

**Sarina & District Community Financial Services Limited
Minutes of Annual General Meeting**

**Held at 1pm on Saturday 6 November 2010
Sarina Bowls Club**

Directors: Ralph Johnson (Chairman), Rodney Nunn (Treasurer), Lesley Ward (Secretary) Helen Dixon (Deputy Chairperson), Sonja Solli, Paul Marshall, Margie Newport.

Branch Manager & Staff : Roanna Brady (manager), Emily Horwood, Mary Blinco, Penny Lucas, Sharon Spillman

Bendigo Bank Geoff Power

Shareholders: 35

Company Auditor: Graeme Stewart

Invited Guests: 50

Apologies: Christina Brady, Rowena Robertson, Julie Dunn, Colin Brady, Pat Connor

The meeting was opened at 1.10pm

The Chairman confirmed that a quorum was present and declared the meeting open for business.

Notice of meeting

The notice convening the annual general meeting had been received by shareholders.

Minutes of previous Annual General Meeting

The Chairman reported that the minutes of the previous general meeting of shareholders of Sarina & District Community Financial Services Limited held on 14 November 2009, were approved by the board and signed by the Chairman in accordance with the provisions of section 251A of the Corporations Act and that should any shareholder wish to inspect those minutes, a copy was available for that purpose.

Chairman's Address: Ralph Johnson presented his address (see address after close of minutes).

Branch Managers Address: Roanna Brady presented her address (see address after close of minutes).

Bendigo Bank Regional Managers Address: Geoff Power presented his address

Proxies

The Secretary reported that the Company had received 22 proxy forms.

Annual Report

The Company's Financial Report for the year ended 30 June 2010 and the Directors' Report and the Auditor's report were tabled and considered, with an opportunity for questions to be put to the auditor.

The auditor was provided with an opportunity to answer questions submitted to the auditor under section 250PA of the Corporations Act.

No questions were put to the auditor.

The report was accepted by shareholders by a show of hands.
Proxy Vote: 2 invalid, 20 to accept, Nil abstain Nil against

Election of Directors

Ralph Johnson resigned by rotation and being eligible for election passed the chair to Helen Dixon.
Helen invited Ralph to address the meeting (see address after close of minutes),

IT WAS RESOLVED that Ralph be elected as a director of the Company.
Karen May moved this resolution seconded by Bruce Fitzgerald with majority in favour by a show of hands.
Proxy Vote: 2 invalid, 20 to accept, Nil abstained, Nil against

Ralph Johnson then resumed the chair.

Paul Marshall retires by rotation and being eligible offers himself for election.

Ralph invited Paul to address the meeting. (see address after close of minutes)

IT WAS RESOLVED that Paul Marshall be elected as a director of the Company.
Bruce Fitzgerald moved this resolution seconded by Cath Hutton with majority in favour by a show of hands.
Proxy Vote: 2 invalid, 20 to accept, Nil abstained, Nil against

Margaret Newport having been appointed by the board and being eligible offers herself for election.

Ralph invited Margaret to address the meeting (see address after close of minutes).

IT WAS RESOLVED that Margaret Newport be elected as a director of the Company.
Ted Malone moved this resolution seconded by Kath Terrance with majority in favour by a show of hands.
Proxy Vote: 2 invalid, 20 to accept, Nil abstained, Nil against

Remuneration report

IT WAS RESOLVED that the remuneration report be adopted by the meeting. Bruce Fitzgerald moved this resolution seconded by Carmel Marshall with majority in favour by a show of hands.

Proxy Vote: 2 invalid, 20 to accept, Nil abstained, Nil against

Close of meeting

There being no further business the meeting then closed at 1.50pm

Signed as a correct record

(Chairman)

Date:_____

Chairman's Address to the meeting

Ladies and gentlemen,

There are so many different people here today so with many different purposes for attending. We have:

- shareholders interested in business growth and potential returns,
- community volunteers in not-for-profit organisations who may be recipients later on of some of our grants,
- customers,
- staff,
- our volunteer company directors who are trying to make things happen for each of the previous groups,
- And, as well, we have representatives of other organisations and interested on-lookers.

I would like to give each one of you a task. I really want you to think of answers to three questions:

1. "How would you describe your ideal community to someone else?"
2. "What are the needs, changes and interventions that would help to bring this about?" You might have some pet projects, but maybe thinking collaboratively may bring better results.

3. My last question is not “Do you see that we can help?” because of course we can, but “what can you do to help to make this happen?” Look around the room. See whom you know. Then think whom are they connected to and what resources they have.

You will hear brief stories later on from 14 not for profit groups responding to needs in the community with our assistance.

We have done two very thorough community consultations this year. The first was in February that resulted in \$35,000 sponsorships to Wongabeena, Sarina Police’s “car in the cage” Road Safety initiative, Chaplaincy support, a lifter / walking trainer for the Aged Hostel and the Bowls Club.

The second was in August leading to nearly \$50,000 in grants that will be announced shortly.

We are only able to do this, as well as declaring a dividend to shareholders of 7 cents per share, by having an extremely strong team in place and the continuing support of our customers. Without them, we can’t do a thing.

Incidentally, the dividend this year of 7 cents, improves on last year’s 5.5 cents and the previous year’s 3.5 cents. We will be taking all factors into account with a view to consolidating shareholders position and if possible improving it next year. But let’s come back to our dynamic and committed team:

- Staffing of the branch has changed in the first part of 2010. We have a new manager Roanna Brady and I will ask Roanna to introduce her highly performing team and explain her vision in her report. Our highly performing team has been recognised as the best in Northern Region for the year and also in individual months.
- We continue to have the benefits of extremely committed and active voluntary directors. I need to stress again, that as directors we have no access or knowledge of customers or their details or business whatsoever. I believe directors are motivated by the tremendous opportunities we see for community building outcomes.

But, we have come to a time where we need additional resources. So, we have employed a part time project officer, Nadine Connolly, who has assisted greatly in the sponsorships and grants processes. Although Nadine continues on a limited basis, we could do with a few more committed souls who have a strong interest in developing our community banking enterprise that is beginning to make its mark in our community.

We need people who are interested in being directors as well as helping out on marketing, grants and governance committees. It’s quite easy, just talk to one of us if you have any interest. Often times people become observers confirm their interest and commitment and then go to the next step.

Just now I would like to acknowledge the outstanding work done by our Company Secretary Lesley Ward and our Treasurer Rodney Nunn.

- Our business partner Bendigo and Adelaide Bank continue to go from strength to strength. We receive great support at a regional level from Geoff Power and are able to access the resources of State and National networks. Geoff will expound his vision for our region and beyond. We also thank Geoff's predecessor, Libby Gleeson for her unflinching commitment and interest in our progress.

In a nutshell, we have created many opportunities through our normal business activities and marketing projects. You will be familiar with our roadside billboard presence, our ads on the front page of the Sarina Advertiser and the many community engagements such as The Sarina Show, the Coal to Coast Festival and the Sarina Business Forum in which we featured prominently. We will be sponsoring the 2011 MRC Community Volunteers Conference that will be held for the first time in Sarina.

We need now to think,

- "What opportunities are we creating?"
- "How do we make use of these opportunities?"
- And most importantly, "What opportunities do we want to create?"

So, we come back to the questions I asked at the beginning:

1. "How would you describe your ideal community to someone else?"
2. "What would help to bring this about?"
3. "What can you do to help to make this happen?"

The answers to creating significant community building outcomes are in creating networks that have common purpose and draw on each other's strengths. I can tell you that we are in the process of exploring some of these. But does what we do make a difference? Every dollar that we or you spend locally has a multiplier effect. There is a dollar value for everyone who resides in a community and spends in the community.

We are in the business of providing local employment and investing our profits back into our community. It's in our charter to do this. Our only limitation is the size of our business. If you think we can help to make ideal communities and you would like to see this happen then you have a choice in tangibly supporting us to do this by giving us your banking business and encouraging others to do so. Would one person/family make a difference? Over a full year, an additional average home loan on our books would help to fund one of our smaller grants. It is really up to our community to support us if they want to see direct community building benefits.

It is really easy to do business with our staff and you can explore options with no obligation. Our mantra has always been to advise customers of options that advantage them even if it reduces our margin.

So where do we go from here? We as your Board have a job to do and we need your support in many ways. Just where we will be in 12 months time depends largely on our community and whether you can assist us to move more quickly.

As your Board we also need to consider our Business Plan – it is being reviewed in early 2011 and in doing so, consider whether expansion to other sites may be a good idea.

We have a sound and vibrant business that is achieving its goals of making a return to shareholders and contributing to community building activities.

Please welcome our Branch Manager Roanna Brady

Branch Managers Address

Ladies and Gentleman, Shareholders and Customers. Thank you all for joining us today. As your newly appointed branch manager I would like to assure you that the Sarina & District Community Financial Services is in very capable hands.

I was the supervisor for 2 years prior to accepting this new and exciting challenge and am also accompanied by a very experienced and passionate team who have proven to have the ability to contribute to another profitable year ahead. I would like to take the time to introduce a very diversely skilled team to you.

Here today we have Emily Horwood, our customer relationship manager. Emily has joined us with 4 years Bendigo Bank experience from Cooroy. Emily has been a valuable addition to the team and has been assisting our customers with more extensive enquires including our lending applications. We have managed to have a fast turn around time, as we both have a lending authority within the branch. Rowena Robertson one of our foundation staff members has been with us from the beginning and has recently taken on the role of our full time senior customer service officer. If you know Rowena you will believe me when I say... she is extremely efficient. Unfortunately Rowena couldn't be with us today and sends her apologies as she has family commitments. Another foundation member is Mary Blinco who is your part-time customer service officer with 22 years experience in banking and many more years of local knowledge in Sarina. Mary knows everyone and if you haven't met her yet, you are missing out!!! ☺ Penny Lucas has recently joined the team as another part-time customer service officer, Penny was with Bendigo Bank in Tasmania for approximately 12 months and has brought a world of energy into the branch, which has been very up-lifting for us. We also have 2 casuals. Sharon Spillman has been with us for 14 months and has proven to be a very reliable member to us and her customers. Julie Dunn joins us with many years of banking experience and is an active member within our community. Julie also couldn't be with us today due to work commitments. Another important apology is Piggy – anyone who has had the pleasure to meet piggy will know he will be truly missed at today's event. Otherwise, standing here is your dynamic frontline staff who will continue the success of the Sarina Community Bendigo Bank.

I would like to mention some other experienced members who are a part of this group and contribute to our successes. Gavin Walker, who couldn't be with us today, is our business banker. Gavin is based in Mackay, but services the Mackay and Sarina area. He has 20 years experience in business banking and will assist this branch with our larger growth. Also our financial guru Michael Rosemond, Michael is excellent. He is so easy to talk to, he is not your usual planner as he is not commission based. Our planners are available to tell you what your range of options are and then it is entirely up to you whether you

accept. I'm not sure if many of our customers realise, we have an Agri Manager, Angelo. Angelo is fantastic and knows the in's and out's about the cane. It baffles me how much knowledge he has, he is extremely valuable to us. And then of course, our regional manager Geoff Power, Geoff recently joined us in August and has proven to be a great leader and will be supporting this branch in reaching its goals into the future.

Our major changes over the past year has been staff, but this has not affected the business growth or our professional standard in any form. I am proud to announce another successful year from 09/10 as our total business at the end of June 2010 was \$77.82million.

Another exciting achievement in June 2010 was the moment we were announced Branch of the Year. We achieved this result by meeting a wide range of budgets.

This is an outstanding achievement despite the effects of the global financial crisis. Given the challenges in the market we have had to face we have managed to keep the Sarina Bendigo Bank branch profitable because we have had enormous support from our community.

I would like to take this opportunity to thank all of our shareholders who have made this possible from the beginning, and our customers for having trust in the Bendigo Bank brand. I would also like to thank our current and past directors. I have never met a group of people who are so passionate and believe in something so much that they continue to volunteer their own time, to ensure that this branch's reputation is not compromised and will look for opportunities to promote our community bank in every way possible.

A lot of hard work and energy behind this branch continues, as everyone involved is extremely passionate about this community bank and its achievements. It is not very often that you can work for a company that can make so many differences. Today is a special day for us as we will be announcing our grant recipients. This is why we are a part of the Community Bank. But please remember to be able to continue this funding, we need to continue to grow our customer base.

There is a strong message that I would like to get across to all of our shareholders and customers today - You made this possible. It makes sense to bank with us – Your loans, Your deposits, Your insurance, Your everyday business helps us achieve great success. Supporters of the Sarina Community Bendigo Bank please spread the word and tell our story to help our business grow.

Together we can achieve incredible community outcomes!!!!!!

Ralph Johnson Address to shareholders

I offer myself for re-election having been chairman of the Board of Directors of Sarina and District Community Financial Services Ltd for the majority of time since the formation of the company.

Thanks to strong direction and oversight our Sarina Community Bendigo Bank has now completed five years of business activity. It is firmly in profit despite increased competition locally and generally and a challenging and uncertain economic climate.

Even before the company was formed in 2005 a small group of us, the steering committee, worked tirelessly for more than two years to gather community support to establish a Community Bank.

My family and I came to the district in January 1991. At that stage I was Head of Science at Sarina State High School and in 1993 became Deputy Principal. In 2008, I changed to Queensland Health to work in the Medical Education Unit assisting with the further education and assessment processes of junior doctors and internationally trained doctors.

I seek your support to continue building the next stages of business development and helping to direct the profit sharing activities with the community.

Paul Marshall election address to shareholders.

My wife Carmel and I moved to Sarina in April 1996 and lived in town until July 2002. Since then, we have lived on a rural acreage between Sarina and Sarina Beach.

We have been active Fundraisers and participants in the annual 2WD SIDS Adventure Trek since 2002. During this time, we have raised over \$85,000 for this very worthwhile charity, as SIDS and Kids receive no government funding.

The monies we have raised all go to SIDS and Kids Qld. This money is used to provide counseling and support to parents and families that have suffered the loss of a child up to the age of six years.

We have also raised monies for the Royal Flying Doctor Service during my service in QR when stationed in the North West of Queensland.

I worked for QR, throughout various locations in Queensland, for 27 years. I am now employed at Dalrymple Bay Coal Terminal as an Operational Planner. Between both employers, I have 18 years experience in Supply Chain Coal Logistics both in rail and port operations.

My qualifications include a Graduate Certificate in Bulk Freight Systems Management and a Diploma of Business (Frontline Management).

I have a commitment and desire to succeed at a personal, team and professional level through positive contribution and open communication.

I have been part of a team of dedicated Board Directors working hard to see the Company grow from strength to strength. As part of this team, it is very gratifying personally for me to see that the good work we have achieved so far in our journey is benefiting both our Shareholders and our Community.

I have held the position of Director on the Sarina Community Bendigo Bank since 28th November 2007. I am also a member of the Marketing Committee, which is responsible for Sponsorships, Donations and Advertising for our Community Bank within the local Community. I am also a member of the Grants Committee,

which is responsible for processing Community Grants within the Sarina Community.

Address from Margaret Newport Seeking Election

I'm Margie Newport and I have lived here in Sarina since 1984.

My husband Russell and I have 4 children who all live locally.

Whilst the children were growing up I was involved with many committees from the local Kindy to the High School. I played a very active role in the Sarina Safety Committee for many years as the secretary on the Local and Regional Committee.

For 5 years I worked as a Teachers Aide at the Sarina High School supporting students with Literacy and Numeracy needs, this position came with some challenges and yet many rewards.

This year, I began fulltime work for Lifeline Mackay Whitsunday as a Professional Counselor/Educator and I work in a program for separated parents.

Also this year I was offered the position of Director with the Sarina Community Bank and consequently appointed to the Board of Directors on the 22nd April.

At the end of August I went to Adelaide for the Bendigo Community Bank National Conference, which exposed me to the bigger picture of Community Banking and the road ahead for us here in Sarina.

Recently I was appointed to the Grants and Sponsorship Committee. A new sub committee formed by the board to appraise applications and work with a team of people to present a list of successful applicants to whole board of Directors for final approval.

Due to the continued success of the Sarina Community Bank we are now able to offer a Community Grants Program to the Sarina Community, which is hoped, will become a yearly event. I am very proud to be part of this team.

It has been a year of learning for me so far and I look forward to an active year ahead and continuing to learn and work as a Director for the Sarina Community Bank.

I offer myself for election as a Director of the Sarina Community Bank.