

Minutes of the **Annual General Meeting** of the Rye & District Community Financial Services Limited (A.B.N. 67 095 766 895) held at 7.00pm in the Rye Civic Hall, Napier Street, Rye, Victoria 3941 on Wednesday 24th November 2010

Present: 34 Shareholders* in attendance, including

Board Members: Shane McCarthy (Chairman)
Stephen Edmund (Deputy Chairman)
Eileen Naylor (Secretary)
Pat Tonks (Treasurer)
Dorothy Mortlock
Jan Hall
Barry Irving
Gary Cain

Bryan Payne – JSP Partners (Accountants)
Graeme Stewart – AFS (Auditors)
Cora Clough (Regional Manager, B&ABL)
Gary Sanford – (Senior Manager)
Tony Harford – (Board Administration Officer)

(* A full list of shareholders attending is retained in the company files.)

Apologies: Andrew Emerson

The Chairman opened the meeting at 7.00pm and confirmed that, as there was a quorum in attendance, the meeting could proceed.

He welcomed all attendees and introduced each of the Board Members and the Senior Manager, Gary Sanford. He acknowledged the presence of Cora Clough from B&ABL; Bryan Payne from JSP Partners, the company accountants and Graeme Stewart from AFS & Associates, the company auditors.

Notice of Meeting

The Chairman confirmed that the notice of meeting had been distributed to all registered shareholder addresses in accordance with s251a of the Corporations Act 2001. There being no objections, it was accepted that all members present had received the notice and that it was appropriate for the meeting to proceed.

Minutes of Previous Annual General Meeting

The minutes of the previous Annual General Meeting held on 25th November 2009 were approved by the Board and signed by the Chairman and accepted by the members present without question or amendment.

The Chairman advised that a copy of these minutes was available for inspection by any member present.

Proxies

At the request of the Chairman, the Company Secretary, Eileen Naylor, advised that 41 valid proxies had been received, with all either voting in favour of all resolutions or vesting their vote in the Chair of the meeting. There were no abstentions.

Chairman's Report

Shane presented his report to shareholders noting that the company had experienced another very successful year, recording a record profit.

He specifically commented upon:

- The achievement of an after-tax profit of \$445,806
- The exceptional contribution of the Board of Directors, Managers and staff
- Continued growth
- Continuing profitability
- The allocation of over \$518,434 in community grants, donations and sponsorships to 101 local organisations during the year
- The successful partnership with Bendigo & Adelaide Bank Limited, acknowledging the contribution and support of our Regional Manager, Cora Clough.

Shane announced that the fully-franked dividend for the financial year would be 6.5 cents per share, with a record date of 31st October 2010 and payment on 26th November 2010.

Shane expressed the appreciation of the Board to all who had contributed to the exceptional result, paying special tribute to the efforts of Gary Sanford, Senior Manager, Julie Toward, Manager Rye and Bronwyn Ralph, Manager at Dromana and their teams.

Shane confirmed the purchase of a property in Rosebud and that planning had commenced for the development of a state-of-the-art retail banking facility at the premises in the first half of 2013.

He expressed confidence that, given continuation of current market conditions and based upon the year-to-date performance of the company, shareholders could expect another strong performance from the company in the current financial year.

He acknowledged the contribution of the board in representing the interests of shareholders in their objective of increasing shareholder value and to those shareholders for the level of trust and support provided to the board.

Manager's Report

Gary Sanford addressed the meeting and highlighted the growth recorded in the operations of the business during the past twelve months. Whilst not of the same level as previous years, the fact that budget had been achieved and exceeded, coming off such a difficult year, was truly satisfying and commendable.

Gary thanked Cora Clough of B&ABL for her support and guidance over the year and paid special tribute to the efforts of all staff, who had continued to provide exceptional customer service despite the uncertainties associated with the adverse global economic conditions.

Gary paid special mention to the support and guidance provided by the board under the leadership of the Chairman, Shane McCarthy and reiterated the contribution of our company to the Rye and Dromana communities as a direct benefit of the Bendigo Bank Community Bank® model.

Gary also acknowledged the support of his wife and family, which enabled him to represent the Bank throughout the community.

Annual Financial Report

The Chairman drew shareholder attention to the statement of the financial affairs of the company published in the Annual Report.

The Chairman asked for questions from shareholders relating to the Annual Report

As no written questions had been submitted and as there were no questions from the floor, the Chairman then moved that the annual report be accepted. The motion was seconded by Eileen Naylor, put to a vote and approved unanimously.

Election of Directors

The Chairman advised that no additional nominations had been received for the position of director and, accordingly determined that a ballot was unnecessary.

The Chairman advised that as director Dorothy Mortlock had been appointed to the board since the last Annual General Meeting, it was necessary for her to offer herself for election at the 2010 AGM.

The resolution to appoint Dorothy Mortlock as a director was moved by Martin Naylor and seconded by Arthur Roberts.

As there was no discussion on the motion, it was put to the meeting and passed unanimously by a show of hands.

The Chairman advised that three directors, Janet Hall, Barry Irving and Gary Cain had retired by rotation and, being eligible, had offered themselves for re-election.

The motions to re-elect the three directors were moved by Dianne Cairns, Shirley Matthews and George Hodder and seconded by Wendy Betts, Graeme Hind and Arthur Roberts, respectively and, there being no discussion on their re-appointments, were endorsed unanimously by a show of hands.

The Chairman congratulated Dorothy, Jan, Barry and Gary on their re-appointment to the board.

Remuneration Report

The Chairman requested that a motion to adopt the Remuneration Report as published in the Annual Report be made in accordance with the provisions of the Corporations Act and invited questions from the shareholders present.

There being no questions, the motion was moved by Graeme Hind, seconded by George Hodder and put to a vote.

The motion was passed unanimously by show of hands.

Area Manager's Address

The Chairman welcomed Cora Clough, the Bendigo & Adelaide Bank Limited Regional Manager, to her first Annual General Meeting of the company.

Cora congratulated the Board and staff on another successful year of operation.

Cora commented that the Community Bank® network now totalled 267 branches, with 22 new branches being added in the past twelve months. The bank was currently involved in a further 65 campaigns for prospective Community Banks® throughout Australia.

She commented further that both Rye and Dromana were important members of the Community Bank® family, contributing \$3.6 million back to its community since formation. This was a significant percentage of the \$40 million of community support provided by Community Bank® companies throughout Australia.

Cora noted that the Bendigo Bank recorded the highest customer satisfaction rating of all banks in the country, and commended both Rye and Dromana for the excellent standard of service provided to our customers.

Customer Testimony

John Bayliss, President of the Woodworkers of the Southern Peninsula, provided testimony to the support of the Bendigo Bank Community Bank® to his organisation, without which, his organisation would not be able to function.

Mr Arthur Roberts, thanked the staff of the Rye Branch for their ongoing support since the death of his wife earlier in the year.

Close of Meeting

The Chairman thanked Ken Ferguson from Sound Spectrum for his assistance with the sound and audiovisual equipment used at the meeting, "Baked on Rye" for providing the refreshments and thanked shareholders for their participation, inviting them to join board members in refreshments at the conclusion of the meeting.

The meeting closed at 7.50pm.

Confirmation of Minutes:

A handwritten signature in black ink, appearing to read 'Shane McCarthy', with a large, stylized flourish at the end.

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Shane McCarthy
Chairman

7 December 2010