

Rye & District Community Financial Services Ltd

CHAIR'S ADDRESS – Annual General Meeting Wednesday 21 November, 2018

I would like to begin by thanking our shareholders and customers for your continuing support and championing of the Rye, Rosebud and Dromana community bank® branches. It gives me great pleasure to stand before you and deliver another address which highlights the ongoing strength and success of our company.

The community bank® model is one that continues to flourish, and it was a great honour to attend the National Conference in Bendigo a couple of months ago, which celebrated the twentieth anniversary of community banking. Directors and staff from branches Australia-wide, came to share in the success story of the model in what proved to be, an inspiring couple of days. The take home point for me – our model is more relevant than ever before, especially in the wake of the Royal Commission.

Our partner, Bendigo & Adelaide Bank Limited, has had an outstanding year, taking home several big “gongs”, including the Mozo People’s Choice Award 2018 for *Most Recommended Australian Bank*. The Bank also polled extremely high on the Roy Morgan Net Trust Score survey, sitting at No. 4 of the most trusted Australian brands – an amazing feat given the current challenges of the industry, but really testament to a strong ethical brand with a focus on customer service. I am confident that the community banking model is a major contributor to the increasingly esteemed reputation that the Bendigo Bank enjoys.

Robert Johanson, Chair of Bendigo & Adelaide Bank, recently stated at the Company’s AGM, that they “*exist to help customers... and their communities prosper. And if they prosper, so will we*”.

This accurately summarises the community bank® model and we are delighted to announce that in the 2017-18 financial year, we were able to return a staggering **\$849,091** to our local community, by way of sponsorships, grants and donations.

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Franchisee of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879

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None of this could be possible without our shareholders and our customers – so thank you for helping us to achieve & share in such prosperity - what a great feeling!

I would like to highlight another milestone for the Company. Several years ago, we committed \$250,000 to the Cloverleaf Project – an initiative to develop appropriate accommodation facilities for adults with disabilities in Rosebud via the not-for-profit company, Community Lifestyle Accommodation Ltd. Our initial “seed” funding was vital to the CLA securing state and federal government monies which allowed the Project to become a reality. I am delighted to say that the build is at fit-out stage and that we are looking forward to the residents taking possession in 2019!

Our continuing success is not possible without the ongoing assistance of our partner, Bendigo and Adelaide Bank Limited. We particularly appreciate the efforts of Regional Manager, Simon Sponza and Regional Community Manager, Tania Hansen, who advise, advocate for and support our board and management team across the year.

It is also appropriate at this point to mention the marvellous contribution of our Senior Manager, Gary Sanford, along with his three branch managers and staff. You are all an absolute credit to our organisation and we thank you for your dedication to your roles, your passion for the community banking model and your customers.

I would now like to acknowledge my fellow directors. It is always a privilege to serve another year on this board with each of you, who bring a wealth of knowledge and experience to the table.

I wish to make particular note of Gary Cain and Steve Edmund, who have both clocked up over 10 years of service on the Board. Gary (who cannot be with us tonight), joined as a director in October 2008. We appreciate his precise expertise in accounting practice and his VERY dry sense of humour.

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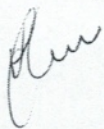
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Steve commenced his directorship in January 2007. Prior to this, he sat on the steering committee for the Dromana branch. He has generously shared his real estate savvy with us as over the course of his tenure on the board as well as serving extremely capably as Vice Chair for a number of years. May you join me in a round of applause to recognise this milestone? Congratulations to both Steve and Gary.

In a few minutes, as no nominations have been received from aspiring directors and, as a result, no election being necessary, you will be required to ratify the appointment to the board of those directors who have offered themselves for election or re-election. I have no hesitation in endorsing this year's candidates and recommending their appointment.

Finally, I am pleased to confirm an after-tax profit of \$346,829 for the 2017-18 financial year, which has allowed our Board to declare a dividend of 7.5 cents per share, payable this coming Friday.

We look forward to another great year and hope that you will continue to spread the word about our Company and the Rye, Rosebud and Dromana community bank® branches!



Vin Cheers
Chair

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