



# Bank South Pacific

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## Administration

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## Bank South Pacific Expands Operations to Niue

Bank of South Pacific Limited today signed an agreement with Westpac Banking Corporation for the sale of the assets and liabilities of Westpac's Niue branch to BSP. Niue is a small independent Pacific Island nation in free association with New Zealand. Niue operates with New Zealand currency.

BSP will assume sole responsibility for providing banking services to the people of Niue.

Both BSP and the Government of Niue are committed to ensuring that banking services are continued and that the needs of the Niue community are met. After an extensive due diligence exercise on the financial and operating capability of BSP, the Financial Secretary of Niue, Mr Eddie McEachan indicated that the enquiries by the Niue Government revealed that the Capital Adequacy Ratio of BSP was well in excess of international benchmarks. The Government served a total of 41 requisitions on Bank of South Pacific to determine its ability to provide financial products and services required by the people, business and Government of Niue. BSP successfully responded to these requisitions and satisfied the Government of its ability to conduct a branch of the BSP in Niue.

BSP will enter into a Memorandum of Understanding with the Government of Niue to ensure the continuation of banking services to the people of Niue.

Mr Noreo Beangke, Chairman, Bank of South Pacific, said that the bank's Board had confidence in the economic future of Niue and was delighted to establish BSP in Niue. "Bank of South Pacific", he said "looks forward to providing banking services to all sectors in Niue including access through its correspondent banks to services in New Zealand."

The signed agreement between Bank of South Pacific Limited and Westpac Banking Corporation and the MOU with the Government of Niue is subject Bank of Papua New Guinea's approval.

Mr. Robert Thaddeus, a senior citizen staff member has been appointed as the manager, Niue, and is currently undergoing intensive training in preparation for his assuming the management of BSP Niue. Formal completion of the sale is expected on 1 October 2004.

Mr. Beangke extended his appreciation to Westpac and to the Government of Niue for the confidence shown by their acceptance of BSP as the sole operator of banking services on Niue.