

# **Minutes of Extraordinary General Meeting**

Mt Evelyn & Districts Financial Services Limited  
A.B.N. 93 096 782 240

**Held at 7.00pm on Thursday, 28<sup>th</sup> January 2010  
At RSL, Hardy House, 49 Birmingham Road, Mt Evelyn 3796**

**Present – Shareholders as per attendance register**

**Guests – Alison Burr (Bendigo Bank Regional Manager Yarra Valley Region) Adam Rimington (Bendigo Bank Community Development Manager) Members of the Montrose Community Bank Steering Committee, David Watt (Branch Manager, Mount Evelyn)**

**Apologies – Nil**

**Leave of Absence – Nil**

**Declarations of Pecuniary / Conflicts of Interest – Nil**

**Welcome**

**The meeting was opened by Ms Jill Rule, Board Chair, as follows**

Good Evening everybody,

I would like to welcome you all here to this extraordinary meeting for our company, Mt Evelyn & Districts Financial Services Ltd.

It should be a short meeting, but we hope that you will join us for some light refreshments after you finish.

I would like to begin by introducing my fellow Board Members. Seated beside me is our Treasurer Margi Sank, Company Secretary Albert Buitenhuis and David Watt, our Branch Manager, Mount Evelyn, and seated in the audience are Gai Williams, our Vice Chair, Jan Simmons, Craig Keithley, James Chapman and Gareth Little-Hales.

I would also like to acknowledge our previous chairman, Allan Grundy, who was extremely instrumental in getting the Montrose

campaign off the ground and is still involved as a steering committee member. Welcome Allan.

Bendigo Bank is represented this evening by our Regional manager, Alison Burr and Adam Rimington, our Community Bank Development manager. Welcome Alison and Adam. My name is Jill Rule and I am your Chair.

By now you should have received the Explanatory Notes for the adoption of the issue of new shares, the information on the subsequent changes to the company's constitution and your Bonus Share Certificate.

These items will be presented for voting on shortly.

But, firstly, I would like to talk a little about the opening of a second branch for our company, in Montrose. Business expansion has always been of paramount importance in our strategic planning. It is a national trend for existing Community Bank ® branches to consider opening other sites as a part of business development. This expansion increases the value of the company and thereby also increases the shareholding value. The most successful Community Banks ® have two or more branches. For example, Warburton opened a branch in Yarra Junction and Upwey operates the Belgrave, Cockatoo and Olinda branches. As there is, *only so much* business in our immediate area, it is necessary for our branch to source from other communities that support us. When the Montrose community approached us two years ago to partner them in opening up a Community Bank we were thrilled and very keen to embark on the campaign. As was discussed at our AGM last Oct, the results of the feasibility study conducted last August proved very positive. We currently have in excess of \$800,000 pledged from supporters for the capital raising necessary to open a second sight. The two branches will run autonomously with their own staff and manager. David Watt, our Manager at Mount Evelyn, will oversee both

branches. Mt Evelyn branch will continue to support our community with grants and sponsorships.

Just a couple of statistics to note – the number of Community bank Branches has doubled in then last four years, numbering more than 240 at present. \$36 million dollars has been returned to community projects and \$10 million dollars has been paid in dividends to more the 61,000 shareholders.

Which only goes to prove, as it says on the Bendigo Bank website – “by banking with your local Community Bank® branch, you’re supporting the bank that supports you”.

Your board has been very busy behind the scenes in the preparation and submission of a comprehensive business plan to Bendigo Bank for their consideration to grant a Franchise Agreement for Montrose.

I am extremely pleased to announce tonight that Bendigo Bank approved a Franchise Agreement for Montrose on Jan 15<sup>th</sup> 2010.

This is very exciting news and cements that this is a viable and expected successful new branch for the Bendigo and Adelaide Bank Ltd’s Community Banks platform.

I would like to take this opportunity to acknowledge the Steering Committee and ask the Chair Gareth Little-Hales to pass on our sincere appreciation for all of their hard work. They have given up their time (mostly on weekends too), to canvas shoppers, deliver leaflets, attend sporting events, schools, kindergartens, clubs, and markets and have generally spread the word at every opportunity. They really are extremely passionate and excited about Montrose having its own Bendigo Community Bank®. An incredible effort put in by all, for which we are extremely grateful. Your reward will be the pride you will feel on the opening day.

In order for us to proceed to the next phase of Due Diligence and the launching of the Prospectus, we need to deal with the formalities.

So, without any further ado, I will now present the items for voting:-

Item 1. New share issue in the Company by way of a Prospectus for the establishment of a new branch in Montrose

Item 2. Adoption of new Constitution

I would now call on our Company Secretary, Albert Buitenhuis, to advise of any proxies.

Albert responded as follows

-Item 1	21 in favour
-Item 2	20 in favour 1 abstain

Jill Rule then invited questions from the floor

1. Richard Doig (Shareholder)

Richard noted that the company name of Mount Evelyn and Districts Financial Services Ltd was used on all correspondence, and he asked why, as to his knowledge, the name change was voted on and passed at the Annual General Meeting of the Company on October 2009.

Margi Sank, Board Treasurer, answered the question by advising that further investigation by the board after the AGM revealed that

there were insufficient votes for the motion to be carried. (75% margin of those who voted required) Margi thought that all shareholders who voted against the proposal were contacted, but apologised on behalf of the board for those that weren't.

Richard accepted the explanation but commented that all shareholders should have been advised.

## 2. Richard Doig (Shareholder)

Richard questioned that amount of \$950,000 as the amount required to open Montrose Community Bank.

Adam Rimington from Bendigo Bank answered the question by advising the community banks set a bandwidth for capital raising with an upper ceiling to raise additional working capital if they can. In the case of Montrose, \$750,000 is the minimum required, but the upper ceiling has been set at \$950,000 due to the strong interest and possibility of raising a working capital reserve.

Richard then asked whether any of the existing Mount Evelyn and Districts Community Bank funds can be used to assist with the capital raising

Margi Sank then answered the question by advising that the Board had decided not to contribute funds for the following reason

-It was felt that the branch should be launched with 100% community buy in

Jill Rule then called for further questions – none forthcoming

Jill then called for fellow director James Chapman to hold a vote on items 1 and 2. James called for a volunteer from the audience to assist and Melissa Guy (Shareholder) volunteered.

James called on each shareholder to complete the ballot paper which was given to them as they registered their attendance at the meeting.

After adequate time, James and Melissa collected all votes and collated the result to Albert Buitenhuis.

Albert advised the following results

Item 1	27 votes all in favour
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Item 2	27 votes all in favour
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Total votes including proxies

Item 1	48 votes all in favour
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Item 2	48 votes 47 in favour 1 abstain.
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Jill thanked the shareholders for their support.

Margi explained to all present that both items were carried after at least 75% of votes were in favour. Due to the extraordinary nature of the items proposed, a minimum of 75% of shareholders who voted needed to be in the affirmative for the motions/items to carry.

Jill then closed the meeting and invited all to supper.