

Chairman's Address

A.G.M. October 25th 2006

The Rye & District Community is truly remarkable.
People coming together to support their own Community, in a venture that 6 years ago seemed to be a way off vision.

Dedication, determination, trust, loyalty & a common purpose to serve the Community, are just a few words and a phrase that would describe the achievements of Our Community Bank.

This far down the track we look back again over twelve months and think in amazement that there has been almost \$1.6 million dollars put back into or pledged to fund projects in the Rye & District Communities.

Note that I said 'Communities'.

Our success in Rye has gathered clients from as far away as Mornington, Balnarring, Hastings & Flinders and will continue to reach out to other Communities in the years to come as we ourselves expand into other Peninsula centres, such as Dromana.

As I mentioned last year, our growth is continually steady, and that means that we are doing something that YOU our shareholders, the everyday people in the Community approve of, and that is

“Putting something back into the Peninsula Community as a whole.”

AS your C.E.O. & Branch Manager, Gary Sanford pointed out in the Annual Report, we have increased again for the financial year some 941 new accounts. A fantastic effort!!

Our combined balances now top almost \$170 million dollars which is again a significant percentage above last year, and when Dromana opens, this increase will continue I'm sure, because already, we are being inundated with calls from Dromana businesses & residents wanting to know when we will open.

And that is a great sign that Dromana will be a success!

In the next few weeks you will receive further information on the progress of Dromana and if you are travelling through the town, check out the location of the building we will occupy at the western corner of the Ritchie's Carpark, where the Red Cross Op shop used to be.

(Point out the building on the Slide show)

I've spoken of success & growth and now I'll speak of reward.

Again this year, your Board of Directors has decided to issue a fully franked dividend.

The amount of .14c per share was decided upon for shares held as at 31st October this year.

There is an old saying in business that:

'You have to spend money to make money'

and we understand that this dividend is slightly less than last year but we wanted to err on the side of conservatism, given the commitment to the purchase of the Dromana property and the costs in the associated fit out.

We are determined to ensure that the security of our shareholders investment remains strong in years to come.

We know that your trust in us as your Board will be recognised in future dividends as Dromana & Rye's profits join together giving greater reward for your patience & loyalty.

So congratulations once again on a sterling year, we would envisage that you should all have your dividend cheques by the 14th November.

But how does this all come about?

Our partnership with Bendigo Bank is continuing on as strong as ever and we have now entered into our second Franchise term.

Our success is really a joint success with your Board of Directors, Our Branch Manager & Bank Staff and Bendigo Bank.

We use Bendigo Bank's successful system to create the business within the town, we use our Fantastic Bank Staff to retain & grow the customer base and we use the Board, and Bendigo Bank Foundation to assist in distributing the profits back to the Community.

In just a few short weeks we'll be meeting here again to distribute another almost \$100,000 to local community groups. The second Grants presentation night in twelve months and that is simply FABULOUS!!!

The Board is thrilled, as you all should be, to be in a position to participate in this second Grants night. We have seen the fruits of this endeavour, with so many different projects we've supported and it will continue.

Our Board Member, Barry Irving has put together a slide show presentation which has been flicking through whilst I've been talking.

The pictures in this slide show represent only a fraction of the clubs, sporting groups, Community groups, schools, kindergartens, charity groups, hospital groups and others, too many to mention that we have already donated to, sponsored or given grants to.

I am extremely proud and very impressed on how the Board has operated over the past 5 years. Their commitment and dedication is part of the reason for our ongoing success.

Each of the Board members has either one, or participates in more than one Portfolio;

Pat Tonks: Treasurer,

Eileen Naylor: Secretary,

Shane McCarthy: Sponsorship & Marketing,

Trevor Lloyd: Youth Committee & Sponsorship,

Gus Glavici: BBL Foundation & Sponsorship,

Barry Irving: Media Liaison,

Jan Hall: Audit & Governance and

Brian Earles: Property & Audit & Governance.

Such is the workload on this Board that it was decided last year to appoint a Board Assistant on a part time basis and Mr. Tony Harford was the successful candidate, and we owe Tony a huge amount of thanks for his untiring efforts since his appointment.

This is the Team Ladies & Gentlemen that will continue to keep the Rye Community Bank '**ON THE MAP**'

"We are now a serious business" and I would have to say, one of the larger philanthropic entities on the Peninsula.

With Dromana coming quickly to fruition, this responsibility will continue to increase as our profits grow and our duty to YOU our shareholders continues also to increase.....**AND WE LOVE IT!**

In closing I'd like to thank again my fellow Board Members for their expertise & support during the year,

Your C.E.O. & Branch Manager Gary Sanford for his excellent work over the past twelve months,

Our fantastic Branch Team who are almost to the man, here tonight, which shows their dedication and commitment,

And last but by no means least, YOU our Shareholders for your support of the Branch and The Board.

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Thanks Ladies & Gentlemen and now I'd like you to welcome your C.E.O. Mr. Gary Sanford.