

CENTRAL MURRAY CREDIT UNION IS COVERED BY THE FEDERAL GOVERNMENT'S DEPOSIT GUARANTEE

As the fallout continues from the US sub-prime crisis from toxic loans that have crippled their lenders, it is important to know that Central Murray Credit Union does not invest in sub-prime loans or securities based on sub-prime loans.

As with all other Credit Unions the Central Murray Credit Union raises its funds directly from the communities within we operate. We raise these funds (retail deposits) by offering our members savings account options whether on an at-call basis or fixed term basis. The funds raised are then channeled back through our communities by providing loans for housing, personal and commercial use.

Australia's financial institutions are amongst the most highly regulated in the world which means that they are also some of the safest. Like all ADI's in Australia, Central Murray Credit Union is regulated by the Australian Prudential Regulation Authority (APRA), a world leader in regulation and governance of the financial industry.

This is why we have welcomed the Prime Minister Mr. Kevin Rudd's recent announcement that deposits with Credit Unions, Building Societies and Banks (ADI's) within Australia would be guaranteed by the Federal Government for the next three years. By making this announcement, the government is reassuring all Australians that their credit union is a safe haven for their savings.

The announcement means that all deposits held with CMCU are fully backed by the Federal Government up to \$1 million without cost to the depositor.

At CMCU we take pride in the knowledge that our balance sheet is strong, our loan delinquency is extremely low and that our Capital Reserves and Liquidity is high, placing us in a good position to deliver the best value possible for our members whilst protecting their investments in the future.

If you have queries about the Federal Governments Deposit Guarantee and how it may affect you, please contact your nearest branch or me call on 03 5744 3713.

John Pattison
Chief Executive Officer