

Notice of Annual General Meeting

**To be held at 5:00pm on Wednesday 14 October 2009
At the Cruising Yacht Club, Burgee Room.**

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 June 2009.

2. Election of Directors

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

- (a) That Bradley Dean be re-elected as a Director of the Company.
- (b) That Kevin Dorotich be re-elected as a Director of the Company.
- (c) That Roland Logue be re-elected as a Director of the Company.
- (d) That Len Sheedy be re-elected as a Director of the Company.
- (e) That Alison Gibson be elected as a Director of the Company.

3. Appointment of Auditor

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

- (a) That the appointment of RSM Bird Cameron as Auditor of the Company be approved.

4. Adoption of New Constitution

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

- a) To adopt a revised Constitution for the Company.

5. Remuneration Report

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

- (a) That the remuneration report be adopted.

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

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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 may register a vote.

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 appointed representatives to be given to the Company before the meeting.

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.

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 members as at 2.00pm on 7th October 2009.

By order of the Board

Len Sheedy
Company Chairman
27 July 2009

A proxy form accompanies this notice of Meeting. A member entitled to attend and vote at this meeting is entitled to appoint a proxy. The proxy need not be a member of the Company.

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:

- (a) Bradley Dean retires by rotation in accordance with the constitution of the Company, and being eligible, offers himself for re-election.
- (b) Kevin Dorotich retires by rotation in accordance with the constitution of the Company, and being eligible, offers himself for re-election.
- (c) Roland Logue retires by rotation in accordance with the constitution of the Company, and being eligible, offers himself for re-election.
- (d) Len Sheedy retires by rotation in accordance with the constitution of the Company, and being eligible, offers himself for re-election.
- (e) Alison Gibson, having been appointed by the Board, offers herself for election.

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Agenda item 3: Appointment of Auditor

Item 3 is an ordinary resolution to seek your approval for the appointment of RSM Bird Cameron as the Company's Auditor.

The Board has received RSM Bird Cameron's consent to act and written notice of RSM Bird Cameron's nomination as Auditor from a shareholder.

The appointment of RSM Bird Cameron requires approval by shareholders under the Corporations Act.

Agenda item 4: Adoption of New Constitution

The current constitution for Rockingham Community Financial Services Limited dated 30 September 2002 needs to be replaced with a new Constitution for reasons outlined in Appendix "A". A copy of the new Constitution can be requested in writing from Cashmanagement, Unit 4/7 Cessnock Way Rockingham 6168. The new Constitution will be uploaded to the BSX website once adopted after the meeting. This is needed in order to allow the second branch at Port Kennedy to proceed.

Agenda item 5: Remuneration report

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

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Appendix A – Reasons for adoption of a new constitution for the Company

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

The Board has decided that the Company should adopt a new Constitution. The proposed new Constitution (**Proposed Constitution**) is based on the Company's existing constitution (**Existing Constitution**), though it has been updated and amended in certain key areas, as discussed in these Explanatory Notes.

The Proposed Constitution expressly acknowledges that the principal purpose of the Company is to enter into, and carry into effect, the franchise arrangements with Bendigo Bank Limited (**Bendigo Bank**) under the Community Bank[®] project, as well as any other arrangements with the Bendigo Bank group that Bendigo Bank may permit. The Board is expressly given the power to carry out this purpose and maintain and develop the relationship with Bendigo Bank. This, of course, acts as limit on the activities of the Company, but reflects the purpose for which the Company was established.

A copy of the Proposed Constitution and the Existing Constitution may be inspected at the Company's Registered Office during normal business hours or at the Annual General Meeting. Alternatively, upon request from a shareholder before the meeting, the Company Secretary will send a copy to you.

A discussion of the more significant changes to be effected by this Resolution is set out below.

Ownership Rules

As noted above, the Proposed Constitution expressly acknowledges the principal purpose of the Company. In addition, there is an express acknowledgement of the importance of broad community ownership of the Company and, accordingly, that the Board is authorised to exercise its powers and carry into effect the rules in the constitution to protect and enhance this broad community ownership.

In particular, the Existing Constitution contains a rule that, in general terms, prohibits a person from owning or controlling 10% or more of the Company. In the Proposed Constitution, this rule is maintained and also expanded. In particular, under the Proposed Constitution, there are two new ownership rules in Rule 9.

- First, persons with voting power in the Company (eg, shareholders) must have, in the opinion of the Board, a close connection to the community or communities in which the Company predominantly carries on its business.
- Second, share transfers will not be permitted where, after the transfer, the number of shareholders in the Company would be less than the Base Number, (being 90% of the number of shareholders in the Company immediately after the shares in the Company were allotted and issued and registered on the Register under the first disclosure document issued by the Company in respect of the offer of shares in the Company) (the **Base Number Restriction**). The original number of shareholders in the Company was 424; hence the Base Number is 382.

To enforce the ownership rules in the Constitution, Directors have the power to require a divestment of shares where the rules are infringed. In addition, dividend and voting rights are suspended where the rules are infringed. While these rules impact on the freedom of shareholders to deal with their own shares, and so may impact adversely on the price of

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shares in the Company, these rules reflect the view that it is in the best interests of the Company and its business that there is broad local ownership of the Company.

Shareholders should note that the Base Number Restriction will only operate if the Bendigo Stock Exchange confirms that the rule is appropriate and equitable. Shareholders will be updated on any developments arising from discussions with the Bendigo Stock Exchange. If Bendigo Stock Exchange does not confirm that the rule is appropriate and equitable, the Base Number Restriction will be of no effect and can be ignored.

Changes to facilitate BSX Listing

The Proposed Constitution includes a number of amendments intended to facilitate the Company's listing on the Bendigo Stock Exchange (BSX), or another Australian stock exchange, or which are required to ensure compliance with the BSX Listing Rules. These amendments include changes that make it clear that where the Company is listed:

- a transfer of shares can be effected in accordance with the applicable transfer and settlement rules of the BSX and that, accordingly, the Company is authorised to do anything to participate in such a system (Rule 27);
- the Board's ability to refuse to register a transfer is restricted to certain limited situations (eg where expressly permitted to do under the BSX Listing Rules or where the Board does so to enforce the ownership rules discussed above) (Rules 28 and 28A);
- the transfer and settlement rules of the BSX Listing Rules take precedence in respect of the rules applying to transfers (Rules 29 and 31); and
- the BSX Listing Rules that apply to "restricted securities" (in general, these are securities that have been issued in exchange for an asset) are incorporated into the constitution (in particular, an escrow period may apply during which the securities cannot be transferred) (Rule 96).

Probity checks for directors

Given the nature of the business carried on by the Company, and the community nature of the Company, it is important that the Company is able to take all reasonable steps to satisfy itself of the integrity of its Directors. As part of this process, it has been decided that existing and prospective Directors should undergo reasonable probity checks as a condition of their appointment as Directors. This is set out in Rules 62 (6A), (6B) and (6C) of the Proposed Constitution.

Those rules require that a person nominated for appointment as a Director will need to undergo a probity check (primarily, a national criminal record check) in accordance with the Board's procedures. Existing Directors will need to undergo such a check within six months and all Directors can be required to undergo a further check every 12 months.

Proxyform

Mark this box with an 'X' if you have made any changes to your address details (see Change to Membership Details Form at the end of this document)

☐

APPOINTMENT OF PROXY

I/We being a member/s of **Rockingham Community Financial Services Limited** and entitled to attend and vote appoint the person named below or, if no person is named below, the Chairman of the Meeting as my/our proxy to vote in accordance with directions set out below (with a discretion as to any business not referred to below) or, if no directions are given, as my/our proxy sees fit, at the Annual General Meeting of the Company to be held at the Cruising Yacht Club, Burgee Room on 14th October 2009 at 5.00pm and at any adjournment of that meeting.

☐

The Chairman of the Meeting (mark with an 'X')

OR

Write here the name of the person you are appointing if this person **is someone other than** the Chairman of the Meeting.

VOTING DIRECTIONS TO YOUR PROXY – please mark ☐ to indicate your directions

Ordinary Business

- Item 1. Adoption of Financial Report
- Item 2. a) Re-election of Bradley Dean as Director
b) Re-election of Kevin Dorotich as Director
c) Re-election of Roland Logue as Director
d) Re-election of Len Sheedy as Director
e) Election of Alison Gibson as Director
- Item 3. Appointment of Auditor
- Item 4. Adoption of New Constitution
- Item 5. Adoption of Remuneration Report

| For | Against | Abstain* |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
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| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in working out the required majority on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

How to complete your proxy form

1 Your name and address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please mark the box and make the correction on the form.

Please note you cannot change ownership of your shares using this form.

2 Appointment of a proxy

A member entitled to attend and vote at the Meeting may appoint one proxy. A proxy need not be a member of the Company. A proxy may be an individual or a Company.

3 Identity of proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, the Chairman of the Meeting will act as your proxy.

4 Voting Instructions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

5 Signing Instructions

The Proxy Form must be signed in the spaces provided

Individual: If the holding is in one name, the holder must sign

Joint Holding: If the holding is in more than one name, any one holder may sign.

Power of Attorney: To sign under power of attorney, you must have already lodged this document with the Company or attach a certified copy of the power of attorney to this form when you return it.

Companies: If the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (under section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the Company is to attend the meeting, the appropriate "Certificate of Appointment of Corporate Representative" must be produced before admission to the meeting.

6 Lodging Instructions

This Proxy Form (and any power of attorney under which it is signed) must be received by the Company not later than 2 business days before the meeting (ie by 5.00pm on Monday 12th October 2009). Any Proxy Form received after that time will not be valid for the scheduled meeting. Documents may be lodged in any of the following ways:

- By post or hand delivery to the Company's registered office at Shop 1, 1-3 Kent Street, Rockingham WA 6168 or
- By facsimile to 08 9528 7553

Membership Details Form

IMPORTANT

It is your responsibility to ensure that your full personal details are up to date. If not, payments such as dividends may not reach you.

Please fill in the following form with your current details and post, fax or return it to the Share Registry at Cashmanagement:

| | |
|--|--|
| Surname: | |
| First Name: | |
| Current Address: | |
| Home Phone: | |
| Mobile Phone: | |
| Email: | |
| Facsimile: | |
| Banking Details: <i>Please fill in this section if you want your dividend payments deposited directly to your bank account</i> | |
| Bank: | |
| Account Name: | |
| BSB: | |
| Account Number: | |
| Annual Report: <i>Please indicate your preference for receiving the Annual Report</i> | |
| Yes, please send me the report by email only: | |
| Yes, please send me the report by post only: | |
| If you do not select email or post, we will not send you a report and assume you will get one off the internet or from the branch. | |

Signed:

Dated:
