

**MINUTES OF THE FIFTIETH ANNUAL GENERAL MEETING OF  
THE TEACHERS MUTUAL BANK LIMITED  
HELD AT CANTERBURY HURLSTONE PARK RSL CLUB,  
20-26 CANTERBURY ROAD, HURLSTONE PARK  
ON SATURDAY, 19TH NOVEMBER 2016**

**ATTENDANCE:**

There were 318 Members and 37 visitors present. John Kouimanos occupied the Chair.

**OPENING:**

The Chair called the Meeting to order at 10.00am and welcomed those present and watching the webcast to the 50th AGM of Teachers Mutual Bank. Those members viewing the webcast would be able to see and hear all the proceedings in real time, however would not be able to interact with the meeting, including being able to vote.

Director Maree O'Halloran acknowledged the Cadigal Wangal people of the Darug Nation, the traditional custodians of the land on which the Meeting was taking place. Respect was paid to the Elders, both past and present, of the Darug Nation and was extended to other Aboriginal people present.

Director Linda Green was invited to read the Prayer of St Francis.

1. **WELCOME:**

Members and guests were welcomed and the following special guests recognised:

Rob Surman	Partner of Wallmans Lawyers, the Bank's Solicitors
Madeleine Mattera & Neville Sinclair	Grant Thornton Audit Pty Ltd, the Bank's Auditors

**APOLOGIES:**

Apologies had been received from the following Members:

A Affleck, P Baigent, P Blight, M Crawford, N Crawford, J Dixon, G Ford, J Hiller, C Ilieff, S Jacob, S Kropp, N Lee, M McNamara, G Mazzeo, R Mitchell, P Mulleneux, G Neill, M Nomarhas, T Nomarhas, G Norris, N Roberts, P Roberts, E Stapleton, J Stinson, R Wood, M Woods.

*IT WAS RESOLVED THAT THE APOLOGIES BE ACCEPTED.*

ORDER OF BUSINESS:

It was moved and seconded that the Agenda for the Meeting be adopted with the right of the Chair to make such changes as deemed necessary.

*THE MOTION WAS CARRIED.*

STANDING ORDERS:

The Chair advised that the Meeting would be conducted in accordance with the Standing Orders, set out in Appendix 4 of the Mutual Bank's Constitution, and in accordance with the requirements of the Corporations Act.

USE OF MICROPHONES:

The Chair asked that Members who wished to speak on any matter await the arrival of a roving microphone.

2. CONFIRMATION OF THE MINUTES:

Minutes of the 49th Annual General Meeting held on 21st November 2015:

It was moved and seconded that the Minutes of the 49th Annual General Meeting held on Saturday 21st November 2015, previously circulated, be received into the Meeting and be confirmed.

*THE MOTION WAS CARRIED.*

3. BUSINESS ARISING FROM THE MINUTES:

The Chief Executive advised there were two items in Business Arising from the Minutes of that Meeting:

- The Bank's strategies to give access or help to young teachers in respect of getting into the housing market or community housing and social housing  
*The Board and Management was currently looking at strategies for re-entering the affordable housing market, especially in the area of key workers such as teachers, fire fighters, emergency workers, etc. Membership will be kept well advised when opportunities arise in the affordable housing space.*
- Reverse mortgage instruments for future retirees  
*Board and Management review the possibility of Reverse Mortgage market on a regular basis. However, because of the strong demand in owner-occupied and investment lending products through our first channel and Broker lending channels, our efforts have been concentrated in assisting the membership in these areas. Once again, membership will be kept well advised should opportunities arise in the Reverse Mortgage space.*

4. REPORTS:

It was moved and seconded that the Reports of the Directors and Auditors, together with the Financial Statements of the Mutual Bank for the year ended 30th June 2016 be received into the Meeting.

*THE MOTION WAS CARRIED.*

4a. DIRECTORS' REPORT:

Mr Kouimanos introduced the serving Directors to the Meeting.

Prior to presenting his report for 2015/16, Mr Kouimanos passed the Chair to Deputy Chair, Linda Green, then gave a verbal and PowerPoint presentation on the operations and activities of the Mutual Bank for the year under review and reported on the following:

- The merger with Fire Brigade Employees Credit Union, giving us the Firefighters Mutual Bank brand.
- Expansion and diversification of our source of liquidity and funding via the wholesale market.
- Recent developments –
  - A Teachers Mutual Bank Instagram page was launched
  - The Teachers Mutual Bank Facebook page continues to have many positive and fruitful interactions with Members. Currently we have over 7,000 Facebook followers.
  - We were named the 2015 Roy Morgan Research Bank of the Year

Mr Kouimanos thanked –

- The Board of Directors for its commitment, skill, knowledge and experience.
- The Senior Management and Staff.
- The Members Committee for its commitment to the Bank and its support of Board decisions and strategic plans.

Thanks were also extended to our business partners for the support given and cooperation:

- Public, Independent and Catholic School Systems
- Universities
- The Teacher Unions
- Teachers Health
- Allianz
- Zurich
- Bridges
- Teachers Car Buying

In closing, Mr Kouimanos advised that as we come to the end of our 50th year of operation we can look back with great pride at the trajectory of our Bank and look forward with excitement at the opportunities that lie ahead. He thanked our members for their trust and loyalty. It is our members who provide the bedrock for our financial strength, stability and future growth.

Following the presentation, Mrs Green sought questions and comments on the Directors' Report.

Mrs Green moved that the Directors' Report be adopted. The motion was seconded from the floor and the motion was put to the meeting.

*THE MOTION WAS CARRIED.*

Mr Kouimanos then resumed the Chair.

MEMBERS COMMITTEE INTRODUCTION:

The Chairperson acknowledged the Members Committee and the role it plays. He introduced members of the Committee present at the Meeting and thanked them for their interest and contribution over the past year.

4b. & c. STATEMENT OF ACCOUNTS AND AUDITORS' REPORT:

The Chief Financial Officer presented a report on the financial statements of the Mutual Bank for the year ended 30th June 2016.

In moving adoption of the Statement of Accounts and Auditors' Report for the year ended 30th June 2016, Director Collopy, Chair of the Bank's Audit Committee, expressed on behalf of that Committee, the Board and Membership their collective thanks to all involved in the preparation, review and audit of the financial statements over the past twelve months. She then formally moved:

That the Statement of Accounts and Auditors' Report for the year ended 30th June 2016 be adopted.

The motion was seconded from the floor and on being put to the Meeting:

*THE MOTION WAS CARRIED.*

5.&7. APPOINTMENT OF DIRECTORS & APPOINTMENT OF MEMBERS COMMITTEE:

The Meeting was advised that Mr Justin Robinson of Computershare Investor Services Pty Limited had been appointed as Returning Officer to conduct a ballot for the election of Directors.

The Returning Officer then presented his Report to the Meeting which read as follows:

### Election of Directors

"In accordance with Appendix 5 in connection with the postal ballot of members for the election of two (2) Directors, I hereby certify the following:

- |     |                                                          |       |
|-----|----------------------------------------------------------|-------|
| (a) | Number of ballot papers lodged                           | 9,311 |
| (b) | Number of formal votes                                   | 9,290 |
| (c) | Number of informal votes                                 | 21    |
| (d) | Number of formal votes for each candidate is as follows: |       |
|     | Jon Hillman                                              | 1,714 |
|     | John Kouimanos                                           | 7,364 |
|     | Graeme Lockwood                                          | 7,208 |
|     | Mark Northam                                             | 2,167 |
| (e) | The names of the two (2) candidates elected are:-        |       |
|     | John Kouimanos                                           |       |
|     | Graeme Lockwood"                                         |       |

The Chair thanked Mr Robinson and congratulated the successful candidates on their re-election and thanked the unsuccessful candidates for their interest in nominating for a position on the Board of Directors.

The Chair then called on the Company Secretary, the Chief Executive, to declare the candidates of the Members Committee duly elected.

The Chief Executive advised that there being four candidates for election to the four vacancies on the Members Committee, in accordance with the Constitution the following were declared duly elected as members of the Members Committee of Teachers Mutual Bank Limited:

Philip Blight  
Stephen Bonnor  
David Croucher  
Kay Smith.

The Chair congratulated the successful candidates on their re-election to their respective offices.

### 8. REMUNERATION OF DIRECTORS:

It was moved and seconded:

"That pursuant to Division 13.1(1) of the Company's Constitution, the Directors be paid the following remuneration during the period from this AGM to the next AGM:-

- (a) For Directors collectively a maximum total sum of \$702,970 by way of fees, concessions and other benefits to be apportioned by the Directors as they determine. This sum shall include any relevant taxes payable either by the Company or by individual Directors.

- (b) In addition to the above, all Directors will be paid or reimbursed for:
- (i) the sum equivalent to any actual salary lost as a result of taking leave from employment for Company purposes;
  - (ii) any use of a private motor vehicle for Company purposes, such reimbursement to be at authorised tax rates; and
  - (iii) superannuation contributions at the prescribed Superannuation Guarantee Contribution rate to an approved superannuation fund provided that if superannuation contributions are not required to be paid to an approved superannuation fund in respect of any individual Director, the equivalent amount shall be paid to the Director instead.

After discussion for and against the Motion, there was a call for the Motion to be put. A count of hands was taken with the result being the majority voted in favour for the motion to be put.

The Chair advised he would now put the Motion before the Meeting for a formal vote, and would ask the Returning Officer to conduct a poll on this matter.

Prior to the conduct of the poll, the Chief Executive was requested to advise the number and composition of valid proxy votes received in respect of this Motion.

The Chief Executive advised the meeting that as allowed under Section 250BD(2) of the Corporations Act, the proxy appointment form circulated to members for the purposes of the meeting, authorised the Chair to vote discretionary (undirected) proxies on the remuneration resolution. The Chair advised he would be voting those undirected proxies in favour of the resolution. He would also be voting all directed proxies as well as voting in his personal capacity as a member.

It was reported that 4,730 valid proxy votes appointing the Chair as proxyholder had been received and that those votes had been cast as follows:

For the Motion	2,165
Discretionary votes to the Chair (the Chair having indicated he would use discretion to vote <u>for</u> the Motion)	<u>1,350</u> 3,515
Against the Motion	<u>1,192</u> <u>4,707</u>

Additionally, it was reported that 134 abstentions by proxy had been received and 23 proxies appointing a proxy other than the Chair had been received.

Members were invited to vote on this Motion and the Returning Officer was requested to conduct a count of the poll.

6. CHIEF EXECUTIVE OFFICER'S REPORT:

The Chief Executive Officer, Steve James, was invited to address the Meeting at this juncture.

Mr James opened his presentation by introducing the Executive Management Team of the Mutual Bank:

Brad Hedgman	Deputy Chief Executive
Dave Chapman	Chief Information Officer
Neil Kenzler	Chief Risk Officer
Craig McMahon	Chief Operations Officer
Theresa Mason	Chief Sales & Marketing Officer
Helen O'Reilly	Chief Human Resources Officer
Glenn Sargeant	Chief Financial Officer

He also introduced Jim O'Connell, General Manager of Firefighters Mutual Bank and the ex-Directors of Fire Brigade Employees Credit Union, some of whom will form the Firefighters Mutual Bank Advisory Committee.

With the assistance of a PowerPoint presentation, Mr James spoke to the following:

- New Products and Services – constantly looking at the latest technology and innovations to bring members competitive products and services in the most cost effective way.
- Recognition and awards – the Bank has a very strong record in Corporate Social Responsibility and as a result we have become known as leaders, thanks to our ethical, environmental and community investment activities. This last year we were named as one of the World's Most Ethical companies; recognised by the London Benchmarking Group for our community investment; and were again awarded Best Bank in Socially Responsible Performance at the Australian Banking and Finance Awards.
- Member satisfaction – a high standard of service and member satisfaction are a fundamental part of who we are as a bank. This last year Teachers Mutual Bank was named 2015 Bank of the Year by Roy Morgan Research. This is the definitive measure of bank customer satisfaction in Australia and is the one by which the major banks measure their customer satisfaction levels.
- TMBL's Staff – our workforce is growing with our expanding national presence. The Bank now has over 500 employees, including our new Firefighters Mutual Bank colleagues. Directors and Managers have a strong commitment to the development and growth of the whole TMBL team and an inclusive staff culture that helps each staff member progress according to their needs and aptitudes. TMBL was again successful this year in receiving the citation for WGEA Employer of Choice for Gender Equality – one of just 90 organisations in Australia to be recognised for this achievement.
- Our Community – community investment is one of our key strengths as a socially responsible bank. We invest in a diverse range of activities for the education community. This year we were invited to join the Global Banking Alliance for Banking on Values, an international and independent network of banks, banking cooperatives and credit unions committed to advancing positive change in the banking sector. The GABV's mission is to use finance to deliver sustainable economic, social and environmental development.

- Teacher, University and Firefighter Focus – a major initiative of the Board and Management over the coming years is to grow membership. We have done extensive research that has helped us better understand the UniBank market across students, staff and graduates and this has provided insights that we will use to develop the brand to ensure it is relevant, contemporary and meeting the needs of both our existing and prospective members across the country. Also, we will be working closely with our colleagues from the former Fire Brigade Employees Credit Union to develop the Firefighters Mutual Bank brand for their current and prospective members.
- In 2016, our 50th year of operation, we are recognised as one of the leading mutual banks in Australia. We owe a great debt to the pioneering men and women who established Teachers Credit Union, as it then was, in 1966. We have grown from those humble but visionary beginnings to become a major mutual bank with over 186,000 members in all State of Australia, and \$6 billion in assets.

Mr James expressed his appreciation for support throughout 2015/16 by the Board, Advisory Committees, Management, Staff and particularly, Members.

At the conclusion of the Chief Executive’s address, the Chair sought questions/issues requiring clarification from the floor.

It was moved and seconded that the Chief Executive’s report for 2016 be adopted. On being put to the Meeting:

*THE MOTION WAS CARRIED.*

At this stage, the Chair advised the Returning Officer had notified him the results of the poll conducted on the resolution were now available. The Returning Officer then advised the results of the poll conducted on Item 8 by members in person or by proxy were as follows:

Item No	Votes cast FOR the resolution	Votes cast AGAINST the resolution	TOTAL votes cast	Abstain votes	Result
8 – Remuneration of Directors	3,756 75.29%	1,233 24.71%	4,989	142	I therefore declare the motion carried as an ordinary resolution

The Chair thanked Mr Robinson, the Returning Officer, for declaring the results of the poll and also thanked the members for their support and participation in the voting process.

## 9. GENERAL BUSINESS

The Chair then opened the Meeting to items of general business. In doing so, he reminded Members that any issues raised in this section of the Meeting could not be the subject of a vote. If necessary, issues raised would be referred to the incoming Board for consideration, with advice back to the next Annual General Meeting.

Although a number of queries were raised and responded to, there were no matters to be referred to the incoming Board for consideration.

VOTE OF THANKS

The Deputy Chair moved a vote of thanks to all of those responsible for the organisation of and arrangements for the Meeting:

- To the Management and Staff of Canterbury Hurlstone Park RSL Club.
- To the audio visual company for the supply of audio visual equipment.
- To all Teachers Mutual Bank Staff responsible for the organisation of the Meeting and for the Chairperson's and Chief Executive Officer's presentations viewed earlier; and
- To the Chair for his conduct of the Meeting.

*THE MOTION WAS CARRIED BY ACCLAMATION.*

There being no further business, the Chair thanked everyone for their attendance and interest in the affairs of Teachers Mutual Bank Limited and declared the formal part of the Meeting closed at 11.35am.

Following the formal part of the Meeting, there were some special presentations commemorating the 50th Anniversary of Teachers Mutual Bank Limited.

DATE:            CONFIRMED:

CHAIRPERSON

SECRETARY