

The Heartlander

THE NEWSLETTER OF HEARTLAND BANK – NEW ZEALAND’S SPECIALIST BANK

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IN THIS ISSUE

What does it mean to be New Zealand’s specialist bank? 2

A big thank you 2

Home equity release 2

Alistair Harsant – run of his life 3

Heartland Bank on TV 3

Chelsea’s italian chicken bake & herb vinaigrette 4

Win a \$250 Heartland Saver Account 4



Special Offer

TERM DEPOSIT – 3 YEARS

5.50% P.A.

Interest paid quarterly.
Interest rate subject to change.
Minimum investment \$1,000

IMPORTANT INFORMATION

The current Heartland Bank Limited (Heartland Bank) Disclosure Statement is available at any Heartland Bank branch, at www.heartland.co.nz or by calling 0800 85 20 20.

If you are interested in our Term Deposits or Savings Optimiser account, please also see our investment statements for those products, available as above.

Heartland Bank is a subsidiary of Heartland New Zealand Limited (HNZ). HNZ does not guarantee the obligations of Heartland Bank in relation to deposits.

Heartland Bank received a boost in May when international credit rating agency Standard & Poor’s (S&P) upgraded Heartland’s credit rating to BBB from BBB-. What was particularly pleasing was that S&P highlighted that Heartland’s business position has strengthened over the past three years through the transition toward our core niche markets. This is the key to Heartland’s strategy – to be New Zealand’s specialist bank by focusing on areas where we can offer market leading products and services backed up with exceptional service. You can read more about our credit rating upgrade and Heartland’s specialist approach on page 2.

One great example of Heartland’s specialist strategy is our Home Equity Loan. This is a product we are particularly proud of because it offers seniors the ability to stay in their own home, enjoy their retirement with dignity and provides the financial freedom to do the things they have always wanted to do. Home equity release is similar to a regular mortgage but the outcomes to people’s lives can be fantastic and truly transformational – hence why we are so passionate about it. Heartland’s approach to home equity release is intentionally

very prudent and conservative with a thorough and robust process. On page 2 you can find out more about home equity release and also our advertising campaign.

Heartland is proud to support over 100 not for profit organisations across New Zealand. We believe these contributions make a real difference. Sometimes however, it is our people who make the biggest difference. One such person is Alistair Harsant and you can read more on his inspirational story on page 3.

I am writing this on the eve of the winter solstice – the shortest day of the year. As we all try to keep the chills at bay, it’s a perfect time for a hearty meal shared with family or friends, Chelsea Winter’s yummy chicken bake is sure to hit the spot. Turn to page 4 for the recipe.

If you have any feedback or questions on *The Heartlander* please feel free to contact me. Thank you for your continued support – by investing in Heartland you are investing in New Zealand.

Andrew Ford
National Retail Manager

WHAT DOES IT MEAN TO BE NEW ZEALAND'S SPECIALIST BANK?

Heartland has a long and proud history which stretches back to 1875. When Heartland obtained its bank registration in December 2012, we stated that we were going to build on this legacy, and bank registration was a step on this journey.

Simply offering the same services as the major banks was not a viable strategy for Heartland, nor would it have been advantageous for New Zealanders. We knew we needed to establish ourselves with our own credentials, carve out our own niche and differentiate ourselves from the bigger banks that dominate our high streets. Our aim was to develop and offer specialist products that individuals, families, farmers and businesses could require in addition to their day-to-day banking needs – typically products where we could occupy a

market leading position and that could help people *do more*.

This strategy is working for us. Independent endorsement of four of our deposit products, from financial products research company Canstar, means that the Heartland Everyday Account, Heartland Business Call Account, Heartland Saver Account and the Heartland Cash PIE all now proudly carry their 'Five Star for Outstanding Value' award. Further still, international credit ratings agency Standard & Poor's (S&P) has recently upgraded Heartland Bank's credit rating from BBB- (outlook developing) to BBB (outlook negative). In their report released on 21 May 2014, S&P stated: "The rating upgrade reflects our view that Heartland's business position strengthened over the past three years upon the bank's

transition toward its core niche markets and away from non-core assets... Thus, we are of the view that Heartland's strategy and chosen target market are distinctly different from its peers; whose business positions in traditional high-contestability markets are assessed as "weak"." S&P attributes the negative outlook to the "negative economic risk trend" it has assigned to the New Zealand banking system and the concerns it has about New Zealand's economic imbalances.

This is worthy recognition and one we are incredibly proud of. We are making a difference, giving people financial options and not compromising on service. Looking to the future we will continue to be New Zealand focussed and proud to be different. We thank you for your continued support.

HEARTLAND IN THE COMMUNITY

A BIG THANK YOU

Dear Heartlander readers

We would just like to say a huge thank you for supporting us and the many community organisations around New Zealand.

Here at The Big Little Theatre Company we pride ourselves in giving the children of the community the opportunity to perform on stage. If it wasn't for the support we receive from the local community, like the \$500 donation from Heartland, this would not be

possible. The funds went towards our very successful production of "A Mid Summer Nights Dream". We're now busy practising for our next production "Flour Babies" which will be showing at the Ashburton Trust Event Centre between the 19th and 21st of September 2014. So if you're in the area we'd love to see you there!

Many thanks

The Big Little Theatre Company



Photo courtesy of guardianonline.co.nz

HOME EQUITY RELEASE

In April this year Heartland New Zealand Limited purchased New Zealand's largest provider of home equity release loans, Sentinel.

A Heartland Home Equity Loan is similar to a regular mortgage but is designed specifically for New Zealanders aged 65 and over. As the median income of New Zealand retirees is around \$20,000, these loans are designed without the need to make regular repayments. Your home is your own and you remain living in it for as long as you choose.

Vaughan Underwood (formerly the CEO of Sentinel) now leads home equity release at Heartland and he's seen how positively these loans can affect the lives of New Zealand retirees.

"The release of money in many cases can be quite small, but it can really improve the day-to-day living of our customers. Whilst many can get by with government super, any unexpected expenses can create significant stress. Home improvements or repairs are a common use of our loans with renovations

often allowing customers to remain living in their home and adding value. Some people need to upgrade their car to something more reliable and a number of customers have used the funds for travel; often it's that longed-for trip to see family overseas."

"Whether it's having a home that is warm and secure, greater and safer mobility with an upgraded car, or the treasured memories and satisfaction that come from visiting family, the money released from their own home can be transformational to someone's wellbeing."

"New Zealanders are also living longer, more active lives. A new pair of glasses, hearing aids, joint replacements etc can really make enjoying the retirement years possible. Paying off existing debt can actually allow our clients to retire!"

Underwood says there's also another benefit he notices in Home Equity Loan clients.

"There are a number of positive things that



Vaughan Underwood

happen beyond the tangible use of the money. Our clients often have a real sense of achievement in remaining independent and being able to manage the daily challenges themselves."

Because the home is such an important part of most New Zealanders' wealth, there are many safety features, designed to give peace of mind, built in to the Heartland Home Equity Loan.

RUN OF HIS LIFE

Alistair Harsant may be a Heartland Business Asset Manager, but there's more than one string to Alistair's bow and outside of the office he's better known by his alter ego "Ironman for Asthma"!

Facing a fear

Unfortunately at just 18 months old Alistair suffered his first of many full blown asthma attacks. These attacks dictated a childhood peppered with medication, hospital visits and even a double hernia operation due to sustained, violent coughing. Nonetheless, Alistair loved sports, especially running and cycling, but his fear of the ocean held him back from swimming. Then in 2000 he was introduced to triathlon - where a fear of the water is something of a disadvantage! Not only did he face that fear, he crushed it. By 2005 he had made such a great impression that he was selected for the NZ Age Group Team to race in Honolulu. *"It was a fantastic time. For the first time in my life I had become 'asthma free' insofar as I did not need to take my medication"* says Alistair. Unfortunately it didn't last and over the next few years Alistair's health entered a downward spiral.

Taking a break

He didn't realise it at the time, but the short break he had taken after Honolulu had signalled the beginning of the decline in his health and by 2009 even going outside for 30 minutes would leave him breathless and reaching for his inhaler. The fear of returning to the lifestyle that had defined his childhood prompted him to reflect on where he had been in 2005, how good he'd felt and how robust his health had been. Then the realisation hit him, the sport of triathlon had had a profound effect on his asthma. He made the decision to return to the sport but admits it was a far more painful process than he had anticipated and much harder than the first time around *"I was 25kg's heavier and 9 years older. The re-awakening of muscles, but especially my lungs, often left me trashed after easy*



Ironman for Asthma in action.

sessions. But I knew it would get better, and it did, although it took about 2 years to find myself comfortable in the sport again." Alistair also reversed the pattern in his health and went from strength to strength.

In control

Having regained control of his asthma, Alistair not only wanted to take it to another level, but also use his experiences to raise awareness of asthma in New Zealand. In early 2012 he had an idea, and with the help of Asthma NZ by April of that year the idea became a reality. "Ironman for Asthma" was born! The goal was to raise awareness of Asthma in NZ, fund-raise for the Asthma Foundation and keep Alistair in control of his asthma. The challenge was to be the ultimate test - completing Ironman NZ in March 2013. Knowing what we now know about Alistair, you'll not be surprised to learn that he finished the 3.8km swim, 180km bike ride and 42km run in an incredible 11 hours and 40 minutes. He also went on to enjoy a great season and competed in the inaugural Auckland ITU World Series Race - Age Group Division, finishing in the top 10 in his age group.

Not one to stand still for too long, Alistair's

latest project is 'Project Worlds' where his goal is to qualify for the New Zealand Age Group Teams for both Long Distance and Standard Distance World Championships, Alistair says.

"In New Zealand one in six adults and one in four children suffer with asthma. I'm just doing what I can to raise understanding of the condition and show people it can define who you are in a very positive way."

NZ FACT

With a latitude of 41° 17' South, Wellington is the southernmost capital city in the world. It is also the most remote capital city, the farthest away from any other capital.

en.wikipedia.org/wiki/Wellington

If you would like to follow Alistair's progress you can follow him at

<https://www.facebook.com/pages/Ironman-for-Asthma-Presents-Project-Worlds/190616047722928?ref=hl>

HEARTLAND BANK – ON A TV SCREEN NEAR YOU...

We've been thrilled with the response to Heartland Bank's first ever TV advertising campaign.

First airing back in May, the advert is designed to promote the Heartland Home Equity Loan and asks the question 'How do I stay in the home I've worked a lifetime for?'

We've concentrated on using real life examples so our target audience can identify with it and the benefits home equity release can provide.

The brand

The second angle for the advert is to raise awareness of the Heartland Bank 'brand'. We are New Zealand's specialist bank and pride ourselves on offering niche products designed to help our customers *do more*. We want people to see that Heartland breaks the mould of what a traditional bank can offer people in retirement.

Of course one TV advert does not make a good campaign - it makes up part of a good campaign and that's why you may also have

seen newspaper and magazines adverts as well as hearing us on various radio stations.

The advert finishes by directing viewers to a dedicated telephone number where they can speak to one of Heartland's Home Equity Loan team and request an information pack. Or they can visit Heartland's website www.heartland.co.nz which also contains a handy, easy-to-use calculator that gives an idea of how much equity could be released from a home and how the loan could look over time.

ITALIAN CHICKEN BAKE WITH HERB VINAIGRETTE

You can either dress this up for a special occasion (using the fresh mozzarella, basil, Parmesan, balsamic and a fancy garlic bread) or just keep it basic for a cosy night in with the family. It's a dish loaded with flavour! Serves 4.

Ingredients

- 8-10 skin-on chicken thighs, legs or drumsticks (preferably free-range)
- 600g potatoes, unpeeled and scrubbed
- 1 x 400g can whole tomatoes, drained and halved
- Handful cherry tomatoes
- Handful chopped fresh or regular mozzarella (optional)

Vinaigrette

- 2 tbsp chopped fresh rosemary
- 2 tbsp chopped fresh oregano or thyme
- 1 clove garlic, crushed
- 3 tbsp olive oil
- 1 tbsp red or white wine vinegar

Method

Preheat oven to 210C.

Cut the potatoes into halves or quarters and place in a pot of cold, salted water. Bring to a gentle simmer and cook until just underdone. Drain and place the pot over a low heat for a few minutes to evaporate any excess moisture. Drizzle with a little olive oil to coat and season



with salt and pepper. Lightly crush each piece with a fork to crumble it up just a little bit.

Coat the chicken with a little olive oil and season with salt and pepper.

Over a high heat, warm a little oil in the frying pan (if you have an ovenproof frying pan, use this. If not, use a standard frying pan and transfer everything to a casserole dish later). When it's nice and hot, add the chicken pieces skin-side down and cook for about 5 minutes or until crispy and golden. Turn-over and cook for another few minutes. It doesn't need to be cooked through as this will happen in the oven.

For the herb vinaigrette, you can either combine all the ingredients using a mortar and pestle, mini-food processor, or just chop

everything finely as possible and whisk to combine. Season with salt and pepper.

In your ovenproof pan or a baking dish, arrange the tomatoes and potatoes around the chicken pieces. Drizzle all over with vinaigrette. Bake uncovered in the oven for about 25 minutes or until the chicken is cooked through and potatoes golden on top.

With around 10 minutes to go, scatter the mozzarella on top.

To serve, sprinkle with fresh grated parmesan, basil and a splash of balsamic vinegar and complement with garlic bread and a fresh green salad.

For more delicious recipes from Chelsea, visit www.chelseawinter.co.nz

BE VIGILANT TO ONLINE CRIME AND WIN A \$250 HEARTLAND SAVER ACCOUNT

Last year Kiwis spent over \$5.8 billion online.* As more of us log on to do everything from paying a bill to booking a holiday, we need to be extra vigilant when it comes to online security as there has been a significant increase in 'cyber-crime' over recent years. Cyber-crime can involve anything from trying to sell fake or non-existent goods, establishing relationships online to obtain money or personal property, through to gaining access to bank accounts to withdraw funds. Fraudsters can and do contact people using many methods, including email, phone calls or via standard mail.

One way to protect yourself is to remember the importance of never divulging your internet password or PIN to anyone, either in written form, by email, in person or over the telephone. Heartland Bank will never contact you by phone or email asking for this information so it's best to always be vigilant and remember that if something sounds too good to be true - it probably is.

The competition

To win a Heartland Saver Account (awarded 5 stars for 'outstanding value' by Canstar) with \$250 in it, simply answer this question:

When would Heartland contact you to request your internet banking password or PIN?

To enter simply send your answer, along with your name and contact details to investdirect@heartland.co.nz or by post to Heartland Investments, PO Box 9919, Newmarket, Auckland.

Closing date for entries is Friday 5 September. One correct entry will be randomly drawn on Monday 8 September and the winner advised accordingly.

*Roy Morgan research released 27.2.14.

CONTACT US

Visit your local Heartland Bank branch or call us today to chat about which account or deposit is right for you, and for a copy of our Disclosure Statement, Investment Statements and Account and Service General Terms and Conditions.

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