

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Reckon Limited (“the Company”) will be held at the registered office of the Company at **Level 12, 65 Berry Street, North Sydney NSW 2060** on Tuesday 22 May 2012 at 10:00am.

General Business

Item 1 – Consideration of Reports and Statements

To receive and consider the Directors’ Report for the financial year ended 31 December 2011, the Annual Financial Report for that year, the Directors’ Declaration and the Independent Audit Report.

Note: There is no requirement for shareholders to approve these reports.

Item 2 – Resolution for the re-election of Greg Wilkinson as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution: “That Greg Wilkinson be re-elected as a Director of the Company.”

Note: The Chairman of the Meeting intends to vote undirected proxies in favour of Mr Wilkinson’s re-election.

Item 3 – Non binding vote to adopt remuneration report

The remuneration report is on pages 10 to 16 of the Annual Report.

- *This resolution is advisory only and does not bind the Company or the Directors.*
- *If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company Directors (other than the Managing Director) would need to stand for re-election.*

By Order of the Board.



Myron Zlotnick
Company Secretary
12 April 2012



HOW TO VOTE

Eligibility to attend & vote

In accordance with the Corporations Law and the regulations made thereunder, the Board has determined that in relation to the Annual General Meeting of the Company convened by this Notice of Meeting, shares will be taken to be held by the persons who are the registered holders at 10.00am (Sydney time) on 20 May 2012.

Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Proxies

A member entitled to vote at the meeting has the right to appoint a proxy to attend and vote instead of the member. A proxy need not be a member. A member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and does not specify the proportion or number which each proxy is to exercise, then, in accordance with Section 249X(3) of the Corporations Law, each proxy may exercise half of the votes for which the proxies are appointed.

If you appoint a proxy, you may still attend the meeting. However, your proxy's right to speak and to vote are suspended while you are present. Accordingly you will be asked to revoke your proxy if you register at the meeting.

If Chairman of the Meeting appointed as proxy

If the Chairman of the Meeting is your nominated proxy, or appointed by default, and you have not directed your proxy how to vote on Item 3 (Remuneration Report), please place a mark in the relevant box on the proxy form.

By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even though Item 3 is connected directly or indirectly with the remuneration of a member of Key Management Personnel; and even if the Chairman has an interest in the outcome of those items. If you do not mark the box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 3 and your votes will not be counted in computing the required majority if a poll is called on these items.

The Chairman of the Meeting intends to vote undirected proxies in favour of each of the agenda items. However, in respect of Item 3 (Remuneration Report), this is subject to the Chairman being given the express authorisation referred to above, to exercise the proxy.

Restriction on Proxies relating to Item 3 (Remuneration Report)

Key Management Personnel and their Closely Related Parties can only cast a proxy vote on the advisory resolution for adoption of the remuneration report (Item 3) if:

- the person for whom they are casting the proxy vote is not a member of the Key Management Personnel or of their Closely Related Parties; and
- the written proxy appointment directs how the vote is to be cast on the resolution.

The Remuneration Report identifies Reckon's Key Management Personnel for 2011. Their Closely Related Parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.



Appointment of Proxy & Lodgement

A form for appointment of proxy is enclosed.

To be effective the document appointing the proxy (and the original, or a certified copy, of the power of attorney or other instrument under which the document appointing the proxy is signed or executed); and must be received by the Company at least 48 hours before the meeting, ie. **by 10.00am (Sydney time), Sunday 20 May 2012.**

The documents should be delivered to the Company at:

Computershare
GPO Box 242
Melbourne NSW 3001
Fax: +61 3 9473 2555.

No facility exists for receiving proxies by email.

Please refer to other notes appearing on the enclosed Proxy Form.

Voting Exclusions

There are no voting exclusions, other than the voting exclusion relating to the Key Management Personnel and their Closely Related Parties in relation to Item 3 (Remuneration Report).

Corporate Representative

A representative of a company attending the meeting must present at the meeting satisfactory evidence of his or her appointment to attend on the company's behalf, unless previously lodged with the Company.



EXPLANATORY NOTES

General Business

Item 1. Annual Financial Report

The Corporations Law requires the Reports of the Directors and of the Auditors and the Annual Financial Report, including the Financial Statements, to be laid before the Annual General Meeting.

Neither the Corporations Law nor the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such Reports or Statements. However, shareholders will be given ample opportunity to raise questions on the reports and statements at the meeting. The Company's auditors will also be present to answer any questions.

Item 2. Re-election of Greg Wilkinson as a Director

Pursuant to Clause 6.1 of the Company's Constitution, Greg Wilkinson retires by rotation as Director of the Company. Being eligible, Greg Wilkinson offers himself for re-election.

Founder and Deputy Executive Chairman, Greg Wilkinson has over 30 years experience in the computer software industry. Greg entered the industry in the early 1980s in London where he managed Caxton Software, which became one of the UK's leading software publishers. Greg co-founded Reckon in 1987 and was the Chief Executive Officer until February 2006. He became a member of the Board of the listed entity on 19 July 1999, was appointed to the position of Deputy Chairman in February 2006 and was appointed to the Audit & Risk Committee in February 2010.

Greg is a valuable member of the Board and has contributed to the success of the Company.

The Directors unanimously recommend that shareholders vote in favour of Item 2.

Item 3. Non-binding advisory vote on the Remuneration Report

Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out on pages 10 to 16 of the 2011 Annual Report.

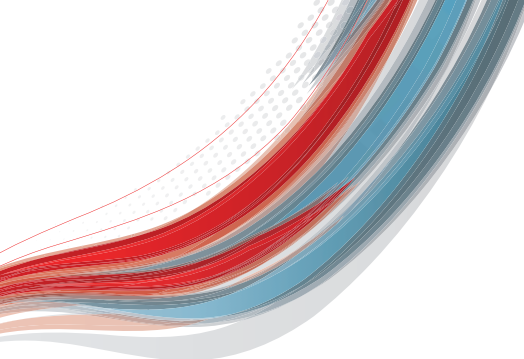
The Remuneration Report sets out the policies for the remuneration of Directors and Key Management Personnel. It also sets out required disclosures relating to the types and amounts of remuneration paid to Directors and senior executives. An opportunity for discussion of the Remuneration Report will be provided at the Annual General Meeting.

The Corporations Act 2001 requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, the vote on Item 3 is advisory only, and does not bind the Directors. However, the Board will take into account the discussion on this item and the outcome of the vote when considering the future remuneration arrangements of the Company.

Under the Corporations Act 2001, for any AGM held on or after 1 July 2011:

- if at least 25% of the votes cast, are against the adoption of the Remuneration Report, the Company's next Remuneration Report must explain the Board's proposed action in response or explain why no action has been taken; and
- if, at the AGM in the following year (2nd AGM), at least 25% of the votes cast are voted against the adoption of the Remuneration Report resolution,

then the Two Strikes Rule applies. This rule requires that at the 2nd AGM, a resolution



(a spill resolution) must be put to the shareholders that another meeting be held within 90 days at which all the Directors, excluding the Managing Director, would need to stand for re-election.

If this occurs, all Directors, excluding the Managing Director, would cease to hold office immediately before the end of the spill meeting. This would leave the Company without any Directors, other than the Managing Director, until the spill meeting at which Directors to the Company are to be appointed.

Voting Exclusion for Item 3

The Chairman of the Meeting will disregard any votes cast on Item 3 by a member of the Key Management Personnel or their Closely Related Parties in accordance with the requirements of the Corporations Act 2001 (Cth).

However, the Chairman of the Meeting will not disregard a vote if:

- It is cast in accordance with the written direction on the proxy form authorising the Chairman to vote as the proxy decides notwithstanding that Item 3 is connected directly or indirectly with the remuneration of a member of Key Management Personnel or if the Chairman has an interest in the outcome of the resolution; or
- It is cast by a member of the Key Management Personnel or their Closely Related Parties as a proxy with the written direction as to how that proxy is to be exercised,

and provided that the vote is not cast on behalf of a member of the Key Member Personnel or their Closely Related Parties.

The Remuneration Report identifies Reckon's Key Management Personnel for 2011. Their Closely Related Parties are defined in the Corporations Act 2001, and include certain of their family members, dependants and companies they control.



Clive Rabie
Group CEO
12 April 2012

Lodge your vote:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 855 080
(outside Australia) +61 3 9415 4000

000001 000 RKN
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding details**

Your secure access information is:

Control Number: 999999

SRN/HIN: 1999999999

PIN: 99999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10.00am (Sydney time) Sunday 20 May 2012

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



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I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Reckon Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Reckon Limited to be held at the registered office of the Company at **Level 12, 65 Berry Street, North Sydney NSW 2060** on Tuesday, 22 May 2012 at 10.00am and at any adjournment of that meeting.

Important for Item 3 - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, you are directing the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Item 3 as set out below and in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on Item 3, the Chairman of the Meeting will not cast your votes on Item 3 and your votes will not be counted in computing the required majority if a poll is called on this item. If you appoint the Chairman of the Meeting as your proxy you can direct the Chairman how to vote by either marking the boxes in Step 2 below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chairman of the Meeting will vote in favour of Item 3).

The Chairman of the Meeting intends to vote all available proxies in favour of Item 3 of business.

I/We direct the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions on Item 3 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Item 3 is connected directly or indirectly with the remuneration of a member of key management personnel and/or even if the Chairman of the Meeting has an interest in the outcome of this item and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain
2	Re-election of Greg Wilkinson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	To adopt the remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

RKN

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Computershare