



15th October 2013

The Manager
Company Announcements Office
ASX Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney, NSW 2000

Dear Sir/Madam,

Re: Notice of Annual General Meeting & Proxy Form

Attached is the Notice of Annual General Meeting and Proxy Form together with a covering letter from the Chairman despatched to shareholders today.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'S.S. Rouvray'.

S.S. Rouvray
Company Secretary
Austbrokers Holdings Limited

For further information, contact Steve Rouvray Tel: (02) 9935 2201
Mobile: 0412 259 158

Notice of Annual General Meeting

Austbrokers Holdings Limited ABN 60 000 000 715

Notice is hereby given that the Annual General Meeting of shareholders of Austbrokers Holdings Limited will be held at the Sofitel Sydney Wentworth Hotel, 61-101 Phillip Street, Sydney, New South Wales at 10.00am on Wednesday 20 November 2013.

ORDINARY BUSINESS

1. Annual Report

To receive and consider the profit and loss statement and balance sheet of the Company and the entities it controlled for the financial year ended 30 June 2013 and the reports of the Directors and auditor thereon.

2. Re-election of Raymond John Carless as a Director

Mr Carless retires by rotation in accordance with Article 6.3 of the Company's Constitution and, being eligible, offers himself for re-election. Details of the qualifications and experience of Mr Carless and the recommendation of the Board are set out in section 2 of the attached Explanatory Notes.

3. Remuneration Report

To adopt the Remuneration Report for the year ended 30 June 2013.

The vote on this resolution is advisory and does not bind the Directors. However, there are additional consequences where 25% or more of votes cast are against the resolution at consecutive AGMs as set out in the Explanatory Memorandum.

A voting exclusion applies to this resolution as set out at the end of this section.

SPECIAL BUSINESS

4. Remuneration of Non-Executive Directors

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

"That, for the purposes of Article 6.5(a) of the Company's constitution and ASX Listing Rule 10.17, the maximum remuneration provided by the Company to Non-Executive Directors for their services to the Company be increased by \$250,000 per annum to \$750,000 per annum with effect from 20 November 2013."

A voting exclusion applies to this resolution as set out at the end of this section.

By order of the Board

Stephen Rouvray

Company Secretary
Dated 8 October 2013

Notes

- (a) Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that for the purpose of the meeting all shares in the Company shall be taken to be held by the persons who were registered as shareholders at 7:00pm (Sydney time) on Monday, 18 November 2013.
- (b) Where more than one joint Shareholder votes, the vote of the Shareholder whose name appears first in the Company share register shall be accepted to the exclusion of the others.

Proxies and corporate representatives

- (c) A member has a right to appoint a person or body corporate as a proxy. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of the member's votes each proxy is entitled to exercise, failing which each may exercise half of the votes. Where a member appoints one (1) proxy, that proxy may vote on a show of hands. Where a member appoints more than one (1) proxy, neither proxy is entitled to vote on a show of hands.
- (d) If you appoint a body corporate as your proxy, the body corporate will need to ensure that it:
 - appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act 2001 (Cth); and
 - provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting. A form of certificate of appointment may be obtained from the Company's registry at: www.linkmarketservices.com.au.
- (e) A proxy need not be a member of the Company.
- (f) Details for completion and lodgement of proxies are on the reverse side of the appointment of proxy form. A proxy must be received by the Company's share registry, Link Market Services Limited, by 10.00am on Monday, 18 November 2013. A proxy may be mailed to Link Market Services Limited at Locked Bag A14, Sydney South NSW 1235, hand delivered to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW or 1A Homebush Bay Drive, Rhodes NSW 2138 or sent by facsimile to Link Market Services Limited on (02) 9287 0309 or online at www.linkmarketservices.com.au. Shareholders will need their Securityholder Reference Number (SRN) or Holder Identification Number (HIN). Please note that the online proxy facility is not suitable for Securityholders wishing to appoint two proxies.

Attendance

- (g) Shareholders who plan to attend the meeting are asked to arrive at the venue 30 minutes prior to the time designated the meeting, if possible, so that their shareholding may be checked against the share register and attendance noted. Shareholders attending in person must register their attendance upon arrival.

Voting Exclusions Statement

- (h) In accordance with the Corporations Act 2001 (Cth) and ASX Listing Rules, the Company will disregard any votes cast (in any capacity) on:
 - (i) resolution 3 by or on behalf of a member of the Company's key management personnel, details of whose remuneration are included in the Remuneration Report on pages 43 to 50 of the Annual Report or a closely related party of such a member;
 - (ii) resolution 4 by or on behalf of a director of the Company or an associate of such a person;

However, the Company need not disregard a vote if:

- i. it is cast by the person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- ii. it is cast by the person as Chair of the meeting as proxy for a person who is entitled to vote and the appointment of the Chair as proxy:
 - A. does not specify the way the proxy is to vote on that resolution; and
 - B. expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Company's key management personnel.

Accordingly, if you appoint the Chair as your proxy, you can direct the Chair to vote in accordance with your directions on the proxy form, and this can be contrary to the Chair's intention to cast all available votes in favour of all Resolutions (except in relation to resolution 4 where the Chair will not cast any open proxies). If you do not direct the Chair to vote for or against a Resolution, or to abstain from voting on a Resolution, you will be directing the Chair to vote in accordance with the Chair's voting intentions. It is the intention of the Chair of the meeting acting as proxy to cast any such votes in favour of all Resolutions (except in relation to resolution 4 where the Chair will not cast any open proxies).

Questions and comments from shareholders at the meeting

- (i) A reasonable opportunity will be given to shareholders as a whole to ask questions about the management of the Company or the Remuneration Report. Similarly, a reasonable opportunity will be given to shareholders as a whole to ask the Company's external auditor, Ernst & Young, (or its representative) questions relevant to:
 - the conduct of the audit;
 - the preparation and content of the audit reports;
 - 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.
- (j) Shareholders may also submit a written question to Ernst & Young (to be lodged with the Company at least 5 business days before the meeting) if the question is relevant to the content of Ernst & Young's audit reports or the conduct of its audit of the financial report for the financial year ended 30 June 2013.

EXPLANATORY NOTES

This statement explains the items of business to be considered at the meeting and should be read in conjunction with the notice of meeting.

1. **Annual Report (no vote)**

The Company's Annual Report for the financial year ended 30 June 2013 has been made available to shareholders and is published on the Company's website www.austbrokers.com.au in the investor relations section.

There is no requirement for shareholders to approve this report. During this item of business there will be an opportunity for shareholders to comment on and ask questions about the Company's management, operations, financial position, business strategies and prospects.

2. **Re-election of Director (ordinary resolution)**

Mr Raymond John Carless - Non-Executive Director - Aged 59.

Ray Carless has 37 years' experience in the insurance industry based in Australia but with management responsibilities throughout the Pacific Rim. Until 2000 he was Managing Director of reinsurance brokers Benfield Greig in Australia, a position he had held for over 14 years, and he had also been a director of the worldwide holding company located in London for 10 years. He has been a director of a number of companies involved in the Australian insurance industry since 2000, and is currently chairman of The Mortgage Insurance Company Ltd. Mr Carless has a Bachelor of Economics from the University of Sydney and is a Member of the Institute of Company Directors. Mr Carless is a member of the Audit and Risk Management, Nomination and Remuneration and Succession Planning Committees.

Board Recommendation:

Each Director, other than Mr Carless, recommends that shareholders vote 'for' the resolution to re-elect Mr Carless as a Director.

3. **Remuneration Report (ordinary resolution)**

The Corporations Act 2001 (Cth) requires a resolution to be put to the shareholders for the adoption of the Remuneration Report and to give a reasonable opportunity to shareholders to comment on and ask questions about the Remuneration Report.

The Remuneration Report is set out in pages 43 to 50 of the Annual Report and includes:

- (a) a discussion of Board policy for determining the nature and amount (or value, as appropriate) of remuneration of Directors and senior managers of the Company;
- (b) an explanation of the relationship between the remuneration of Directors and senior management and the Company's performance; and
- (c) details of the performance conditions connected with the remuneration of each Director and senior manager.

The vote on this resolution is advisory only and does not bind the directors of the Company. However, as required by the Corporations Act 2001 (Cth), if the Company receives a "no" vote of 25% or more in relation to the Remuneration Report at two successive annual general meetings, a spill resolution will be put to the members at the second annual general meeting. If the spill resolution is passed with 50% or

more of the votes cast, the Company will, within 90 days, hold a spill meeting to vote on whether to keep the existing directors (the managing director will not be subject to the spill vote).

At the 2012 Annual General Meeting of the Company, the Remuneration Report was approved and the “no” vote was under 1% of votes cast.

The voting exclusion statement on page 3 above applies.

Board Recommendation:

The Board recommends that shareholders vote 'for' the resolution to approve the Remuneration Report.

4. **Remuneration of Non-Executive Directors (ordinary resolution)**

Article 6.5(a) of the Company's constitution states that the Company may pay to the Non-Executive Directors a maximum total amount of remuneration determined by the shareholders in general meeting. Under ASX Listing Rule 10.17, shareholder approval is required for any increase in the total directors' fees provided to Non-Executive Directors.

Currently, the maximum aggregate amount that may be provided as remuneration to all Non-Executive Directors of the Company for their services to the Company is \$500,000 per annum. This amount does not include travelling, accommodation and other expenses a Non-Executive Director may reasonably incur whilst engaged in the business of the Company.

For the financial year ended 30 June 2013, annual remuneration for Non-Executive Directors was \$443,669 and details of this, and the remuneration paid to each Non-Executive Director, are set out in page 47 of the Annual Report.

The proposed increase of \$250,000 in the maximum aggregate amount to \$750,000 per annum is not intended to be fully utilised in the immediate future. However, in order to provide for effective Board succession, the Company may in the future appoint additional directors to the Board prior to the retirement of existing Non-Executive Directors to allow time for an orderly transition. The proposed increase will allow the Company to pay fees to additional Non-Executive Directors.

The voting exclusion statement on page 3 above applies.

Board Recommendation:

Each Director has an interest, either immediately or contingently, in Resolution 4 and refrains from making any recommendation as to how shareholders should vote on the resolution. The Chair will not vote any open proxies given to him on this resolution.



By mail:
Austbrokers Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1800 194 270



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SHAREHOLDER PROXY FORM

I/We being a member(s) of Austbrokers Holdings Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐

**the Chairman
of the Meeting
(mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at **10:00am on Wednesday, 20 November 2013, at Sofitel Sydney Wentworth Hotel, 61-101 Phillip Street, Sydney**, and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

STEP 2

VOTING DIRECTIONS

Resolution 2

Re-election of Raymond John Carless as a Director

For	Against	Abstain*
☐	☐	☐

Resolution 3

Remuneration Report

☐	☐	☐
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Resolution 4

Remuneration of Non-Executive Directors

☐	☐	☐
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i * 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 votes will not be counted in computing the required majority on a poll.

STEP 3

IMPORTANT - VOTING EXCLUSIONS

☐

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of Item 4 above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her for that Item, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 4 and your votes will not be counted in calculating the required majority if a poll is called on this Item.

The Chairman of the Meeting intends to vote undirected proxies in favour of Item 4.

STEP 4

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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HOW TO COMPLETE THIS PROXY FORM

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 make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, 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.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together. The appointment of the Chairman of the Meeting as your alternate proxy also applies to the appointment of the second proxy.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

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

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to 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.

Corporate Representatives

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am on Monday, 18 November 2013**, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE > www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the proxy form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the proxy form).



by mail:

Austbrokers Holdings Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**