

# Growing together

Supporting communities, sharing success

*Georgie 7 years*



## THE BENDIGO SHAREHOLDER MAY 2005

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# Bendigo Bank launches Community Enterprise™ Foundation

## **BENDIGO BANK RECENTLY LAUNCHED ITS CHARITABLE ARM, THE COMMUNITY ENTERPRISE™ FOUNDATION.**

Tax-deductible donations to the Foundation can now be made at any Bendigo Bank branch across Australia (including Community Bank® branches).

Bank managing director and Foundation patron-in-chief Rob Hunt said the Foundation offered communities across Australia a unique opportunity to raise and distribute tax-effective donations.

“Many donors would happily contribute more if they knew funds would be applied to benefit their own communities,” Mr Hunt said.

“But the cost of setting up and running a separate foundation in every community would be crippling.

“We have therefore devised a unique model which uses one trustee and one administration, but effectively provides every community with the capacity to prioritise allocations from their own separate funds.

“Donations from individuals, businesses and government can be targeted at specific communities and we believe that knowing this, many donors will increase their contribution, thereby swelling the pool of philanthropic funds available for charitable purposes.

“It will be a fantastic way to help communities retain and use more of their local capital on projects that will directly improve their social structure.”

## **Hitting the ground running**

Although the Foundation was officially launched in March, it has already met the demand by Bendigo Bank customers wishing to donate to tsunami relief and to aid victims of February's devastating bushfires on South Australia's Eyre Peninsula.

Foundation chief executive Natalie Elliott said that through Bendigo Bank branches, the Foundation had collected total donations of \$1.3 million towards tsunami relief and \$82,000 for victims of the bushfires.

The Community Enterprise™ Foundation is administered by its trustee, Sandhurst Trustees Limited (a wholly owned subsidiary of Bendigo Bank).

As it enjoys Deductible Gift Recipient status, the Foundation is able to accept tax-deductible donations from individuals, business and governments for distribution to both registered charities and charitable projects.

Communities are able to establish a named management account of the Foundation and make recommendations to the trustee on local projects worthy of support.

Mr Hunt said that through leveraging the resources of the Bendigo Bank Group, the Foundation will keep administration costs to a minimum.

“Donors understand there are some costs associated with collecting, receipting and administering donations, but they expect the lion's share to arrive at its destination. We will ensure at least 95 per cent of monies raised through the Foundation reaches eligible recipients.”

“We have already distributed \$437,000 to six registered international aid agencies working in tsunami areas and we continue to assess the most effective way to channel the remainder of funds collected to date. In South Australia, we are simply waiting on the Eyre Peninsula community to make its recommendations.”

# Shareholder news in brief

## **BENDIGO PREFERENCE SHARES ALLOTTED**

In accordance with the Prospectus dated 16 March 2005 for the offer by Bendigo Bank Limited (Bendigo Bank) of Bendigo Preference Shares (BPS), 900,000 BPS were allotted to successful applicants on Friday 6 May 2005.

This will raise \$90 million in two tranches to increase the size and diversity of our Tier 1 capital base to fund future asset growth.

BPS commenced trading on a deferred settlement basis on 9 May 2005.

Allocations were made to 3506 holders, 41 of whom hold more than 1000 BPS.

Bendigo Bank has set the Initial Margin on the BPS at 1.50%.

## **Faster dividend payments**

Each dividend date now sees hundreds of payments being delayed, either because the shareholder's nominated bank account has closed or they fail to present the cheque mailed to their registered address.

We recommend direct payment into your nominated bank account as being the quickest and most efficient way to receive your dividends. To obtain a nomination form, please contact our Share Registry on 1800 646 042. And if you close your nominated account, please advise us of a new account to receive your payments.

### Changing address?

Please ensure you advise of any change of address.

Broker-sponsored shareholders should advise their broker, not our Share Registry (which is unable to process your request).

Issuer-sponsored shareholders should advise our Share Registry on 1800 646 042.

### Bendigo acquires cashflow finance firm

Bendigo Bank recently acquired the invoice-based cashflow finance company Oxford Funding Pty Ltd.

Bendigo Bank managing director Rob Hunt said these capabilities would broaden Bendigo's ability to support the small-to-medium enterprise (SME) sector.

"These businesses predominate in the communities served by Bendigo Bank and there is increasing demand for the Bendigo style of business banking. It is important that we can provide those business operators with the flexibility to grow".

## Bank to offset carbon emissions

### **Bendigo Bank will offset its vehicle fleet greenhouse gas emissions through an innovative program to restore native vegetation in central Victorian water catchments.**

The Bank this month announced it had signed an historic agreement with Greenhouse Balanced, a Central Victorian company offering services in reforestation and carbon sequestration.

The agreement focuses on the provision of 1700 tonnes of carbon dioxide equivalent in a newly established native vegetation plantation, with carbon sequestered (absorbed) by the plantation to help to offset the emissions from the Bank's 300-strong national vehicle fleet.

But rather than a typical monoculture approach (such as pines or bluegum), the Greenhouse Balanced plantation is designed to replicate as closely as possible the vegetation that would have existed pre-1750. This will provide salinity, water quality, biodiversity and habitat benefits.

Bendigo Bank and Greenhouse Balanced will seek Victorian Government assistance to develop this approach to establish an "ecological credit" as an alternative to the commonly traded carbon credits that only address carbon emissions.

In consultation with the North Central Catchment Management Authority, the first plantation has been established on privately owned land at Lockwood, just south of Bendigo.

Bendigo Bank strategic markets manager Leigh Watkins said the partnership with Greenhouse Balanced reflected the bank's environmental strategy and would provide benefits for the regional community.

"We are focused over the next 10 years on minimising our impact on the environment and this has been demonstrated in the low energy new head office building soon to be built in Bendigo, in our energy efficiency programs across the Bendigo Group, and in our Green Loans offering incentives for sustainable housing."



## Homesafe Solutions

Bendigo Bank this month announced an innovative approach to help elderly customers to access equity in their home.

Bendigo Homesafe Equity Release is not a loan – it is a deferred sale of an agreed proportion of the home.

It provides the customer with the peace of mind that they will always retain their percentage of the value of their home, no matter what happens.

Homesafe has won support from the Victorian and NSW state governments, which have provided stamp duty exemption for the initial transaction needed to release equity in the home.

Provided through a joint venture company, Homesafe Solutions Pty Ltd, the product will initially be available on a limited basis to test market acceptance to homeowners aged 70-plus living in a range of postcodes in Melbourne and Sydney.

### It works like this:

- A homeowner sells a percentage of the future sale proceeds of their home (to a maximum of 50 per cent) in return for an immediate lump sum cash payment.
- The customer continues to live in the home until they die or decide to sell the property. They make no payments, pay no rent and have control over the property.
- On the sale of the property, the customer or their estate pays Homesafe its fixed percentage of sale proceeds and retains the balance.

In other words, if you sell 30 per cent of your home to Homesafe, then you retain 70 per cent ownership no matter when the home is sold.

Homesafe is a totally new approach to a very serious social problem – the enforced poverty of elderly people who are on a pension but who own a valuable asset that cannot be realised.

### See also: [www.homesafesolutions.com.au](http://www.homesafesolutions.com.au)

Bendigo Homesafe Equity Release is a product of Homesafe Solutions Pty Ltd ACN 106 784 918, a company equally owned by Athy Pty Ltd ACN 005 852 246 and Bendigo Bank Ltd ACN 068 049 178. The information in this article does not take the place of advice. It has been prepared for information purposes only and should not be viewed as a recommendation. Only available on a limited basis. Fees and charges apply. Subject to terms and conditions.

# Join now and receive 10 free 'E\*TRADES'

Register now for Bendigo Online Share Purchasing & Trading and as a Bendigo Bank shareholder you will receive your first 10 share trades for free (must be registered by 30 September 2005).

## To register for the service, visit

[www.bendigobank.com.au/share\\_trading](http://www.bendigobank.com.au/share_trading). Then click the "new application" button, complete the required form(s) and you will automatically obtain the free trades under the conditions set out.

If you are currently a member of another share trading company or are unconnected to another provider, and/or don't wish to use a margin lending facility, you can still transfer to Bendigo Online Share Purchasing & Trading.

Bendigo Online Share Purchasing & Trading is provided in conjunction with E\*TRADE Australia.

The service gives you access to the tools, functionality and information to buy and sell shares that are listed on the Australian Stock Exchange (ASX) at competitive brokerage rates and to effectively manage your own share portfolio. Services include dynamic trading platforms, extensive independent research, online options trading and conditional orders.

## Terms & Conditions:

\*Offer valid from 25 May 2005 to 30 September 2005 and is only open to residents of Australia and New Zealand. E\*TRADE will rebate the brokerage commission up to \$32.95 per trade for the first 10 trades executed within four months after a new account is activated. You will pay the normal commission rate at the time of your trade execution, and your E\*TRADE account will be credited with the rebate within 45 days of trade date. Normal E\*TRADE Australia trading account opening and maintenance conditions apply unless otherwise specified here. Applicants must be 18 years or over. Account must remain open for six months. We reserve the right to terminate this offer at any time without notice. Limited to 10 free trade offers per person and not valid in conjunction with any other offer. Offer not open to existing E\*TRADE Australia or existing Bendigo E\*TRADE customers. You should consider your own investment objectives, financial situation and particular needs before acting upon this information. E\*TRADE does not provide investment advice to online retail customers.

## Shareholder discounts for margin loans

### Shareholder discounts are currently available for new and refinanced margin loans with Bendigo Bank.

Our standard shareholder discount of 0.25% p.a. remains available to shareholders taking out a new variable interest rate margin loan with Bendigo Bank.

There is also a discount available to shareholders who transfer their 12-month pre-paid fixed interest rate margin loan from another lender. Shareholders transferring such loans to Bendigo Bank before 30 June 2005 – and pre-paid to 30 June 2006 – will receive a 0.50% discount off Bendigo Bank's applicable interest rate to 30 June 2006.

A Bendigo Margin Loan allows you to borrow money to invest in shares or managed funds. The security for the loan can be cash or an existing portfolio of Bendigo Bank Approved Securities (which include your Bendigo Bank shares).

- You can borrow up to 75 per cent of the value of Bendigo Bank Approved Securities, which includes a range of shares and managed funds.
- The loan can be used to fund the purchase of further share or managed fund investments from a list approved by Bendigo Bank. This enables you to increase and diversify your portfolio.

- You can use an existing portfolio of shares or managed funds approved by Bendigo Bank as security to borrow money for other business or investment purposes.
- You can select from either Prepaid Fixed Interest Rate or Variable Rate loans.
- You can use the loan to re-finance an existing margin loan you may have with another provider. In most cases there are no costs associated with refinancing your margin loan to Bendigo.

You should seek independent legal, taxation or financial advice as to the suitability of a margin loan to meet your investment objectives, financial situation and particular needs.

For more information, or to discuss re-financing your existing margin loan, contact your local Bendigo Bank branch or call Bendigo Margin Lending on 1300 363 812.

The information in this article does not take the place of advice. It has been prepared for information purposes only and should not be viewed as a recommendation. All loans are subject to the bank's Margin Lending assessment criteria. Fees and charges apply. Subject to terms and conditions



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