

Meander Valley Financial Services Ltd. Newsletter November 2009

Chairman's report



Since the July 2009 shareholder's newsletter, there has been a slow and steady recovery in the economic climate. Throughout the global financial downturn, our Board maintained a careful watching brief over income and expenses, and adopting a conservative approach to budgeting and project funding. As business has picked up, our margins and resultant profit share have improved where we had confidence in proceeding to pay a first dividend to

our shareholders. Your response to this first distribution of funds has been positive, and we are delighted to have been able to achieve this significant milestone in our Company's history.

Despite the difficult environment, we have also been able to continue to support our community with sponsorship and grant distributions. Just some of the beneficiaries have been Women in Agriculture for first aid training, support for the Meander Art Award, joint sponsorship with "Deloraine on the Move" and Meander Valley Council for new tourism signs on both highway approaches to Deloraine, and major sponsorship for the Deloraine Agricultural Society's annual Meander Valley 8km Fun Run & Walk.

In August, the Board in conjunction with the Meander Valley Enterprise Centre funded two Community Forums in Deloraine and Westbury to bring a cross-section of community representatives together to discuss future planning for our valley. Read more about the forums in this newsletter. Early in November, your **Community Bank**[®] branch sponsored the "Open Sheep Dog Trial" prize for the Deloraine Working Sheep Dog Association Trials held during with the Craft Fair weekend.

The Board is currently up-dating its 3 year Strategic Plan for the Company and high on the list of priorities is allocation of major funding for a community grant round in the first half of next year (2010). Our ability to support the community depends completely on the support we receive in banking business. The more the community and our shareholders support the branch the more we are able to put back into the community. Your continued support and referrals to friends and family makes all the difference.

As Board Chairman, my continued thanks goes to our Branch staff, Darren, Kelly, Kim, Susan, Kelly, Kim and our new staff member, Judy, who all do a magnificent job. Board members are always available to discuss any issues and ideas with you and are always pleased to be invited to talk to your clubs and organizations about the **Community Bank**[®] branch.

On behalf of the Board, I wish everyone a safe, happy Christmas and successful New Year.

Lynn Hayward
Chair, MVFS Ltd

Branch Manager's report



The first quarter of the new financial year has seen a turnaround from record deposit growth to see an increased confidence in lending especially in the business sector. The branch has continued to experience growth in both customer and account numbers, which is encouraging. The margin squeeze that was experienced as a part of the Global Financial Crisis reiterated the importance of non-interest bearing income to the branch's bottom line and

so we have renewed our focus on the full range of insurances that we offer as well as financial planning and nontraditional deposit accounts such as those offered through the bank's Sandhurst products.

Looking forward, I believe we are well placed to take advantage of the economic recovery and continue to increase market share. In my view, the rest of the financial year will be challenging but I am hopeful that the worst is behind us. The Reserve Bank of Australia is expected to raise interest rates from record 40 year lows. This in turn will place added pressure and mortgage stress on a lot of households. Put into perspective, household budgets will need to accommodate these trends which the Reserve Bank recommends to be "gradual." Planning ahead on a personal level was never more important, then.

In terms of local banking business, which affects the **Community Bank**[®] branch's profitability at the end of the day, we're likely to see that with the reduction in the first home owners grant and increasing interest rates that consumer lending will level off and be surpassed by business lending as this sectors confidence continues to grow and businesses begin to reinvest.

There is much to be optimistic about in a restrained way, but Deloraine & Districts **Community Bank**[®] Branch can continue to build on its capacity to support local projects as long as this optimism is appropriately directed. Supporting your local branch will continue to benefit the community.

Darren Rumble
Branch Manager

PO. Box 423, Deloraine TAS 7304 ABN: 27 111 858 078

First shareholder dividend declared

It is with great pride and thanks to all shareholders that MVFS Ltd. announced its first dividend payment in August 2009. From the onset on the **Community Bank**® project in 2000, community interest in supporting a franchise of Bendigo and Adelaide Bank Ltd in Deloraine & Districts has been a group effort, one which may have taken 5 years to bring to fruition, but a worthy and a successful one after four years of branch operation.

356 shareholders were distributed a 5cent in the dollar return late in August totalling over \$32,000 in Company profits being allocated.

Most shareholders took advantage of the convenience of having their dividend credited directly to their bank accounts. If you were one who did not use this simple transfer method, and would like to arrange for this service in future, please contact Richmond, Sinnott and Delahunty Pty Ltd., our Share Registry Providers, at P.O. Box 30, Bendigo VIC 3552, phone: (03) 5443 1177, or at www.rsdadvisors.com.au and request the appropriate registry forms. You will also need to supply a Tax File Number and your Share Registry Number (shown on the face of your share certificate).

A last reminder: bank those dividend cheques promptly. Outstanding cheques leave the Company books unbalanced!

Shareholders are reminded that all share transactions, changes of shareholder's contact details and forms for selling, buying or transferring, are available from and facilitated by Richmond, Sinnott and Delahunty through their office as above.

New staff at the Branch



Our branch has been very fortunate in its staff from day one of opening in 2005. We take great pride in consistent, efficient, friendly service and our staff demonstrates a level of commitment that is exemplary in the industry. We know customers appreciate this level of attention to their needs. It is what makes Deloraine & Districts **Community Bank**® Branch so different from "the others."

As the new national Managing Director of Bendigo and Adelaide Bank Ltd, Mike Hirst, describes the Bendigo difference; "The role of our bank is to feed into prosperity, not off it."

In the spirit of this positive attitude, we are pleased to introduce our new staff member, Judy, who joined the branch in August. Judy shares a few words about herself; "I am a qualified teacher and have taught Mathematics at a secondary/senior secondary level for most of my working life. My interests include weight lifting, walking, travel and languages, particularly German. My husband and I have lived in the Deloraine area for approximately 18 years and happily share our rural residential property with all the local wildlife. I have also fostered several wombats and wallabies over this time. I am excited about having been given the opportunity to work with the friendly team at the Deloraine & Districts **Community Bank**® Branch and look forward to getting to know all new and existing customers."

When you are next in the branch, say a welcome G'Day (or Wie Geht es Ihnen?) to Judy – she's bilingual!

Community forums a success



In mid-August, the first Community Forums facilitated by your community Company in cooperation with the Meander Valley Enterprise Centre Inc., took place at venues in Deloraine and Westbury. Both meetings were well attended with more than 65 people participating over the two days. Guest speakers included David Robertson, head of Financial Markets at Bendigo and Adelaide Bank group, Craig Perkins from the Tasmania Regional Development Authority, William Wright from the Tasmanian Department of Economic Development, and Rick Dunn, Meander Valley Council's Development Department. Compeer for the sessions was Richard Millen, CEO of MVEC and facilitator for the round-table discussions was Collin Brady, Head of Community Enterprise at Bendigo and Adelaide Bank Ltd.

The goal of the Forums was to listen, learn and share ideas for creating the best economic environment possible for a sustainable community in the Meander Valley.

A broad range of ideas and backgrounds brought many key issues to the forefront; the leading idea to emerge was the need for a regional coordinating body, non-government and locally controlled, to represent the diverse interests of our district to all levels of government. Richard Millen, CEO of MVEC Inc., has undertaken to co-ordinate the formation of the new Meander Valley regional body. A steering committee will be meeting for the first time in early October.

If you missed out on the Forums and wish to join the new regional group in any capacity, contact Richard Millen at the MVEC on 6362 3456.

Reminder box

Don't forget, as shareholders in the **Community Bank**® branch you have free use of our colourful practical shade tent – when it isn't being employed at another function. Tent measures 10x14 feet (3 m x 4.5 m) and has side panels useful in four open or closed configurations. We just ask you agree to use it safely, not to cook food within it and return everything in good order and on time to the Tent Manager! Please contact Tent Manager, David Bounds, on 0428 623 203, if you wish to borrow the tent.

And, its Community Saver Card Update time! If you haven't collected your new list of trader's offers, you'll find the October 2009 to February 2010 list enclosed and spare copies at the branch. Support local participating businesses and you'll be exclusively rewarded as a customer of the **Community Bank**® branch with specials, offers and discounts! Lost your card? Need a new one? Just ask our friendly staff at the branch.

Sponsorships Take to the Soccer Field, Equestrian Ring and the MV 8KM Fun Run

Your **Community Bank**[®] branch is always proud to support active people in their sporting endeavours. Two Deloraine Junior Soccer teams were outfitted with colourful Bendigo Bank logo Guernseys for their competitions this season, two local Equestriennes, Courtney Swain and Stacey Plumbridge were assisted to compete in the National Equestrian Competitions in Victoria in September – the first Tasmanian Schools Equestrian team to attend. And the Meander Valley 8Km Fun Run and Walk saw in its second successful year with assistance from your **Community Bank**[®] branch.

The photos say it all! Deloraine Junior Soccer were victorious in winning their league championship (despite the mud and cold!); equestriennes Courtney and Stacey were the first Tasmanian entrants to attend this interstate competition; and the MV 8Km Fun Run had entrants all happily jogging or walking their way on a great day along the beautiful Meander River despite the overcast day. Fun Run participants say the MV 8KM is the most pleasant and delightful running event on a Tasmanian runner's calendar.

If your club or organization wishes to request a **Community Bank**[®] branch sponsorship, forms are available from the Company Secretary, P.O. Box 423, Deloraine TAS 7304 or from our friendly staff at the branch. All submissions take 30 days to process so keep this in mind when making a request.



Our **Community Bank**[®] branch in the Schools?

School banking has a long tradition in Tasmanian schools so it's not surprising that your **Community Bank**[®] branch is investigating how to participate in helping young savers learn about banks and banking as well as supporting school activities with sponsorships and sporting equipment.

Branch Manager, Darren Rumble, will be progressively contacting district schools early in 2010 to introduce the concept and gauge support from the parents and faculty. Bendigo Bank is well known for its on-going interest in youth programs and has a number of programmes it can offer.

If your children's school might wish to be part of this programme, give the idea your support by contacting Darren Rumble at the branch on 6362 4801 and let him know you would like to know more.

Correction to July newsletter



In the enthusiasm for Artist Larry Berg's wonderful collection of paintings displayed in the branch in July, it was stated that Larry's work "Dawn of a Bright New Day" had won the Eskleigh Art Award. Larry informs that his work was entered in, but did not win, the Eskleigh Prize. Nevertheless, his works gave much pleasure to everyone

who viewed them while they were on show at the branch and congratulations are still in order, Larry, for such a great effort!

Bendigo logo gifts and games for sale at the Branch



Want to show your pride in our bank? Like a fashionable coffee mug to wow them at the office or coffee morning? How about a cute miniature-plush Piggy, a 3-piece juggling ball set or Piggy Bank for the children? The branch has a unique collection of Bendigo Corporate gifts and children's games offered for purchase. Look for the display when next you're in the branch. Our friendly staff will be happy to help you select a practical and fun item.

Email shareholder news easy as...

Your Shareholder Newsletter comes to you three times a year. It would save a lot of paper (& trees!) and better reflect Bendigo and Adelaide Bank Ltd's "Sustainable Futures" philosophy if we email your newsletter rather than print and post it. Please help reduce the cost of this newsletter – to your community Company and to the environment - by supplying us with your an email address. Use the tear-off form below and leave at the branch or post back to the MVFS Ltd.

Deloraine entered in the "Getaway" Put Your Town on the Map video competition



Our town has entered in Bendigo Bank and Channel Nine's "Getaway" 'Put Your Town on the Map' competition with a 60 second video - "Deloraine the 'Creative Community'". The video was produced locally with cooperation from Launceston Newstead College Media Arts student, Ashton Howe doing the filming and editing. If we are successful and chosen above all the hundreds of Australia-wide entrants, Deloraine will get a visit from Channel Nine and be featured in a full "Getaway" segment and Bendigo Bank will donate \$5,000 to a local project or charity of our choice! The announcement of the winner is on the 12 November, after this newsletter has gone to press, but whether we've won or not, Deloraine was there in the running and the experience gained in making the video with young local talent was amazing!

Meander Valley Financial Services Ltd.

Shareholder newsletter request

Mail to: PO Box 423, Deloraine Tas 7304

Please send my Shareholder Newsletter by email:

Name (please print): _____

Email address (please print): _____



BMPNL0078 (05/11/09)

Deloraine & Districts **Community Bank**® Branch,
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Phone: 6362 4801
Website: www.bendigobank.com.au

Opening hours: Monday to Friday 9.00am – 5.00pm
and Saturday mornings 9.00am – 12noon.

Chairman: Lynn Hayward.

Directors: Laura Richardson, Jessica Leonard,
Gordon Brookes, Chris Moorhouse,
David Bounds, Steve Blakeney, Jan Blakeney,
Barbara Harvey, Grant Ward, Ken Philpott.