

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 **Wednesday 21 May 2014 at 10:00 am.**

General Business

Item 1 — Consideration of Reports and Statements

To receive and consider the Directors’ Report for the financial year ended 31 December 2013, 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 Ian Ferrier as a Director

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

“That Ian Ferrier be re-elected as a Director of the Company.”

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

Item 3 — Non binding vote to adopt remuneration report

The remuneration report is on pages 14 to 21 of the 2013 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
20 March 2014

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 as at **10.00am (Sydney time) on Monday 19 May 2014**.

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.

Please note the restrictions on proxies relating to Item 3 as described below.

If the Chairman of the Meeting is to be your nominated proxy, please place a mark in the relevant box on the proxy form.

By marking this box you acknowledge and give express instructions that the Chairman of the Meeting may exercise your proxy:

- either in accordance with your express directions as indicated on the proxy appointment form; or
- where you have not directed your proxy, the proxy will be exercised as the Chairman of the Meeting decides,

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.

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.

Restriction on Proxies relating to Item 3 (Remuneration Report)

Key Management Personnel (other than the Chairman) 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.

If you appoint the Chairman of the Meeting as your proxy (or if the Chairman is appointed your proxy by default) you can:

- direct the Chairman to vote by marking the relevant boxes in Step 2 to indicate your direction to vote, ie “for”, “against” or “abstain”;

or

- if you do not direct the Chairman of the Meeting how to vote on Item 3, you will be taken to have expressly authorised the Chairman to exercise your Proxy as decided by the Chairman.

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

The Remuneration Report identifies Reckon’s Key Management Personnel for 2013. 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 10.00 am (Sydney time), Monday 19 May 2014.

The documents should be delivered to the Company at:

Computershare
GPO Box 242
Melbourne VIC 3001

Fax: (within Australia) 1 800 783 447
(outside Australia) +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 Ian Ferrier as a Director

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

Ian Ferrier is a Member of the Order of Australia and a Fellow of the Institute of Chartered Accountants in Australia. He has extensive experience in company corporate recovery and turn around practice. He is also a Director of a number of private and public companies. Ian is also Chairman of Australian Vintage Limited having been a Director since 1991 and Chairman of Goodman Group Limited since 2003 and a Director of Energy One Limited. He has significant experience in property and development, tourism, manufacturing, retail, hospitality and hotels, infrastructure and aviation and service industries. Ian joined the Board on 17 August 2004.

Ian 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 14 to 21 of the 2013 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, the Two Strikes Rule applies:

- 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.

The Two Strikes 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 Chairman 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 2013. 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
20 March 2014



Reckon™

ABN 14 003 348 730



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

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

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: I9999999999

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) Monday 19 May 2014**

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, and to the extent permitted by law, 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 Wednesday 21 May 2014 at 10:00am and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 3 (except where I/we have indicated a different voting intention below) even though Item 3 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 3 by marking the appropriate box in step 2 below.

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.

		For	Against	Abstain
2	Re-election of Ian Ferrier as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Non binding vote to adopt 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 +



Reckon™

ABN 14 003 348 730

All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 855 080
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
www.computershare.com



┌ 000002 000 RKNRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030

Dear Securityholder,

We have been trying to contact you in connection with matters arising from your securityholding in Reckon Limited. Unfortunately, our correspondence has been returned to us marked "Unknown at the current address". For security reasons we have flagged this against your securityholding which will exclude you from future mailings, other than notice of meeting.

We value you as a securityholder and request that you supply your current address so that we can keep you informed about our Company. Where the correspondence has been returned to us in error we request that you advise us of this so that we may correct our records.

You are requested to include the following;

- > Security Reference Number (SRN);
- > ASX trading code;
- > Name of company in which security is held;
- > Old address; and
- > New address.

Please ensure that the notification is signed by all holders and forwarded to our Share Registry at:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001
Australia

Note: If your holding is sponsored within the CHESS environment you need to advise your sponsoring participant (in most cases this would be your broker) of your change of address so that your records with CHESS are also updated.

Yours sincerely

Myron Zlotnick
Company Secretary