

# LCU NEWS WINTER 2018

## In This Issue

Notice of 64th AGM	1
PayID	1
Intro Home Loan	2
Downsizer Super Scheme	2-3
Identity Fraud	3
Handy Hints & Tips	4

## Page

1
1
2
2-3
3
4



PayID has fast become an everyday part of normal mobile and online banking. It helps you make payments to and from the account of your choice without having to remember, find or share your BSB and account number. Or ask anyone else for theirs.

Your PayID is information unique to you, like your phone number, email or ABN, that can be securely linked to your nominated bank account.

Once you have created your PayID, the next time you want someone to pay money into your account, you simply ask them to pay it to your PayID. And if you need to pay someone else, simply ask them for their PayID.

It's really that simple!

**More information on registering your PayID can be found at [lcu.com.au](http://lcu.com.au)**

## Notice of the 64th Annual General Meeting and Call for Nomination of Directors

**Where:** North Ryde Golf Club  
**When:** 6.00pm, 1st November 2018  
**RSVP:** 19th October 2018

You are invited to attend. Dinner will be served at the conclusion.

Formal notice of the AGM and accompanying information regarding the agenda items will be in the October 2018 Newsletter.

### Nominations

In accordance with the Constitution of LCU, nominations are invited and must be received in writing by the Secretary at 1 The Village, 3 Julius Avenue, North Ryde by midday on Friday 3rd August 2018 to allow sufficient time to conduct "fit and proper" tests of candidates as required by the APRA standard. These examinations include compulsory ASIC and Police checks of candidates.

### To be a Director you must:

- Be a current member of LCU;
- Have never been convicted of an offence involving dishonest conduct;

III. Have never had a civil penalty order made against you;

IV. Not be an undischarged bankrupt (i.e. an insolvent under administration);

V. Have appropriate skills to perform the duties of a Company Director; and

VI. Be familiar with the requirements of the Constitution and Corporations Law.

A "Nomination Package" outlining the obligations of Directors will be available for those members interested in nominating.

Nominations must be in writing and be signed by the nominator and secondor, and counter signed by the nominee.

L. Harris  
Secretary  
By Order of the Board  
21 June 2018

Forget your  
BSB & Account No.  
Register your PayID  
today!

1. Log in to Internet Banking



2. Navigate to the screen shown here

3. Follow the prompts



### My Preferences

Change Access Code  
Update Contact Details  
BPAY View Maintenance  
Manage PayID

More



# Leave the crowd behind with LCU's INTRODUCTORY HOME LOAN

owner-occupied  
for new money only

## 1 Year Fixed Discounted Rate<sup>^</sup>

**3.79%** pa  
**\*4.38%** pa

Comparison rate

Credit eligibility criteria, terms & conditions, fees & charges apply. Maximum loan to valuation ratio (LVR) of 80% applies.

<sup>^</sup>At the end of the introductory period the loan interest rate will revert to the Intelligent Mortgage Variable Loan rate (currently 4.38% pa).

\*Comparison rate based on a loan of \$150,000 over 25 years.

**WARNING:** This comparison rate is 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.

Laboratories Credit Union Ltd ABN 77 087 650 217 AFSL / Australian Credit Licence 240807

## Downsizer Super Scheme

See over page for  
details

\* You must enter into a contract to sell your property after 1 July 2018 to take advantage of this scheme. Other conditions apply – please seek advice



**\$50k**

Small super  
balance



**\$700k**

Big house



**\$20k**

Bank account  
or other investment

☒ AGE PENSION

Downsizers

Tom  
**78**



Hazel  
**75**

Time to downsize their house to access the equity in  
their home to help support their retirement lifestyle



**\$700k**



**\$500k**

DOWNSIZE

### NOTE:

Before selling your  
home please seek advice.  
Centrelink means  
testing may affect your  
Age Pension.

### ACCESS:

Through an  
account-based pension,  
tax-free income stream

### OUTCOME BEFORE/AFTER 2018

#### BEFORE 1 JULY 2018

☒ AGE PENSION



**\$500k**



**\$220k**

Bank account  
or other investment



**\$50k**

Small super  
balance



- ☒ Don't meet super age test
- ☒ Don't meet super work test
- ☒ Cannot take advantage of super

#### AFTER 1 JULY 2018\*

☒ AGE PENSION



**\$500k**



**\$20k**

Bank account  
or other investment



**\$250k**

Bigger super  
balance



- ☒ Super age test N/A
- ☒ Super work test N/A
- ☒ Can take advantage of super through an account-based pension including nil tax on earnings up to \$1.6m

Reprinted with permission from Bridges Financial Services Pty Ltd ABN 60003 474 977 AFSL 240837

This is general advice only and has been prepared without taking into account your particular objectives, financial situation and needs. Before making an investment decision based on this information, you should assess your own circumstances or consult a financial planner or a registered tax agent.

## Downsizer scheme: applies to anyone 65 or over.

Tom (78) and Hazel (75) are retired. They have a small super balance of \$50,000 and \$20,000 in their bank account. They have a four bedroom house in the country valued at \$700,000. Now that they're getting older they find it harder to maintain their large property and are considering downsizing to a small townhouse closer to the town centre where they can be closer to their family and the town services. They've also been drawing down on their super for the last 10 years and their super balance is depleting rapidly. By downsizing, they can release money from their property so they can continue to fund their retirement.

### What options do Tom and Hazel have if they downsize before or after 1 July 2018?

#### Before 1 July 2018

Tom and Hazel go ahead and sell their house for \$700,000 and buy a townhouse for \$500,000, leaving them a balance of \$200,000.

Before 1 July 2018, they are not eligible to put their money into super due

to:

- The work test – they must work a specified number of hours each month to be able to contribute to super. Both of them are retired and not working so they do not comply with the rules.
- The super age test – since they are both over 75, the super fund will only accept super contributions made by an employer.

Since they are both retired and not employed they are unable to contribute.

Their only option is to leave their money in their bank account or invest it outside of the super environment.

#### After 1 July 2018?

Tom and Hazel go ahead and sell their house for \$700,000 and buy a townhouse for \$500,000, leaving them a balance of \$200,000.

After 1 July 2018, Tom and Hazel have the option of investing their \$200,000 in their super fund as a one off 'downsizer contribution' because under the scheme the work test and age test no longer apply. They can then take advantage of the tax savings in super including nil tax on earnings up

to \$1.6m when drawing down on their super as an account-based pension.

Benefits: the benefits of investing their money in the super environment are not only the potential tax savings on investment earnings but it also allows them to simplify their finances by having one core investment – in super.

Notes: In this scenario, Tom and Hazel keep the full age pension as they remain under the age pension assets test. If your house is currently exempt from the assets test and you sell it, the balance would then go towards the assets test which may affect the amount you receive as your age pension.

*Reprinted with permission from Bridges Financial Advisers. To set up a complimentary initial consultation with John Addario, Retirement Specialist from our financial planning partner Bridges, please contact our office.*



# DON'T LET MAIL THEFT COMPROMISE YOUR IDENTITY



Receive your statements via your MVP Internet Banking instead of in the post. Criminal syndicates often build data from mailbox theft in order to defraud banks by applying for loans in your name.

Protect yourself today and get in touch with us to make the swap.



# Handy Hints & Tips

## Tax Time

Looking for your interest earned or paid for this financial year? There's an easy way to get it. Log into your MVP Internet Banking (not available from mobile banking) and navigate to the following menu:

Accounts
Account List
BPAY
Transfer Money
Future Payments
Statement
Online Statements
Interest
New Savings Account

Here you'll see a summary of all interest earned and paid on each of your accounts. Keep in mind the ATO usually round these out to the nearest dollar so don't be surprised if the record doesn't match to the cent what the tax office figures are.

## Your Financial Wellness

We strongly encourage any members who have not yet activated their account to do so now. What better time to get on top of your finances than EOFY? Activate your free membership (compliments of LCU) today by heading to:

[www.yourfinancialwellness.com.au/lcu](http://www.yourfinancialwellness.com.au/lcu)

If you have any queries please contact us directly.

## 9 Digit Account Numbers

Did you know: each of your accounts (\$1, \$1.1, \$50, \$8 etc) have their own individual 9 digit account number?

That means that when you're giving out

your account details for a direct debit or credit, you can decide which of your accounts you wish to use.

To find these individual account numbers, log into your internet banking and head to the following menu:

Accounts
Account List
BPAY
Transfer Money

## Card Being Declined When you Use VISA PayWave?

Don't forget there is a \$200 daily limit on PayWave transactions. If you try to tap your card after you've exceeded this limit, the payment will decline. When this happens, insert your card into the chip reader instead, select credit and enter your PIN.

There is also a daily limit of \$200 for Osko transactions, please apply to LCU for increased limits (these are granted at our discretion).

## Xero Accounting - Link your LCU Account

LCU can facilitate a direct link with Xero Accounting Software for small businesses. Xero provides accounting solutions for our members directly or through their nominated accounting firms on behalf of members.

Through Xero software, data can be made available automatically without the need to exchange it manually.

## E-Statements

Make the swap from mailed statements by heading to *Account Options > Online Statement Options* once logged into your internet banking.



CELEBRATING NATIONAL SCIENCE WEEK 2018

## National Science Week 2018

Come along to touch, see and experience all things science.

Hosted by the Northern Sydney Science Hub (of which LCU is a proud member!) the Science & Tech Expo Day is an annual event for all ages with a variety of activities including:

- Start-up tech talks
- Expo stalls and displays
- Big Science Show
- Workshops for kids
- Hands-on activities
- Expo passport competition to WIN AN IPAD!

**When:** Saturday 11 August  
9.30am - 4.00pm

**Where:** Ryde Library, 1 Pope Street  
Ryde (adjacent Top Ryde City Shopping Centre)

Be sure to mark the date in your calendar. Where else could you get a full day of entertainment for the kids and yourself without spending a cent? If there's one finance tip to heed, it's "go to free events like this!"



## Laboratories Credit Union

(02) 9859 0585/0533 FAX (02) 9859 0555  
PO BOX 1967 MACQUARIE CENTRE 2113  
1 The Village, RIVERSIDE CORPORATE PARK  
JULIUS AVENUE, NORTH RYDE 2113

Email [info@lcu.com.au](mailto:info@lcu.com.au) [www.lcu.com.au](http://www.lcu.com.au)  
LCUDirect (02) 9859 0500

## Important Notices

Products are issued by Laboratories Credit Union Limited (LCU) ACN 087 650 217 AFSL/Australian credit licence 240807 unless otherwise noted. All deposits held with LCU are backed by the Australian Federal Government Deposit Guarantee up to \$250,000 per depositor. This information has been prepared without taking into account your objectives, financial situation or needs. You should consider the Conditions of Use in deciding whether to take up a product or service. All information contained in this newsletter is correct at the time of printing and subject to change without notice. Fees and charges may apply. Standard credit assessment criteria apply and all loans are subject to approval. Terms and conditions available on request.

## Join our online community!

Want to interact with other members and be the first to know about news and special offers?  
Drop by and say hello!

