interest Rate	Comparison Rate¹
Secured Loans	6.70%	6.70%
Standard Loans	11.70%	11.70%

CREDIT CARD		
	Interest Rate	Annual Fee
Secured Loans	11.99%	\$45

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.