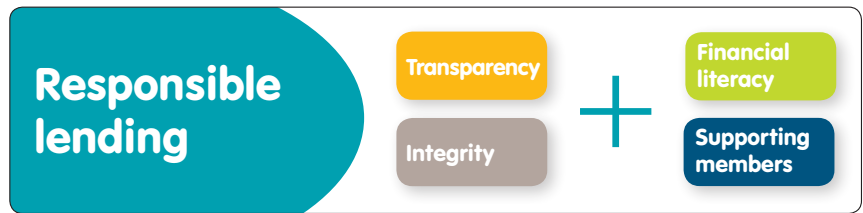


Teachers Mutual Bank Principles of Responsible Lending

At Teachers Mutual Bank, we are committed to responsible lending. We acknowledge our obligation to be transparent, act with integrity, extend the financial knowledge of our members as well as support them when they may be in financial difficulty.



Transparency

Teachers Mutual Bank is committed to ensuring that:

- ▶ the terms and conditions of our products and services are written in plain language and in an easy to read format
- ▶ we provide you with accurate and concise information
- ▶ we comply with all legal requirements.

Integrity

Teachers Mutual Bank is committed to ensure that:

- ▶ we ensure all credit applications are prudently assessed
- ▶ we promote the responsible use of credit and ensure we always take into consideration the borrower's capacity to service their borrowings
- ▶ we periodically review our credit assessment procedures and criteria for the products we issue
- ▶ we do not send members an unsolicited offer to increase their credit limit if they have a recent poor repayment history, or are aware of other circumstances that make it imprudent for us to extend further credit
- ▶ credit card limit decreases are processed immediately upon receipt of the account holders' written request.

Promoting financial literacy

Part of our role as responsible lenders is to educate our members to ensure they are confident when making a financial decision and to avoid compromising their financial stability. We do this by:

- ▶ offering financial seminars, on topics such as home loans and investment
- ▶ providing useful tools such as budgeting calculators
- ▶ include articles in our quarterly newsletters to promote financial literacy
- ▶ include information on our website targeted to age group and life stage
- ▶ providing tips on minimising fees and charges, and
- ▶ supporting public school's projects that promote financial literacy.

Supporting members

We offer the Credit Assistance service for the benefit of our members who may be experiencing financial difficulty. We aim to make this as transparent and accessible as possible and seek to facilitate a mutually acceptable arrangement with our members. This can include helping them find solutions if they're in arrears or unable to make contracted repayments on a home or personal loan, or identifying alternative banking arrangements that could better suit their circumstances.

