

Notice of Annual General Meeting

Valley Community Financial Services Limited

ABN 86 092 399 730

To be held at 6.30pm (registration) for 7.00pm start on Wednesday, 13 November 2013 at
Bridges Restaurant, 1075 Heidelberg/Kinglake Road, Hurstbridge, 3099

Ordinary Business

1. Receipt of Annual Report

To receive the Company's Financial Report, the Director's 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 **Ingrid Crichton** be elected as a Director of the company.
- (b) That **Daryl Brooke** be elected as a Director of the company.
- (c) That **Philip Marendaz** be elected as a Director of the company.

Election of new Director

- (d) **Phillip John Burt** has not previously served as a Director and offers himself for election.

3. Remuneration Report

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

That the Remuneration Report be adopted.

Except to the extent permitted by law, 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.

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 rights

Each shareholder is entitled to **one** vote.

Voting restrictions

Key management personnel of the Company and their closely related parties may not vote on Item 3. If you appoint a member of the key management personnel (other than the Chair) or their closely related party as your proxy, they may not vote your proxy on Item 3 unless you direct them how to vote. You can direct your proxy how to vote by marking the appropriate boxes on the proxy form. If the Chair of the meeting is your proxy and

you do not direct him how to vote, the Chair intends to vote undirected proxies in favour of all items of business to the extent permitted by law.

For the purposes of these voting restrictions:

- The 'key management personnel' for **Valley 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 **Valley 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.

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 10 October 2013**.

By Order of the Board

A handwritten signature in blue ink, appearing to read 'M Vickrage', is positioned above the printed name and title of the signatory.

Melissa Vickrage
Company Secretary
11 October 2013

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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) **Ingrid Crichton** retires by rotation in accordance with the constitution of the company, and being eligible, offers herself for re-election. Ingrid states *"Joining the Board of VCFS was one of the best decisions I ever made. I had no idea when I started, how time consuming or challenging it would be, but also no idea how rewarding. I now understand the complexities of running a banking business, I have broadened my knowledge of our fantastic community, and, importantly, I've been able to apply the skills developed in 37 years with the federal public service in many senior positions and fields of work. I believe I've made a valuable contribution to VCFS, and look forward, with your support, to the opportunity to do more."*
- (b) **Daryl Brooke** retires by rotation in accordance with the constitution of the company, and being eligible, offers himself for re-election. Daryl states *"A New Zealander by birth, I studied mechanical engineering, industrial production and marketing management leading to a career in business development. Engineering with Air New Zealand and senior marketing and operations roles with multinational Eaton Fluid Power led me to Melbourne and Anthony Innovations based in Thomastown returning this family business to its innovative origins. My variety of business development successes led me to establishment what is today Daryl Brooke and Associates providing business coaching, analysis and strategic planning services since 2004. I work with not-for-profit and for-profit social enterprises such as **Community Banks**[®] and small and medium sized business. I have been described as "a natural and inspiring leader" and "someone who makes things happen". I undertake volunteer work with several communities and economic development advisory groups within Nillumbik Shire and am passionate about our community and local food systems."*
- (c) **Philip Marendaz** retires by rotation in accordance with the constitution of the company, and being eligible, offers himself for re-election. Philip states *"I seek re-election to the Board to continue to provide both a positive contribution to community projects and strong commercial governance. I have been a resident of Arthurs Creek for 20 years and supported the community as Landcare Treasurer, Hurstbridge Traders Treasurer and now President of the Diamond Creek Traders. I am also a member of Diamond Creek Rotary. My professional career has been in accounting and commercial management with major Australian public companies in the manufacturing and industrial services industries. I am a fellow of the Australian CPA's, a registered tax agent and have run my own accounting and business consulting practice for over 8 years, now based in Diamond Creek. I am a strong believer in the Community Bank model and would welcome the opportunity to continue to deliver its benefits to our community."*

Election of New Director

- (d) **Phillip Burtt** has not previously served as a Director, and offers himself for election. Phillip states *"My peers consider me to be an astute, entrepreneurial and innovative business development and finance focussed individual, highly accomplished in consistently providing leadership in strategic business planning/development, delivering corporate goals, financial initiatives and building high performing teams. I have an enviable record identifying and securing business opportunities for accelerated and sustainable growth and am passionate, people focussed and ethical with strong drive and ambition. My greatest strengths include can-do attitude, the ability to build strong rapport and networks with influential persons and groups. Thanks to Jim Barr for nominating me and to you for the opportunity to make a difference."*

The remaining candidates are well known to the shareholders of the Company and have worked tirelessly in ensuring the success of the organisation. They are commended to you 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 and put to the vote. The resolution is advisory only and does not bind the Directors of the Company.