

Notice of Annual General Meeting

Rye & District Community Financial Services Limited

A.B.N. 67 095 766 895

To be held at 10.00am on Tuesday 29th October 2013

at the Rosebud Memorial Hall,

994 Point Nepean Road, Rosebud, VIC

Ordinary Business

1. Receipt of Annual Report

To receive the Company's Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2013.

2. Election of Directors

To consider, and if thought fit, to pass each of the following resolutions as an ordinary resolution.

Re-election of Director retiring by rotation

- (a) That **Janet Hall** be re-elected as a Director of the Company.
- (b) That **Shane McCarthy** be re-elected as a Director of the Company.
- (c) That **Gary Cain** be re-elected as a Director of the Company.
- (d) That **Barry Irving** be re-elected as a Director of the Company

3. Remuneration Report

To consider, and if thought fit, pass the following resolution as an ordinary resolution.

That the Remuneration Report be adopted.

The company will disregard any votes cast (in any capacity) on item 3 by or on behalf of a member of key management personnel named in the Remuneration Report (and any closely related party of any such member) unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Notice of Annual General Meeting

Attending the meeting

All shareholders may attend the Annual General Meeting.

Joint holders: In the case of joint shareholders, all holders may attend the Meeting. If only one holder attends (including by proxy), that shareholder may vote at the Meeting as if that holder were solely entitled to the shares. If more than one joint holder is present (including by proxy), the joint holder whose name appears first in the register may vote.

Proxy: If you are unable to attend the Meeting, you are entitled to appoint a proxy to attend and vote. See the attached Proxy Form for information on appointing a proxy.

Corporate shareholder: A corporate shareholder may appoint one or more persons to act as its representative under section 250D of the Corporations Act, but only one representative may exercise the corporate shareholder's powers at any one time. The Company requires written evidence of a representative's appointment to be given to the Company before the meeting.

Voting restrictions

Key management personnel of the Company (and any closely related party of any such member) are excluded from voting on all resolutions that are directly or indirectly related to the remuneration of key management personnel and will not be able to vote your proxy on item 3 unless you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him or her to vote by marking the Chairman's box on the proxy form (in which case the Chairman of the meeting will vote in favour of this item of business).

For the purposes of these voting restrictions:

- The 'key management personnel' for Rye & District Community Financial Services Limited are those persons having authority and responsibility for planning, directing and controlling the activities of the company, either directly or indirectly, including any director (whether executive or otherwise) of that company.
- A 'closely related party' of a member of the key management personnel for Rye & District Community Financial Services Limited includes a spouse or child, a child of the member's spouse, a dependent of the member or of the member's spouse, or anyone else who may be expected to influence the member (or be influenced by the member) in the member's dealings with the company.

Voting rights

Each shareholder is entitled to one vote.

For the purposes of voting at the Meeting, shares will be taken to be held by the persons who are registered as shareholders as at 5.00pm on Friday 25th October 2013

By order of the Board

Eileen Naylor

Company Secretary

1 October 2013

Notice of Annual General Meeting

Explanatory Notes

This information has been included to assist you in making an informed decision about the resolutions proposed at the meeting.

Agenda item 2. Election of Directors

The following information is provided about candidates for election to the Board.

Re-election of Director retiring by rotation

- (a) Janet Hall retires by rotation in accordance with the constitution of the Company, and being eligible, offers herself for re-election.
- (b) Shane McCarthy retires by rotation in accordance with the constitution of the Company, and being eligible, offers himself for re-election.
- (c) Gary Cain retires by rotation in accordance with the constitution of the Company, and being eligible, offers herself for re-election.
- (d) Barry Irving retires by rotation in accordance with the constitution of the Company, and being eligible, offers herself for re-election.

Agenda item 3. Remuneration Report

The Corporations Act requires a resolution that the Remuneration Report contained in the Company's Annual Report be adopted, be put to the vote. The resolution is advisory only and does not bind the Directors of the Company.

The directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

If 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution" that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director and CEO) must go up for re-election.

Shareholders should be aware that recent amendments to the Corporations Act 2001, *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011*, technically prohibit the Chairman from voting 'undirected proxies' on this resolution. 'Undirected Proxies' are those proxies where the shareholder does not specify the way the Chairperson must vote.

Shareholders are therefore encouraged, when appointing a proxy via use of the enclosed Proxy Form, to select the directed proxy option by ticking a box next to the resolution, directing the Chairman to vote according to their intention.

Failure to direct your proxy in this manner will result in your proxy vote for the adoption of the Remuneration Report being ineligible for consideration.