

Pledge Campaign Update

Newsletter – April 2011

Late last year, a pledge campaign to seek support for a Kew **Community Bank**[®] Branch commenced in the Kew community.

During that time, the Kew **Community Bank**[®] Steering Committee has been overwhelmed by the support it has seen, raising \$250,000 of its \$500,000 pledge target. We thank those who have supported our campaign and pledged their support.

Completing an indicative Pledge of Support means you intend to purchase shares in Kew East Financial Services Limited (KEFS) – the public Company who will manage the Kew **Community Bank**[®] Branch. These funds will be used to establish a **Community Bank**[®] branch in Kew.

Recently, the Kew **Community Bank**[®] Steering Committee, in conjunction with KEFS, held a community breakfast which over 100 people from community service groups throughout Kew attended.

Attendees were treated to presentations from The Hon Andrew McIntosh MLA and local community groups who had received grants and sponsorships from KEFS explaining how the **Community Bank**[®] model works and why this would be a benefit to the community of Kew.



A highlight was the performance by local dance group e.motion21 - the only Australian organisation to provide dance and fitness opportunities exclusively for children and young adults with Down syndrome.

So how is KEFS able to support all these community groups?

Community Bank[®] branches are a 50/50 partnership between Bendigo Bank and the locally based community company.

The community company's share of revenue covers expenses such as electricity, rent and staff salaries. The company decides on where and how they spend the remaining profit with the majority of funds directed to community projects and not more than 20% distributed to shareholders in the form of dividends.

The **Community Bank**[®] model is an exciting and unique initiative allowing profits from these local businesses, ie the **Community Bank**[®] to be given directly back to community projects.

pledge

feasibility

prospectus

launch

 **Bendigo Bank**

Kew **Community Bank**[®] Project

Thank you for your interest. To be part of this worthwhile venture, we need your continued support. For those that haven't pledged, we need you to complete a pledge form, and for those that have, we encourage you to talk to friends, family and neighbours to encourage them to also support our campaign to establish a new **Community Bank**[®] branch for the benefit of the Kew community.

Feasibility Coming Soon

Once we have reached our pledge target, the Kew **Community Bank**[®] Steering Committee will proceed to the next stage of the **Community Bank**[®] campaign - the feasibility study.

The purpose of the feasibility study is to assess the likely banking business support for a **Community Bank**[®] branch in Kew. In the next financial year, you will receive a survey form from an independent consultant in your letterbox. We ask you to complete this confidential survey, whatever your banking intentions may be, and immediately return it in the pre-paid envelope.



The Steering Committee would like to stress response to the survey is anonymous and the contents are confidential – only the consultancy firm will have access to individual personal or financial details.

The consultant will collate all of the data and the results of the survey will allow an informed decision to be made about the viability of the proposed Kew **Community Bank**[®] Branch

Kew East Financial Services Limited

If successful, the Kew **Community Bank**[®] Branch will become a second site for Kew East Financial Services Limited (KEFS) – the Company who run the successful Kew East **Community Bank**[®] Branch.

KEFS commenced operating at 661A High Street, Kew East on 3 December 2001 and have maintained the services of Branch Manager George Prodromidis since day one.

George reports to a Board of seven Directors, all of whom have a strong connection to the Kew and Kew East community.

A snapshot of KEFS is as follows:

Profit Distribution

KEFS franchise agreement entitles distribution:

- up to 20% to shareholders through dividends
- up to 80% return to the Community via Grant or Sponsorship.

Community Grants since 2001:

- \$350,000 returned to community groups
- 99 Community Grants funded in 6 years
- Approaching \$100,000 funding per year

Sponsorship since 2001:

- \$150,000 to community organisations
- across 21 local groups

Significant Milestones

- Approaching a decade of service
- Approaching \$400,000 returned to shareholders via dividends
- Approaching \$500,000 return to Community organisations via grants and sponsorships

Bendigo Banking Services

- Full suite of all banking products and services
- Open Saturday mornings
- Quality Customer Service, in-fact, Bendigo was voted #1 Bank for Customer Satisfaction, Cannex Survey 2010, and
- Second most trust brand in Australia (To quell your curiosity, Qantas was voted #1)

With your help we wish to bring this tried and tested **Community Bank**[®] branch service to Kew.

For further information, please contact:

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Or Google Kew **Community Bank**[®] Project

As a community we can make this happen!

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