

It's official – Companion Credit Union members approve merger

The merger between prominent Hunter Valley financial institution, Companion Credit Union, and industry peer, Community CPS Australia, will become effective from 1 January 2010, after members of Companion Credit Union voted overwhelmingly in favour of the amalgamation.

More than 95% of Companion members present at an Annual General Meeting held in Rutherford on Wednesday (25 November), voted in favour of the merger. The merged entity will form one of Australia's largest credit unions, representing a combined membership of more than 180,500.

Companion Chief Executive, Ray O'Brien, said he was delighted members had supported the board's plans for expansion and growth.

"This merger is very exciting for all of us at Companion. Teaming up with one of the country's most influential credit unions allows us to strengthen our position in our local markets and grow our member network. At the same time, Companion will retain its own identity, which is very important given our history in the Hunter and Gunnedah regions," said Mr O'Brien.

The business will trade as Companion Credit Union – a Division of Community CPS Australia Ltd throughout the Hunter Valley and Gunnedah regions. Community CPS was formed in 2006 as a result of a merger between CPS Credit Union (SA) and CPS Credit Union Co-operative (ACT). In November 2008, Community CPS merged with United Credit Union in WA and now carries on business in WA as United Community.

Companion Chairman, Peter Gogarty, said both credit unions were built upon the principles of mutuality and community support, and partnering with a like-minded organisation was invaluable.

"From the early stages of the merger discussions, it was clear there was a strong strategic alignment between the two organisations," said Mr Gogarty.

Among the benefits of the merger are an expanded branch network, enhanced products and services, and reduced risk due to greater market diversification. Companion staff will benefit from a national job network and comprehensive training programs.

Community CPS Chief Executive Officer, Kevin Benger, said he was proud to officially link the two credit unions following approval from Companion members.

"This merger is an important step for Community CPS and Companion, ensuring we remain competitive in the financial services market and continue to deliver the best services to our members in NSW, SA, ACT and WA," said Mr Benger.

From 1 January 2010, the merged entity will be lead by Mr Benger. Mr O'Brien will become a member of the Community CPS management team and retain overall responsibility for Companion's operations in the Hunter and Gunnedah regions

The merged credit union will have total assets under management of \$2.82 billion and more than \$295 million of additional funds under advice through a wealth management subsidiary - Eastwoods. The full suite of Community CPS products and services will be available to Companion members from August 1, 2010 following system conversion.

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