

Freycinet Coast Financial Services Limited Newsletter May 2009

Chairman's report

The Swansea/Bicheno **Community Bank**[®] branches have come a long way in a few months. For the Board and I the work is not merely about providing a much needed Banking Service for our region, it is all about the **Community Bank**[®] concept.

We have included in this newsletter an excerpt from a speech Rob Hunt (CEO of Bendigo and Adelaide Bank) made to the Bendigo staff after the Black Saturday fires. Rob Hunt created the **Community Bank**[®] strategy, so please take time to read this article as it encapsulates what we at Swansea/Bicheno **Community Bank**[®] branches are all about.

The **Community Bank**[®] concept is traditional banking, not the tricked up nonsense that the large worldwide Banks have indulged in that has brought so much financial pain across the world including to our region.

The **Community Bank**[®] concept is about first building a branch in collaboration with the Community from Capital supplied by the Community. In return the **Community Bank**[®] returns its surplus to the Community through dividends to Shareholders and most importantly through direct contribution to much needed Community projects. Our region will receive these benefits as we achieve sustainable profitability through your support of the bank.

The Swansea/Bicheno **Community Bank**[®] branches has employed seven local staff, and they have all received valuable training and

skill enhancement. We have fifteen Board members all of whom have received wonderful training and experience in governance and entrepreneurship. These improved skills and competence flows through and benefits our Community.

Our **Community Bank**[®] branches ensures that capital and business remains in our local towns.

The **Community Bank**[®] concept is all about leveraging the ideas from the huge network of 231 **Community Bank**[®] branches 1,500 **Community Bank**[®] Directors working actively on behalf of their communities. Across the country **Community Bank**[®] branches have supported strategic initiatives building facilities in the areas of health, education, child minding, new halls and recreation.

Bendigo Bank has been instrumental in the development of a locally owned Telco service; they have a youth engagement program – "lead on"; and they have created a philanthropic foundation (Community Enterprise™ Foundation) which we can use to support community projects

Thank you from the Directors and Staff to all the people of the Freycinet Region (Swansea, Bicheno, Coles Bay, Swanwick, Cranbrook and Dolphin Sands) who have supported our first twelve months of business. We are now getting on with year two on your behalf.

Rob Woolley
Chairman



At the Bendigo it starts with U.

To find out more drop into one of our branches at Shop 1/1 Victoria Street, Swansea, phone 6257 8825 or 1/64 Burgess Street, Bicheno, phone 6375 1772.
Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879 (85564-v2) (21/04/2009)



PO Box 125 Bicheno TAS 7215 ABN 32 127 068 222

Supporting role



The day after Black Saturday Bendigo and Adelaide Bank started taking donations for those affected by the horrific bushfires.

The generosity of the community has been overwhelming with almost \$7 million raised.

The bushfires touched many Bendigo Bank staff and customers, with some losing their homes and even their lives.

Bendigo and Adelaide Bank Managing Director Rob Hunt made the following address to staff in the aftermath of the devastating blaze.

Bendigo Bank is closely connected to many of the communities affected by the fires. That's not surprising when you think about it – the community spirit and sense of self-determination in these fire-prone towns is the bedrock upon which our Community Banking movement is built, and they were always likely to be good supporters of our community partnership approach.

Our initial response has been spearheaded by our people in the field and they have been fantastic in helping customers who are just desperate for short-term assistance and support. Also, our Foundation appeal has collected millions of dollars from the broader Bendigo family that can be put to good use.

But, as a bank, we are very aware that these victims are only in the early stages of a process that will take years in some instances. When the initial shock wears off and the media interest fades, that's when the really hard work will begin, and that's where we have a real role to play.

Bendigo is very well connected to community leaders who will determine how the rebuilding effort shapes their new towns. We immediately contacted them to say, 'We are here today to support you and, when the smoke clears, we'll still be there.' The bank will be in discussion with them about their aims and the role we can play in achieving good economic, social and environmental outcomes – irrespective of whether we happen to have a banking outlet in their town.

In many instances, revenue from their banking partnership with Bendigo will play a crucial role. These are sustainable income streams around which communities can plan for infrastructure and social needs and give the community a bigger voice in determining its own future. They can borrow against it and further leverage those borrowings with government assistance. Bendigo is always in discussion with government on behalf of its communities and I foresee a real role for us now.

Our aim has always been to feed into our community prosperity – to be prepared to roll up our sleeves and work with the local leaders to build stronger community balance sheets in the knowledge that this will create prosperity for them and ultimately us. Anyone can run a successful business in good times; I am convinced our strategy will really come to the fore when our communities are challenged. And many of these communities have never faced a bigger challenge than this.

A message from our Manager



After our first year of trading at our Swansea Branch it gives me great pleasure to write this article for our first newsletter.

Our first birthday at Swansea was celebrated with the traditional cake and sausage sizzle. Local school children visited the branch where our colouring in competition winners were announced. Chocolates and lollies were warmly received!

Since the opening of Swansea in March 2008, we have now seen the Bicheno Branch up and running since mid September. In this time, we have opened over 800 accounts and achieved over \$21.5 million in funds under management.

Staff have been actively involved in the success of our **Community Bank**[®] branches, participating in local events and being active in community groups in the region. We participated in the Swansea Christmas Parade and were involved in Australia Day Celebrations. Several of our staff are involved in local committees and attend meetings throughout the year connected with the Swansea Chamber of Commerce and the Bicheno Community Development Association.

Our customers are able to utilize and enjoy a wide range of innovative products and services with flexibility to meet their financial goals. In addition to providing day to day banking services we are able to call upon our specialist managers to assist in all forms of lending. Small Business Managers, Brian Graham in Launceston and Garry Arnold in Hobart, along with Martyn Neville and Rod Newland, have provided invaluable service to our branches. They are available to visit the area when required.

The staff and I look forward to welcoming new customers and being able to assist our existing base. We offer a full range of banking services. Please feel free to call in and visit us at our Swansea and Bicheno branches. Alternatively you can contact me directly for an appointment on 0409 550 063. Remember I am also available to come to you if more convenient.

Lyn Mansfield
Branch Manager

Branch snapshot

- Swansea/Bicheno **Community Bank**[®] Branch
- > Established Swansea in March 2008, Bicheno September 2008
- > More than \$1,176,000 in capital raised via a public share offer
- > 282 local shareholders

Bendigo Bank snapshot

- > Established in 1858
- > Branch network throughout Australia
- > 189 Company owned branches
- > 231 Community owned branches

*Figures relevant April 2009

1st Birthday celebrations for Swansea

The people of Swansea celebrated their first birthday of their **Community Bank®** branch on Friday 20th March.

Chairman Rob Woolley said the local Board of Directors welcomed the passing of the first year of trading, a year which has been a steep learning curve.

"We thought there was a lot of work to be done to get the branch open," Rob said.

"That workload has not lessened since the doors of the branch opened and local volunteer Directors continue to work hard to ensure our branch's success," Rob said.

"Having said that, it has been a remarkable year and one in which our expectations of what a **Community Bank®** branch would bring to our community have been realised.

It has also been a busy 12 months for Branch Manager Lyn Mansfield and her staff, who have opened more than 800 accounts and brought the Bendigo way of banking to the Swansea community.

"It really is great to see the same faces, and many new ones, coming through the door each week to do their banking," Lyn Mansfield said.

"We promised people 12 months ago that we would deliver a banking service that the people of Swansea expected, and deserved, and I am confident that we have achieved that goal," Lyn said.

"The establishment of our **Community Bank®** branch really was a community achievement and we would like to share this first year milestone with everyone in the community."



▲ From left: Staff members Suzan & Cherie, with Branch Manager Lyn Mansfield, and cutting the cake Director John Austwick and Jonah Whytcross.

Wedding bells!

Congratulations to two of our staff, Bianca and Hanna, who were both recently married – we wish them all the very best for the future.



Half yearly financial accounts

The six months to 31 December 2008 financial accounts have been completed and are available to download at www.bendigobank.com.au

Supporting our community

Glamorgan Spring Bay Council – Inaugural Art Prize - 2008

Last year we sponsored this fantastic event with a \$500 sponsorship.

Bicheno Show 'n Shine

We supported this great event, held on 18 April, with a \$100 donation

Bicheno War Memorial Hall Committee

In October last year the Board of Directors held a sausage sizzle at the Bicheno Quilt & Craft Fair, with proceeds of \$336.00 going towards the upgrading of the Hall.

Devil Island Project

Devil Facial Tumour Disease is a dreadful cancer that threatens one of our iconic animals. In our region we have a team of people who have pioneered a



project that will support wild populations of disease free devils. The **Community Bank®** branch will support these committed people in every way we can.

East Coast Natureworld owners Bruce and Maureen Englefield have donated the use of 28 acres of land to the Tasmanian government in order to establish the first wild population of disease free devils. A double security fence system will present a biosecure environment against the Devil Facial Tumour Disease where the devils can live and breed naturally with minimal interference. Devil Island is a prototype for expansion to other Wildlife Parks and landowners.

In February this year, part time resident Peter Johnstone donated his adjoining 50 acres of land to provide for another "Devil Island".

This project has been fully supported by the State Government with a \$400,000 grant.

The Directors and Staff of the Swansea/Bicheno **Community Bank®** branches are proud to support this worthy cause and have agreed to sponsor the Project \$2 for every account opened. We have so far paid \$1000.00.

In addition to the Devil Island Project, the Board is supporting the Bicheno Devil Dash on 31 May 2009, by donating the use of the **Community Bank®** marquee and a \$100 sponsorship. Proceeds from this great community event help support the Bicheno Nippers and the Devil Island Project.

The Board of Directors have also committed sponsorship funds to the Bicheno Community Car, May Shaw Bus, Swansea Primary School Swim Squad, Swansea Golf Club and the Bicheno Golf Club - More information in our next newsletter!

\$20 million milestone

The people of the Freycinet Coast region have thrown their support behind their **Community Bank**[®] branches, with the branches passing the \$20 million milestone in just over 11 months of trading.

This is a tremendous start for the community which not only worked hard to return a bank branch to the region, but who are now supporting it with banking business.

Branch Manager Lyn Mansfield said staff are continuing to open new accounts every month, keeping them well and truly busy.

"The community has really put its support behind us and people are enjoying the bricks and mortar presence of a bank branch in Swansea and Bicheno," Lyn said.

"There have been comments regarding the excellent service and attention that they are receiving from staff."

Chairman Rob Woolley said shareholders were also supporting their local business with many proud to tell him that they are Bendigo Bank customers.

"This is a wonderful conclusion to our initial campaign. Now it's time to move on to further developing our business to the point where we can return more than banking services to our community," Rob said.

What makes us different?

At Swansea/Bicheno **Community Bank**[®] branches we focus on creating a sustainable community. We believe that a successful customer leads to successful communities which equates to a successful bank Branch – in that order. We measure our success in terms of our customer and community success and our business strategy is entirely built on the premise that our profitability is determined from our involvement in the community.

Freycinet Coast Financial Services Limited

Chairman: Rob Woolley.

Directors: John Austwick, Miranda Randall, Ken Dean, Jenny Logie, Mike Harrison, Shayne Williams, Jeni Crawford, Harvey Cuthill, Annie Browning, Jeff Doyle, Christie Birkett, Martin Crawford.

Staff: Cherie Hill, Suzanne Whytcross, Bianca Melling, Suzan Sinclair, Hanna Woolley, Leissa Dane.

Website: www.bendigobank.com.au

What's been gained?

In Australia –

- \$21.7 million in community contributions
- \$12.2 million in dividends paid to local shareholders
- 1,500 volunteer Company Directors
- 56,000 shareholders in local companies

In Tasmania –

- \$156,733 in community contributions
- \$18,960 in dividends paid to local shareholders
- 42 volunteer Company Directors
- 1,245 shareholders in local companies

Owning shares in your **Community Bank**[®] branch

Swansea/Bicheno **Community Bank**[®] branches has around 280 shareholders who belong to the local community. Shareholders can own a maximum of 10 per cent of total shares and the bank operates on a one shareholder, one vote arrangement. Persons interested in buying or selling shares are listed in a registry kept by the Board of Directors. The Board puts potential buyers in touch with sellers and processes any share trades that may result.

The Board acts as an introducer only in facilitating share purchases and sales. Under no circumstances will the Board become involved in setting the sale price of the Company's shares.

There's only one bank you need to know.

Whatever you're looking for in a bank, including extended opening hours and genuine service, you'll find it at the Bendigo. So drop in and see us at Shop 1/1 Victoria Street, Swansea or phone 6257 8825 or 1/64 Burgess Street, Bicheno or phone 6375 1772.



Bendigo and Adelaide Bank Limited ABN 11 068 049 178
AFSL 237879
(85570-v1) (21/04/2009)

Swansea Bicheno **Community Bank**[®] Branch

BMPNLO003 (29/04/09)

Swansea **Community Bank**[®] Branch,
Shop 1/1 Victoria Street, Swansea TAS 7190
Phone: 6257 8825

Opening hours:
Monday, Wednesday, Friday 10.00am – 4.00pm
and Saturday mornings 9.00am – 12 noon

Bicheno **Community Bank**[®] Branch,
Shop 1/64 Burgess Street, Bicheno TAS 7215
Phone: 6375 1772

Opening hours:
Monday, Tuesday, Thursday 10.00am – 4.00pm
and Saturday mornings 9.00am – 12 noon