

In The Family

THE LATEST NEWS FROM OUR FAMILY OF CREDIT UNIONS JANUARY 2005

Be debt free
We show you how

Drive away
Our step-by-step
car buying guide

Surf's up



THE CREDIT UNION
OF CANBERRA



HOSPITALS
CREDIT UNION



SNOWY MOUNTAINS
CREDIT UNION

Newsupdate



CELEBRATION OF OUR FAMILY OF CREDIT UNIONS

The Credit Union of Canberra celebrated the relocation of its Batemans Bay branch to the Stockland Centre with a morning tea on 11 September 2004. The Credit Union, a sponsor of the ACT Brumbies, invited local residents to visit the branch and they enjoyed a delicious morning tea. In addition, Rugby fans had the opportunity to

look at the Super 12 trophy. The Brumbies mascot, Brumby Jack was also there, much to the delight of the children who were attending.

Snowy Mountains Credit Union has recently refurbished its office in Cooma and entered into an agreement to share the office with Country Energy. The Credit Union and Country Energy celebrated the opening of the refurbished office on 12 October 2004. Credit Union director, John Clarke and Craig Murray, Managing Director of Country Energy welcomed members of the Credit Union to refreshments after the opening.



Staff and guest at our Cooma branch. From left to right: Colin Cottam, Chris Brooks, Yvonne Earle and John Clarke.

CHANGES TO THE BOARD OF DIRECTORS

Two of our longest serving directors, Lawrie Woolf and James Reynolds have recently retired from the Board.

At the recent Annual General Meeting members spoke about the contributions made by Lawrie and James and expressed thanks for their work over many years.

Following the retirements of Lawrie and James, members recently elected two new directors to replace them. The appointment of Erik Adriaanse and Dawn Casey, as a result of the directors' election, was announced at the recent Annual General Meeting.

At the first Board meeting after the Annual General Meeting, John Clarke was elected Chair of the Credit Union and Joanne Krueger the Deputy Chair.

MEMBER SATISFACTION SURVEY

Thank you to all our members who entered our member satisfaction survey in the last issue. Your feedback is important to us and



Brumby Jack celebrates with our Credit Union family at the opening of our Bateman's Bay branch.

helps us build a bigger and better family of Credit Unions. Our congratulations go to Lorraine Adams from Tumut whose name was drawn and who received \$500 in her Credit Union account.

Over the next 12 months our family of Credit Unions will continue to improve on the following excellent results:

- **The staff are responsive to my request:**
Agree 98%, Neutral 2%.
- **The staff are genuinely interested in my enquiries:**
Agree 92%, Neutral 7%, Disagree 1%.
- **The staff are knowledgeable about the Credit Union's products and services:**
Agree 92%, Neutral 8%.
- **The staff follow up on my request within an agreed time frame:**
Agree 91%, Neutral 7%, Disagree 2%.

Members again have a chance to win in this issue by telling us what you think about our newly named member magazine *In The Family*. To enter, simply complete the survey on page three.

Until next issue,

Peter Carlin, Chief Executive Officer.

Staff Milestones

5 years: Robyn Murray

Robyn began at The Credit Union of Canberra in 1999 as a Member Service Officer. Currently an Administrative Services Officer in the Operations department, she says she enjoys her job as her colleagues always have fun while working.



10 years: Cathy Perre

Cathy started at Credit Union Canberra as a Member Service Officer and Debt Entry Officer. She has enjoyed working in different areas as it's given her a different perspective on how the Credit Union is run. She is currently Peter Carlin's Personal Assistant.



Win **\$500** in your account!

To ensure **In The Family** continues to deliver the information you want, we need your feedback. As members of our Credit Union family, we value what you say about the services we provide, especially your magazine, **In The Family**. Take five minutes to fill out this survey, send it back to us before 9 February 2005 and go into the draw to have your day to day savings account topped up by \$500!

Your member number *

Your contact number *

Post your completed questionnaire into us using the reply paid envelope provided or drop it in to your nearest branch.

Your details (to be eligible for prize draw)

Name:

Address:

State: Postcode:

How would you describe your use of **In The Family**?

- A I always read it thoroughly
- B I seek out relevant articles and read them thoroughly
- C I flick through and keep it for future reference
- D I don't read it
- E I can't recall receiving it

If D, why?

Why do you read **In The Family**?

(tick as many responses as appropriate)

- A The articles are interesting, informative and assist with my decision-making
- B It keeps me informed of new products and services offered by my Credit Union
- C I enjoy the real life stories and examples
- D I enjoy learning more about my Credit Union
- E Other, please specify:

Please tick the products and services which you would like more/less information about in **In The Family**:

	More Info	Less Info
A Everyday Transaction Accounts	<input type="checkbox"/>	<input type="checkbox"/>
B Investment – Cash Management/Term Deposits	<input type="checkbox"/>	<input type="checkbox"/>
C VISA Card, MyCard	<input type="checkbox"/>	<input type="checkbox"/>
D Home loans	<input type="checkbox"/>	<input type="checkbox"/>
E Personal loans	<input type="checkbox"/>	<input type="checkbox"/>
F General insurance	<input type="checkbox"/>	<input type="checkbox"/>
G Health insurance	<input type="checkbox"/>	<input type="checkbox"/>
H Travel	<input type="checkbox"/>	<input type="checkbox"/>
I Car searching	<input type="checkbox"/>	<input type="checkbox"/>
J Access options – BPAY, ATMs, Direct Debit, giroPOST, internet, etc.	<input type="checkbox"/>	<input type="checkbox"/>
K Financial advice/wealth creation	<input type="checkbox"/>	<input type="checkbox"/>

Can you recall any article from past issues of our newsletter which you particularly liked?

Please describe briefly:

What other features would you like to see in **In The Family**?

(tick as many responses as appropriate)

- A Use of real life examples and stories from members
- B Interviews, hints and tips on investment and wealth creation
- C More product information within articles
- D Exclusive offers, events and promotions
- E Other (please describe):

How long do you keep your copy of **In The Family**?

- Until the next issue arrives
- 3 months
- 1 month
- 1 week
- Dispose of immediately

Where do you look for financial product information?

(tick as many responses as appropriate)

- A Newspapers
- B Financial magazines
- C *In the Family* magazine
- D TV
- E Internet
- F Word of mouth
- G Accountant/solicitor
- H Financial adviser
- I Branch
- J Friends, colleagues, family

Regarding the look and content of **In The Family**, please indicate your preference:

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
A I find the articles relevant and informative	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B I find the articles well written and easy to read	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C I find the design appealing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D I find the magazine well laid out and easy to follow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

How would you prefer to receive **In The Family**?

- A Printed magazine
- B Via email
- C Posted to website

Please rate your overall satisfaction with **In The Family**:

- Very Satisfied
- Satisfied
- Neither Satisfied or Dissatisfied
- Dissatisfied
- Very Dissatisfied

Comments:

Do you have any comments or suggestions for improvements?

Terms and Conditions of the promotion associated with this survey are available from any branch of the Credit Union or on the website. All information provided will be confidential. The Credit Union complies with the National Privacy Principles and will ensure any information is not disclosed to third parties and is used only to monitor the level of member service provided by the Credit Union. For more information on the Credit Union's Privacy Statement, please visit one of our branches or logon to our website. *Information required to include entry into \$500 top-up draw. You will only be contacted if you are the member awarded the \$500. You do not have to include this information but you will not go into the draw for the \$500.

Your guide to share trading



Only a decade ago, share trading seemed to be the domain of the professional investor - not so any more.

More and more people are using shares to help them grow their assets. In fact today, more than 50 per cent of Australian adults own shares compared with just 20 per cent in 1997¹.

The advantages of shares

While an investment in shares shouldn't be considered the 'answer' to your savings goals,

it can be a valuable component of your wealth accumulation plan. Historically, shares have shown the potential for strong returns over the long term, providing better returns after tax than any other major investment.²

In addition to growth potential, shares can provide tax-effective income. Many Australian companies distribute a portion of their profits to shareholders in the form of dividends.

Photography: photolibary.com

Depending on the company, you may receive a dividend yield of up to 6–8 per cent as well as attractive tax credits if the company has already paid tax on their profits.

Creating a share portfolio

Currently, there are more than 1,600 Australian companies listed on the Australian Stock Exchange. Choosing shares from such a large pool can be daunting, but by asking yourself some questions, you can narrow the field. What are your investment goals and therefore what level of return are you looking for? Do you want the return in the form of income (dividends providing a steady income) or capital growth (reinvested to increase the market value) or a combination of both? What level of risk are you comfortable with? Different shares offer different solutions and your answers will guide you to the shares most suited to your situation.

For example, blue chip shares can offer steady (but generally unspectacular) capital growth at moderate levels of risk, as well as reliable dividends. Income shares usually pay large dividends but offer smaller scope for growth. Growth shares issued by entrepreneurial companies have the potential to increase rapidly (with a substantial amount of risk attached) but rarely pay dividends.

Once you have found the share types that match your objectives, it's time to check out specific companies. Look for information that gives insight into the company's management (are they capable and experienced?); the company's history (how profitable has it been?); the dividend record (are dividends paid sporadically or regularly and are levels consistent?). How is the company placed against its competition (market leader or follower?). Is the company carrying a large amount of debt compared to its assets and what is its cash flow situation like?

Useful information can be gleaned from a company's website and annual report as well as the financial press, the ASX website and various stockbrokers' websites.

Good research (not hot tips!) will help you select quality shares from profitable companies. Choose between 10 and 15 shares from a number of different industry sectors. This amount of diversification should minimise risk without creating a portfolio too complicated to manage.

To purchase shares an order must be placed

with a broker. Depending on the type of broker you choose, you may be able to enlist their help in the share selection process. 'Full service' trading services offer investment advice, company research and tailored 'buy' and 'sell' recommendations. 'Discount' trading services don't provide advice but simply execute your buying and selling instructions. Brokerage rates reflect the service offered.

Share purchases must be settled on a T+3 basis, that is, within three days of the trade. Money to cover your transactions should be held in an at call savings account, ready to be accessed quickly.

Monitoring your shares

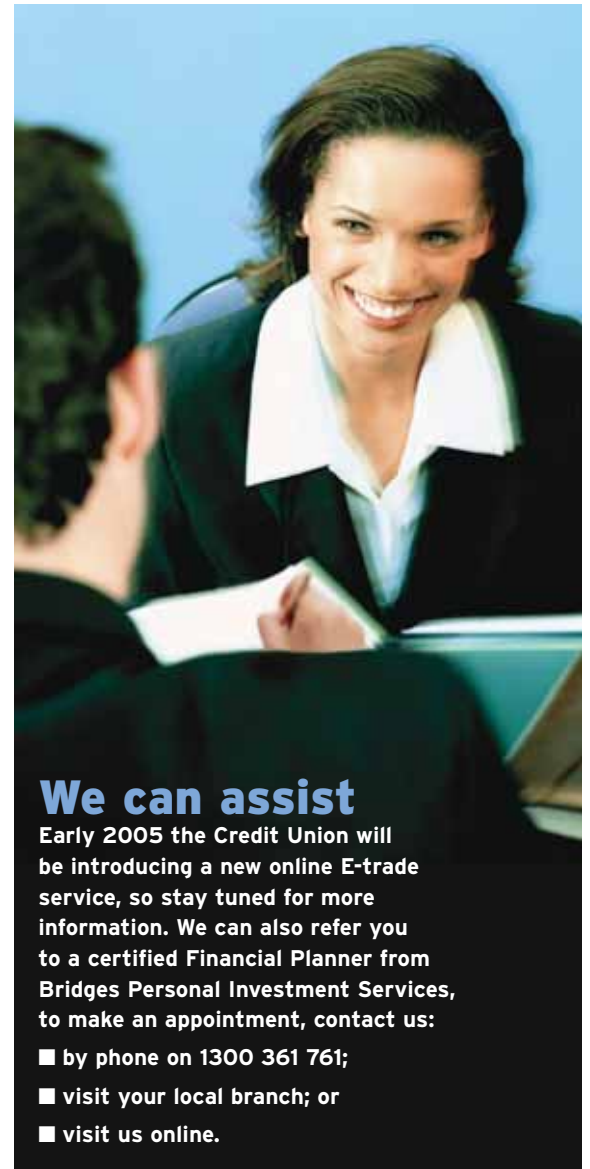
Once your share portfolio is in place, you will need to monitor its progress. As shares are a long-term investment, it is the performance trend that should be followed, not daily share price fluctuations.

If your shares are performing poorly, you will need to take a closer look. Is the problem with the company, or has the broader sharemarket slumped because of negative sentiment? If it's the latter, this might signal an investment opportunity if you have some spare cash to snap up quality shares on sale!

If the problem appears to be company based, further investigation is needed.

See your financial adviser

Share trading can be challenging, but rewarding. Many seek professional advice. Talk to your adviser about selecting and managing a range of quality shares to complement your investment portfolio. ●●●



We can assist

Early 2005 the Credit Union will be introducing a new online E-trade service, so stay tuned for more information. We can also refer you to a certified Financial Planner from Bridges Personal Investment Services, to make an appointment, contact us:

- by phone on 1300 361 761;
- visit your local branch; or
- visit us online.

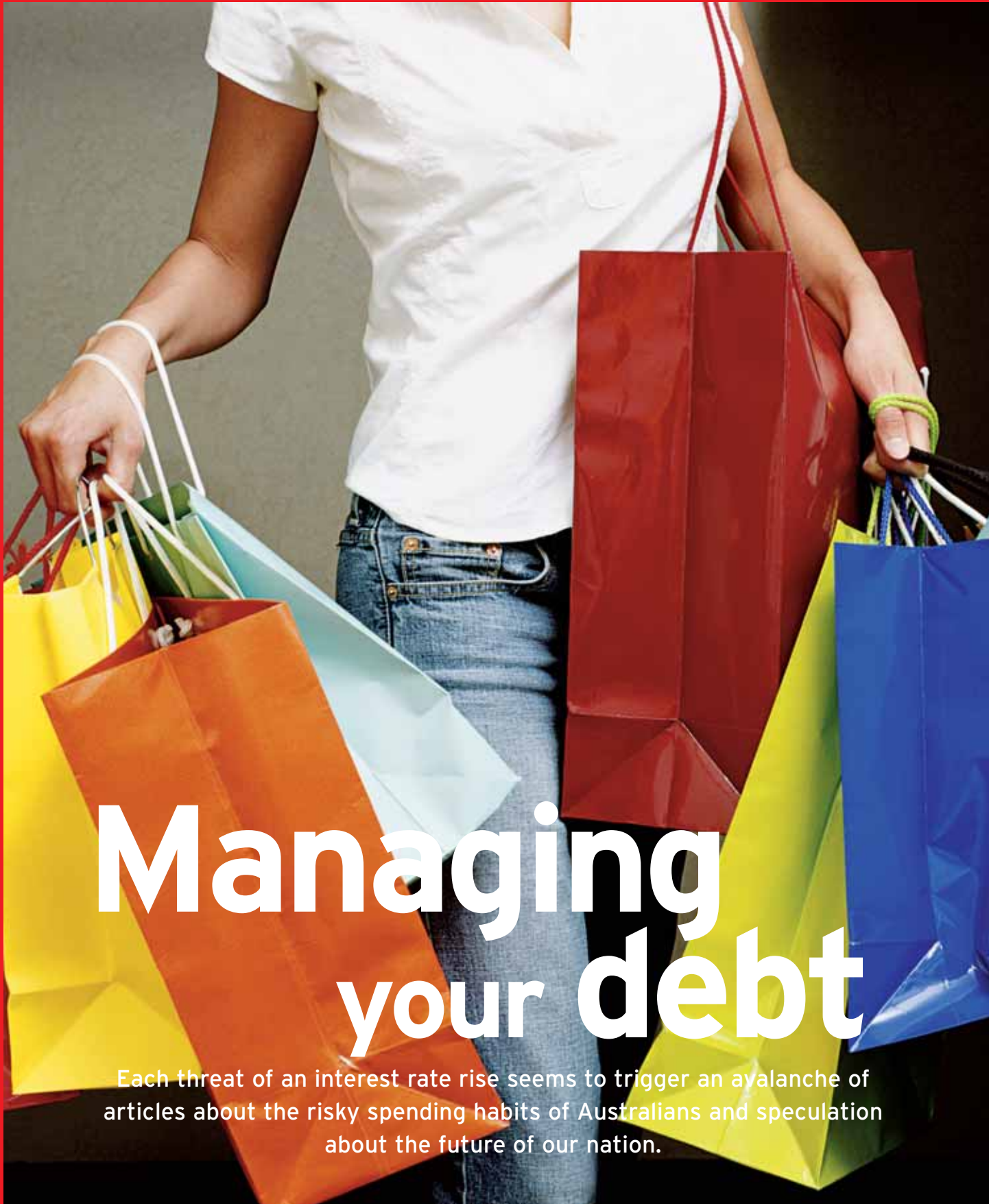
ONLINE SHARE TRADING SERVICES

As the Internet becomes a daily tool in people's lives, many investors are choosing to buy and sell shares online. Internet trading services, in addition to executing share trades, typically provide investors with live stock prices, company research, company announcements and economic data. These services are keenly priced, enabling you to trade shares at bargain prices. For trades under \$10,000 you can expect to pay around \$30 while over that amount a small percentage of the value of the trade is charged.

However, unlike full service brokers, Internet brokers don't provide advice and can't help you interpret the data provided by their website. This may not be needed for experienced investors, but for the lone novice it can be very useful. Your Credit Union will soon be offering you the services of online E-trading (coming early 2005).

¹2003 Shares Success Guide, Shares Magazine. ² Getting started in shares. Australian Stock Exchange. March 2004.

WARNING: The advice contained in this article does not take into consideration any individual's objectives, financial situations or needs. Accordingly you should consider the advice in light of your own objectives, financial situation and needs.



Managing your debt

Each threat of an interest rate rise seems to trigger an avalanche of articles about the risky spending habits of Australians and speculation about the future of our nation.

While there is no denying that household debt levels are high, it's useful to look behind the sensation to understand the nature of the debt and see how it can be effectively managed.

Not all debt is bad. Like most things – it depends. Debt used to finance a growth asset could be considered a positive, particularly if the asset also produces an income, as in the case of an investment property. In this situation the borrower has the benefit of the income, the loan costs are tax deductible and the value of the asset is likely to exceed the amount of the loan over time. All attractive benefits – so long as the repayments can be readily met.

Debt for lifestyle purchases is a little more problematic. Often purchases in this category do not appreciate in value and all that is left after the money has changed hands is the debt. This is not to suggest that these purchases should be foregone but some careful planning should be undertaken.

Can you afford it?

At the risk of stating the obvious, before you borrow money to make a purchase you should first work out if you can afford it. This is particularly true if you plan to spend the money on a holiday or an asset with little resale value. Without an asset to sell to pay

The right loan for you

Once you know the level of repayments you can afford, it's time to find the right type of loan to suit your situation. There are many options available. Personal loans (at rates lower than most credit cards) may be suitable for large one-off purchases. Financing a smaller purchase on a credit card may be appropriate despite higher interest rates, if it can be paid off quickly. Retailers' cards and other third party finance should be used with caution as interest rates are generally higher than those of other providers.

Weigh up your options, finding out the important features of each loan including the rate of interest and how it is charged, the dollar cost of the interest over the life of the loan and whether any fees apply.

The debt spiral

There are many reasons why people get into financial difficulties; marital discord, illness, unemployment, rising interest rates, as well as financial mismanagement. If you find you're having trouble meeting your repayments deal with the problem immediately.

The first step is to take stock of your situation. Can you cut down on your living expenses by drastically reducing your non-essential spending while finding savings in essential spending category (for example

"GROUP YOUR EXPENSES INTO ESSENTIAL AND NON-ESSENTIAL CATEGORIES"

back the loan if necessary, you will need to be doubly sure that you can meet the repayments.

To find out how much money you can commit to loan repayments every month, you will need to create a detailed annual budget. Although a year may seem like a long time it is important to capture all those substantial one off expenses (such as car registration and house insurance) that crop up throughout the year.

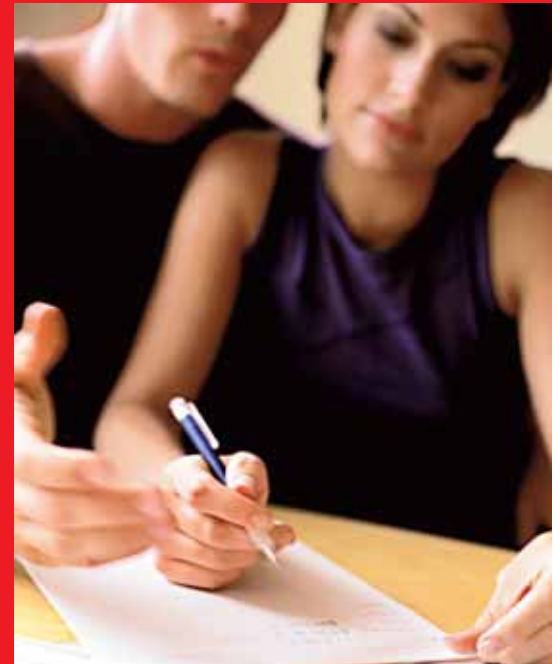
Group your expenses into essential and non-essential categories. Add these two figures together and subtract the total from your annual income. The resulting balance represents the amount that may be committed to loan repayments. However, it would be wise not to commit yourself to the limit.

cheaper groceries)? Can you sell any assets to reduce your debt to manageable levels?

If you have a number of loans with different rates of interest, we can help you consolidate your debt into one loan facility. As your goal should be debt reduction, any money that is freed up by debt consolidation should be added to your repayments to avoid turning short-term debt into long-term debt. ●●●

WE'VE GOT YOU COVERED

At our family of Credit Unions, you are also family to us. So, why not talk to us about debt consolidation. Call us on 1300 361 761 and we will be more than happy to help you. Or, you can visit our website at www.socu.com.au.



TIPS TO CONTROL TROUBLESOME DEBT

- Create a detailed budget to help limit your spending and enable you to save for important purchases that you might otherwise put on credit.
- Before every substantial purchase ask yourself the question - "Can I afford this?" A review of your budget should tell you what you can or can't afford.
- Large bills can wreak havoc on your finances. Try to put money aside each month in anticipation of bills like car registration and insurance. Where possible get your provider to bill you more frequently to break up the expense.
- Credit cards can encourage impulse buying. To keep your spending under control, consider owning just one card. If a higher credit limit is offered, resist the temptation.
- To avoid interest charges, the full balance of your credit card should be paid off each month. If this isn't possible, chip away at the outstanding balance by repaying as much as you can.
- If you find yourself with some spare cash (perhaps a salary bonus or a Christmas cheque) use it to pay off your debt - starting with the most expensive loan facility - usually your credit card.

Take a look at our online budget and loan calculators at www.socu.com.au to help you work out your expenses.

Whether you're after a basic credit card with no frills, or one that offers real rewards - we've got your options covered.

Credit cards to suit you



EFTPOS and ATM facilities aren't always available, particularly when travelling, but our family of Credit Unions can help with some credit card options tailored to suit your needs.

VISA Credit Card

Our VISA Card is the ideal no-frills if you want the convenience of instant credit without the bells and whistles. You can take care of all your household bills with a VISA card, plus it is accepted by over 20 million merchants and 800,000 ATM's around the world. It has no annual fees and a competitive interest rate.

Our Credit Union VISA Card is the perfect solution for our family members with a home loan, we're happy to reduce the interest rate to the Standard Variable Home Loan rate, which means real savings over the long haul.

Credit Union Mastercard

You can't often get something for nothing these days, but our Credit Union Mastercard brings FREE access to an outstanding Rewards programme. You earn one Reward point for every dollar you spend, which can be redeemed for movie tickets, household appliances,

shopping vouchers or that getaway you've been planning for ages. Qantas Frequent Flyers have the option of redeeming Frequent Flyer points - one for one.

With almost half a million merchants accepting it in Australia, and 24 million locations around the world, a Credit Union Mastercard provides funds when and where you need them - and the chance to pick up Reward points along the way. And the benefits work just as well from home, allowing you to pay household bills by Internet or telephone.

Your Credit Union Mastercard brings you a host of 21st Century features to make purchasing and balancing your budget as easy as possible.

- Up to 55 days interest free on all regular purchases.
- The chance to transfer the balance of other credit and store cards, you will benefit from a lower interest on transferred balances.
- Insurance cover for almost all new purchases for three months.
- ATM cash advances up to \$1000.
- A unique PayLite facility that lets you

budget for bigger purchases by paying a set amount each month at our reduced PayLite interest rate.

- The convenience of using online banking, BPAY and Easi-Pay to manage your account.
- Low annual membership fees.
- Our special Fraudshield service, we'll contact you immediately if we detect irregular transactions on your account.

Our family of Credit Unions can be contacted on 1300 361 761 during business hours or out of hours on our 24 hour, 7 day Card Services hotline (VISA: 1800 224 004 or Mastercard: 1300 135 538) which you can call no matter where you are in the world. ●●●

CAN WE HELP?

With so many credit cards on the market, finding the right card for you can be a challenge. A Credit Union VISA or Mastercard might just be the answer you're looking for. Visit your local branch for some advice, give us a call on 1300 361 761, or apply online at www.socu.com.au.

Photography: Getty Images

Sun, surf and paint

Our family of Credit Unions jumped at the opportunity to help out the ever-popular summer spot, South Broulee Surf Club.

Your Credit Union staff had the chance to spend some quality time on the beach recently, thanks to a working weekend on the South Coast that included the opportunity to give the South Broulee Surf Club a much needed facelift.

Club member Mark McLeay was there on the day and he certainly appreciated the help.

“The Club has needed a bit of a re-paint for a long time,” says Mark. “We’re a totally volunteer organisation, so finding the people and the time is always a challenge.”

“One of our Juniors’ parents approached the Credit Union for their assistance,” he

says. “Once they heard about our situation, Credit Union staff gave up their time to help out during their weekend away.”

“They were originally going to donate some money, which was great, but in the end they decided to jump in and do the painting themselves, which was even better.”

A popular spot

South Broulee Surf Club has been an important part of the South Coast community since 1979, in an area that just seems to get busier all the time. With over 200 members, including some 80 active patrol volunteers, the Club looks after the

crowds of visitors that flock to the beautiful setting every year.

“The main beach is 7km long,” says Mark. “We look after the area in front of the Club, and it’s not unusual to get thousands of visitors at a time in good weather.”

“Fortunately, we have a good number of committed volunteers prepared to give up their time for training and patrolling,” he says “They come from every walk of life, and our membership includes plenty of Canberra residents who make the trip on weekends.”

“And things look good for the future too, thanks to a supportive local community and a lot of interest from kids. We have 120 juniors that take part in training, fitness and sporting events.”

Armed with supplies from the Moruya Paint Shop (and more confidence than their painting skills probably warranted), Credit Union staff brought the Club balcony back to its former glory in time for the summer.

Mark took the chance to put everyone through some physical activities as well, in the hope that he might discover some recruits.

“We organised some Nipper activities on the beach,” he says. “In between painting we were running relays, practicing sprints and playing some games.”

Despite the hectic pace, some important occupational health and safety, first aid and fire training were squeezed in on the day and the Club intends to erect a sign commemorating the hard working Credit Union volunteers.

“Everyone did a terrific job on the painting, and I might just have found some potential lifeguards along the way,” says Mark. “It was an excellent day and the Credit Union’s support means a great deal to the Club.”

Be sure to have a look at the South Broulee Surf Club the next time you are down the coast – it’s another example of your Credit Union’s commitment to those who work for our community. ●●●



The team at Broulee Surf Club proudly show off their newly painted club.

BECOME INVOLVED
If you'd like to become a member and volunteer of the South Broulee Surf Club, simply contact Mark McLeay on 02 4471 5173.



Your essential car buying guide

A car is one of the biggest purchases you're likely to make – don't let your heart override your head. Familiarise yourself with the rules of the game, take no prisoners, and play to win.

Buying a car takes forethought and planning. The easiest way to buy the best car at the right price is to know the exact make and model you want before you hit the car yards. Think – what do you need the car for? Transporting the whole family or zipping around town on your own; running a business or off-road adventure? The purpose of the car determines what to look for: small medium or large, utility or van, 4WD or sports car? Other considerations

might include the type of engine you'll need; automatic or manual; what about a tow bar, airconditioning, power steering, CD player, or air bags?

Work out the total cost of ownership including registration, insurances, government transfer fees and stamp duty, dealer's delivery charge, number plate fee, optional extras, and mechanical inspections. Talk to your Credit Union now if you need finance; with a pre-approved loan you can quickly snap up your

dream car. Also, ask about loan repayment insurance, which ensures your loan is paid in the event of your death or if you're injured and unable to work.

Narrow down your choices to two or three vehicles by doing some research. Contact car manufacturers for make and model specifications; for independent advice you can try visiting the websites of various motoring organisations, where you are sure to find essential information like car reviews, road tests, running/repair costs, safety issues, security ratings, prices, comparisons, and general advice. Invaluable car safety information - including extensive crash-test data - can also be found on online.

On the hunt

Thanks to the Internet, hunting for a new or used car is quick and easy. Websites such as www.carsguide.news.com.au, and www.drive.com.au offer quick database searches of cars for sale and provide links for further investigation. While you're online, get a rough estimate of the trade-in value of your old car then search dealerships to compare prices and special deals; being pre-armed with the facts and figures puts you in the driver's seat come negotiation time.

If you're looking for a second-hand car, a **licensed motor vehicle trader** offers the most legal protection with features such as a Clear Title guarantee and a three-month, 5000km statutory warranty; also, the car has usually been given the once over from a motoring organisation. Their only drawback is that they are often more expensive.

Private sales can be a cheaper option for used cars, however, as there is no cooling-off period, no warranty, and no Clear Title guarantee, if you don't know what you're doing, you could get a bad deal.

Used car auctions are a good source of bargains; what's more they certify Clear Title. Drawbacks include not being able to go for a test drive, little or no time to check the car's background, and rarely being able to have an inspection carried out.

Found it. Now what?

It's time to get your hands dirty and check the car inside and out. A pre-purchase inspection by the NRMA is a good investment if you're not mechanically minded. You should also go over it with a fine-tooth comb — even if it's

a new car. Inspect the car in bright light on a dry day and, if it's a second-hand car, ask for the service history. Here are some useful tips which may help you:

- **Body:** accident or hail damage, rust, doors, bonnet, boot lid or tailgate, windows, paint, and trim.
- **Under the bonnet:** engine, oil, radiator, and battery and mounting bracket. Note the engine number, vehicle identification number, and year and month of manufacture; make sure they match the registration form.
- **Underneath:** oil leaks, tyres (including the spare), and exhaust.
- **Inside:** seat belts, upholstery, carpet, lights, airconditioning, ventilation fan, electric windows, sound system, windscreen wipers, horn, car alarm, jack, and tool kit.

Take the car for a 30-minute test drive (ask about your legal liability in the event of an accident). Do a parallel park and a U-turn to test steering and visibility. Check brakes, exhaust, engine, gears, clutch, and suspension.

If you're buying a used vehicle from a private seller keep your wits about you; if the car seems like an unbelievable bargain, it probably is. Call the Register of Encumbered Vehicles (REVS) to make sure the car has a Clear Title (meaning there's no money owing and it isn't recorded as stolen or written-off). REVS can be contacted on 1800 424 988 (ACT and NSW).

I'll take it

Before you open your wallet make sure you've shopped around, especially when going the new car route. After one dealer quotes you a price, ask others if they can do better.

Aim to get at least three competitive prices on the type of car that you're looking for; to compare apples with apples, ask for the 'on road' price, which includes the options you've selected plus statutory and dealer charges.

No matter what you buy, study the contract and warranty to make sure you understand them, and ask to change anything you're



CAR BUYER'S CHECKLIST

- Think carefully about your needs before deciding on the type of car you want;
- Research suitable vehicles and narrow your choices down to two or three;
- Work out how much money you're going to need and apply for a pre-approved car loan;
- Start your car search;
- Go for test drives, and shop around for at least three competitive prices;
- Do mechanical and legal checks;
- Study the contract and warranty; and
- Organise registration and insurance.

not happy with. No matter where you buy, get a receipt.

Once the car is yours it has to be registered and insured. For cars bought privately, ownership needs to be transferred within 14 days of purchase. As the process requires both you and the seller to juggle paperwork, it's worth investigating in advance. For details contact Roads and Traffic Authority on 13 22 13 (ACT and NSW).

You've spent a lot of time, effort, and money on your new car; make sure you protect it. Your Credit Union can discuss your different insurance options, quotes can be obtained for a variety of policies at competitive prices, all with the best features, and they can assist you with selecting the right policy for you.

Before you drive off into the sunset, make sure you get all the keys; the service or log book and the owner's manual. If there's an alarm, find out how to work it. If there's a hidden ignition switch, ask where it is. Happy travels. ●●●

We'll get you on the road

Our family of Credit Unions have your car loan and insurance needs covered. To apply, just give us a call on 1300 361 761, call into your local branch or visit us online.

Home safe

Secure your home with these simple tips and the right insurance cover.

Protecting your home and contents from theft or damage can be a challenge, and break-ins or attempted break-ins can cost hundreds of thousands of dollars each year.

Fires and accidents can also cause extensive (and expensive!) damage, so it makes sense to take stock and minimise the risk. Fortunately, there are a few simple things you can do to avoid joining the statistics, and our family of Credit Unions can help with insurance to cover the costs if the worst should happen.

Securing your home

Criminals are always on the look-out for easy targets, don't make things too simple for them.

Do:

- Fit quality keyed locks to all doors and windows and keep security doors locked even when you're at home.
- Install a quality alarm system as well as security lights.
- Make sure you have adequate insurance.
- Cancel regular deliveries if away for an extended period. Ask a friend to collect junk mail and mow the lawn beforehand.
- Secure precious and important items in a safe deposit box away from your home.
- Engrave electrical appliances and keep a record of the model and serial numbers of major and expensive items.

Don't:

- Leave spare keys under mats or pots.
- Tell more people than necessary that you're going away – and don't leave a special message on your answering machine.
- Leave ladders or tools lying around – or your burglar will thank you!

Household safety

Most serious property damage results from simple mistakes or forgetfulness, so it's worth establishing some simple routines to stay on top of things:

- Fit smoke detectors throughout your home and test them once a month.
- Get into the habit of checking that heaters are switched off before you head out for the day – don't forget the bathroom.
- Clean your chimney or flu each year before winter sets in.
- Ensure all heaters are at least a metre from any flammable materials.
- Make sure your insurance documents and other important records are in easy reach.
- Place a list of emergency numbers (including your insurer) next to every phone – and store them in your mobile.

Your Credit Union can help

If you are the victim of a home invasion or fire damage, the last thing you need is an enormous bill to put things right.

Thanks to our partnership with CGU – one of Australia's largest general insurers – our family of Credit Unions can offer you terrific deals on home and contents insurance. Specifically designed for the Credit Union, CGU's 'Membersafe' policies offer prompt and efficient claims service, excellent rates and pay-by-the-month convenience. And you won't be without help just when you need it the most, CGU's 24 hour 'Home Support' line on 1800 025 378 will see to that. ●●●

BE COVERED

Don't put off arranging adequate insurance or reviewing your current cover. You never know when you'll need it! Visit your local branch today, get a quote online, or call us on 1300 361 761.

WARNING: The advice contained in this article does not take into consideration any individual's objectives, financial situations or needs. Accordingly, if you wish to acquire any product mentioned in this article, obtain the product disclosure statement for that product and then you can consider the advice in light of your own objectives, financial situations or needs.

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The big financial questions never seem to change, but the answers depend very much on your age and personal circumstances.

PART 2 Pre-retirement

Preparing for retirement

How much should you be saving? Where should you invest? What should you be planning for? How much risk can you handle?

Last issue we noted that financial planning doesn't come as one size fits all and suggested a few strategies for those in the 18-35 age group. As promised, we've gone back to Helen Elliot at Bridges Financial Planning for some tips to help 35-55 year olds prepare for retirement.

"Pre-retirees generally need to make the most of their savings and disposable income," says Helen. "That means concentrating on repaying non-deductible debts like home loans and personal borrowings."

"Interest rates are relatively low at the moment," she says. "Now's a good time to use spare cash for extra payments because your return is maximised."

"And savings plans are just as important as ever - compulsory employer superannuation contributions are a great start, but most people will need something extra to see them through retirement."

Remembering the basics

Helen believes that saving 10% of a salary is a good rule of thumb for those with an eye to the future.

"Ideally, people in the 35-55 year age group should have a savings target of 10%," she says. "It can be achieved through a combination of personal contributions to superannuation and other investments."



"The Government's superannuation co-contribution scheme is a great way to get the most out of superannuation for those earning less than \$58,000," says Helen. "It's particularly effective for those in part-time or job-share arrangements."

If non-deductible debt is under control, pre-retirees also have a few other options to consider.

"Gearing, or 'borrowing to invest' is a good solution for some people," says Helen. "It can be a tax effective way of entering the managed funds or share markets, but professional advice is essential."

"Some investors concentrate on the higher returns gearing can offer, but forget the fact that losses can be magnified too," she says. "Like most financial strategies, gearing doesn't suit everybody."

Although most people see their pre-retirement years as a fairly stable financial period, it isn't always the case.

"The 35-55 age group can find themselves

with windfall gains from inheritances, for example," says Helen. "Or suddenly become responsible for the cost of looking after relatives."

"In either case, a sound financial plan can maximise the benefits or reduce the financial burden," she says.

Whatever your age, it's clear that a small amount of financial preparation today will pay dividends in the future. Right or wrong choices now could have a big influence on just how comfortable your retirement is.

"Ultimately, the goal of all pre-retirees is to ensure they have sufficient cash flow in retirement," says Helen. "It's never too late to make a financial plan." ●●●

NEXT ISSUE

We'll be asking Bridges Financial Planning for some retiree advice. In the meantime call us on 1300 361 761 to arrange an appointment.

Healthy holidays

Staying fit and well while travelling helps make your trip overseas happy and hassle-free.

Just thinking about a holiday clears the cobwebs and gives us new energy and enthusiasm. Pouring over travel guides and postcard-perfect holiday brochures; making lists of where to go and what to do; planning a blockbuster itinerary that leaves no cultural stone unturned, the anticipation is nearly as good as the event! Yes, overseas holidays are wonderful, but as they're also expensive, it pays to make the most of them and stay healthy. Here's how.

Preparing for blast-off

Getting ready for a healthy holiday starts early. See your doctor two months before departure for a basic check-up and find out if you need any vaccinations. While vaccinations can prevent you contracting some diseases, new ones, such as SARS, can appear suddenly; for the latest advice on your destination, contact the Department of Foreign Affairs and Trade (www.dfat.gov.au/travel).

A dental check-up is a good pre-holiday idea and, if your trip will involve physical activity, start to build up your fitness.

Assemble a medical kit with items like headache tablets, antacids, cold and flu tablets, throat lozenges, diarrhoea medication, motion sickness tablets, multivitamins, antiseptic, cotton wool, band-aids, bandages, gauze swabs, medical tape, latex gloves, tweezers, safety pins, scissors, insect repellent, sting relief lotion, sunscreen, and a forehead thermometer.

Take enough prescription medication for the entire trip (for large amounts you'll need a letter of explanation from your doctor; over-the-counter medication requires a similar letter from your chemist). Check your medications are not prohibited in the countries you're visiting by contacting their Australian embassies.

Up, up, and away

Exotic overseas odysseys generally involve a long flight couped up in cattle-class worrying about deep vein thrombosis (where blood



clots form in the veins of the legs and travel to major organs causing life-threatening problems). Speak to your doctor about compression stockings or medication if you're concerned. While you're in the air, wear loose clothing, drink plenty of fluids (avoid alcohol and coffee), stroll around when possible, avoid sitting with crossed legs, and perform leg exercises while seated.

Delhi belly

Travellers diarrhoea, giardia, salmonella, cryptosporidium, hepatitis A, hepatitis E, typhoid fever, cholera; all these infections can come from consuming contaminated food and drink. It's important to always wash your hands before eating, avoid putting your fingers near your mouth, and be selective in what you eat and drink.

Do not eat:

- uncooked/undercooked/reheated food;
- salads or unpeelable fruit and vegetables (vegies should be cooked and served steaming hot);
- ice-cream (unless it's an internationally packaged and labelled brand);
- dairy products;
- shellfish;
- food from street vendors;
- food that has been left around exposed to flies;
- meat (unless it's thoroughly cooked);
- dessert (unless baked and served hot); and
- sauces and toppings (unless freshly opened).

Dine in well-patronised, busy restaurants and hotels, check plates and cutlery are clean and prepare food yourself, or use well-known food brands in cans or sealed packs.

Do not drink:

- milk or milk-based products;
- water, unless it's boiled, bottled (check it's a named brand and the seal is unbroken), comes from a water purifier, or has been treated with chlorine/iodine tablets. Avoid ice in drinks and brush your teeth with bottled water.

Financing your holiday

Aside from the safety issues you'll be surprised at what we can do to help you have an exciting and healthy holiday.

● Personal loans

You'd love a holiday. In fact, you desperately need a holiday. The problem is you can't afford

a holiday. Our family of Credit Unions can help with a range of personal loans, offers fast approval and our flexible repayment methods, are the icing on the cake. Also consider Loan Repayment Insurance; it covers your debt in unforeseen circumstances (accident, illness, involuntary unemployment or death).

● Travel money

We can also advise you how to access your cash during your trip. Our options include:

Cash Passport is a pre-paid, PIN-protected card and is terrific for countries with a good ATM network. An easy way to take your money overseas, the card gives you 24-hour access to local currency from around 700,000 ATMs worldwide, with no daily withdrawal limits. You purchase the card in Australian dollars (from \$250—\$25,000) before you travel. As no value is kept on the card (funds are kept on a 'host' system); if your card is lost or stolen, no one can get at your money without the PIN.

Travellers Cheques are the best idea if you're planning on losing yourself somewhere remote. We can recommend the best currency for your destination and supply a recognised brand that is easily cashed worldwide. We also carry a huge range of foreign currency, in a variety of denominations; perfect for that taxi ride from the airport to your hotel.

MoneyGram is a fast, safe, and convenient way to move money around the world. Using a computerised network of agents, money can be sent to over 50,000 international locations in as little as 10 minutes. You don't need a bank account or credit card, and funds are paid out immediately in cash.

If you prefer to send money by draft or telegraphic transfer, we have a comprehensive selection of currencies that can be sent to nominated accounts around the world quickly and efficiently.

● Travel Insurance

As well as medical expenses, travel insurance cover can include lost baggage or travel documents and trip cancellations.

Make sure your policy meets your needs, and be aware that some insurance companies won't pay claims which arise when travellers have disregarded the Government's travel advice (see Preparing for blast-off).

Our family of Credit Unions can provide you competitively priced travel insurance products from CGU, one of Australia's largest general insurers. ●●●



YOUR TRAVEL CHECKLIST

BEFORE YOU GO:

- Visit your GP for a check-up and find out about vaccinations. Consider a dental check-up.
- Check Department of Foreign Affairs and Trade for destination related travel advice.
- Build up your fitness level.
- Assemble your medical kit.
- Take out travel insurance.

ON YOUR WAY:

- Make yours a sensible, safe flight and allow for jet lag at the other end.
- Pace yourself, balance full days with lazy ones.
- Be meticulous with personal hygiene.
- Eat and drink selectively.
- Apply insect repellent liberally and do everything you can to avoid them.
- Think twice before you attempt anything risky.

CALL US

Visit your local branch to arrange any of these services today. Or for more information, don't hesitate to call us on 1300 361 761 or visit our website at www.socu.com.au.

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