



Te Uniana Whakanama Pirihimana

BLUENOTES

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UPDATE FROM OUR CHIEF EXECUTIVE



There's an old expression that says, "may you live in interesting times" and after my first 2 months at the Police Credit Union, I can certainly attest to that! If the rest of 2022 is as full of turmoil and change as the first quarter, we're all in for a very interesting ride.

As I write this, NZ's international borders are re-opening; COVID cases hit 86,000 with over 400 kiwis losing their lives to COVID; inflation's just under 6%; Russia's invasion of Ukraine seems to have stalled, and the true extent of their actions are being displayed to the world; and Dr Ashley Bloomfield has resigned.

The great news is that despite all this, we're delighted to announce the launch of **Retire Easy**, our reverse mortgage product for members aged 70+. Read on to find out more about it.

Sadly, we're still wearing the impact of Government's changes to lending laws. This has meant having to ask members for a whole lot more information about how you spend your money, down to such things as what you spend on takeaways or even how

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often you go to the movies. Also, the time it's taking to review your loan application has increased 3-4-fold; we very much appreciate your patience! The good news is that Government is reviewing this, albeit the changes aren't expected until June/July – it seems nothing moves fast in Government circles.

With the official cash rate (OCR) moving to 1% in February (next announcement due this month), it means good news for members saving with us as you're likely to earn more interest (check out our rates at the end of Bluenotes); the bad news is that members who borrow

money from us could end up paying more. The ANZ Bank believes the OCR could be as high as 3% in 12 months' time which is a significant shift! A good time to take stock of your financial position especially if you have fixed rates coming due.

At a time when our amazing front line members are doing it tough, I want you to know that the team here at the Police Credit Union are pulling out all the stops to help members, especially when it comes to helping sort out your financial wellbeing.

As always, I am just an email (craig.pomare@policecu.org.nz) or phone call (**027 559 5974**) away if you need me.

Ngā mihi nui,

Craig Pomare
Chief Executive

FIVE TIPS FOR YOUR LOAN APPLICATION

It's likely you've seen the numerous stories in the news about how the changes to the Credit Contracts and Consumer Finance Act 2003 (CCCFA) last year has impacted loan approvals and how long a loan takes to assess.

Like other lenders in New Zealand, our assessment time for loan applications increased due to these changes, so we've put together some tips to help if you are considering borrowing soon.

1. Pay your bills on time

If you often make late payments on your utilities such as power or internet, or are inconsistent with paying your credit card bill on time, this will negatively affect your credit report. If you're guilty of paying bills late, now is the time to make changes to make sure you're always on time.

2. Get rid of any Laybuys and Afterpays

By paying off and having no laybuy or small niggly debts, your accounts will not only be tidier, but it'll show you can live within your means and rely on savings for any purchases you need to make.

3. Stick to a budget

If you can show you stick to a budget, with regular savings, no late payment fees and consistent

expenses, your application will be stronger and easier to assess.

4. Simplify your banking

Everyone manages their money differently – some have 3 bank accounts with one bank, while others have 10 accounts with 5 different banks. When there's numerous accounts with multiple transfers between them, dissecting bank statements takes a lot longer. If your banking set up is simple, we'll be able to make a decision on your loan faster.

5. Apply early

Our ability to meet our usual time standards for loan assessments and approvals was affected by the changes to CCCFA. We are working hard to improve this so we can meet your needs. In the meantime, we recommend putting your loan application in as early as you can to factor in the current longer assessment times.

As always, our Member Services Team are working extremely hard to provide the best service and experience possible to our members.

You can find out more about how applying for a loan at: <https://www.policecu.org.nz/loans/>.

Stay safe out there!

Talk soon . . .

Money Penny



INTRODUCING RETIRE EASY

Retire Easy is our new 'reverse mortgage' home loan for members aged 70+ to unlock the cash in their home and help them live their dream retirement.

Why have we launched Retire Easy?

We always want members to have products and services that are useful.

That's why we surveyed members back in 2021 about reverse mortgages.

The survey was a real eye-opener and confirmed we had members who had served and worked hard but, for various reasons, their retirement wasn't as rosy as it could be.

Members told us:

"It's hard to make ends meet. I'm still working 3 days a week, so this isn't the retirement I'd hoped for."

"Costs are going up all the time - rates, insurance, healthcare - the super isn't enough to cover the basic cost of living."

"It's a good way to free up some equity in your home. It's an option that enables ongoing independence."

With the cost of living and inflation rising, we launched Retire Easy to make it easy for our members to live the retirement they've dreamed of and worked hard for.

Who is Retire Easy for?

Members aged 70+ who are either mortgage-free or wish to use the new loan to pay-off their current home loan.

What can it be used for?

Retire Easy can be used for anything, from fixing up the house, to following the All Blacks on an overseas tour, to getting some important medical stuff taken care of.

Want to know more?

If you or someone you know are interested in Retire Easy, you can find all the information you need on our website at <https://www.policecu.org.nz/loans/retire-easy/>.



SHARE THE BENEFITS WITH YOUR WHĀNAU

At the Police Credit Union, we've got the financial back of police employees, as well as their whānau.

When you join us you're a member for life, and you can share the benefits of being a member with your partner and children, grandchildren, and even great-grandchildren!

It's easy to join us – simply head to <https://www.policecu.org.nz/about-us/join/> to apply!

Membership is open to:

Police Employees, whether:

- Current (including contractors)
- Retired, or
- Resigned

Family members who are related to the above as a:

- Spouse
- Partner
- Child (including adopted & stepchildren)
- Grandchild / great-grandchild

Your whānau benefits include:

- Scholarships
- Low personal lending rates
- Great rates on savings and investments
- Free financial courses
- Friendly and helpful service



BONUS FOR BABIES

Do you have a child, grandchild or great grandchild who is less than 12 months old?

We're passionate about making a real difference to the financial wellbeing of our police family, so we want to help children have a good head start.

That's why we will make a one-off **\$100** deposit into a child's account if you open an Achiever Saver or Bonus Saver account for them before their first birthday!

Just call us on **0800 429 000** or email us on info@policecu.org.nz to discuss this further with our friendly team.



INTEREST RATES ON SAVINGS ACCOUNTS

As at 4 April 2022

Term Deposits

3 months	4 months	5 months	6 months	7 months	8 months	9 months	12 months	18 months	24 months
1.10% p.a.	1.35% p.a.	1.55% p.a.	2.05% p.a.	2.05% p.a.	2.05% p.a.	2.25% p.a.	2.55% p.a.	2.70% p.a.	3.05% p.a.

Interest can be paid out monthly, quarterly or six monthly.

Interest on Term Deposits 12 months or longer can be compounded quarterly, six monthly or annually

On maturity, Term Deposits can be reinvested, paid into your Credit Union account or paid out to an external bank account

Savings

Balance	Bonus Saver	Future Saver	Achiever Saver	Christmas Club
\$1+	0.75% p.a.* Includes bonus interest of 0.65% p.a.	0.75% p.a.* Includes bonus interest of 0.65% p.a.	0.25% p.a.	0.25% p.a.

Interest is calculated daily and paid monthly.

* By depositing at least \$20 per calendar month, with no withdrawals in the calendar month, you will earn bonus interest on your total daily balance.

All interest rates are subject to change without notice.



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POLICE HELPING POLICE

Copies of our current Terms and Conditions and Product Disclosure Statement are available from the Police and Families Credit Union. These can be viewed at policecu.org.nz, or by calling **0800 429 000**.

Police Credit Union is not a registered bank