

26 May 2011

NSX Limited
PO Box 283
NEWCASTLE NSW 2300

To the Stakeholders and Shareholders of Gosnells Financial Services

Re: Changes to Commission Rates

The Board of Gosnells Financial Services Limited (ABN 11 095 764 533) advise they have accepted the Franchise Agreement Amending Deed (Commission) dated 4 May 2011.

This Amending Deed reduces the commission rates paid to Gosnells Financial Services Limited from the Bendigo Bank on just two core term products. The motivation by Bendigo Bank to change the commission rates was to restore back to the 50:50 profit share of the original business model.

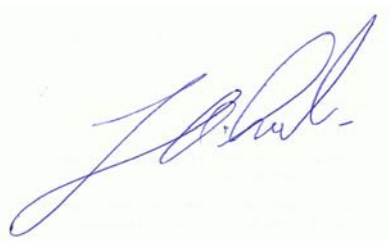
Since the GFC the tight banking market and margins had not provided the 50:50 profit split for Bendigo Bank and Community Banks have benefited disproportionately.

The Board has calculated and acknowledges minimal downward pressure on profits by accepting these changes for Gosnells Financial Services Limited in the 2010/11 and 2011/12 financial years. The Board believes that Gosnells Financial Services Limited will continue to be profitable and growth projections are on track.

The board believes that the pressure on profits can be mitigated with the recent upgrade of Bendigo and Adelaide Bank Ltd's credit rating from BBB+ to A- by Fitch Ratings Agency and the continued resilient banking trend experienced by our company.

The board believes these changes will contribute to the financial security of our company as a whole.

Yours sincerely



Timothy A Smith
Chair of Gosnells Financial Services Limited