

Newsletter

February 2008

Chairman's report

Continued steady growth

The impressive business growth reported in previous issues continued in the last quarter. (See Branch Manager's Report).

Founding Branch Manager

Mr John Tabor, through his role as founding Manager of Deloraine & Districts **Community Bank**[®] Branch, is continuing his commitment to the development of the Meander Valley and to the commercial and business success of its residents and businesses.

It is characteristic of Mr Tabor's generosity that he has offered to continue his contribution to the ongoing development of the branch in some way. The Board was happy to accept that offer. It is anticipated that John will have a role in a consultancy, advisory or other capacity which is yet to be determined.

The Search for a Successor

The Board has taken various steps to prepare for appointment of a new manager. A recruitment committee comprising of Chris Moorhouse, Board Chairman, Lynn Hayward, Director, and Rob Hanley, Regional Manager, Bendigo Bank Ltd. is engaged in the national search for an appropriate successor.

The recruitment and selection team will recommend to the Board and to Bendigo Bank, a candidate who meets our criteria:

Skill and experience to do the job of Branch Manager;

Business acumen and experience to drive growth and identify new options for product and client diversification;

Demonstrated capacity to engage the local Meander Valley community in its broader Tasmanian context.

Progress toward those objectives is good so far. We hope to make an appointment by March.

Bendigo Bank partnership with Bank of Adelaide

Sharemarket observers and monitors of the Australian banking sector will be aware that Bendigo Bank has merged with a substantial partner in Adelaide Bank Ltd. Please take the time to read Russell Jenkins' letter on page two.

Dr Christopher Moorhouse
Chairman, Meander Valley Financial Services Ltd.



Community Saver Card Program underway and growing!

The **Community Bank**[®] Saver Card program was introduced on 21 October, 2007. We started off with 34 businesses from all over the district signing up to offer exclusive benefits to Deloraine & Districts **Community Bank**[®] Branch account holders and shareholders. New businesses have signed up since then and many existing traders in the scheme have new deals and specials to offer.

The new list, which is valid from 21 January to 20 May 2008, is enclosed with this shareholders newsletter. New account holders can collect a copy of the list with their card when they sign up at the branch. Keep your Saver Card and list with you when you shop locally and look for the "Saver Card" signs. The Saver Card is made available to you at no charge.

Your support for local business is another way to keep the dollars in our district and help maintain employment here. Shop keepers who have signed up for the Saver Card discounts are making an exclusive range of benefits available just to Deloraine & Districts **Community**

Bank[®] Branch account holders so support them and you support your district. The Saver Card is another good opportunity to keep our community prospering.



Board of Directors, Meander Valley Financial Services Limited,
P.O. Box 423, Deloraine, TAS 7304

Drew Badcock, Steve Blakeney, Jan Blakeney, David Bounds, Gordon Brookes, George Christie, Virginia De Groot, Barb Harvey, Lynn Hayward, Chris Moorhouse, Laura Richardson, Grant Ward, John Dare & Nikki Atkins.

Branch Manager's report

Our **Community Bank**[®] branch has now been open two and a half years and has \$36million under management represented by 2,200 accounts. Good support continues from the community and we are at a stage where ongoing growth will flow through in the form of shareholder dividends, larger community grants and sponsorships in the very near future.

Your support by bringing your banking business to Deloraine & Districts **Community Bank**[®] Branch will speed up and maximize these future benefits.

The last six months have brought more changes for the staff with a new supervisor, Vannessa Bryant, and a new part-time Customer Service Officer, Kim Hansen. Kim Hansen replaces Kim Walters who is on maternity leave. I would like to commend all staff on their development and commitment during this time. Their hard work has resulted in maintaining our effective and professional branch team.

After almost three years with Deloraine & Districts **Community Bank**[®] Branch, I will be retiring within the

next few months. By way of maintaining continuity, I have offered my services in a business mentoring capacity if needed, once the new manager has been appointed. A replacement for my position as Branch Manager is expected to be announced within a month.

As the first manager of Deloraine & Districts **Community Bank**[®] Branch, I am committed more than ever to the positive philosophy of Bendigo's **Community Bank**[®] model. I want to personally commend our shareholders for their faith in this venture and encourage your ongoing support. Our **Community Bank**[®] branch operates to make a positive contribution back to the shareholders as well as back to the community it calls home.

John Tabor
Branch Manager



Business as usual following merger

Letter from Russell Jenkins Bendigo Bank Ltd. / Bank Of Adelaide

The Boards of Bendigo Bank and Adelaide Bank recently celebrated the successful merger of the two companies (30 November 2007), marking the first day of a different and unique retail/wholesale bank.

The newly created retail/wholesale bank incorporates the best elements of two very different customer and partner servicing businesses, the merged bank having far more diverse revenues and greater funding flexibility, scale and efficiencies.

From a local perspective, the merger secures the unique Bendigo style of banking, including the **Community Bank**[®] model - there is no impact for you or your community.

What it will mean is an additional 25 branches and 90 ATMs, mainly in South Australia, for customers to access.

For South Australia in particular, it will also result in an investment in the Adelaide Bank retail network, with the group to become a significant retail competitor in that State.

The merged bank has also committed to continuing Bendigo's **Community Bank**[®] model with further branches forecast to open throughout Australia within the next 12 months.

There are currently 204 **Community Bank**[®] branches throughout Australia, with a further 40 communities working with Bendigo Bank on establishing a community-owned bank branch.

In the meantime, Bendigo Bank welcomes your views as a **Community Bank**[®] supporter.

To share your views, or to find out more information, you can visit www.bendigobank.com.au and follow the merger link to the feedback form.

Or you can phone Bendigo Bank's merger hotline on 1800 730 426, or write to Bendigo Bank Share Registry, PO Box 480, Bendigo, Victoria 3552.

We are excited by the prospects for this merger.

The Bendigo Bank brand has inherent value built up over many years. This merger secures that and improves future growth opportunities. We look forward to bringing you more news.

Russell Jenkins
Chief General Manager Retail & Distribution
Bendigo Bank

Shareholder contact details update

A reminder to all shareholders if you move or change any of your contact details, Meander Valley Financial Services Ltd. needs to know new information whenever these changes occur. Changes in contact details should be forwarded to MVFS Ltd. Company secretary, Laura Richardson, @ P O Box 423 Deloraine, 7304.

It is important to keep all shareholders up-dated within our shareholders registry or when dividend cheques get mailed out, you could miss yours!

New faces at the branch

Deloraine & Districts **Community Bank**[®] Branch has been fortunate in the excellent staff it has employed over the two and a half years since opening. Owing to the natural attrition of accouchement leave, job opportunities or family matters, two new staff have joined the team in the past couple of months.

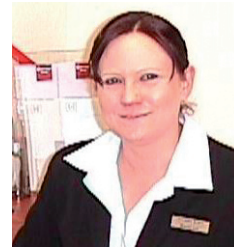
Many of you will have already met Vanessa Bryant, Customer Service Supervisor, and Kim Hansen, Customer Service Officer, while doing your banking recently. For those who haven't met them, here's a thumb-nail sketch from each. Welcome Vanessa and Kim to Deloraine & Districts **Community Bank**[®] Branch.

Vanessa (pictured above left) loves to read, write poetry and go bushwalking. She has a 13 year old son, Ben. She has many years experience in the banking community including working with National Australia Bank, where she handled telephone banking and home

loans, and more recently working for the Commonwealth Bank.

Vanessa says she has found Deloraine a very friendly place to live and work.

Kim Hansen (pictured above right) loves the outdoors whether its bushwalking, camping or family picnics by the beautiful Meander River. She and husband David moved here from Queensland and have a 9 year old son. Kim joins Deloraine & Districts **Community Bank**[®] Branch from a non-banking background but has taken to the job like a duck to water! Living and working in our friendly community has made the move to the area a welcoming experience, Kim says.



New Board member Nikki Atkins

At the November AGM, shareholders in MVFS Ltd. re-elected four Board members: Laura Richardson, Barbara Harvey, Steve and Jan Blakeney. Board numbers reduced from 15 to 13 members with the resignation of two members last year. Appointment of new Board members can take place at any time if there is a willing applicant; however it has been Board policy not to exceed the original 15 positions.

Recognising that there is a heavy workload for some portfolios on the Board, extra help for key roles is always welcome. It is a great pleasure to welcome to the Board Nikki Atkins of Dairy Plains who will now be assisting the Treasurer, Virginia De Groot. With Nikki's appointment, the Board numbers 14.

Nikki and husband Mark have 2 children and work a farm at Dairy Plains. Gardening, needlework, fishing and lots

of family time occupy Nikki when she isn't busy with organisational duties.

Nikki has accountancy background and is currently Treasurer for the Deloraine Child Health Association, an organization she has worked with for 3 years. She also gives her time as a member of the Dairy Plains Hall Committee and is a past member of Rural Youth Tasmania in which she held many positions including; Senior Vice President for 2 years, state study tours Director, membership Director and finance Director. Apart from assisting the Treasurer, Nikki has joined a sub-committee on the MVFS Board investigating a school-banking outreach programme. Welcome to the MVFS Ltd. Board Nikki!



Community Bank[®] sponsorships available

If you or your club or organization has a worthwhile project in need of a little financial help, you can apply to the Sponsorship Convener of Deloraine & Districts **Community Bank**[®] Branch, David Bounds, on 0428 623 203. Application forms are also available at the Branch, however the staff is not responsible for processing sponsorships and any questions should be addressed directly to David Bounds.

Past sponsorships have included Junior Basketball and Football registration day kits, cash prizes for scholarship awardees at Deloraine High and Deloraine Primary School, and start-up bank accounts for winning competitors in the district's Agricultural Show events.

Sponsorships and grants monies are generated solely by growth in banking business and are drawn from the



50% of profits shared with the community Company and Bendigo Bank Ltd. The higher the level of local people doing their banking with Deloraine & Districts **Community Bank**[®] Branch, the more sponsorship funds! Community development is the goal and all the more reason to get behind your **Community Bank**[®] branch.

Our Deloraine & Districts **Community Bank**[®] Branch shade tent is also available for loan to shareholders and accounts holders at no charge. If you have a function which needs a little shelter, contact David Bounds to arrange to borrow the tent. The only restriction on use is no cooking within, please!

Share Trading on the BSX

Community Bank[®] shareholders will be aware that their shares are listed with the Bendigo Stock Exchange (BSX) and that they are entitled to buy and sell shares in other **Community Bank**[®] branches in the Bendigo family as well as in our own local project.

If you have shares in Deloraine & Districts **Community Bank**[®] Branch and wish to sell some or all of them locally, you should inform the Company Secretary, in writing, with your contact details. It is not the role of the Company Secretary to broker deals, however. You will be put in contact with an interested buyer or seller only if one is registered with the Company Secretary.

To trade shares nationally on the BSX, you need the services of a BSX broker who is contactable via the BSX website or by telephone. Telephone contact through the BSX's Melbourne office is on 03 9664 000 where you should ask for Mr. Ian Craig. The BSX's address is Level 8, 210 Collins Street, Melbourne, VIC. 3000. Their email address is service@bsx.com.au

If you want to use the BSX website, here is what to do to contact a broker. First, logon to the website at www.bsx.com.au. On the homepage, in the top left panel, select "BSX Brokers" and click on "GO." A list of current brokers will appear more contact details will appear when you click on a name. Once you have contacted your preferred broker, all the information you need to proceed will be given to you.

If general share trading information is what you want, on the BSX homepage, select "Market Publications" in

the top left box and click "GO" to access a list of useful notices and publications, trading rules and regulations. On the homepage, on the right, you can also sign up for the BSX mailing list to receive regular BSX bulletins. These bulletins are different from the Shareholders newsletter you receive from Meander Valley Financial Services and carry a range of share trading related topics.

To learn more about our own Company, Meander Valley Financial Services Ltd., from the homepage, select "Markets" and then "Prices and Research" in the top left panel, then select "Community Boards." In this window, find the drop down menu in top centre of the page; select "Meander Valley Financial Services Ltd.," then select what sort of information you want from the drop down menu to the right. If, for example, you select "Announcements," a full list of publications, media releases, and newsletters concerning Meander Valley Financial Services Ltd. including the Annual Report and auditors reports will appear. You can download or print what you require.

The BSX is a specialty niche-market stock exchange focusing on small and medium enterprises in rural and regional businesses. Trading hours are currently 9:00 AM to 4:30 PM, Monday to Friday (excluding public holidays). Orders placed via the BSX brokers from 9:00 AM are then matched (buyers to sellers and sellers to buyers). Late "matches" are processed between 4:30 and 4:45 PM.

Are you banking with Deloraine & Districts Community Bank[®] Branch?

Our **Community Bank**[®] branch returns 50% of its profits back to Deloraine & Districts. And those returns especially include you, our shareholders, for whom profitability means dividends. Without growth in branch business, profits will not be earned to do the many worthwhile community development projects this banking model is committed to achieving. And without our investors utilizing whatever banking products they can, there will be slower growth, fewer sponsorships – lower dividends.

Moving accounts, loans or term deposits to Deloraine & Districts **Community Bank**[®] Branch is not a difficult

process. In fact, it is as easy as 1, 2, 3! See the enclosed brochure for a summary and you will see that our branch staff has all the expertise to make the changes needed. There is every reason to take the small amount of time it requires to set up your banking requirements with our branch because every single account, every banking product works to benefit you and our community.

Our community – and our **Community Bank**[®] branch – depends on local support and it's as easy as 1,2,3!

**For more information please call into
49 Emu Bay Road, Deloraine
or phone 6362 4801**

**We are open:
Monday to Friday 9.00am - 5.00pm
Saturday 9.00am - 12 noon**

Deloraine & Districts **Community Bank**[®] Branch  **Bendigo Bank**