

# East Gosford & Districts Financial Services Ltd

**ABN 90 092 538 620**

## **Notice of Annual General Meeting 2019**

**Tuesday 12 November 2019, 3.30 pm (AEDT)**

**At, Lions Club Hall, Russell Drysdale Street, East Gosford, NSW, 2250.**

## NOTICE OF ANNUAL GENERAL MEETING 2019 AND EXPLANATORY NOTES

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**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION**

You should read the whole of this document before you decide whether and how to vote on the Resolutions in the Notice of Annual General Meeting.

### **IMPORTANT NOTICES**

The Explanatory Notes in this document are intended to provide Securityholders with information to assess the merits of the proposed Resolutions contained in this Notice of Annual General Meeting and are to be read in conjunction with the Notice of Annual General Meeting.

### **Defined terms**

Terms used in the Notice of Annual General Meeting and the Explanatory Notes are defined in the Glossary at the end of the Explanatory Notes.

### **Read this document**

The Notice of Annual General Meeting and the Explanatory Notes are important. You should read each document in its entirety before deciding how to vote on the Resolutions. If you have any doubt regarding what you should do, you should consult your investment, financial or other professional advisers.

### **Forward-looking statements**

Certain statements in the Explanatory Notes may constitute "forward-looking statements" for the purposes of applicable securities law. You should be aware that there are a number of risks (known and unknown), uncertainties and assumptions and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements, express or implied, by such statements. Factors that could cause or contribute to such differences include the general trading and economic conditions affecting the Company or its subsidiaries. The past performance of the Company is not necessarily representative of future performance.

None of the Company, its subsidiaries or their respective directors, officers and advisers, or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in the Explanatory Notes will actually occur. Securityholders are cautioned not to place undue reliance on these forward-looking statements.

All subsequent written and oral forward-looking statements attributable to the Company or its subsidiaries or any person acting on their behalf are qualified by the above cautionary statement.

## NOTICE OF ANNUAL GENERAL MEETING 2019

East Gosford & Districts Financial Services Ltd ACN 092 538 620 ("EGF" or "the **Company**") will hold its Annual General Meeting at **3:30 PM** (AEDT) on **Tuesday 12 November 2019**, at the Lions Club Hall, Russell Drysdale Street, East Gosford, NSW, 2250. Attendee registration will be available from **3.00 PM** (AEDT) at the Hall.

## ORDINARY BUSINESS

### Receipt and tabling of financial statements and reports

To receive, consider and discuss the:

- a) Chairman's report
- b) Senior Manager's Report
- c) Bendigo & Adelaide Bank Limited's Representative Report
- d) Directors' Report
- e) Financial Report;
- f) Remuneration Report; and
- g) Auditor's Report.

for the Company for the year ended 30 June 2019.

*Note: Reports are tabled at the meeting. Securityholders are not required to vote on this item. Sufficient time will be allowed at the meeting to discuss the reports and to ask questions of the Directors and the auditor (RSD).*

### Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

*"As required by the Corporations Act, that the Remuneration Report for the financial year ended 30 June 2019, being part of the Directors' Report is adopted."*

### Voting Exclusion Statement and Notes on Resolution 1:

- a) The vote on this item is advisory only and does not bind the Directors or the Company.
- b) However, the outcome of the vote and comments made by Securityholders on the Remuneration Report at the meeting will be taken under advisement by the Directors when formulating future remuneration policies.
- c) Key Management Personnel and Closely Related Parties of the Key Management Personnel are excluded from voting on this Resolution.
- d) However, a person described in paragraph (c) above may cast a vote on this Resolution if:
  - a. the person does so as a proxy that specifies how the proxy is to vote on the Resolution; or
  - b. the person is the Chairman and has been appointed as a proxy (expressly or by default) without being directed how to vote on the resolution; and
  - c. in either case, the vote is not cast on behalf of a person described in (c) above.
- e) The Chairman will cast any undirected votes for this Resolution.

### Resolution 2 – Election of Mr Mark Holton as a Director

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

*"That Mr Mark Holton, being a Director of the Company, who was appointed to a casual vacancy in accordance with the Company's Constitution, and being eligible, offers himself for election, is elected as a Director of the Company."*

### **Resolution 3 – Election of Mr Cameron Shepherd as a Director**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

*“That Mr Cameron Shepherd, being a Director of the Company, who was appointed to a casual vacancy in accordance with the Company's Constitution, and being eligible, offers himself for election, is elected as a Director of the Company.”*

### **Resolution 4 – Re-election of Mr John Coman as a Director**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

*“That Mr John Coman, being a Director of the Company, who retires by rotation in accordance with the Company's Constitution, and being eligible, offers himself for re-election, is re-elected as a Director of the Company.”*

### **Resolution 5 – Re-election of Mr Garry Morris as a Director**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an Ordinary Resolution:

*“That Mr Garry Morris, being a Director of the Company, who retires by rotation in accordance with the Company's Constitution, and being eligible, offers himself for re-election, is re-elected as a Director of the Company.”*

### **General Business**

To consider any other business that may lawfully be brought forward by a shareholder of the Company.

By order of the Board

**Scott Evans**  
Company Secretary

4 October 2019

## NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

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### EXPLANATORY NOTES

The accompanying Explanatory Notes form part of this Notice of Annual General Meeting and should be read in conjunction with it. Unless the context otherwise requires, terms which are defined in the Explanatory Notes have the same meaning when used in this Notice of Annual General Meeting.

### RECORD DATE

The Board has determined that, for the purposes of the meeting, Shares will be taken to be held by the persons who are registered as a Securityholder as at **7.00pm (AEDT) on Friday 8 November 2019**. Accordingly Share transfers registered after that time will be disregarded in determining entitlement to attend and vote at the meeting.

### VOTING RIGHTS AND VOTING IN A POLL

As per the Company's Constitution, Securityholders is entitled to one vote irrespective of the number of shares that they own.

As per the Company's Constitution, on a poll, Securityholders have one vote irrespective of the number of shares that they own. On a show of hands, every person present and qualified to vote has one vote and if one proxy has been appointed, that proxy will have one vote on a show of hands. If a Securityholder appoints more than one proxy, neither proxy may vote on a show of hands, but both proxies will be entitled to vote on a poll.

### REPRESENTATIVES

A body corporate may appoint an individual as its representative to exercise any of the powers the body corporate may exercise at meetings of Securityholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the meeting evidence of their appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

### PROXIES

A proxy form accompanies this Notice of Annual General Meeting. As per the Company Constitution, a Securityholder has only one vote irrespective of the number of shares held. That is the rule is one Securityholder one vote.

If you are entitled to attend and cast a vote at the meeting, you may appoint a person as your proxy to attend and vote for you at the meeting. A proxy does not need to be a Securityholder.

If the proxy form is signed under a power of attorney, you must also lodge the power of attorney with the Company not less than 48 hours before the meeting, unless you have previously sent the power of attorney to the Company.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolutions by marking either "**For**", "**Against**" or "**Abstain**" on the proxy form for that Resolution.

To appoint a proxy (or proxies) you must complete the attached proxy form and lodge it so that it is received by the Company not less than 48 hours before the meeting (i.e. by **3:30 PM (AEDT) on Sunday 10 November 2019**) at the following address, fax number or vote online.

For more detailed information on filling in the form, appointing a proxy and directing your vote please refer to the section "How to complete your proxy form" in the attached proxy form.

**METHODS OF VOTING**

<b>BY MAIL -</b>	PO BOX 4021, East Gosford, NSW 2250
<b>BY FAX -</b>	+ 61 2 4323 1499
<b>IN PERSON -</b>	To the Company's registered office located at 101 Victoria Street, East Gosford, NSW 2250
<b>EMAIL –</b>	eastgosfordmailbox@bendigoadelaide.com.au

**ATTENDING THE MEETING**

If attending the meeting, please bring along your proxy form with you which will help you register. If you do not bring your form with you, you will still be able to attend the meeting but representatives from EGF will need to verify your identity. You will be able to register from **3:00 PM (AEDT)** on the day of the meeting.

**APPOINTMENT OF THE CHAIR OR OTHER KEY MANAGEMENT PERSONNEL AS YOUR PROXY**

Due to the voting exclusions and requirements referred to in the Notice of Annual General Meeting, if you intend to appoint any Director or other Key Management Personnel or their Closely Related Parties, other than the Chairman, as your proxy, you should direct your proxy how to vote on Resolution 1 (Adoption of Remuneration Report) by marking either "For", "Against" or "Abstain" on the proxy form for the relevant item of business. If you do not direct such a proxy how to vote on that Resolution they will not be able to vote an undirected proxy and your vote will not be counted. This does not apply to the Chairman, who is able to vote undirected proxies.

**HOW THE CHAIRMAN OF THE MEETING WILL VOTE UNDIRECTED PROXIES**

You should note that if you appoint the Chairman as your proxy, or the Chairman is appointed your proxy by default, you will be taken to authorise the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the Remuneration Report of a member of the Company's Key Management Personnel. Instructions are provided in the proxy form distributed with the Notice of Annual General Meeting.

If you appoint the Chairman of the Meeting as your proxy and you wish to vote differently to how the Chairman of the Meeting intends to vote on any of the items you must mark either of the boxes "For", "Against" or "Abstain" on the proxy form for the relevant Resolution.

**NON-CHAIRMAN DIRECTED PROXIES**

Non-Chairman proxy holders are required to cast all of their directed proxies on all Resolutions as directed on a poll if they vote. If a nominated proxy does not vote on a poll, the proxy will automatically default to the Chairman, who has a duty to vote all directed proxies on a poll (sections 250BB and 250BC of the Corporations Act).

## EXPLANATORY MEMORANDUM

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These Explanatory Notes have been prepared for the Securityholders to provide information about the items of business to be considered at the Annual General Meeting of the Company to be held at **3:30 PM (AEDT) on Tuesday 12 November 2019**.

**Sections 1 through 6** of these Explanatory Notes provides information relating to the Ordinary Business described in the Notice of Annual General Meeting, including Resolutions 1 and 2. Resolutions 1, 2, 3, 4 and 5 are Ordinary Resolutions.

**Section 7** sets out the glossary of terms used in these Explanatory Notes.

The information contained in these Explanatory Notes is important and should be read carefully by all Securityholders.

## 1 FINANCIAL STATEMENTS AND REPORTS

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### 1.1 Securityholder questions and comments

The *Corporations Act* requires that the Financial Report, Directors' Report (including the Remuneration Report) and Auditor's Report for the Company for the year ended 30 June 2019 be laid before the meeting.

There is no requirement in the *Corporations Act* or the Company's Constitution for Securityholders to approve those reports.

The Chairman will allow a reasonable opportunity for Securityholders to ask questions or make comments about those reports and the business and operations of the Company.

Securityholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditor in relation to the conduct of the audit.

### 1.2 How to obtain a copy of the Annual Report 2019

Securityholders are able to access an electronic version of the Company's 2019 Annual Report to shareholders on the NSX website at <https://www.nsx.com.au/summary/EGF> (select Announcements link).

Alternatively, a hardcopy of the Company's 2019 Annual Report to shareholders can be requested by contacting the offices of the Company during business hours.

## 2 REMUNERATION REPORT

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### 2.1 Resolution 1 – Adoption of the Remuneration Report

Securityholders are required to vote on the Remuneration Report.

The Remuneration Report is contained within the Directors' Report of the Annual Report, including the required presentation of the remuneration tables referred to in the report and set out in the notes of the financial statements.

The vote on this item is advisory only and does not bind the Directors or the Company. However, the outcome of the vote and comments made by Securityholders on the Remuneration Report at the meeting will be taken under advisement by the Directors when formulating future remuneration policies.

In addition, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Securityholders will be required to vote at the second of those AGMs on a resolution (a “Spill” Resolution) to determine whether another meeting should be held within 90 days at which all the Directors must present themselves for re-election. Securityholders are not required to vote on a spill resolution at this Meeting.

The Company encourages all Securityholders to cast their votes on this Resolution.

*Securityholders should note that other than expense reimbursement as stated in the Annual Report that Directors are not remunerated by the Company.*

### 2.2 What majority of votes is required for Resolution 1 to be passed?

An Ordinary Resolution is required for Resolution 2 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

### 2.3 Who can vote on Resolution 1 (Voting Exclusions)?

Subject to the Constitution and *Corporations Act*, all Securityholders can vote on Resolution 1 except Key Management Personnel and their Closely Related Parties.

If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 1 by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

### 2.4 Undirected proxies

The Chairman of the meeting will exercise any undirected proxies for this Resolution and any subsequent “Spill” resolution even though the Resolution is directly or indirectly connected with the remuneration of a member of the Key Management Personnel. Any undirected proxies held by other Key Management Personnel or any of their Closely Related Parties will not be voted on this Resolution.

### 2.5 Directors' recommendation

The Directors unanimously recommend that the Securityholders pass Resolution 1 to adopt the Remuneration Report.



### 3 ELECTION OF DIRECTOR

#### 3.1 Resolution 2 - Election of Mark Holton as a Director

In accordance with NSX Listing Rules Section 2.6.47 and subject to clause 52(2) of the Constitution, a Director appointed to a casual vacancy or as an addition to the Board may hold office only until the next annual general meeting of the Company and is then eligible for election at that meeting.

##### Information about Mr Mark Holton

**Positions Held:** Non-executive Director

**Qualifications:** FCPA, MCOM, FAICD

**Appointed:** 8 February 2019

**Directorships held in other listed entities** Nil

**Company shares held:** 10,000

##### Experience:

Mr Mark Holton, FCPA is a founding director of Smiththink Advisory Pty Ltd.

Mark has more than 35 years' experience as an Accountant and Tax Agent in practice. Mark has developed specialised skills in corporate presentations and training with extensive experience in Australia, New Zealand, Singapore, United Kingdom and Canada. He is also a respected consultant in taxation and business management, in particular business advisory services implementation and delivery using key structured advisory systems and software in accounting firms.

Mark is a member of the Finance Committee and is Chair of the Governance Committee of the Company.

#### 3.2 What majority of votes is required for Resolution 2 to be passed?

An Ordinary Resolution is required for Resolution 2 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

#### 3.3 Who can vote on Resolution 2?

Subject to the Constitution, all Securityholders can vote on Resolution 2. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 2 by marking either **"For"**, **"Against"** or **"Abstain"** on the proxy form for that Resolution.

#### 3.4 Directors' recommendation

The Directors recommend that Securityholders vote in favour of Resolution 2.

## 4 ELECTION OF DIRECTOR

### 4.1 Resolution 3 - Election of Cameron Shepherd as a Director

In accordance with NSX Listing Rules Section 2.6.47 and subject to clause 52(2) of the Constitution, a Director appointed to a casual vacancy or as an addition to the Board may hold office only until the next annual general meeting of the Company and is then eligible for election at that meeting.

#### Information about Mr Cameron Shepherd

<b>Positions Held:</b>	Non-executive Director
<b>Qualifications:</b>	Diploma Management (Dip Mgmt), Diploma of Export Marketing (Dip Exp Mkt)
<b>Appointed:</b>	7 May 2019
<b>Directorships held in other listed entities</b>	Nil
<b>Company shares held:</b>	Nil
<b>Experience:</b>	

Mr Cameron Shepherd is a director of Speckle Park Group Limited - an unlisted public company producing and exporting Speckle Park beef cattle, Itelasoft Pty Limited - a private software development company focused on developing Fintech programmes and Renowned Constructions Pty Limited - a private residential home construction company.

Previously Cameron was a CFO for a major telecommunications company, one of 5 companies contracted to install the NBN throughout NSW and Qld, and now consults in an advisory capacity.

Cameron is a member of the Marketing and Governance Committees of the Company.

### 4.2 What majority of votes is required for Resolution 3 to be passed?

An Ordinary Resolution is required for Resolution 3 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

### 4.3 Who can vote on Resolution 3?

Subject to the Constitution, all Securityholders can vote on Resolution 3. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 3 by marking either “**For**”, “**Against**” or “**Abstain**” on the proxy form for that Resolution.

### 4.4 Directors' recommendation

The Directors recommend that Securityholders vote in favour of Resolution 3.

## 5 RE-ELECTION OF DIRECTOR

### 5.1 Resolution 4 - Re-election of John Coman as a Director

In accordance with clause 62(1) of the Company's Constitution, a Director must not hold office without re-election past the third annual general meeting following the Director's appointment or three years whichever is longer and one-third of the existing Directors must retire by rotation irrespective of when they were appointed. A Director who retires in accordance with these requirements may offer themselves for re-election.

#### Information about John Coman

**Positions Held:** Non-executive Director.

**Appointed:** 1 July 2012

**Directorships held in other listed entities** Nil

**Company shares held:** Nil

#### Experience:

John is a Property Developer with over 20 years experience and a local business owner.

John is a member of the Building and Human Resources Committees of the Company. He is Chair of the Marketing Committee of the Company.

### 5.2 What majority of votes is required for Resolution 4 to be passed?

An Ordinary Resolution is required for Resolution 4 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

### 5.3 Who can vote on Resolution 4?

Subject to the Constitution, all Securityholders can vote on Resolution 4. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 4 by marking either "**For**", "**Against**" or "**Abstain**" on the proxy form for that Resolution.

### 5.4 Directors' recommendation

The Directors recommend that Securityholders vote in favour of Resolution 4.

## 6 RE-ELECTION OF DIRECTOR

### 6.1 Resolution 5 - Re-election of Garry Morris as a Director

In accordance with clause 62(1) of the Company's Constitution, a Director must not hold office without re-election past the third annual general meeting following the Director's appointment or three years whichever is longer and one-third of the existing Directors must retire by rotation irrespective of when they were appointed. A Director who retires in accordance with these requirements may offer themselves for re-election.

#### Information about Garry Morris

<b>Positions Held:</b>	Non-executive Director, Chairman.
<b>Qualifications:</b>	Certified Financial Planner, Master of Applied Finance
<b>Appointed:</b>	4 April 2004
<b>Directorships held in other listed entities</b>	Nil
<b>Company shares held:</b>	2,250

#### Experience:

Mr Garry Morris has a financial planning practice, Assurity Financial Group. As well as being a qualified financial planner, Garry also lectures at Macquarie University.

Garry has qualified as a Chartered Accountant and has been an Associate Director of an Investment Bank.

Garry is the Chairman of the Company.

### 6.2 What majority of votes is required for Resolution 5 to be passed?

An Ordinary Resolution is required for Resolution 5 to be passed. That is 50% or more of the votes counted either by a show of hands or in a poll.

### 6.3 Who can vote on Resolution 4?

Subject to the Constitution, all Securityholders can vote on Resolution 5. If you chose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 5 by marking either "**For**", "**Against**" or "**Abstain**" on the proxy form for that Resolution.

### 6.4 Directors' recommendation

The Directors recommend that Securityholders vote in favour of Resolution 5.

## 7 GLOSSARY

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**\$ and cents** means an amount in Australian currency.

**Annual Report** means the Company's Annual Financial Report, Directors' Report, Remuneration Report and Auditor's Report for the financial year ended 30 June 2019.

**Board** means the board of directors of the Company of East Gosford & Districts Financial Services Ltd.

**Closely Related Party** means, as defined in the Corporations Act, a closely related party of a member of the Key Management Personnel being:

- a) a spouse or child of the member; or
- b) a child of the member's spouse; or
- c) a dependant of the member or of the member's spouse; or
- d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- e) a company the member controls; or
- f) a person prescribed by the *Corporations Regulations 2001* (Cth).

**Company** means East Gosford & Districts Financial Services Ltd ABN 90 092 538 620.

**Constitution** means the constitution of the Company at the date of these Explanatory Notes.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company.

**EGF means** East Gosford & Districts Financial Services Ltd ABN 90 092 538 620

**Explanatory Notes** means these Explanatory Notes.

**Key Management Personnel** means those people described as Key Management Personnel in the Company's Remuneration Report and includes all Directors.

**Listing Rule** means a listing rule of the NSX.

**Notice of Annual General Meeting** means the Notice of Annual General Meeting accompanying these Explanatory Notes.

**NSX** means the National Stock Exchange of Australia Limited ACN 000 902 063 or the securities market which it operates, as the case may be.

**Ordinary Resolution** means a simple majority (at least 50%) of those Securityholders present and entitled to vote either in person or by proxy at the meeting, either on a show of hands or on a poll if one is called in accordance with applicable requirements. As per the Company's Constitution each Securityholder has one vote only irrespective of the number of shares that they hold in the Company.

**Resolution** means a resolution in the Notice of Annual General Meeting which requires Securityholder approval.

**Share** means a fully paid ordinary share in the Company or an equivalent paid up value of a partly paid share in the Company.

**Securityholder** means any person holding Shares in the Company.