



CORPORATE FINANCE GROUP

TESTIMONIALS

What they said ...

I am a Practice Group Leader in the Commercial & Project Litigation Division of national law firm Slater & Gordon. I head up a group of lawyers responsible for the major commercial and class action litigation conducted in the Sydney office of the firm.

I have known, and worked with, Debbie Organ for more than 3½ years. During that time, Debbie has impressed me as a highly principled and hard-working person with significant initiative, intelligence and diligence.

Debbie has assisted me as coordinator in a very complex and difficult class action for and on behalf of more than 20 registered licensed clubs in Queensland and New South Wales. This position has necessitated the demonstration of significant skills by her to manage and direct a wide ranging group of individuals comprising the boards and executives of clubs with substantial turnover and assets.

She has excelled in assisting me in meeting pressing court deadlines with care and cost efficiencies.

Debbie is a specialist in the workings of the finance industry and its practices.

Debbie's contacts and respect in the business community is extensive. She has introduced me to a number of other persons and businesses requiring legal and commercial expertise in the areas of finance, asset portfolio acquisitions and transfers and local government work.

Often, Debbie has worked outside office hours to ensure the completion of tasks on time. This sometimes involved working under considerable and sustained pressure always with level headedness and good humour.

Van Moulis

Practice Group Leader,
Slater & Gordon

Prior to my retirement from the position of ClubsNSW Chief Executive Officer in July 2010, I had the privilege of working with Ms Debbie Organ for nearly four years on the many issues surrounding Lease Rental Agreements and Operating Leases as they affected registered clubs, through her role with Integrity Corporate Finance.

Ms Organ had detected that many registered clubs were entering into agreements for the procurement of a wide range of goods and services, that could only be described as deceptive and misleading and set about 'righting the wrongs'.

Over the past four years Ms Organ has saved scores of clubs many millions of dollars through her investigative work, combined with sharp negotiating skills and absolute commitment to ensuring that her clients needs were met.

I have personally been approached by many of Debbie's clients thanking ClubsNSW for Debbie's fight on their behalf, in some cases achieving results that ultimately saved clubs from closing.

I would have no hesitation in acting as a referee for Ms Organ.

David Costello

Integrity Corporate Finance (through Debbie Organ) has provided comprehensive and professional analysis of our Lease Finance Tenders (and written the same) on a number of occasions over the past few years and has managed our Tenders for procurement of Waste Garbage Trucks on numerous occasions with exceptional results. We will certainly be using this service again in the future.

Mark Taylor

Head of Fleet Management
Marrickville Council

Debbie Organ's experience, coupled with a wealth of knowledge will save your club money! I would recommend that club's speak with Debbie about their financial and service agreements and they will be ecstatic with results.

John Rafferty

Chief Executive Officer
Coffs Harbour Ex Services Club

We have just signed the reviewed ATM contracts for replacement at our two sites. As discussed, the original contracts were heavily weighted in favour of the supplier and it was a great advantage to receive the heads up from you prior to negotiation with the other side. The supplier was eager to place his product and amenable to write in some "special conditions". At the end of the day we received a better deal and more importantly, better protection.

Peter Cook

Eden Fishermans Club

Integrity Corporate Finance is our club's chosen team for all our financial needs; we know there will be no hidden little nasties. Debbie is a name we can put a face to and is a person we can trust. Debbie took the time to visit our club and is in touch with the needs of our business.

Colan Ryan

Secretary Manager
Crescent Head Country Club

Debbie Organ and Manly Leagues first crossed paths 10 years ago and since that introduction Debbie has proven to be a real bonus to our club. Debbie is a remarkable woman who has a real passion for the industry and for helping people with her banking and finance expertise. Thanks to her we have no financial undertakings with hidden traps and we are always able to negotiate our general banking requirements in a professional manner that ensures us the best possible outcome. Recently we have been in dispute with our major banker and Debbie's experience has helped us enormously.

Debbie's integrity and principals are beyond reproach and her support of many charities and individuals in need of assistance does not get the recognition it deserves. I have no hesitation in recommending Debbie Organ, as a finance professional and as an individual, to not only the club industry but to the community in general.

Peter Spray

CEO
Manly Leagues Club

As long as I've known Deb, she has always been very community minded, her support of charities is well known, and it comes from a deep sense of caring for others. A well respected lady amongst the sporting elite! Whatever Deb takes on she completes with enthusiasm, integrity and professionalism, with a dash of flare. The club industry has made a great decision in joining with Debbie to protect their industry from some of the not so ethical. Other industries should follow. Her ethics will surpass any test, as will her wonderful disposition. It is a privilege to be associated with such a person.

Len Pascoe

Australian Test Cricketer

The work that Debbie and Integrity Corporate Finance has done has been extremely efficient and pointed in

dealing with particular issues within our Industry that many clubs have been unfairly faced with.

For me personally, in addition their services have educated me on other traps that are there for managers in the financial world.

Kimberely Talbot

CEO
The Richmond Club

Integrity Corporate Finance Group offers member clubs a highly specialised range of services that are soundly and professionally administered by Debbie Organ. We have had the opportunity of utilising and testing the veracity of the services on offer and have not hesitation in recommending them to other club Boards and management.

H Sarlemyn

Chief Executive Officer
norths Group

I first heard about Debbie Organ (Integrity Corporate Finance Group) in January, 2007, from ClubsNSW, and this was like an angel being sent, in our club's times of trouble. After just going through the misappropriation of funds by our ex-Treasurer, the last thing we needed was to be stoged again.

From my first contact with Debbie, I knew that everything would turn out for the better, because from that initial contact, Debbie showed her experience and expertise. She worked diligently via phone and emails (all hours), for which the club will be forever grateful.

After six months of negotiations and re-negotiations (with Debbie's help) and with the two parties concerned, and I am pleased to say, the scam was resolved. I would have no hesitation in seeking Debbie's advice should we venture into another leasing situation.

Wendy D Tolley

Director/Secretary/Treasurer
Walla Walla Bowling & Recreation Club Ltd

We were in a terrible situation. We had tried all avenues including legal assistance.

Integrity Corporate Finance resolved the situation within days and saved our club thousands of dollars.

Before entering into any finance agreement or if you have suspicions about your current agreement, I

would recommend speaking to Integrity Corporate Finance

Simon De Munck

Chief Executive Officer

Club Rivers – Riverwood Legion & Community Club

If you have not heard Debbie speak in the past, this is a great opportunity to hear of her experiences, and the valuable lessons your club can learn, so as not to get caught in the traps often found in lease, finance and service agreements. Recently dubbed the Erin Brokovich of the Finance and club industry, this is a session not to be missed. Debbie's has an extensive background in corporate finance, the leasing industry and was a university lecture in business and banking related subjects, and has been well known in the club industry for over 20 years. After meeting Debbie in person, you will see why she was nominated for Business Woman of the year on three separate occasions. This session is one not to be missed.

ClubsNSW

Annual Conference

Our club has over the years financed the bulk of our purchases through our Bankers, most of these dealings have been for the purchase of Poker Machines or larger items of equipment.

Approximately two years ago we were approached to embark into a venture that was completely different to the norm and involved us financing equipment with the promise that we would retrieve the cost through income gained from the use of this equipment. Shortly thereafter things did not seem to be panning out right and we starting questioning the company we were dealing with as to when we would start to see some of the supposed income generation.

It was about this time that Debbie Organ was part of a ClubsNSW Mini-Conference at our club speaking on some less than scrupulous finance deals. The things that she was saying ran true to our circumstances and we decided to contact her to discuss our problem to find out if firstly, we did have a problem and if so how best to deal with the situation. Debbie agreed to meet with us to first investigate the deal and let us know what she thought. We have since then been in constant contact, as there is indeed a problem. Debbie has been in touch with the authorities on our behalf to try and seek a solution to this problem on our behalf.

Through Debbie's investigation we have found that there are several other club's in similar circumstances that we may be able to band together to try and achieve a solution. Our only regret in this is that we did not use Debbie's expertise earlier before engaging in the agreement. Our dealings with her since have shown us that she is extremely knowledgeable in this field and she has supplied us with invaluable advice. She is definitely a lady with strength of character, tenacity and above all integrity to seek out the best for the people for whom she is working.

The recommendation I have is to use Debbie's expertise before you enter into any such agreement, however if you are already in one you believe to be suspect have her take it on for you. In other words as with our situation, I believe we can all get "conned", don't be afraid to admit you have made a mistake and then fight for your rights.

David Whyte

General Manager

Shellharbour Workers' Club

I have known Debbie Organ professionally for over 12 years in a variety of capacities. My first association with Debbie came about through the Voluntary appointment of an administrator to a large registered club, Port Macquarie RSL Club, situated in the coastal resort town Port Macquarie. At the time of the Voluntary Appointment of an Administrator by the Board of the club, I was appointed as General Manager by the Administrator and commenced a very long and complex path toward finding solutions for this troubled business.

Debbie was at this time a Senior Account Manager with the State Bank of NSW and was appointed Account Manager for the club at a very difficult time.

It was at this time that I discovered an individual that operated incredibly well under extreme pressure and assisted me for many years in finding financial solutions to very difficult circumstances that followed the appointment of Administrator.

We worked together after the Administrator was removed to take the business forward after almost five years in Administration. This is particularly difficult when one considers the need to raise finance with insolvency and Administrator's Appointment being raised each time finance applications were submitted.

Debbie by this time had moved back to a Corporate Finance role

It was fortuitous for the club and me that Debbie had made this career move as she once again assisted

in breaking down the barriers for finance applications and approvals. Debbie was an enormous contributing factor allowing the club to find solutions and pathway for its future, in ultimately amalgamating with Penrith Panthers.

The process of seeking the best solution for the club's future and the amalgamation due diligence and statutory time lines took almost three years and was successful through Debbie's innovative and effective interim financing solutions.

I again approached Debbie at my next appointment Harbord Diggers. This club also had financial difficulty and in serious financial decline.

Debbie once again assisted me with financing solutions where it was necessary to invest in the business, however there were no cash reserves available to achieve this. Increasing an already over extended bank debt was not an option, and so it was again fortuitous that Debbie's long and successful association was enlisted to assist Harbord Diggers to supplement operating cash flows to upgrade equipment while we searched for solutions for the beleaguered club.

Ultimately the most outstanding solution was determined to be an amalgamation with Mounties Group. Again the due diligence and statutory processes took an extended period of time and again it was Debbie's innovative solutions that assisted in providing the support and time to enable a very successful outcome to eventuate for this club.

Debbie, I would be more than happy to provide verbal support for your contribution to the Finance Industry through the experiences we have shared in the two extreme examples above and how we made them ultimately successful examples.

Greg Willcocks

Harbord Diggers

I am honoured to have been asked to provide this recommendation for Debbie Organ and Integrity Finance Group.

Debbie's expertise in providing sound financial advice to assist us to manage the financial challenges of our business has always been relevant and beneficial. Debbie has always exceeded my expectations in this regard.

I have no hesitation recommending Debbie and Integrity Finance Group for the provision of services including: independent corporate financial advice,

asset financing advice, equipment procurement contracting advice, corporate finance reviews, preparation of finance tenders, and education associated with these services.

Greg Pickering

Chief Executive Officer
Mounties Group of Clubs

This is a brief testimonial on behalf of Debbie Organ of Integrity Corporate Finance Group Pty Ltd.

"I had business dealings with her for a brief period when I was caught in a business scam associated with the finance industry.

Debbie was of great help to me defending my position in relation to the scam and pointed me in the right direction in pursuit of justice on several occasions. She has also spoken at hotel and club conventions in the state of Queensland. Her company Integrity Corporate Finance Pty Ltd is aptly named as I have found her to have a good sense of justice and her personal integrity is unquestionable.

I wish her well in any endeavour to which this testimonial may be used for and may be available for personal comment by contact on the number of this Hotel.

Barry Allen

Director
Denison Hotel Pty Ltd

We have had an association with Debbie Organ for a period of 10 years and can thoroughly recommend her and her company to any prospective customer. Her assistance has seen the club enter into various leases, which helped our cash flow and kept new machines before our customers. Integrity is the most competitive, honest and reliable organization within our industry. I can thoroughly recommend them for financial and contractual advice and any leasing requirements.

Brendan Hauville

South Sydney Juniors

I read with a mix of horror and interest to the articles Debbie Organ wrote in the *Club Life* and *CMA* Magazines. I know of a number of my colleagues in our zone who have saved their club significant amounts of money (and grief) with Debbie's help.

My finance Manager is a brilliant operator and yet he walked away from Debbie's seminar to immediately check on one of our leases. Debbie is a straight talker and her presentations are even better than the articles.

Anyone considering a lease or rental should talk with Debbie. The cost of a phone call may be the best investment you make.

Gordon Rhodes

Chief Executive Officer
South Tweed Sports Club

Debbie Organ is an operator in the finance industry that passionately represents the interests of the consumer. She is concerned with the unscrupulous nature of some operators in her industry and she is an advocate for fairness and transparency, and a level playing field.

Melinda Pavey MLC

Parliamentary Secretary to the Leader of the Nationals
Duty MLC for Monaro and Port Macquarie

I first became involved with Debbie Organ of Integrity Corporate Finance after reading a series of articles written by her on The Traps of Rental Lease Finance published in the *Club Life* and *CMAA* magazines. I asked her to review my existing contracts and she was able to ensure that all necessary steps were taken to avoid potentially costly traps contained within the small print. I commend her services to any club seeking to review new or existing contracts.

Tony Mulroy ACCM

Chief Executive Officer
Adamstown RSL & Community Club

As one of the top 15 individual donors to the AB trek for kids, on behalf of Jane and the trek team, I would like to thank you for your support. You have made an invaluable contribution to the AB trek for kids. Congratulations on walking 260km yourself. Your enthusiasm and commitment has enabled the AB trek for kids to make a significant contribution to struggling Aussie kids.

Allan Border

I have known Debbie Organ for a period of 10 years and can recommend her to any prospective customer. In this time Debbie has worked with clubs I have been associated, South Sydney Leagues Club, Southport

RSL & Bankstown RSL providing financial, leasing and procurement requirements. I would have no hesitation in recommending Debbie to any potential clients.

Scott Dickson

Chief Executive Officer
City of Bankstown RSL

I met Debbie Organ approximately 4 years when she was looking for some assistance with a charity fundraising event and she immediately impressed me with her very professional and enthusiastic demeanor.

As is often the case with Debbie, the better you get to know her, the more admiration you can't help but have for her many virtues. In particular, her ability to blend her altruistic nature with a strong results and outcome focus for any of the projects that she engages. These qualities combined make her a rare and valuable resource in a highly competitive corporate world. In addition to her varied achievements in the business community Debbie maintains a strong commitment to her charity work and helping those in need.

It goes without saying that Debbie is a genuine achiever who displays liberal quantities of initiative and self motivation. Add to the brew large doses of loyalty and integrity and you have someone who injects plenty of grunt into the teamwork equation of any business.

I have no hesitation in recommending Debbie Organ to any organisation and congratulate ClubsNSW on the initiative to join forces with Debbie, which I know will benefit the club industry as a whole

I also attended (with Debbie) a NSW Council Industry conference, where Debbie was the guest speaker. I am always impressed by her Integrity and passion that all business dealings should be ethical. She has such a passion regarding the operating lease industry and unjust business practices associated with the various areas of procurement. Many Councils spoke to me about how impressive and passionate Debbie is, many of whom use her services. I am honored to be associated with such a business person and how she aims to make a genuine difference.

Wayne Pearce OAM

In this edition of *Club Life*, we continue a series of articles titled 'Beware of the Lease Rental Traps' which I must say has created enormous interest in the club industry and indeed the business community across Australia.

In addition I have no doubt that the Federal Government as well as State Government's will have a very keen interest in this matter in the near future.

The articles written by highly qualified leasing and finance analyst Debbie Organ BEc, SIA Dip, MBA, have been published jointly by ClubsNSW and The Club Managers Association, Australia, in an effort to provide an insight into a business activity that is unregulated and one that poses potentially significant financial risk to clubs if they do not understand how lease rentals work and where the traps are.

Already I have had contact with many clubs who now understand how they may incur very significant and unnecessary costs and greatly appreciate the advice that Ms Organ is providing via the articles in *Club Life* and also Club Management in Australia.

Further articles are planned in subsequent issues, however if you require specific advice I suggest that you contact Ms Organ directly via the contact details shown in the articles.

David Costello

CEO, ClubsNSW

I would personally like to thank you for your support of the Day of Difference Foundation. Your generosity will go a long way in helping Pediatric Burns Survivors live as normal life as possible. Again, thank you for your outstanding support of all our foundation and for giving difference a chance.

Ron Delezio

Day of Difference Foundation

I have known Debbie Organ since 1996, during this time I have had the pleasure of working with Debbie on numerous projects, finalising the agreement for the leasing of computer equipment to a value of \$3.5 million. Debbie was our advisor.

In all my dealings professionally with Debbie, she has always acted in an extremely honest, helpful and very reliable manner. Assisting us with all aspects of negotiation of new contracts, renegotiating existing contracts, for extension to time periods and re-financing.

Debbie is very knowledgeable on the products she markets and has all confidence when explaining the detail of the product. Debbie had full understanding of our requirements and was able to develop a deal specific to our needs to ensure our changing requirements were being catered for at all times. Delivery of an agreement of this kind was not always easy however Debbie always managed to achieve this. Debbie was able to strip out the facts from the jargon and present a clear and concise deal.

Debbie has a deep and abiding concern for the well being of others and at all times will put their well being ahead of her own. Debbie has a wonderful family and provides them the care and affection they need. Debbie has in the past, and will in the future provide care to close friends who have been extremely ill and in need of that bit of extra care.

Debbie represents the quintessential qualities of a professional businesswoman: dedicated conscientious honest and focused on meeting and exceeding the requirement of her customers. That combined with her concern of others makes her a role model that many high profile corporate leaders could learn a lot from. I am sure Debbie would be a deserving recipient of this award for Business Woman of the Year.

Helen Cumbers

Head of Information Technology
Permanent Trustee Company Limited

I want to personally congratulate you on the initiative that you have displayed to help other Australians who find themselves in a less fortunate or healthy position than most of us.

Steve Mortimer

CEO
Bulldogs RLFC

I have pleasure in providing the following reference in support of the nomination of Debbie Organ, Director, Integrity Corporate Finance Group Pty Ltd for the award of 2002 Telstra Business Woman of the Year.

Debbie has provided invaluable assistance to myself and other staff in the University sector during the past six years as we have come to terms with reductions to our funding levels. As an example, Macquarie University has had to continue provide a high quality tertiary education service with cuts to government funding exceeding 15% per annum, and there is no immediate end to this challenge.

Debbie has provided professional and timely advice that has enabled Macquarie University's move to the introduction of operating leases for our major items of equipment – to help us to meet the funding cuts imposed upon us by the Commonwealth. In doing so, Debbie has been instrumental in assisting the University move towards the adoption of accrual budgeting/accounting via the adoption of operating leases. An additional advantage of this process has been that managers now more actively monitor and control their assets as they can avail themselves of upgrades during the term of the leases.

Debbie's detailed knowledge of the finance industry and her highly professional approach to her clients has greatly assisted us in avoiding the hazards often associated with financing arrangements. As the author of the paper entitled "Operating Leases: The Benefits and Pitfalls", Debbie has detailed for clients how to best manage these financing arrangements to achieve the best outcome for us and how to avoid common mistakes, which often benefit the financing company.

In addition to the provision of timely and efficient professional advice, Debbie is at the forefront of 'organizing' fund raising events for deserving charitable causes. As a director of "Go Get ORGANized", Debbie has arranged successful fund raising ventures for charities including: The Sunnyfield Association, Disabled Children and the Starlight Foundation.

In summary, I have appreciated the assistance/advice provided by Debbie Organ that has greatly benefited Macquarie University. I have found Debbie to be an honest and willing adviser who: can think laterally; provide solutions, which are "outside the square"; understands the fine detail of the financial industry; and is also a personable individual who has excellent communication skills. Debbie's efforts in raising funds for the needy are also well regarded and appreciated by both contributors and recipients alike.

In my opinion, Debbie is an outstanding candidate for the award of the 2002 Telstra Business Woman of the Year.

Michael Webster

Director
Financial Services and Bursar
Macquarie University

After many years in the finance industry Debbie started her own flourishing business, Integrity Corporate Finance, and as the name suggests, that is what you get!

Debbie combines her heavy commitments with bringing up a young family, as well as having a major involvement with charities and fundraising for the disabled. Every aspect of Debbie's life is attached with gusto and a great sense of fun.

Allan Border

The Sunnyfield Association cares for over 400 people with intellectual disability and last year celebrated its 50th birthday. This organisation is one of the top 5 service providers in NSW – and understands the 'extra mile' involved in true human service.

Sunnyfield receives a lot of goodwill from the community in general and from many businesses.

The individuals who are self-sacrificing in their efforts to assist this organization are rare and valuable. Debbie Organ is one such person – one of very few business people, who are prepared to go to great lengths to help us.

Earlier this year, Debbie put together the largest Charity benefit concert Sunnyfield has ever experienced and the most professionally prepared and staged event of its type. The line-up included key celebrities and sporting personalities, Mike Whitney, Mal Meninga, Allan Border, Mark Carrol and Australian supergroup INXS.

The event involved huge preparation, significant sponsorship, extensive venue/facility and entertainment negotiations and required a level of commitment and tenacity, which is typical of Debbie.

We have witnessed her assistance for other people and charities. We know she has friends and family members in need, who would not be cared for if Debbie didn't have such a can-do attitude and such a self-giving personality.

Debbie Organ is a person who usually stands behind the scenes to make things happen – so that other people and other causes receive the attention. On this occasion, there is no one we know who more deserves to be recognized for her contribution to the business of true charity and professional Human service. We highly recommend her for your consideration.

Phil Cox

Acting Chief Executive Officer
The Sunnyfield Association

I have known Debbie Organ in a business and social capacity for 15 years.

Our professional relationship began in 1985 when Debbie was only a Graduate Trainee in The Colonial State Bank of NSW. She accepted the challenge of analyzing and preparing banking submissions for some large and complex companies. Her depth of knowledge and analytical and interpersonal skills enabled her to progress rapidly in the Bank. Within a few years, she rose to the level of Account Manager, responsible for servicing a portfolio of large corporate customers with banking facilities ranging up to more than \$200m.

In 1993, Debbie accepted the challenge of Regional Manager for the North Coast of NSW, making her the youngest appointee to such a senior position with the Bank. In this role, she was responsible for not only the large corporate accounts in her region but also the many small businesses and personal banking relationships.

A study of Debbie's Curriculum Vitae shows many impressive academic achievements and these have no doubt substantially assisted her throughout her career.

To be successful in most careers and particularly in the finance industry requires strong interpersonal skills. In this regard, Debbie shows natural ease and confidence in her relationships with her colleagues and customers. She values her professional integrity highly and always has regard for the best interest of her customer when structuring solutions.

I am very pleased to have been asked to support Debbie's nomination for the Telstra Businesswoman of the Year Award. Having spent more than 40 years in the finance industry myself, I have worked with many talented people, but few more than Debbie. Her career rapidly progressed at a time when there were relatively few women in the banking industry. Very few at that time held senior positions. Debbie's achievements were gained on merit and I have no doubt she will continue to advance her career. I wish her well.

Jim Swinburne

Senior Manager, Corporate Banking
Rabo Australia Limited

I am delighted to provide a business and personal reference for Debbie to support her nomination for the 2000 Telstra Business Woman of the Year Award.

I have had the pleasure of knowing Debbie since the mid 80s when she joined the then State Bank of NSW as a graduate in our Corporate and International

Banking Division of which I held the position of Chief Manager.

These were challenging and trying times for Corporate Financial markets both within Australia and Internationally and Debbie very quickly and successfully established herself as an enterprising deal maker amongst the corporate high fliers and sharp-penciled financiers of the day. Debbie's ingenuity, good sense of business, determination and charm were valuable personal attributes that invariably gave her a unique edge over many more experienced colleagues in a very male dominated business environment, I can recall many a deal coming to fruition only because of Debbie's perseverance and commitment to an ideal and the special quality of the relationship she had fostered with the client. These are special qualities that Debbie continues to successfully employ.

Debbie has come a long way since her time with the State Bank and it is evident over the course of her career in Finance that she has successfully built upon these valuable personal attributes and is now a highly regarded and successful Senior Executive in her own right.

I am very proud to have played a role in Debbie's challenging and successful career and it would be a great honour for me personally to see Debbie win the award as she is certainly an outstanding candidate"

John Burgess

Senior Manager
Asset Based Finance, Colonial

It is a rare and special person that gets up each day, continually thinking of ways to benefit people less fortunate than themselves. Debbie Organ is one of those rare people. Her personal enthusiasm and effort in supporting this Association – and so many other causes – is outstanding and deserves recognition. Debbie is a great encouragement to the work we are doing here – for people with an intellectual disability.

Thank you Deb.

Steve Drury

Manager, Development Services
The Sunnyfield Association

From the Editor: ClubsNSW

Is it Business as Usual at Your Bank?

In the December 2008 issue of *Club Life*, we featured an article by Debbie Organ of Integrity Corporate Finance about whether or not it's business as usual for banks during the global market meltdown and its affecting clubs (*The Credit Crisis: Out of Reach or Simply Out of Touch* pp 84-87). It's an article worth re-reading and one in which people working in the banking and finance industries are strongly identifying with. In fact, a former executive-level senior manager from one the country's big four banks contacted me recently – and what he had to say is well worth your time.

"After reading Debbie Organ's article I felt compelled to write to you because I can identify very strongly with what she writes and it brought back a lot of bitter memories.

"I worked for [one of the big four] banks for 25 years before getting out about 7 years ago, finishing up my career as a senior manager in their business banking division. Just like Debbie Organ, I had many personal experiences with credit teams that defied any sort of sound lending practices. In fact, the Bank seemed to make up credit policies on the run with little thought or care about the consequences of their often ill-informed decisions.

"I also had a number of registered clubs in my portfolio and all were highly profitable in terms of income for the bank. More importantly, these club businesses were also trouble free and exactly the type of accounts every lender loved to have. Yet a decision was made (without any reference) to put in place "*an exit policy*" for all clubs on the Business Banking Centre's books which included strategies such as reviewing fees, interest rates, security margins, and all other terms and conditions. In one case, a leasing/hire purchase limit that had been in place for two years was going to be cancelled without prior warning or explanation to the client. Fortunately I was able to prevent this facility being cancelled but only after a lot of, shall we say, gentle persuasion.

"Interestingly, many years later and after the bank's culture changed to '*sell, sell, sell,*' we were back at those same clubs and knocking on their doors for business. I found this personally very embarrassing, and in more than one instance I had to speak to the same people I had on my books years earlier. Because of my previous experiences with clubs, they all treated me with respect and were friendly, but they all had the same message – "*Tell your bank where to go.*" I didn't blame them and would have done the same in those circumstances.

"I've since lost contact with all the people I once worked with but would love to know what the bank's reactions are to the current '*crisis.*' I imagine they have had the usual knee-jerk reaction and not just tightened lending but literally stopped it in many areas. It wasn't unusual for policy decisions to be made halting all lending to specific industries or businesses on the basis that the bank had a large exposure and didn't want to risk any more regardless of the strength of the proposal. So, when reading Debbie Organ's article I found myself nodding my head in total agreement and thinking, "*Yes, that's exactly the way it was.*"

"As I mentioned earlier, I got out of the banking industry seven years ago and don't regret it for a second. The pressures of trying to implement the bank's ever changing policies and practices but still retain my sense of fairness, and particularly my ethics, became far too difficult. These days I work as a financial counsellor and I find helping and advising people who are in trouble far more satisfying than being on the other side and lending them into trouble. Thank you for a very entertaining, insightful, and accurate article."

The unwinding of a credit boom (such as what we've had in the last almost decade) can exacerbate an economic downturn if financial intermediaries become less willing to lend, thereby imposing further financial constraints on business. So, if your club is experiencing problems with your bank or lending providers then don't hesitate to contact Debbie Organ today at Integrity Corporate Finance (which specifically caters to the New South Wales club industry).