



PACKAGE BANKING STAR RATINGS

Report No. 3

December 2008

IN THIS REPORT, WE LOOK AT:

- ★ The rise and rise of bundling – *we look at 57 banking packages*
- ★ Is 0.7% discount a thing of the past?
- ★ Show me the savings
- ★ But wait, there's more: Package banking benefits



THE RISE AND RISE OF BUNDLING

The popularity of bundling a home loan with everyday banking needs such as a transaction account and credit card with the one institution continues to rise. Nine out of 10 home loans are now written by banks and almost 60% of new loans are taken as part of a package. Many people – home buyers, property investors and self-employed – see the benefit of package banking, particularly when a further discount of 0.7% is subtracted from 6.8%, the current average standard variable home loan rate from the four major banks.

The recent RBA cash rate cuts totalling 3% have seen the full figure passed on by only a handful of lenders. The majority of lenders have passed on cuts ranging between 2.25% and 2.9%. A question that immediately springs to mind is what effect will the recent rate cuts have on packaged loans?

If we backtrack six months to when the average standard variable rate among the major banks was 9.61%, a 0.7% discount on this rate meant that a package banking consumer was getting a 7.3% reduction. More recently with the average standard variable rate standing at 6.84%, the 0.7% discount now corresponds to a much larger 10.2% reduction in the rate.

Therefore, while the discount remains unchanged, the packaged banking option has become more attractive than previously, based on the larger relative saving in interest rate.

IS 0.7% DISCOUNT A THING OF THE PAST?

The major drawcard of a loan package is the home loan itself with its discounted interest rate. This discount applies for the life of the loan, as opposed to an introductory rate which applies only for a certain period. The package deal is sweetened with the addition of a free transaction account and a free credit card. This all comes for an annual fee of between \$195 and \$750, fairly steep but tempered largely by the home loan discount. Once, pretty much all lenders offered a discount on their standard variable home loan package. Typically, you could always get 0.7% off from the 4 majors' standard variable rate when you borrowed \$250,000 and above. However this may be fading into oblivion, as we are now seeing more lenders reducing this discount.



In the last 6 months, there have been 4 institutions reducing the discounts offered on home loans as part of a package. Some institutions are cutting rates less than others and consumers are warned to be on the look out for this. Many borrowers may be unaware that they may pay more on their home loan than with another institution, even though both are advertising the same standard variable rate. This is because different discounts are being offered with different packages.

SHOW ME THE SAVINGS

There's no doubt the simplicity of paying one annual fee to cover most of your everyday banking needs works for most borrowers. It is wise, however, to do the sums before signing up to ascertain if, and by how much, you would be better off with a package loan compared to a stand-alone banking products.

CANSTAR CANNEX has put together a cost comparison that shows the dollar cost and broad consumer benefits over one year for our five-star-rated packaged banking offers compared to the same non-packaged products and the lowest cost stand-alone products offering similar features.

Annual Cost Comparison			
	Package	Non-Package (within institution)	Stand-Alone Products from other institutions
Mortgage (\$250k)			
Interest rate discount	0.70%	0%	0%
Discounted interest rate	6.10%	6.80%	6.10%
Ongoing fees	\$0/mth	\$8/mth	\$8/mth
Repayment*	\$1,626/mth	\$1,735/mth	\$1,626/mth
Total mortgage fees (year)	\$0	\$96	\$96
Deposit Acct			
Account keeping fee	\$0/mth	\$5/mth	\$5/mth
Total deposit acct fee (year)	\$0	\$60	\$60
Credit Card			
Type of credit card	Gold card	Gold card	Gold Card
Annual Fee	\$0	\$150	\$150
Package fees	\$350	\$0	\$0
Total fees (year)	\$350	\$306	\$306
Total repayment (year)	\$19,513	\$20,822	\$19,513
Total payment (year)	\$19,863	\$21,128	\$19,819
Difference to "Package"	\$0.00	-\$1,265.32	\$44.00

Source: CANSTAR CANNEX December 2008
based on minimum repayment on \$250k loan for 25 years



There are definitely benefits to be gained by packaging but the choice is very much an individual one. If you like the idea, not to mention convenience, of a home loan that comes with a free bank account and credit cards, package banking offers a high value proposition as illustrated in the table above. People who like DIY banking may prefer to customise their banking product suites to cherry pick the best products from different providers at a similar annual cost.

BUT WAIT, THERE'S MORE

An interest rate of 6.37% is what you can expect to pay for the average package home loan of \$250,000. Some lenders are only too willing to increase their home loan discount even further once you borrow in excess of \$500,000. Naturally, the bigger the loan, the smaller the annual fee becomes in relation to overall cost. There are further discounts to be had, in the form of home and contents insurance and financial planning services. In fact, it is possible to negotiate your way into a package loan with all the bells and whistles but minimum extra cost. When weighing up the pros and cons, it pays to remember that with stand-alone products, you pay for what you use. With packaged banking, you pay for the products, regardless of whether you use them or not.

For this CANNEX *package banking star ratings* report, we have analysed 57 packages from 29 institutions to award five star products in each of three common profiles, home buyer, property investor and self employed. For each profile there are some excellent product choices that combine value-for money, factoring in interest rates, fees, features and benefits. Our methodology used to rate all banking packages is explained at the very end of the results document.

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package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★★ "superior value"

Colonial	Wealth Package	350.00/a	6.04	6.04	6.04	0.15%	150000.00	✓	✓	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			Low Rate MasterCard				Yes	x		
			MasterCard Low Fee				Yes	x		
			MasterCard with Awards				Yes	✓		
			Visa Gold				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Streamline Unlimited				Yes	✓		
Commonwealth Bank	Wealth Package	350.00/a	6.04	6.04	6.04	0.15%	150000.00	✓	✓	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			Low Rate MasterCard				Yes	x		
			MasterCard Low Fee				Yes	x		
			MasterCard with Awards				Yes	✓		
			Visa Gold				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Streamline Unlimited				Yes	✓		



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★★ "superior value"

St George Bank/BankSA	Advantage Package	395.00/a	6.19	6.19	6.19	N/A	50000.00	✓	✓	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			95%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold Low Rate MasterCard				Yes	✓		
			Gold Low Rate Visa				Yes	✓		
			Platinum MasterCard				Yes	✓		
			Platinum Visa Cred Card				Yes	✓		
			Starts Low Stays Low MCD				Yes	✓		
			Starts Low Stays Low Visa				Yes	✓		
			Vertigo Credit Card				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Complete Freedom				Yes	✓		
			Simply Freedom				Yes	✓		
Westpac	Premier Advantage	395.00/a	6.21	6.21	6.21	0.2%	150000.00	✓	x	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Altitude Gold/MasterCard				Yes	✓		
			Altitude/Amex				Yes	✓		
			Altitude/MasterCard				Yes	✓		
			Gold 55 Day MasterCard				Yes	✓		
			Gold 55 Days Visa				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Choice				Yes	✓		
			Classic Plus				Yes	x		



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★ ★ "excellent value"

ANZ Bank	Breakfree	340.00/a	6.31	6.31	6.21	N/A	150000.00	✓	✓	✗	
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account			
			90%				Yes	✓			
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program			
			Frequent Flyer Visa Gold				Yes	✓			
			Gold				Yes	✓			
			Rewards Visa Gold				Yes	✓			
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction			
			Access Advantage				Yes	✓			
			Access Select				Yes	✓			
			ANZ One 100% Offset				Yes	✓			
			Progress Saver				N/A*	✓			
	*N/A-no ongoing fees on original acct										
Heritage Building Soc	Professional Package	250.00/a	6.31	6.31	6.31	N/A	250000.00	✓	✓	✓	
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account			
			90%				Yes	✓			
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program			
			Visa Classic No Frills				No	✗			
			Visa Classic No Rewards				Yes	✗			
			Visa Classic With Rewards				Yes	✓			
			Visa Gold No Frills				No	✗			
			Visa Gold No Rewards				Yes	✗			
			Visa Gold With Rewards				Yes	✓			
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction			
			Loan Offset Account				N/A*	✗			
			Money Manager Account				N/A*	✗			
			Professional Investor				N/A*	✗			
			Simply Access S1				N/A*	✗			
	*N/A-no ongoing fees on original acct										



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★ "excellent value"

IMB Limited	Professional Mortgage	0	6.2	6.15	6.15	N/A	200000.00	✓	X	X
	Mortgage	Maximum LVR			Redraw Facility		100% Offset Account			
		100%			Yes		✓			
	Credit Card	Credit Card Name			Annual Fee Waived		Rewards Program			
		Gold MasterCard			1st year only		✓			
		Silver MasterCard			1st year only		✓			
	Transaction Account	Transaction Account Name			Ongoing Fee Waived		Unlimited Transaction			
		Every Day Account S4			Yes		✓			



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Features			
			\$250k	\$500k	\$1m		Min Loan Amount	Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★ ★ "excellent value"

nab	Choice Package	375.00/a	6.24	6.24	6.24	N/A	150000.00	✓	X	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			Gold Visa Card				Yes	✓		
			Qantas Gold MasterCard				Yes	✓		
			Qantas Gold Visa				Yes	✓		
			Standard MasterCard				Yes	✓		
			Standard Visa Card				Yes	✓		
			Velocity Gold Card				Yes	✓		
			Velocity Standard Card				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Gold Banking				Yes	✓		
nab	Private Tailored Pkg	750.00/a	6.74	6.24	6.24	N/A	500000.00	X	X	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			Gold Visa Card				Yes	✓		
			Qantas Gold MasterCard				Yes	✓		
			Qantas Gold Visa				Yes	✓		
			Velocity Gold Card				Yes	✓		
			Velocity Standard Card				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Gold Banking				Yes	✓		
			Investment Cash Manager				Yes	✓		



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Features			
			\$250k	\$500k	\$1m		Min Loan Amount	Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★ "excellent value"

SUNCORP	My Home Package	25.00/m	6.2	6.2	6.2	N/A	No min	✓	X	X
	Mortgage		Maximum LVR				Redraw Facility		100% Offset Account	
			100%				Yes		✓	
	Credit Card		Credit Card Name				Annual Fee Waived		Rewards Program	
			Clear Options Gold				Yes		✓	
			Clear Options Plus				Yes		✓	
			Clear Options Standard				Yes		✓	
	Transaction Account		Transaction Account Name				Ongoing Fee Waived		Unlimited Transaction	
			Everyday Options				Yes		✓	
			Everyday Options Sub-Acc				Yes		✓	



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★ **"strong value"**

Adelaide Bank	Executive Offer	10.00/m	6.4	6.4	6.4	N/A	255000.00	✓	✗	✗
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Visa Free Days				Yes	✗		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Merlin Account				Yes	✗		
Adelaide Bank	Home Loan Package	10.00/m	6.4	6.4	6.4	N/A	10000.00	✗	✗	✗
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Visa Free Days				Yes	✗		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Merlin Account				Yes	✗		



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Features			
			\$250k	\$500k	\$1m		Min Loan Amount	Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★ "strong value"

Bank of Queensland	Home Loan Privileges	375.00/a	6.21	6.21	6.21	N/A	150000.00	X	X	X
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			MasterCard Free Days				Yes	✓		
			Visa Free Days				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Reverse Charges Account				Yes	✓		
			Ultimate Sav Ac-Daily				Yes	✓		
Bank of Queensland	Queenslander Advantage	375.00/a	6.31	6.31	6.31	N/A	150000.00	X	X	X
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			MasterCard Free Days				Yes	✓		
			Visa Free Days				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Reverse Charges Account				Yes	✓		
			Ultimate Sav Ac-Daily				Yes	✓		
BankWest	Plus Package	360.00/a	6.48	6.48	6.38	N/A	250000.00	X	X	X
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			95%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Lite Gold MasterCard				Yes	✓		
			Lite MasterCard				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Lite Trans - Direct Opt				Yes	✓		



package banking star ratings

HOME BUYER PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Features			
			\$250k	\$500k	\$1m		Min Loan Amount	Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★ "strong value"

HSBC	Premier	35.00/m	6.74	5.99	5.99	0.1%	500000.00	✓	✓	✗
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			95.00%				Yes	✗		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Low Rate Credit Card				1st year only	✗		
			Visa Classic				1st year only	✓		
			Visa Gold				1st year only	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			N/A-no ongoing fees on original acct Premier CMA				N/A	✓		
Newcastle Permanent	Premium Plus Package	300.00/a	6.23	6.18	6.18	N/A	250000.00	✓	✓	✗
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Value + Credit Card				Yes	✗		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			N/A-no ongoing fees on original acct Rapid Saver				N/A	✗		
			N/A-no ongoing fees on original acct Statement Savings Acc				N/A	✗		
TIO Banking	Extra Miles Home Loan	349.00/a	6.41	6.31	6.31	N/A	125000.00	✓	✓	✗
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			95%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Territory Credit Card				1st year only	✗		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Everyday Transactor Acct				No	✓		



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★★

"superior value"

St George Bank/BankSA	Advantage Package	395.00/a	6.19	6.19	6.19	N/A	50000.00	✓	✓	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			95%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold Low Rate MasterCard				Yes	✓		
			Gold Low Rate Visa				Yes	✓		
			Platinum MasterCard				Yes	✓		
			Platinum Visa Cred Card				Yes	✓		
			Starts Low Stays Low MCD				Yes	✓		
			Starts Low Stays Low Visa				Yes	✓		
			Vertigo Credit Card				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Complete Freedom				Yes	✓		
			Simply Freedom				Yes	✓		
Westpac	Premier Advantage	395.00/a	6.21	6.21	6.21	0.2%	150000.00	✓	X	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Altitude Gold/MasterCard				Yes	✓		
			Altitude/Amex				Yes	✓		
			Altitude/MasterCard				Yes	✓		
			Gold 55 Day MasterCard				Yes	✓		
			Gold 55 Days Visa				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Choice				Yes	✓		
			Classic Plus				Yes	X		

your guide to product excellence

Report Date: December 2008, (Rates as at December 22nd, 2008)

PACKAGED BANKING STAR RATINGS - INVESTOR: Page 1 of 7



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★

"excellent value"

ANZ Bank	Breakfree	340.00/a	6.31	6.31	6.21	N/A	150000.00	✓	✓	✗	
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account			
			90%				Yes	✓			
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program			
			Frequent Flyer Visa Gold				Yes	✓			
			Gold				Yes	✓			
			Rewards Visa Gold				Yes	✓			
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction			
			Access Advantage				Yes	✓			
			Access Select				Yes	✓			
			ANZ One 100% Offset				Yes	✓			
			Progress Saver				N/A*	✓			
	*N/A-no ongoing fees on original acct										
Colonial	Wealth Package	350.00/a	6.04	6.04	6.04	0.15%	150000.00	✓	✓	✓	
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account			
			100%				Yes	✓			
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program			
			Gold MasterCard				Yes	✓			
			Low Rate MasterCard				Yes	✗			
			MasterCard Low Fee				Yes	✗			
			MasterCard with Awards				Yes	✓			
			Visa Gold				Yes	✓			
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction			
			Streamline Unlimited				Yes	✓			
Commonwealth Bank	Wealth Package	350.00/a	6.04	6.04	6.04	0.15%	150000.00	✓	✓	✓	
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account			
			100%				Yes	✓			
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program			
			Gold MasterCard				Yes	✓			
			Low Rate MasterCard				Yes	✗			
			MasterCard Low Fee				Yes	✗			
			MasterCard with Awards				Yes	✓			
			Visa Gold				Yes	✓			
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction			
			Streamline Unlimited				Yes	✓			

your guide to product excellence



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★ ★

"excellent value"

Heritage Building Soc	Professional Package	250.00/a	6.31	6.31	6.31	N/A	250000.00	✓	✓	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			90%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Visa Classic No Frills				No	✗		
			Visa Classic No Rewards				Yes	✗		
			Visa Classic With Rewards				Yes	✓		
			Visa Gold No Frills				No	✗		
			Visa Gold No Rewards				Yes	✗		
			Visa Gold With Rewards				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
	N/A-no ongoing fees on original acct		Loan Offset Account				N/A	✗		
	N/A-no ongoing fees on original acct		Money Manager Account				N/A	✗		
	N/A-no ongoing fees on original acct		Professional Investor				N/A	✗		
	N/A-no ongoing fees on original acct		Simply Access S1				N/A	✗		
IMB Limited	Professional Mortgage	0	6.2	6.15	6.15	N/A	200000.00	✓	✗	✗
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				1st year only	✓		
			Silver MasterCard				1st year only	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Every Day Account S4				Yes	✓		

your guide to product excellence

Report Date: December 2008, (Rates as at December 22nd, 2008)

PACKAGED BANKING STAR RATINGS - INVESTOR: Page 3 of 7



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★ "excellent value"

nab	Choice Package	375.00/a	6.24	6.24	6.24	N/A	150000.00	✓	X	✓
	Mortgage		Maximum LVR				Redraw Facility		100% Offset Account	
			100%				Yes		✓	
	Credit Card		Credit Card Name				Annual Fee Waived		Rewards Program	
			Gold MasterCard				Yes		✓	
			Gold Visa Card				Yes		✓	
			Qantas Gold MasterCard				Yes		✓	
			Qantas Gold Visa				Yes		✓	
			Standard MasterCard				Yes		✓	
			Standard Visa Card				Yes		✓	
			Velocity Gold Card				Yes		✓	
			Velocity Standard Card				Yes		✓	
	Transaction Account		Transaction Account Name				Ongoing Fee Waived		Unlimited Transaction	
			Gold Banking				Yes		✓	
SUNCORP	My Home Package	25.00/m	6.2	6.2	6.2	N/A	No min	✓	X	X
	Mortgage		Maximum LVR				Redraw Facility		100% Offset Account	
			100%				Yes		✓	
	Credit Card		Credit Card Name				Annual Fee Waived		Rewards Program	
			Clear Options Gold				Yes		✓	
			Clear Options Plus				Yes		✓	
			Clear Options Standard				Yes		✓	
	Transaction Account		Transaction Account Name				Ongoing Fee Waived		Unlimited Transaction	
			Everyday Options				Yes		✓	
			Everyday Options Sub-Acc				Yes		✓	



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★

"strong value"

Adelaide Bank	Executive Offer	10.00/m	6.4	6.4	6.4	N/A	255000.00	✓	✗	✗
	Mortgage		Maximum LVR				Redraw Facility		100% Offset Account	
			100%				Yes		✓	
	Credit Card		Credit Card Name				Annual Fee Waived		Rewards Program	
			Visa Free Days				Yes		✗	
	Transaction Account		Transaction Account Name				Ongoing Fee Waived		Unlimited Transaction	
			Merlin Account				Yes		✗	
Adelaide Bank	Home Loan Package	10.00/m	6.4	6.4	6.4	N/A	10000.00	✗	✗	✗
	Mortgage		Maximum LVR				Redraw Facility		100% Offset Account	
			100%				Yes		✓	
	Credit Card		Credit Card Name				Annual Fee Waived		Rewards Program	
			Visa Free Days				Yes		✗	
	Transaction Account		Transaction Account Name				Ongoing Fee Waived		Unlimited Transaction	
			Merlin Account				Yes		✗	



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★

"strong value"

Bank of Queensland	Home Loan Privileges	375.00/a	6.21	6.21	6.21	N/A	150000.00	X	X	X
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			MasterCard Free Days				Yes	✓		
			Visa Free Days				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Reverse Charges Account				Yes	✓		
			Ultimate Sav Ac-Daily				Yes	✓		
Bank of Queensland	Queenslander Advantage	375.00/a	6.31	6.31	6.31	N/A	150000.00	X	X	X
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			MasterCard Free Days				Yes	✓		
			Visa Free Days				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Reverse Charges Account				Yes	✓		
			Ultimate Sav Ac-Daily				Yes	✓		
HSBC	Premier	35.00/m	6.74	5.99	5.99	0.1%	500000.00	✓	✓	X
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			95.00%				Yes	X		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Low Rate Credit Card				1st year only	X		
			Visa Classic				1st year only	✓		
			Visa Gold				1st year only	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
		N/A-no ongoing fees on original acct	Premier CMA				N/A	✓		

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Report Date: December 2008, (Rates as at December 22nd, 2008)

PACKAGED BANKING STAR RATINGS - INVESTOR:

Page 6 of 7



package banking star ratings

INVESTOR PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★

"strong value"

nab	Private Tailored Pkg	750.00/a	6.74	6.24	6.24	N/A	500000.00	x	x	✓
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	✓		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Gold MasterCard				Yes	✓		
			Gold Visa Card				Yes	✓		
			Qantas Gold MasterCard				Yes	✓		
			Qantas Gold Visa				Yes	✓		
			Velocity Gold Card				Yes	✓		
			Velocity Standard Card				Yes	✓		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
			Gold Banking				Yes	✓		
			Investment Cash Manager				Yes	✓		
Newcastle Permanent	Premium Plus Package	300.00/a	6.23	6.18	6.18	N/A	250000.00	✓	✓	x
	Mortgage		Maximum LVR				Redraw Facility	100% Offset Account		
			100%				Yes	x		
	Credit Card		Credit Card Name				Annual Fee Waived	Rewards Program		
			Value + Credit Card				Yes	x		
	Transaction Account		Transaction Account Name				Ongoing Fee Waived	Unlimited Transaction		
		N/A-no ongoing fees on original acct	Rapid Saver				N/A	x		
		N/A-no ongoing fees on original acct	Statement Savings Acc				N/A	x		



package banking star ratings

SELF EMPLOYED PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★★ *"superior value"*

St George Bank/BankSA	Low Doc ProPack	0	6.44	6.34	6.34	N/A	10000.00	✓	✓	✓
	Credit Card	Credit Card Name				Annual Fee Waived		Rewards Program		
		Gold Low Rate MasterCard				Yes		✓		
		Gold Low Rate Visa				Yes		✓		
		Platinum MasterCard				Yes		✓		
		Platinum Visa Cred Card				Yes		✓		
		Starts Low Stays Low MCD				Yes		✓		
		Starts Low Stays Low Visa				Yes		✓		
		Vertigo Credit Card				Yes		✓		
	Transaction Account	Transaction Account Name				Ongoing Fee Waived		Unlimited Transaction		
		Complete Freedom				Yes		✓		
		Simply Freedom				Yes		✓		



package banking star ratings

SELF EMPLOYED PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★★★★ "excellent value"

Westpac	Premier Advantage	395.00/a	6.31	6.21	6.21	N/A	150000.00	✓	✗	✓
	Credit Card	Credit Card Name			Annual Fee Waived		Rewards Program			
		Altitude Gold/MasterCard			Yes		✓			
		Altitude/Amex			Yes		✓			
		Altitude/MasterCard			Yes		✓			
		Gold 55 Day MasterCard			Yes		✓			
		Gold 55 Days Visa			Yes		✓			
	Transaction Account	Transaction Account Name			Ongoing Fee Waived		Unlimited Transaction			
		Choice			Yes		✓			
		Classic Plus			Yes		✗			



package banking star ratings

SELF EMPLOYED PROFILE

Company	Product Name	Annual Fee	Variable Mortgage Rate (%)			Discount on Fixed Rate (%)	Min Loan Amount	Features		
			\$250k	\$500k	\$1m			Insurance Discounts		
								Home and Content Insurance	Car Insurance	Life Insurance

★ ★ ★

"strong value"

ANZ Bank	Breakfree	340.00/a	6.31	6.31	6.31	N/A	150000.00	✓	✓	✗
	Credit Card	Credit Card Name			Annual Fee Waived		Rewards Program			
		Frequent Flyer Visa Gold			Yes		✓			
		Gold			Yes		✓			
		Rewards Visa Gold			Yes		✓			
	Transaction Account	Transaction Account Name			Ongoing Fee Waived		Unlimited Transaction			
		Access Advantage			Yes		✓			
		Access Select			Yes		✓			
		ANZ One 100% Offset			Yes		✓			
		Progress Saver			N/A*		✓			
	*N/A-no ongoing fees on original acct									
Colonial	Wealth Package	350.00/a	6.04	6.04	6.04	0.15%	150000.00	✓	✓	✓
	Credit Card	Credit Card Name			Annual Fee Waived		Rewards Program			
		Gold MasterCard			Yes		✓			
		Low Rate MasterCard			Yes		✗			
		MasterCard Low Fee			Yes		✗			
		MasterCard with Awards			Yes		✓			
		Visa Gold			Yes		✓			
	Transaction Account	Transaction Account Name			Ongoing Fee Waived		Unlimited Transaction			
		Streamline Unlimited			Yes		✓			
Commonwealth Bank	Wealth Package	350.00/a	6.04	6.04	6.04	0.15%	150000.00	✓	✓	✓
	Credit Card	Credit Card Name			Annual Fee Waived		Rewards Program			
		Gold MasterCard			Yes		✓			
		Low Rate MasterCard			Yes		✗			
		MasterCard Low Fee			Yes		✗			
		MasterCard with Awards			Yes		✓			
		Visa Gold			Yes		✓			
	Transaction Account	Transaction Account Name			Ongoing Fee Waived		Unlimited Transaction			
		Streamline Unlimited			Yes		✓			

your guide to product excellence



What are the CANSTAR CANNEX *package banking star ratings*?

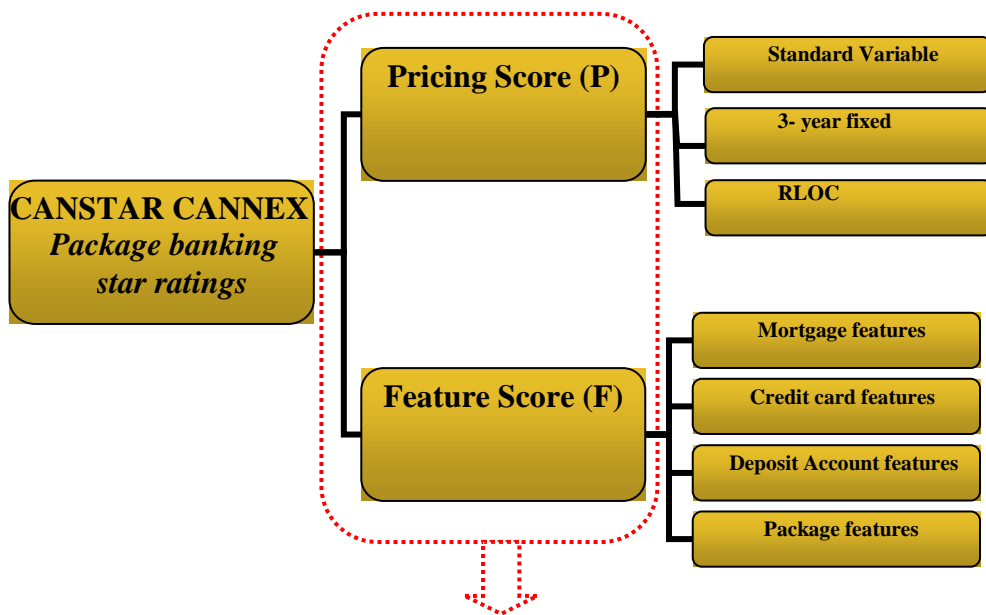
CANSTAR CANNEX *package banking star ratings* are a consumer friendly benchmark or value index. CANSTAR CANNEX star rated products represent a short list of financial products. This short list narrows the search for consumers to products that have been independently assessed and ranked. All star rated packaged banking products achieved qualities ranging from “Superior” to “Strong”.

The CANSTAR CANNEX *package banking star ratings* is an independent and transparent analysis comparing both the Cost and all the Features across packaged banking products.

How are the stars calculated?

Features and costs for each product are taken into consideration, as well as more than 200 features.

$$\text{TOTAL SCORE (T)} = w_1\text{PRICING SCORE(P)} + w_2\text{FEATURES SCORE (F)}$$



Overall Weightings	W1	W2
PROFILES	Pricings (P)	Features (F)
Home Buyer	70%	30%
Investor	70%	30%
Self Employed	60%	40%



CANSTAR CANNEX *star ratings methodology*

Pricing Score

Pricing scores of Packaged Banking Star Ratings are based on mortgage cost over 25 years, including interest cost, upfront and package ongoing fees.

Pricing Score - Weightings							
	Package size	Home Buyer		Property Investor		Self Employed	
Variable Rate	\$250k	70%	35%	40%	16%	40%	20%
	\$500k		28%		16%		16%
	\$1m		7%		8%		4%
3-Year Fixed Rate	\$250k	30%	15%	40%	16%	40%	20%
	\$500k		12%		16%		16%
	\$1m		3%		8%		4%
RLOC	\$250k	n/a*		20%	8%	20%	10%
	\$500k				8%		8%
	\$1m				4%		2%

*Availability of RLOC for the Home Buyer profile is assessed in the mortgage features section.

Feature Score

Feature Score - Weightings			
	Home Buyer	Property Investor	Self Employed
Mortgage Features	40%	40%	40%
Credit Card Features	25%	25%	25%
Deposit Account Feature	25%	15%	25%
Package Banking Features	10%	20%	10%

- Sub-Products' Features are based on CANSTAR CANNEX star ratings methodology
 - Credit card features score based on star ratings "everyday spender" profile results for home buyer and self employed profiles, and "big spender" results for property investor profile.
- Package Banking Features: three main categories

Packaged Banking Features		
Categories	Weight (%)	Descriptions
Package Terms	40%	Requirements for an individual to obtain this product
Benefits	40%	Discounted financial planning, share trading and other benefits
Insurance Benefits	20%	Insurance discounts on general and risk products

How many products and financial institutions are analysed?

CANSTAR CANNEX analyses 57 packaged banking products from 29 financial institutions in Australia.

How often are all the products reviewed for rating purposes?

All ratings are fully recalculated every six months based on the latest features offered by each institution. CANSTAR CANNEX also monitors rate changes on an ongoing basis.



CANSTAR CANNEX *star ratings methodology*

What do the ratings mean?

Ratings range from five to three star as indicated below:-



SUPERIOR



EXCEPTIONAL



STRONG

How are the stars awarded?

The total score received for each profile ranks the products. The stars are then awarded based on the distribution of the scores according to the following guidelines. Only the products that obtain a score in the top 5% of the of the score distribution receive a 5 star rating and only the top 75% of the score range receive a star rating.

Does CANSTAR CANNEX rate other product areas?

CANSTAR CANNEX researches, compares and rates the suite of banking and insurance products listed below. These star ratings use similar methodologies to guarantee quality, consistency and transparency. Results are freely available to consumers who use the star ratings as a guide to product excellence. The use of similar star ratings logos also builds consumer recognition of quality products across all categories. Please access the CANSTAR CANNEX website at www.canstarcannex.com.au if you would like to view the latest star ratings reports of interest.

Business banking
Car insurance
Credit cards
Deposit accounts
Health insurance
Home & Contents
Life Insurance
Low-doc home loans
Margin lending
Mortgages
Package banking
Personal loans
Reward programs



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