

FINANCIAL SERVICES GUIDE

This Financial Services Guide (FSG)
was prepared on 24th August 2009

Version 9



What is the purpose of this Financial Services Guide?

We have designed this Financial Services Guide (FSG) to assist you in deciding whether to use any of the financial services we offer.

This FSG must provide you with information about:

- our name and contact details;
- the financial services we are authorised to provide;
- any remuneration that we, or any other relevant person, may be paid in relation to the financial services we offer;
- how we deal with complaints against us.

However, this FSG does not provide information about our financial services in relation to basic deposit products and non-cash payment facilities, other than the information about:

- our name and contact details; and
- how we deal with complaints against us.

What other documents might I receive?

When we provide you with a financial service, we may also have to provide you with a Statement of Advice or a Product Disclosure Statement. These documents are described below.

Statement of Advice

A Statement of Advice (SoA) is a document that sets out personal advice we give to you, the basis on which we give the advice, and any benefit or association that may influence the advice we provide to you. The SoA helps you to make an informed decision about whether to act upon that advice.

We must give you a SoA when we provide you with advice in relation to a financial product, after taking into consideration your objectives, financial situation or needs. We are not required to provide you with a SoA if our advice relates only to basic deposit products, non-cash payment facilities or certain general insurance products.

Product Disclosure Statement

A Product Disclosure Statement (PDS) is a document that provides you with information about a financial product and the entity that issues the financial product (the Issuer).

We must provide you with a PDS about a financial product for which a PDS is available when:

- we recommend that you acquire the financial product; or
- we issue, offer to issue, or arrange the issue of, the financial product to you.

Practically, this will apply to the provision of a PDS for insurance products and other third party financial products.

The PDS must contain information about the financial product so that you can make an informed decision whether or not to acquire it. A PDS about a financial product must include, amongst other things:

- the Issuer's name and contact details;
- the significant features of the financial product and its terms and conditions;
- any significant benefits and risks associated with holding the financial product;
- the fees and costs associated with holding the financial product;
- dispute resolution procedures, and how you can access them.

What financial services can we provide?

Our Australian Financial Services Licence authorises us to deal in and provide advice about the following financial products:

- savings accounts;**
- term deposit accounts;**
- payment facilities – such as member chequing, Redicard, Visa card, telephone and internet banking and travellers cheques';**
- term or investment deposit accounts that are not basic deposit products
- general insurance including home and contents, motor vehicle, pleasure craft and travel insurance; and
- consumer credit insurance.

*** Please note that the only information we provide in this FSG about our basic deposit products and non-cash payment facilities is about our contact details and our dispute resolution system under "What should you do if you have a complaint?"*

In addition to the financial services we provide under our Australian Financial Services Licence, we also deal in and advise on consumer and commercial lending products.

On whose behalf do we provide financial services?

When we provide advice about non-basic term or investment deposit accounts or insurance products, we do so on our own behalf.

When we issue our non-basic term or investment deposit accounts, we do so on our own behalf.

When we arrange to issue insurance products, we do so on behalf of the insurers who are the product issuers. Details of who the relevant product issuer is will be included in the Product Disclosure Statement for that insurance product.

When issuing insurance products on behalf of an insurer we do so under a special authority from the insurer, called a "binder". This means that the insurer is bound by our acts when we issue the insurer's policies to you. It also means that, when you pay us an insurance premium, the insurer is taken to have received it.

What remuneration or other benefits do we receive for providing financial services?

We do not receive fees or commissions for financial product advice we give or for issuing our non-basic term or investment products.

We may receive commissions from an insurer when we arrange an insurance product, as set out below:

- general insurance products - commissions range from 10% to 25% of premiums for new insurance and insurance renewals, depending on the type of insurance product;
- consumer credit insurance – 20% of premiums.

If you receive personal advice from us in relation to insurance products, we will be required to provide you with more detailed information about the amount of commission that we may receive or the method in which commission is calculated.

What remuneration or other benefits do our employees receive for providing financial services?

As a rule, our staff are remunerated principally by salary and do not receive any direct benefits for providing you with financial services in relation to our non-basic term or investment deposit accounts or insurance products.

From time to time we may allow insurers to run promotion programs under which they may reward or provide benefits to our staff for their success in arranging the issue of insurance products during the promotion period. If you receive personal advice from us, we will be required to provide you with more detailed information about any relevant benefit in or with your Statement of Advice.

What should you do if you have a complaint?

Contact Community First Direct on **1300 13 22 77**.

Community First Credit Union Limited is a participant in the Mutual Banking Code of Practice and is happy to offer its Members an internal dispute resolution procedure that is:

- readily accessible; and
- free of charge

What is a dispute?

A dispute arises if you make a complaint to us about a Community First product or service and you are not satisfied with the response that you receive.

You should be aware that:

- Our Dispute Resolution System has been established with the aim of resolving problems and enhancing the quality of service provided to our Members.
- You are not obliged to pursue a dispute with us using our Internal Dispute Resolution procedure. If you do not use the Internal Dispute Resolution procedure, you may commence legal proceedings before, after or at the same time as using the Internal Dispute Resolution Procedure.
- Our participation in the Internal Dispute Resolution procedure is not a waiver of any rights we may have under the law, or under any contract between you and Community First.
- An example of a contract between you and Community First may be a loan contract, a mortgage, a guarantee, or the terms and conditions of an account, VISA card or Redicard.

This brochure itself is not a contract between you and Community First and is not enforceable against Community First.

How to request resolution of a dispute

If you are not satisfied with the result of your complaint you should write to Community First asking for the matter to be reviewed. The matter will be referred to our Internal Dispute Resolution Officer for consideration and you will be advised of the outcome accordingly.

If the Dispute Resolution Officer is able to resolve the dispute, they will promptly notify you in writing of, and give reasons for, the outcome. The Officer will normally deal with a dispute within one month of receiving a complaint.

Where you are still not satisfied with the result of your dispute, you may seek further consultation through external facilities available from the Financial Ombudsman Service. They may be contacted by telephone on **1300 780 808** (free call).

We care about your Privacy

In handling your personal information, Community First is committed to complying with the Privacy Act 1988, the National Privacy Principles and the Mutual Banking Code of Practice. We collect personal information about you, and will hold that information, for these purposes:

- providing you with membership benefits or information about those benefits and our financial services and products
- providing you with our financial services and products
- providing you with information about financial services and products from 3rd parties we have arrangements with
- conducting market or customer satisfaction research
- complying with legislative and regulatory requirements.

When you apply for a loan, we also collect information about you, in the form of a credit report, from Veda Advantage, a credit reporting agency, to assess your capacity to repay. However, we can only do this with your consent at the time. You can obtain a copy of your own credit report from Veda Advantage at any time by contacting them directly.

The law also requires us to collect and hold personal information about you for these purposes:

- as a Member of the Credit Union for our register of Members
- when you open an account with us to verify your identity and address
- when we give you a loan - for our assessment of your capacity to pay or, if you are giving us a guarantee, for that purpose

In providing our financial services and products to you, it may be necessary for us to disclose your personal information to other organisations. We only disclose your personal information to the

extent necessary and to the extent required by law. The types of organisations that we can disclose your personal information to are:

- when applying for membership or loans - organisations that provide information to verify your identity
- when applying for loans:
 - credit reporting agencies and other financial institutions that have previously lent you money - but only with your consent at the time
 - brokers and agents who have referred your business to us
 - persons you name as referees, or your employer, in loan applications
 - your solicitors or conveyancing agents
 - property valuers and insurers for property loans
 - lenders mortgage insurers
 - mortgage documentation service
 - companies involved in providing securitised mortgages, such as the trustee or manager of the securitisation program
 - your guarantor
- when enforcing a loan:
 - debt collection agencies
 - solicitors
 - process servers
 - Courts of law with jurisdiction over the enforcement of debts and securities
- when you make a complaint to us about our services or products - our external dispute resolution centre
- when we engage contractors for statement printing and mail out, card and cheque production, market research or direct marketing - these contractors are all subject to confidentiality agreements with us and cannot use your personal information except for our purposes
- when we have an arrangement with a 3rd party product supplier - those 3rd parties to provide information to you about their services and products

You may access your personal information at any time by asking us. We may charge you a fee for this. We will tell you what the fee is at the time. If you ask us to correct any personal information we hold, we will do so, and without cost to you.

If you do not give us the personal information we require, we may not be able to admit you to membership or provide you with the financial service or product you have applied for.

A copy of our Privacy Policy is available on request. If you require more information, if you have an issue or if you have any suggestions on how we can improve our service, please contact us on **1300 13 22 77**, email us at **askus@communityfirst.com.au** or write to us at **PO Box 98, Lidcombe NSW 1825**.