

Everything you need to know

Your questions answered

A Steering Committee has been formed to investigate the establishment of a **Community Bank**[®] branch for Gardenvale.

This information sheet is designed to provide you with further details regarding the proposal and the benefits a **Community Bank**[®] branch will bring to our community.

By pledging your support for the Gardenvale **Community Bank**[®] Project you are directly supporting the future of our community. In fact, a **Community Bank**[®] branch in our community will keep local money and local jobs in Gardenvale and provide a continuous income stream for community projects and initiatives.

What is a **Community Bank**[®] branch?

The **Community Bank**[®] initiative was developed by Bendigo Bank to provide communities around Australia with banking services and access to an ongoing source of local funding.

The first **Community Bank**[®] branches opened in 1998, in response to community demand for face-to-face banking services following branch closures throughout the 1990s.

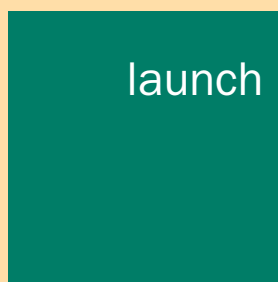
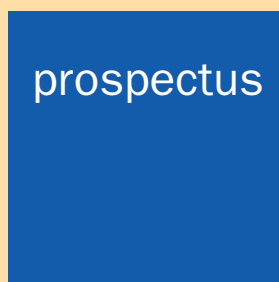
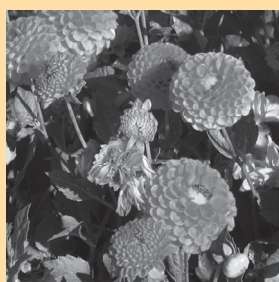
Since that time, **Community Bank**[®] branches have opened in communities large and small, in metropolitan and rural areas. And **Community Bank**[®] branches have even been successfully established in communities with existing banking services. A **Community Bank**[®] branch allows communities of all types to retain control of local capital.

To make their branch a reality, communities like Gardenvale, form a locally owned company to obtain a commercial franchise to run a Bendigo Bank branch. While Bendigo Bank provides banking infrastructure and support, the community manages the branch, marshals community support and returns profits to the local community.

In short, a **Community Bank**[®] branch means more than just banking services. It encourages collaboration and commitment, and keeps local money and local jobs in the community.

The capital required to start a **Community Bank**[®] branch is approximately \$700,000. This capital is raised by individuals and businesses within the community purchasing shares in the local Company.

During the Pledge stage all that is required is an indication of your intention to purchase shares – you can do this by completing a Pledge Form. The Pledge process is explained in detail later in this document.



How do I show my support for the Gardenvale **Community Bank**[®] Project?

To establish a **Community Bank**[®] branch in Gardenvale we require indicative Pledges of support of between \$1,000 and \$20,000 from local residents and businesses that would like to become shareholders in the Company which will operate the local branch.

A sufficient number of pledges are required before an independent consultant is appointed to conduct a feasibility study.

What is an indicative Pledge of support?

An indicative Pledge of support is simply an indication of the amount you intend to invest in shares in your local Company. You can pledge any amount between \$1,000 and \$20,000.

You are not required to contribute any money during the Pledge stage. Pledges are simply used to gauge the level of community support for the project.

If, for example, we receive under \$700,000 in pledges, the Gardenvale **Community Bank**[®] project would be unlikely to proceed.

How does it work?

The Gardenvale community will purchase from Bendigo Bank the right to run a banking branch. The Gardenvale community will also secure the premises and purchase branch fittings and systems.

Working capital will be the responsibility of the community. These costs are included in the establishment cost.

Bendigo Bank provides the coverage of its banking licence, selected and appropriate banking products, staff training and ongoing support. The banking services made available at the branch are determined by Bendigo Bank after consultation with the local Company that runs the branch with Bendigo Bank's support.

Bendigo Bank and the Gardenvale community are each entitled to agreed proportions of the revenue of the local branch. The community is responsible for paying branch running costs.

If successful, the Gardenvale **Community Bank**[®] branch will be designed to suit local requirements. It is anticipated that the branch will operate normal Bendigo Bank hours, which include Saturday mornings.

Bendigo Bank provides product development, systems acquisitions for additional services (eg trustee services), and fully supports the **Community Bank**[®] branch with operational requirements such as marketing, training, stationery, etc.

Any net profit realised by the local Company – after paying branch running costs and Bendigo Bank revenue – is available for reinvestment back into the local community.

How safe is my money and privacy?

As with all bank deposits, depositors' money is protected by Bendigo Bank. The Bank also makes all necessary credit decisions and protects individual client privacy.

Community Bank[®] branch staff are bound by Bendigo Bank's confidentiality requirements and no Board members will have access to individual banking details.

The Board are provided with weekly and monthly aggregate branch totals only in order to monitor performance.

What about business banking?

Bendigo Bank offers a wide range of business banking products and services including commercial loans, overdrafts, leasing, merchant facilities, bulk payments, financial planning, insurance and international trade services. These services can be tailored to suit individual business needs.

Will I receive a dividend on my investment?

The rate of return on individual share holdings in the local Company will depend on support received for the new branch and the profit level achieved. Company forecasts are provided within the Prospectus.

What happens next?

We ask you to complete the indicative Pledge of Support form. The level of community support received will determine the next steps.

For further information:

Barrie Wood	9596 1141
Noel Buckley	9596 3355
Laurie Smith	9646 9553

Pledge forms can be returned to:

Minit Print, Shop 1, 170 Martin Street, Gardenvale
Gardenvale Newsagency, 168 Martin Street, Gardenvale
Saloop Cafe & Pantry, 151 Martin Street, Gardenvale

Gardenvale **Community Bank**[®] Steering Committee
Private Box 50, 168 Martin Street Brighton VIC 3186