



Building better communities
through locally owned enterprise.





Banking is just the first step.

Your Community Bank® branch is already improving your community's prospects.

It provides a great banking service and its profits will be invested in projects that will benefit your community for years to come. This flow of funding will continue for as long as local residents support your bank.

But now there is a way your bank can make an even bigger contribution – through providing other services to local residents and businesses.

Your Community Bank® branch works by enabling people to buy, through a locally owned branch, services they would be buying elsewhere anyway – banking, insurance, superannuation, and so on.

But why stop at financial services? Your residents and businesses also buy telephone services and electricity, so what if they could buy them through your Community Bank® branch? They would receive exactly the same services, but their spending would stay in your community.

Our bank is branching out.

Bendigo Bank has devised a way to enable that to happen, through our subsidiary company, Community Enterprise™. Community Enterprise™ sources services such as telecommunications and energy solutions from key suppliers and then provides them to participating community partners under a franchise or agency agreement.

For Community Bank® branches, here's how it will work -

- Community Enterprise™ will negotiate to purchase services from major suppliers.
- Community Bank® branches can obtain the services for its customers through a referral agreement.
- Your Community Bank® branch will act as an agent for Community Enterprise™.
- Customers will sign with Community Enterprise™ to receive services. They will receive services in the same way as always – i.e. no new phone line, no new phone number or electricity line, for example – but will receive their bills from Community Enterprise™ instead of their current suppliers.
- Your Community Bank® branch will receive a commission from Community Enterprise™ products sold by the branch.

We have every reason to believe your customers will receive a competitive deal for services they buy from their Community Bank® branch under this agreement. A customer acting alone can rarely influence the price, but Community Enterprise™ can go to suppliers and say, 'We represent a huge block of customers – including more than 140 communities across Australia – so give us your best price. This is good for the successful supplier, too, because they have a guaranteed buying base.

Why are we confident about this? Because we have seen it work here in Bendigo, with Bendigo Community Telco (BCT).

Just like your community did with banking, we surveyed the telecommunications needs of a core of our city's businesses. They committed to buy their services through a locally owned company, which then tendered the business to suppliers of these services. Not surprisingly, we found a supplier willing to provide competitive prices in order to win the collective business the community had to offer. Everyone won – competitive prices for customers, increased profit for BCT, and a guaranteed buying base for the winning supplier.

Your questions answered.

Why is Bendigo Bank providing communities with other services?

We want to help build stronger communities. Our bank only grows if its customers succeed and its communities grow stronger. We see this every day. As communities with a Bendigo Bank branch get stronger, our business does too. One way to help communities prosper is through securing access to better essential services at cheaper prices. We can do that through having one company that negotiates with suppliers on behalf of all our communities.

How is that done?

Whilst Community Enterprise™ sources the services, there are two ways that they are made available to the community, depending on the capacity of each community. Communities can form their own Community Enterprise™ company, which will obtain and operate a stand-alone franchise. This franchise company will select whatever Community Enterprise™ services it wishes to offer to its community.

However, not all communities are able to afford, or may not be ready to run a Community Enterprise™ franchise. To ensure communities can participate, we created an alternate model which enables Community Bank® partners to operate under a referral agreement.

So how does my community benefit?

In two ways – financially and through improved services.

Your Community Bank® branch will receive commission on every dollar spent by every customer who purchases a product from Community Enterprise™. This will add to your Community Bank® branch profitability – money then available to you to spend locally. We also expect the buying power of Community Enterprise™ will expand the range of services available to your residents and businesses.

What about our customers? How reliable will the services be?

Existing services will not change (although new services might be introduced). Currently in Australia infrastructure (such as telephone lines) are maintained by one provider but customers can choose between retailers who provide services on that infrastructure.

Who will they pay?

Community Bank® customers will receive a bill from Community Enterprise™, however, payment can be made via their branch.

Will customers be locked in to Community Enterprise™?

No. Customers are not locked into an agreement and are able to change suppliers whenever they like. It should be remembered, however, the more customers who buy through their local branch and Community Enterprise™, the more your community will benefit.

Bendigo is a bank, not a Telco or power company, so will this affect our banking?

No. The community's banking operations will not change. The Community Bank® has established a referral agreement with Community Enterprise™ only and carries no risk for this operation.

Can Community Enterprise™ offer special rates and tailored products for various groups in our community?

Community Enterprise™ will offer products and services based on the needs of each community. For example, not-for-profit groups will have a service offered to them that is based on their needs. Businesses may receive a special call rate on STD numbers they frequently need to call.

Would you like to know more?

Further information:

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