

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 11 November 2015
at Bridges, 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 2015.

2. Election of Directors

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

Re-election of Directors retiring by rotation

- a) That **Malcolm Hackett** be re-elected as a Director of the Company.
- b) That **Daryl Brooke** be re-elected as a Director of the Company.
- c) That **Philip Marendaz** be re-elected as a Director of the Company.

Re-election of a Director appointed since last Annual General Meeting

- d) That **Peter Steven** 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.

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.

Special Business

4. NSX and Low Volume Market

To consider and if thought fit, pass the following resolution as a special resolution.

That the Company delist from the National Stock Exchange of Australia (NSX) and apply to ASIC to operate a Low Volume Market (LVM).

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 shareholding 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 5 October 2015.

By order of the Board



Melissa Vickrage
Company Secretary
8 October 2015

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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) **Malcolm Hackett** retires by rotation in accordance with the constitution of the company, and being eligible, offers himself for re-election.
- b) **Daryl Brooke** retires by rotation in accordance with the constitution of the company, and being eligible, offers himself for re-election.
- c) **Philip Marendaz** retires by rotation in accordance with the constitution of the company, and being eligible, offers himself for re-election.

Re-election of Director appointed since last Annual General Meeting

- d) **Peter Steven**, having been appointed by the Board since the last annual general meeting, retires in accordance with the constitution of the Company, and being eligible, offers himself for election.

Peter Steven moved into the Eltham area with his wife Cheryle nearly 25 years ago and has lived here with his family ever since. He is an insurance broker by trade and has run his business, located in Doncaster since 1998, for over 27 years. He has had a long involvement in community activities, coaching junior football, and basketball, as well as an administrator for a local basketball association. Prior to starting a family, he was a member of the Rotary Club of Camberwell where he sat on the board for two years.

Peter has also been actively involved in a national industry association, being national secretary for 19 years overseeing its incorporation and writing its constitution. He was awarded Life Membership in 2010 for services to the Association, and is the only recipient of The President's Award, which was presented in February 2015. He is also a passionate sports photographer and is generally known as 'the guy with the camera', being seen regularly at local football or basketball games.

The 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

Agenda item 4. NSX and Low Volume Market

The Company proposes to delist from the National Stock Exchange of Australia (NSX) so as to apply to the Australian Securities & Investments Commission (ASIC) to operate a Low Volume Market as the preferred trading framework for shares for the Company. Ninety (90) days notice is required by the NSX. The Directors are of the opinion that the Low Volume Market provided by ASIC is an appropriate share trading framework for the Company's shareholders given the size and nature of the Company and its shareholders and shareholdings.