

## **PRESS RELEASE – NASFUND CONTRIBUTORS SAVINGS & LOAN SOCIETY PAYS 5% INTEREST TO IT’S MEMBERS**

“I am pleased to report that the growth and performance of the NASFUND Contributors Savings & Loan Society over 2005 has been extremely positive and continues the impressive start we made since our establishment in October 2003” said NCSL Chairman Ian Tarutia. “Membership continued to grow by a further 28% to 23,086 members, our total loan portfolio increased to K 3,583,980, gross assets increased to K 15.3 million from K10.184 million in 2004 and a Value Back program in partnership with Brian Bell Stores for members was introduced in August 2005. In accordance with the Board’s Investment Guidelines approved by the Registrar of Savings & Loan Societies, a total of K 1,772,500 was invested in a basket of equities comprising of shares in Bank South Pacific Ltd, Credit Corporation (PNG) Ltd and New Britain Palm Oil Ltd. With these share prices climbing for the better part of 2005, the net effect saw profitability increase by over 100 %. From a net profit of K 673,021 before statutory reserving, this translated to a 5% interest distribution to members saving accounts. This interest was credited into member accounts on the 9 February 2006”.

“Member communication, staff development and client servicing was a priority for NCSL in 2005. Through the NASFUND Marketing team, our message to members and potential clients was the “Importance of a Savings Culture – Superannuation for Long Term Benefits and Savings & Loan for Short Term financial commitments.” The difference between a Savings & Loan account and superannuation savings is that access savings & loan accounts is far more flexible and less stringent than retirement savings.”

“The increase in membership and loans as opposed to withdrawing savings is testimony that our message is being well received. Our client servicing was raised to another level when member entitlements paid direct into bank accounts, initially to BSP account holders, was extended to Westpac and ANZ account holders as well. Turn around times for processing loans and benefit payments remain within our benchmark of 24 hours”.

The Savings & Loans facility is an integral part of the financial services that NASFUND offers and is here to stay” said NCSL Chairman Ian Tarutia when delivering the a copy of the NASFUND Contributors Savings & Loan Society audited accounts to the Bank of Papua New Guinea on Friday afternoon.

Authorized by

Ian Tarutia  
**Chairman**