

Introducing Community Sector Banking

Community Sector Banking ('CSB') is an exciting and innovative concept in banking. It is the first and only banking service in Australia dedicated to community sector organisations.

CSB recognises that community organisations are different from 'for profit' organisations. We believe the sector demands special attention in the provision of banking products, services and pricing.

A collaborative approach

Most importantly, CSB takes a collaborative approach to developing, not just banking products, but complete innovative solutions for the community sector. We are committed to working with organisations in the sector to build these solutions and find the most effective ways to deliver them.

As a result, CSB has developed products and services that are tailored to the banking needs of community sector organisations and their employees. These solutions include:

- Trading accounts that provide competitive returns for all by aggregating funds;
- Products that simplify administration of FBT by accounting for the sector's specific requirements;
- Joint venture products that are delivered by third parties to maximise their effectiveness; and
- Services that minimise fees and reduce costs.

A simple philosophy

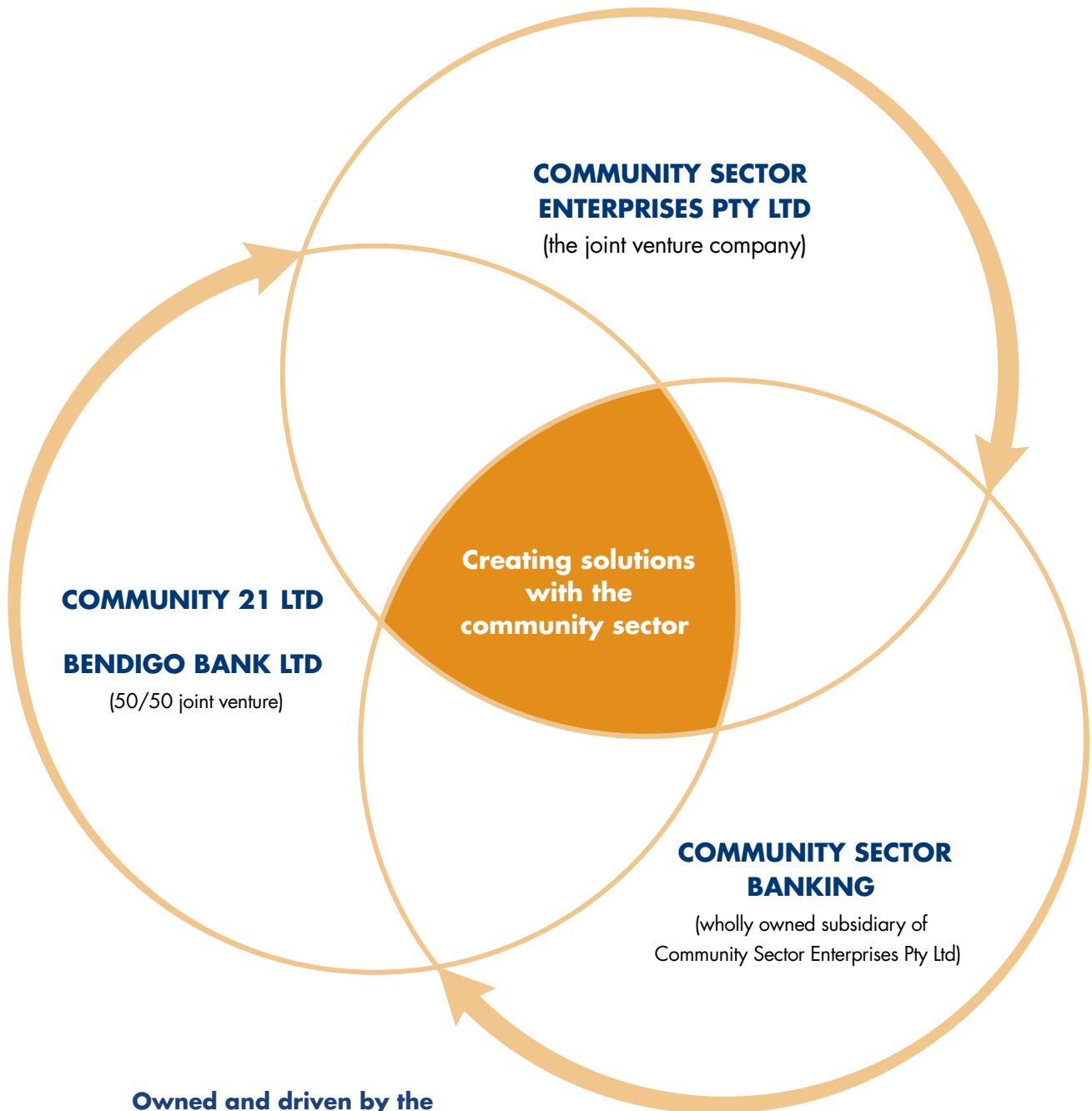
Community Sector Banking is underpinned by the philosophy that it is owned and driven by the community it serves. Unlike traditional banks, it is not designed to serve a geographic community, but rather a 'community of interest'.

In essence, CSB brings together private and community sector participants to provide innovative financial solutions to meet the needs and enhance the overall capacity and effectiveness of the community sector. It is an exciting, creative and increasingly successful venture.

"CSB really understands the direction and complexities of our business and the values of our organisation. It's just what we need."

David Peterson, Director, Corporate Services,
St Luke's Anglicare

A unique structure that combines social values and financial expertise



Owned and driven by the community we serve

Community Sector Banking is a joint venture between Bendigo Bank, that provides the banking expertise, products and services and Community 21, a collection of stakeholders from the 'not for profit' community sector who share a common purpose.

Financial solutions for the community sector

Community Sector Banking meets the specific banking needs of community sector organisations and their employees.

CSB operates under Bendigo Bank's licence

CSB operates under Bendigo Bank's banking authority. This means it offers the support of the Bendigo's financial expertise, extensive infrastructure, systems and security.

CSB operates in a modern, virtual banking environment with transactions predominately conducted by Internet and telephone banking. This helps keep costs down and maximises convenient access to services. However, traditional face-to-face withdrawal and deposit activities can be completed at any Bendigo Bank branch as required by customers.

The CSB head office is in Corrimal, NSW, and is serviced by a national team of Business Development Managers.

Customers of CSB can access the full suite of standard Bendigo Bank business products, as well as a range of products and services specifically developed to meet the needs of the community sector. These CSB specific products all feature low fee structures and easy administration.

Current CSB products and services

- CSB Cash Management Trading Account;
- CSB Salary Benefit Card;
- CSB Gift Fund Account;
- CSB Capacity Builder Account;
- CSB Lending;
- Financial Services; and
- Insurance Services.

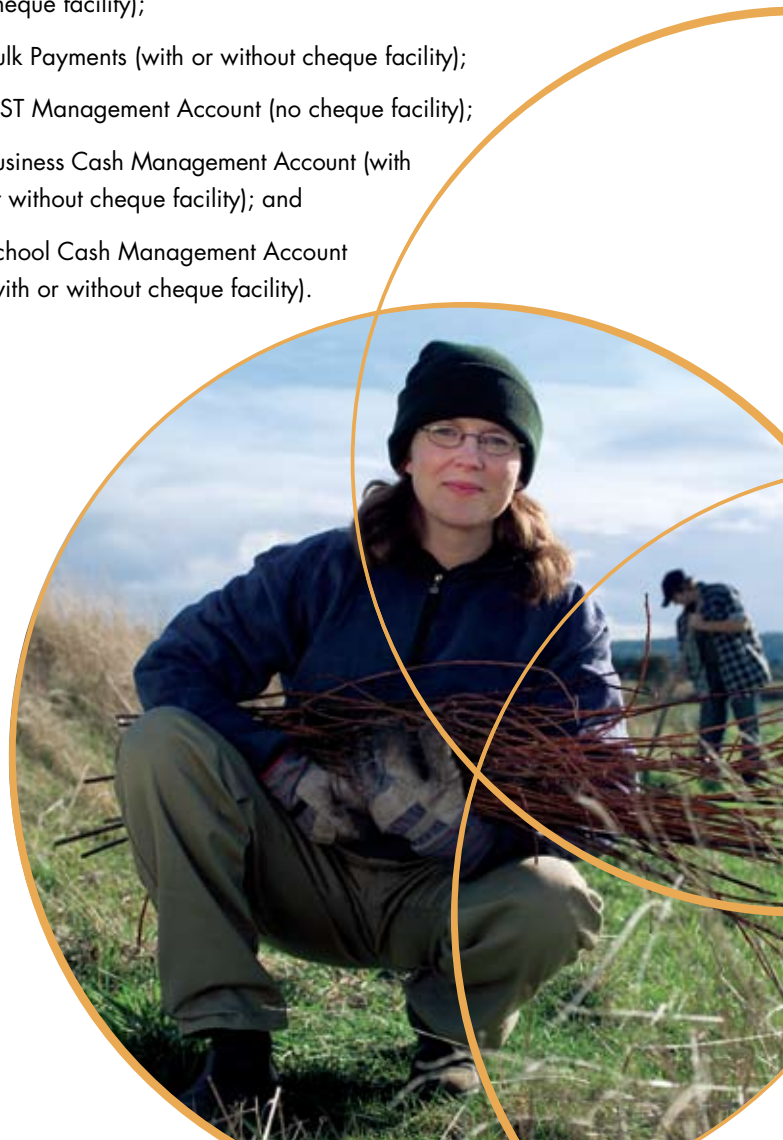
Community Fleet Services

Community Fleet Services (CFS) is a centralised resource that provides a full suite of motor vehicle fleet management services specifically for not for profit and community organisations. CSF delivers cost savings and increased efficiencies to the community sector.

Other business services available

The full suite of Bendigo Bank business products can also be utilised through CSB, including:

- Business Account (with or without cheque facility);
- Business Solutions Account (with or without cheque facility);
- Club Account (with or without cheque facility);
- Solicitor Trust Account (with or without cheque facility);
- Bulk Payments (with or without cheque facility);
- GST Management Account (no cheque facility);
- Business Cash Management Account (with or without cheque facility); and
- School Cash Management Account (with or without cheque facility).



Core CSB products

The range of financial solutions specifically designed for the community sector is continually growing as we develop a deeper understanding of the sector's needs. The following is an outline of the core products currently on offer.

CSB Salary Benefit Card

Taking advantage of Fringe Benefits is a great way for community sector organisations to match salaries offered in the private sector. However, the administration of salary packaging these benefits can be difficult. The CSB Salary Benefit Card solves this problem with a system based on a Visa Debit Card with low fees that makes managing salary packaged Fringe Benefits easy for organisations and their staff.

The CSB Salary Benefit Card features include:

- No transaction fees apply to purchases made with this card (cash advances are not available);
- A low set monthly account fee;
- Accounts can be opened with a minimum of \$1;
- Internet access to monitor accounts; and
- Regular detailed statements.

CSB Cash Management Trading Account

The CSB Cash Management Trading Account is an operating account with at call access that pays interest on the full balance of the account. It offers competitive interest rates, on a tiered system, that provide returns for accounts with balances as small as \$1. This means that even organisations with smaller monthly balances can benefit from attractive interest rates.

The CSB Cash Management Trading Account is supported by at call access and individually negotiated transaction fees that make it an ideal, one-stop account solution. Its features include:

- A minimum opening balance of \$1;
- Competitive interest rates on the full balance;
- Returns on every dollar, based on a tiered system;
- Interest calculated daily and paid monthly;
- The ability to negotiate transaction fees;
- Convenient at call access via ATM, EFTPOS, phone, Internet or cheque; and
- Regular detailed statements.



CSB Gift Fund Account

The CSB Gift Fund Account is a specific deposit account exclusively for community organisations with Deductible Gift Recipient (DGR) status. The account enables these organisations to accept and manage financial donations and gifts in accordance with Australian Taxation Office guidelines.

The CSB Gift Fund Account simplifies funds administration and enhances the ability of organisations to attract donations.

The CSB Gift Fund Account was developed in response to the needs of organisations with DGR status and demonstrates CSB's commitment to working with partners within the community sector to create products and services relevant to their requirements.

CSB Capacity Builder Account

The CSB Capacity Builder Account is an innovative solution designed to meet the needs of Foundations, philanthropic funds, Prescribed Private Funds (PPFs) and not for profit organisations – making it easy and cost-effective to invest amounts of \$500,000 and above.

The features of the CSB Capacity Builder Account take the worry out of responsible investing and provides you with what you want from a high-yield investment facility.

The CSB Capacity Builder Account features include:

- no transaction fees;
- competitive interest rate;
- at call funds;
- no fixed term; and
- phone banking and online access.

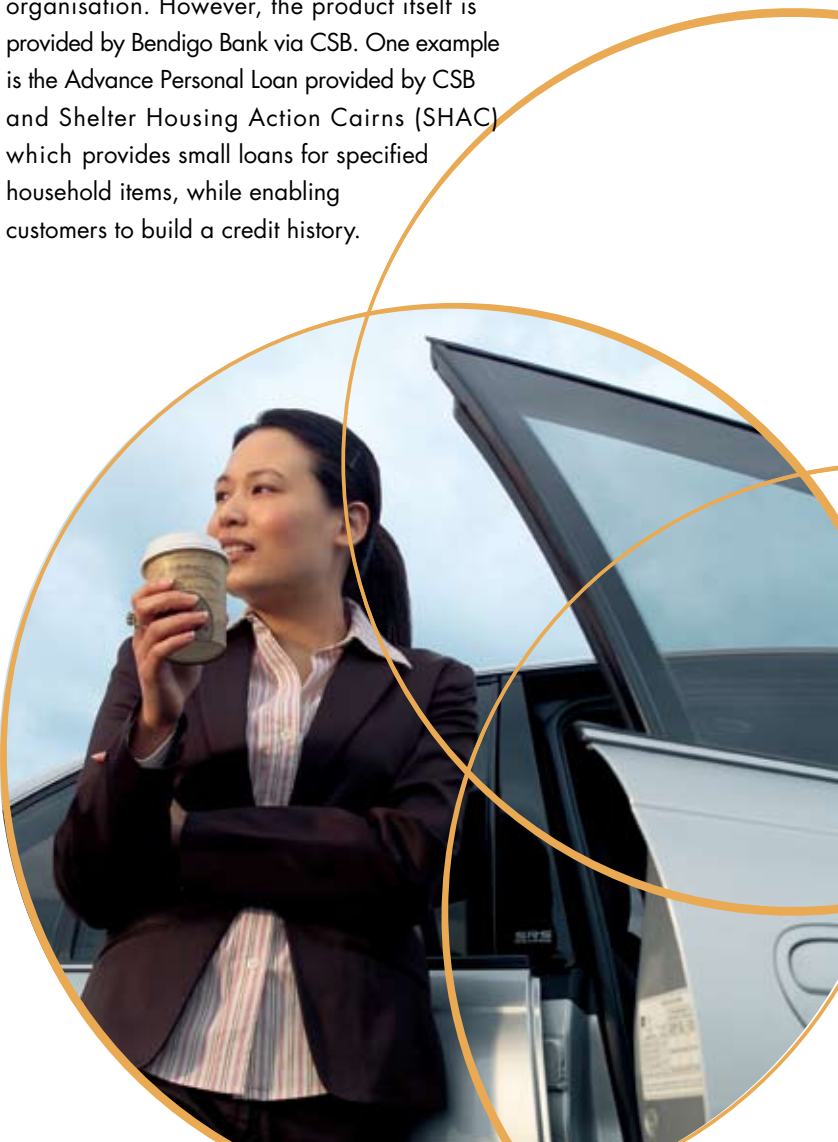
The CSB Capacity Builder Account provides you with ready access and flexibility regarding the management of your investment funds – an ideal solution for funds that you don't want locked away for specific periods of time.

CSB Lending Services

CSB provides specialist lending support for community sector organisations and their employees. Central to this is the CSB approach of 'thinking outside the square' when providing credit arrangements. Essentially it means CSB is focussed on working to make a deal on lending for community sector organisations and their employees. CSB is building specific lending policy guidelines that are suitable for the sector's particular requirements.

Joint venture products

A key element in the CSB philosophy is a 'people centric' approach to developing financial solutions. Sometimes it is the way a product is delivered that makes it effective. These products are dual branded and marketed by the partner organisation. However, the product itself is provided by Bendigo Bank via CSB. One example is the Advance Personal Loan provided by CSB and Shelter Housing Action Cairns (SHAC) which provides small loans for specified household items, while enabling customers to build a credit history.



Frequently asked questions

What is Community Sector Banking?

Community Sector Banking (CSB) is a wholly owned subsidiary of Community Sector Enterprises Pty Ltd, which is a 50/50 joint venture arrangement between Bendigo Bank Ltd and Community 21 Ltd. Community 21 Ltd currently represents twenty shareholders from the community sector, comprising a collective of non-government, welfare, community and not for profit organisations.

CSB was developed in response to the needs of the community sector to better manage the capital flow in the sector. It operates under a franchise of Bendigo Bank. CSB brings together various groups who work together to find solutions to enhance the overall capacity of the community sector, especially, though not exclusively, through the provision of financial solutions.

Is Community Sector Banking another Community Bank® branch and where is it located?

CSB is not a traditional bank. CSB is a joint venture that brings together private and community sector participants to provide innovative financial solutions to enhance the capacity and meet the demands of the sector. Community Sector Banking's principal office is located at Level 1, 251-253 Princes Hwy, Corrimal in New South Wales.

What is the 'community sector'?

The 'community sector' is also often referred to as 'the not for profit sector' or the 'third sector' (after government and private sectors). It comprises non-government, welfare and community 'not for profit' organisations and their employees. These organisations are diverse and can include sporting clubs and employment agencies to churches and welfare groups. The community or the 'not for profit' sector accounts for almost 5% of our Gross Domestic Product, produces income of over \$50 billion annually and employs over half a million Australians.



Who are the stakeholders in CSB?

CSB stakeholders are community sector organisations seeking to generate a revenue stream from their own banking. Unlike a traditional bank, CSB is not designed to serve a geographic community, but rather a 'community of interest', i.e. the collection of stakeholders from the 'not for profit' and community sector who all share a common purpose. In essence, CSB provides a range of banking products and services specifically designed to fulfil the sector's needs.

What type of customers bank with CSB?

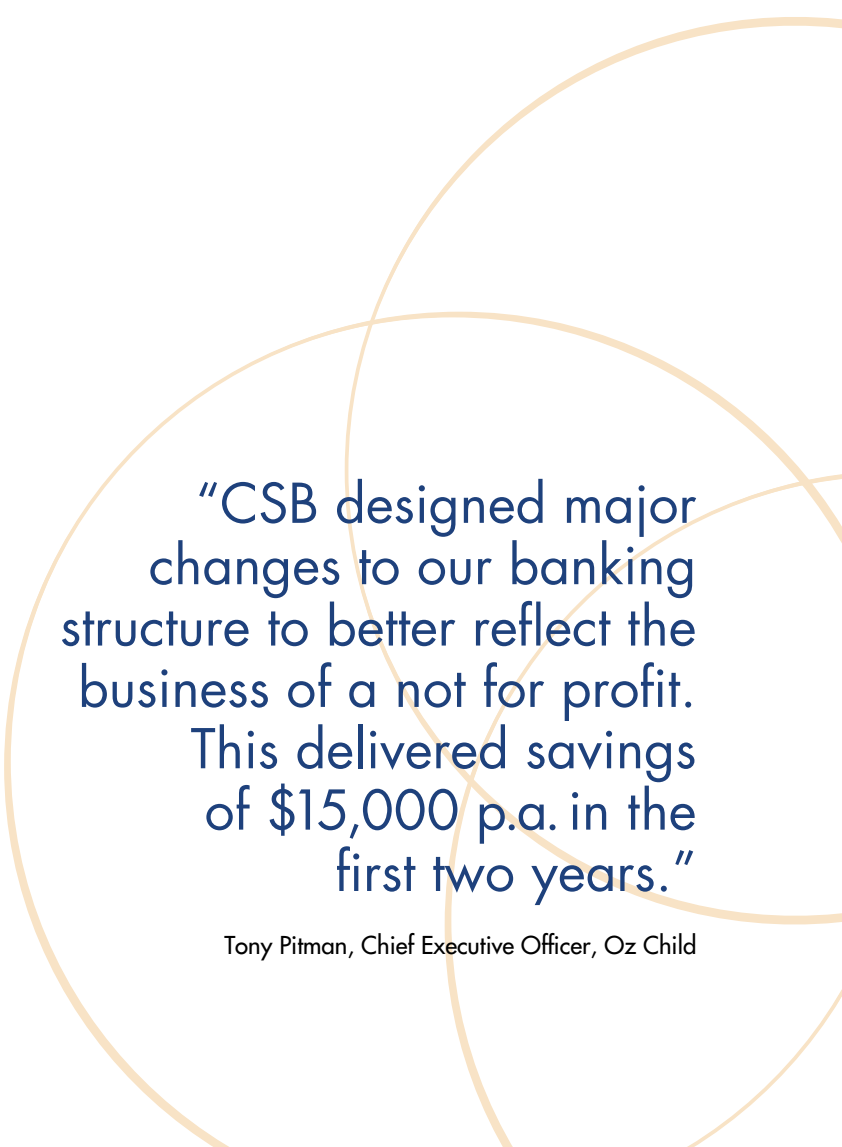
CSB customers are primarily non-government, welfare, charitable, community and 'not for profit' organisations. These can be as diverse as hospitals, sporting clubs, church groups, employment agencies, aged and child care groups and welfare organisations.

How do customers bank with CSB?

CSB operates in a modern, virtual banking environment with transactions predominately conducted by Internet and telephone banking. This helps keep costs down and maximises convenient access to services. However, traditional face-to-face withdrawal and deposit activities can be completed at any Bendigo Bank branch as required by customers.

What products does CSB offer?

Customers of CSB can access the full suite of standard Bendigo Bank business products, as well as a range of products and services specifically developed to meet the needs of the community sector. These CSB specific products all feature low fee structures and easy administration, and currently include: CSB Cash Management Trading Account, CSB Salary Benefit Card, CSB Gift Fund Account, CSB Capacity Builder Account and CSB lending services. CSB also provides products in conjunction with other organisations which are dual branded and marketed by the partner organisation. However, the product itself is provided by Bendigo Bank via CSB. New CSB products are in development and will be launched progressively as CSB grows.



“CSB designed major changes to our banking structure to better reflect the business of a not for profit. This delivered savings of \$15,000 p.a. in the first two years.”

Tony Pitman, Chief Executive Officer, Oz Child

Community 21 Shareholders

These organisations shared a vision to create a provider of banking services to meet the specific needs of non-government, welfare and community-based 'not for profit' organisations. As the foundation shareholders, they part own and help operate Community Sector Banking.

- Able Australia Services
- Access Community Group
- Anglicare Tasmania
- Australian Council of Social Service (ACOSS)
- Brotherhood of St Laurence
- Business & Employment - Tasmania
- Charities Aid Foundation
- Enterprise Training Company Ltd
- Foresters ANA Mutual Society
- Jobs Australia
- Newtrain Ltd
- NSW Council of Social Service (NCOSS)
- NSW Federation of Housing Associations
- Orana Education and Training Co-op Ltd
- Oxfam Australia
- OZ Child
- Scope (Vic) Ltd
- Skill Centred Queensland
- St Luke's
- Youth Accommodation Association

