

PRODUCT DISCLOSURE STATEMENT QTCU CASH INVESTMENT ACCOUNT ("QTCU CIA")

**Queensland Teachers' Credit Union Limited ("QTCU", "us", "we", "our")
ABN 83 087 651 054**

and

**Asgard Capital Management Limited ("Asgard", "you", "your")
ABN 92 009 279 592**

This PDS was prepared on 27 March 2007.
This PDS is effective on 27 March 2007.

Important – Read Documents

Please read the PDS including the Terms and Conditions carefully. Further copies are available upon request by contacting [us](#) (refer to “How to Contact us” further on this page). Always retain a copy of all PDS documents and any subsequent PDS for future reference. Relevant provisions of the Credit Union Code of Practice also apply to this Account.

This document is part of a Product Disclosure Statement (PDS) providing information about Queensland Teachers’ Credit Union’s Cash Investment Account (‘QTCU CIA’) to help you make an informed decision about whether to invest in the QTCU CIA. You should read all parts of the PDS before deciding whether to open the QTCU CIA. The other document that makes up the PDS for this product is the Interest Rate Schedule.

Queensland Teachers’ Credit Union Limited ABN 83 087 651 054
Australian Financial Services Licence 241195

454 St. Paul’s Terrace, Fortitude Valley, Qld 4006
Phone: 13 29 30 Fax: (07) 3252 7053
ABN 83 087 651 054

1. How to Contact us

You may contact us in relation to the QTCU CIA by using any of the following means:

- by calling QTCU’s Manager – Processing and Systems Development, on 13 29 30;
- by writing to us (marked to the attention of Manager – Processing and Systems Development) at 454 St Paul’s Terrace, Fortitude Valley QLD, 4006;
- by faxing to us on 07 3252 7053; or
- by emailing us at processingemaildocs@qtcu.com.au.

2. Your contract with us

When you open the QTCU CIA you are entering into a contract with QTCU in relation to the QTCU CIA. That contract is made up of:

- the relevant account opening form;
- the description of main features and benefits of the QTCU CIA in this PDS;
- the terms and conditions set out in this PDS;
- the fees and charges set out in this PDS; and
- the Interest Rate Schedule available from QTCU’s Manager – Processing and Systems Development.

A brief overview of the QTCU CIA

In the table below we have set out a quick reference guide to allow you see at a glance the features of the QTCU CIA.

Feature	QTCU Cash Account
Suitable for regular savings/investment	Yes
Available access	Deposits can only be made electronically. Withdrawal requests need to be made by email to processingemaildocs@qtcu.com.au.
Minimum opening deposit	Nil
Minimum account balance	Nil
Minimum transaction size	Nil
Withdrawal notice	Withdrawal requests will be actioned within 1 business day (Brisbane time). Withdrawals are subject to the availability of cleared funds.
Interest calculated	Daily on closing balances.
Restrictions on the number of withdrawals	One per Business Day where possible.
Third party payments allowed	No
Interest Paid	Interest will be calculated on the QTCU CIA on the last day of the month and credited on the first day of the following month. Interest is calculated using the interest rates applicable for each day during the month and the closing daily balance of the account. The monthly transaction listing forwarded to Asgard will be up to and including the first of the month entry for the interest credit. On the first working day of the month QTCU will deposit the monthly interest amount to the account that Asgard has supplied details of for that purpose.
Statements	Transaction listings weekly and monthly. Statements provided monthly.

QTCU CIA

General description of key features and benefits

The QTCU CIA is a deposit account which offers a competitive interest rate calculated on the closing balance of the QTCU CIA.

The most significant benefit of this deposit product is the interest earning potential.

The interest rate payable on the QTCU CIA is variable and may be changed by QTCU at any time. The interest rate is the interest rate published from time to time as published on the "QTCU CIA Interest Rate Schedule" provided by email or sent to Asgard from time to time. The interest rate applying to the QTCU CIA will be printed on your monthly account statement. You may also obtain the current rates at any time by contacting us (refer page 1 "How to contact us").

Interest will be credited to the account that you nominate for that purpose on the first business day of the month. You need to give us instructions to do this together with the details of that account. The initial instruction is included on the QTCU CIA opening form, and can subsequently be changed by you from time to time, provided you give us a written request to do so.

Other benefits and significant features are:

- No account keeping fees;
- No entry or exit fees;
- Funds are “at call”.

N.B: Details of the terms and conditions of the QTCU CIA are included in the Terms and Conditions.

Calculating Interest

Interest is calculated daily on the closing balance of the QTCU CIA. Interest is credited monthly (in arrears) on the first Business Day of the following month or, in the case of account closure, on the date of closure. This interest amount is paid to your nominated account on the first Business Day of the month or, in the case of account closure, on the date of closure.

Interest is calculated daily using the following formula:

$$\frac{\text{Daily Closing Balance}}{365} \times \frac{\text{Interest Rate}}{100}$$

Cost of the Product

There is no cost for the purchase of this product. There are no transaction fees or monthly service fees payable on the QTCU CIA.

Third party payments

Payments to third parties are not permitted on the QTCU CIA.

How deposits and withdrawals can be made

Method	Deposit	Withdrawal
By direct credit from another account with another financial institution or with QTCU.	Yes	No
By direct transfer to nominated account with another financial institution or with QTCU.	No	Yes

Account statements

An account statement will be sent to you on a monthly basis, unless you request otherwise. We will also send a transaction listing to you on a weekly basis.

Significant Risks

Use of the QTCU CIA

The QTCU CIA has restrictions on the methods for both deposits and withdrawals. The QTCU CIA may not be suitable for your particular needs and this is a risk you need to consider.

For this reason you should ensure you understand the features of, and restrictions on the QTCU CIA. The PDS is intended to assist you in gaining an understanding of these things.

Queensland Teachers' Credit Union Limited (QTCU) is an Authorised Deposit Taking Institution under the *Banking Act 1969*. As such, QTCU is regulated by APRA and subject to similar prudential requirements as banks, building societies and other credit unions. As a credit union, the mutual structure allows QTCU to be more focussed on its customers. More information about QTCU can be found on the QTCU website at www.qtcu.com.au.

Taxation

Interest is income, and accordingly, tax may be payable on the interest earned on funds deposited in the QTCU CIA.

Quotation of your Tax File Number/s (TFN): It is not compulsory but if you are an Australian resident and do not provide us with your Tax File Number (TFN) or Australian Business Number (ABN), we must withhold tax calculated at the highest marginal tax rate plus the Medicare Levy from the interest and remit the withheld amount to the Australian Taxation Office. If you are not an Australian resident, QTCU must withhold non-resident withholding tax from the interest.

If you want to make a complaint

If you have a concern or a complaint about any Queensland Teachers' Credit Union product or service you should contact us. Our complaints and compliments process requires us to deal with any complaint efficiently and promptly. The process is set out in full in our Complaints and Compliments brochure which is available on www.qtcu.com.au. You can contact us with a complaint and if the consultant cannot satisfy your concern on the spot, we will advise you of our complaint handling process and give you a schedule for dealing with your complaint. If you are not satisfied with the way in which we deal with your complaint, or if we do not respond promptly, you may refer the complaint to our external dispute resolution centre, CUDRC, on 1800 624 241 (toll free). You may wish to refer to our Complaints and Compliments brochure for further details.

How you can get additional information about this product

Under the Credit Union Code of Practice, credit unions are required to make general descriptive information available about the following to members:

- Operation of accounts;
- Cheque facilities;
- Identification requirements under the **Financial Transaction Reports Act 1988 (Cth)**;
- The Credit Union's internal dispute resolution (IDR) procedure (IDR details located in this PDS).

How to Contact Us

You may contact us in relation to the QTCU CIA by using any of the means set out on page 1 of this PDS under the heading "How to contact us".

Terms and conditions that apply to the QTCU CIA

1. **General Information:** We draw your attention to the availability of general information about our products and services and about your rights to privacy, issues relating to tax file numbers, joint accounts, complaint handling, account opening procedures, our obligations regarding management of personal information, our right to combine accounts, Credit Union Corporate Cheques, the advisability of you informing the Credit Union promptly if you are in financial difficulty and any matters which are set out in our other brochures. You can obtain this general information by contacting us or by viewing our brochures on www.qtcu.com.au.
2. **Credit Union Code of Practice:** The relevant provisions of the Credit Union Code of Practice apply to the QTCU CIA.
3. **Tax File Number:** You are not obliged to give us your tax file number or ABN, but if you do not and are not exempt, the law requires us to deduct from interest payable on the QTCU CIA, tax at the rate the Australian Taxation Office advises.
4. **Deposits to the QTCU CIA:** You can make deposits to the QTCU CIA from time to time. This can only be effected by way of electronic transfer from another account with another financial institution or with QTCU to the QTCU CIA.
5. **Withdrawals from the QTCU CIA:** You can make withdrawals from the QTCU CIA by giving us instructions in writing by fax. Withdrawals can only be effected by way of electronic transfer actioned by QTCU from the QTCU CIA to another account that you have nominated for this purpose. You agree to limit withdrawal requests to one per day, where possible. QTCU will action withdrawal requests within 1 business day of receipt.
6. **The interest rate** on the QTCU CIA will be that rate that is notified from time to time by us to you and reflected in the current Interest Rate Schedule. The current rate is available by contacting us in the manner set out on page 1 of this document. The rate may change at any time but we will give you five (5) Business Days Notice of any change.
7. **Interest:** Interest will be calculated on daily balances and paid monthly (in arrears).
8. **Statements** will be provided at least monthly and may also be obtained on request. Transaction listings will be provided weekly.
9. **We may change terms and conditions**, alter or cease any of our accounts, products or payment services, introduce a fee or charge or change any fees and charges applying to the QTCU CIA at any time.
10. **Notice of changes (except for changes in Interest Rate)**
 - (a) We will give you notice in writing (which includes in the account statement) at least 30 days before any change that:
 - Introduces or increases a fee or charge; or
 - Changes the method of calculating interest; or
 - Changes the frequency with which interest is credited.
 - (b) We will notify you of other changes to the terms and conditions as follows:
In writing (which includes the account statement) on the date the change takes effect or as soon as practicable afterwards but within:
 - Three (3) months if your interests are adversely affected; or
 - Twelve (12) months if your interests are not adversely affected.
 - (c) We will notify you of decreases to fees and charges when we next correspond with you or within Twelve (12) months whichever is the earlier.
11. **Change of Address:** If you change your postal or email address and do not tell us, you are considered to be notified if we write to the old postal or email address.

- 12. Error or Complaint:** If you believe an error has been made or you have a complaint, please call us in the manner specified in page 1, in the first instance we will make any corrections to your account we consider appropriate in the circumstances. Any correction will be included in your next statement. If you request, we will provide you with further details about any correction shown on your account statement.
- 13. Dispute Resolution:** If we do not resolve your complaint to your satisfaction, you may call our Customer Relations Officer on 13 29 30 or refer to our Complaints and Compliments brochure.



QTCU CASH INVESTMENT ACCOUNT Investor Information Sheet

Who is QTCU?

Queensland Teachers' Credit Union Limited (QTCU) is an Authorised Deposit Taking Institution under the *Banking Act 1969*. As such, QTCU is regulated by APRA and subject to similar prudential requirements as banks, building societies and other credit unions. As a credit union, the mutual structure allows QTCU to be more focussed on its customers. More information about QTCU can be found on the QTCU website at www.qtcu.com.au.

What is the Product?

The QTCU Cash Investment Account is a Cash Management Account issued by QTCU to Asgard Capital Management Limited, ABN 92 009 279 592 ("Asgard"). Asgard deposits monies it holds on behalf of its investors into the Cash Investment Account and QTCU pays interest on the total monies held to Asgard. Asgard distributes these interest returns to its investors. Because QTCU has no contractual link to individual investors, it can only pay interest returns to Asgard.

What are the Cash Account Objectives?

To provide a simple and secure capital guaranteed cash investment with consistent and competitive returns.

What are the risks of the Product?

As QTCU is an Authorised Deposit Taking Institution, there are minimal risks associated with this Product.

What are the returns on the Product and how are they calculated?

QTCU sets the interest rate on the QTCU Cash Investment Account by reference to the short term money market rates.

QTCU calculates interest on daily balances held in the QTCU Cash Investment Account. Interest is paid monthly and sent to Asgard.

After deducting interest distributed on redeemed funds, Asgard distributes the remaining interest to each investor based on the monthly average balance for each investor remaining in the Product at the end of the month.

Asgard distributes interest on redeemed funds based on the average interest rate for the month prior to redemption.

What Fees Apply?

QTCU does not charge any fees to Asgard for issuing or administering the QTCU Cash Investment Account product.

Where can I find the current interest rate?

Investors can obtain the current interest rate for the QTCU Cash Investment Account by contacting Asgard.

When and how can I withdraw funds?

Investors can withdraw from or add to funds held in the QTCU Cash Investment Account at any time, according to the requirements and procedures that Asgard has for doing this. QTCU endeavours to make the redemption process with Asgard as efficient as possible.

More Information?

A copy of the Product Disclosure Statement (PDS) for the QTCU Cash Investment Account accompanies this sheet. The PDS sets out the contractual relationship between QTCU and Asgard for the issue and operation of the QTCU Cash Account. Investors should refer to the relevant Asgard PDS in relation to the administration of funds or contact Asgard for additional information.

Interest Rate Schedule

QTCU Cash Investment Account

Cash Investment Account

7.10%

*Interest rate is on a per annum basis and is current as at 17 March 2008.
Interest rate changes will be advised as required by legislation.*

*Full terms, conditions, fees and charges for this product are available from us in
the Product Disclosure Statement (PDS) for the QTCU Cash Management
Account.*

*This document forms part of the PDS. You should read all parts of the PDS
before deciding to purchase this product.*

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