

Notice of Annual General Meeting

Clifroy Limited
A.B.N. 31 114 604 358

**To be held at 7.00pm AEDT on Wednesday 11 November 2015 at
Cam's Café, Convent Building, Abbotsford Convent,
1 St Helier's Street, Abbotsford 3067**

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 appointed since last Annual General Meeting

- (a) That **Amelia Jane Collins** be elected as a Director of the Company.

Re-election of Directors retiring by rotation

- (b) That **Yann Burden** be elected as a Director of the Company.
- (c) That **Katherine Esther Kennedy** be elected as a Director of the Company.
- (d) That **Lauren Mary Zoric** be 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 approved and 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.

4. Appointment of Auditor

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

That subject to ASIC's consent, the firm Andrew Frewin Stewart be appointed as auditor of the company.

5. Amendment to Constitution Clause 51 Number of Directors

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

That the maximum number of Directors of the company (not including Alternate Directors) be increased from ten to eleven.

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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 **Clifroy 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 the company.
- A 'closely related party' of a member of the key management personnel for **Clifroy 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 members as at **7pm AEDT on Monday 9 November 2015**.

By order of the Board

Adrian Nelson

Company Secretary

28 September 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 Directors appointed since last Annual General Meeting

(a) **Amelia Jane Collins** having been appointed by the Board on 5 August 2015, retires in accordance with the constitution of the Company, and being eligible offers herself for re-election.

Re-election of Directors retiring by rotation

(b) **Yann Burden** retires by rotation in accordance with the constitution of the Company, and being eligible offers himself for re-election.

(c) **Katherine Esther Kennedy** retires by rotation in accordance with the constitution of the Company, and being eligible offers herself for re-election.

(d) **Lauren Mary Zoric** retires by rotation in accordance with the constitution of the Company, and being eligible offers herself for re-election.

Amelia Jane Collins

Director

Occupation: Social media manager

Board member since: August 2015

Why I chose to become a Community Bank® Director:

I moved into the area about six years ago and instantly felt connected to the community values and pride evidenced every day in the parks and playgrounds, with local retailers and on the streets with our neighbours. Having previously served as a Director on the board of another Community Bank and enjoying that experience and challenge, I want to make a meaningful and effective contribution to the community that I love.

Experience I bring to this role:

Through my previous and current professional roles, I've gained experience leading various brand communication functions in large sales and service organisations including; public relations and integrated media campaigns, and more recently social and digital media, all with the same objective of creating relevant, respectful relationships with stakeholders.

My general philosophy:

I'm a mum, wife, sister, friend, colleague, manager and more, and I believe it's the sum of these roles we play that make us great at any of them. So, it's important to me that tapping into our whole self at work and at home, not just the parts that we'd present on a resume, brings diversity of opinion and ultimately brings about better decision making, and most importantly a sense of fun and fulfilment.

Board & Committee Roles:

Structure & Resources Committee

Interests in shares: Nil

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Yann Burden

Director

Occupation: Software & Energy professional.

Board member since 2010.

Why I chose to become a Community Bank Director:

I figured that if enjoyed living within my local community, I should contribute something to it. I was attracted by the innovative business model, the opportunity to make life a bit more difficult for the Big 4 banks, all while delivering benefits to the community.

Experience I bring to this role:

As co-founder and managing director of a software business I have deep practical knowledge of financial management, HR and risk management. With over 10 years' experience in management consulting and business start-ups in Australia and Europe, I bring experience in the areas of business planning project management and sustainability to the Community Bank. My previous career as a strategy consultant has helped me understand the nuanced trade-offs between short-term operational challenges and longer term business aspirations. I hold a Bachelor degree from University of Melbourne.

My general philosophy:

I try to focus on things I'm passionate about, but remain curious about the things I know little about.

Board & Committee Roles:

Chair of Community Engagement Committee

Interests in shares: Nil

Katherine Esther Kennedy

Director

Occupation: Strategy Manager, Social Traders Ltd

Board member since: 2013

Why I chose to become a Community Bank® Director:

I am interested in ensuring that banking choice exists, as it is in decline in Australia. The Community Bank® offers real choice for consumers & business, as well as investing in grass roots community organisations. I want to ensure that this level of choice continues and also that community organisations continue to strengthen our community.

Experience I bring to this role:

I am a Clifton Hill resident living a stone's throw from the branch, with more than 20 years' experience in senior management, business analysis, business strategy and planning, coaching, workshop facilitation, technology commercialisation and consulting across a broad range of industries in Australia and overseas. I currently work in the social enterprise sector; with a focus on strategic planning, impact measurement and new opportunity assessment and development for Social Traders Limited. Social Traders is a specialist social enterprise development organisation with a national reach. I also manage a specialist medical practice currently servicing the northern suburbs of Melbourne. I hold a Bachelor of Science in Applied Mathematics (University of Limerick), a Masters of Management Technology (Melbourne Business School) and I am a graduate of the Australian Institute of Company Directors, and for seven years I was a non-executive director of a non-government organisation, focusing on the prevention of child sexual abuse.

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My general philosophy:

A vibrant and inclusive community requires its members to get involved. By joining the Clifroy Ltd Board I hope I can continue to contribute to creating a strong & vibrant community in Clifton Hill.

Board & Committee Roles:

Member: Structure & Resources Committee, Finance, Governance & Audit Committee
Interests in shares: Nil

Lauren Mary Zoric

Director

Occupation: Marketing & Communications Manager

Board member since: 24 January 2013

Why I chose to become a Community Bank® Director

I think community banking is a brilliant idea and I was excited by the bank's unique business model. I was intrigued by the strategic challenge of continuing to develop new business and find better ways to tell the community banking story. I also saw the opportunity to become a Director as a way of having a deeper involvement in my community, meeting people and finding ways to make new connections.

Experience I bring to this role:

Marketing and Communications Manager at Melbourne International Film Festival, where the role encompasses marketing and sponsorship, audience development, branding and communications. Previous publicity and marketing roles in music, arts and film industries, largely across independent, not for profit community organisations. Recently completed a Graduate Certificate in Communication and Customer Strategy at Melbourne Business School, University of Melbourne. Have also completed Certificate II Print Design and Bachelor of Arts (Media) at RMIT.

My general philosophy:

I believe in social justice, the strength of local community and being a good neighbour. I also believe that good PR and clever marketing can transform excellent, but niche, ideas to more widely accepted mainstream propositions.

Board & Committee Roles:

Marketing and publicity support alongside Community Liaison Officer;
Member: Community Engagement Committee
Interests in shares: Nil

Agenda item 3. Remuneration Report

Item 3 is an ordinary resolution to seek your approval for the adoption of the 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 vote on the resolution is advisory only and does not bind the Directors or the company.

Agenda item 4. Appointment of Auditor

The company's auditor has requested a change in the appointment. Currently Graeme Stewart is appointed in an individual capacity and he has requested that the firm Andrew Frewin Stewart be appointed. Graeme is a partner of Andrew Frewin Stewart and will continue to be the lead auditor. The change in the appointment has been requested to achieve consistency across the firm's audit appointments.

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Agenda item 5. Amendment to Constitution Clause 51 Number of Directors

Clause 51 of the constitution of the company currently states that:

“The number of Directors (not including Alternate Directors) must be not less than three nor more than ten unless otherwise determined by general meeting. “

In order to enable greater sharing of the workload amongst the volunteer Directors of the company, it is proposed that the constitution be amended to allow up to eleven Directors to hold office at any one time.