

Agenda Item 6 Board Remuneration Resolution

To consider and, if thought fit, pass the following resolution:

That Pursuant to Rule 13.1(1) of the company's Constitution, the directors be paid the following annual remuneration commencing from this AGM and that such remuneration be paid in accordance with the following board policy.

- (a) For directors collectively a maximum total sum of \$795,489 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:
- the sum equivalent to any actual salary lost as a result of taking leave from employment for company purposes;
 - any use of a private motor vehicle for company purposes, such reimbursement to be at authorised tax rates; and
 - 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.

Reason

To ensure relativity with our peers in the mutual sector of the financial services industry, the board referenced the 2017 McGuirk Directors Mutual Financial Board Remuneration Survey and members are asked to support the progressive raising of total director remuneration to the average levels of total remuneration received by directors in the largest mutuals.

This year the board is again asking members to support relativity and is proposing an increase in director remuneration. Maintaining competitive remuneration will ensure we continue to attract talented elected and appointed directors to undertake the corporate responsibilities of serving on a financial institution's board.

The board is proposing a 3% increase of \$21,089 for the current nine board positions plus an additional \$71,430 for the proposed additional board appointed position. The maximum board remuneration will then total \$795,489.

Should the proposed rule change not be passed, or if the board does not fill the additional board appointed role then the additional \$71,430 will not be paid and total remuneration would be \$724,059.

Proxies

"A member entitled to attend and vote at the meeting may appoint a proxy, who need not necessarily be a member of the Company. Where a member is entitled to cast 2 or more votes he/she may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise."

This statement is made as required by section 249L of the Corporations Act 2001.

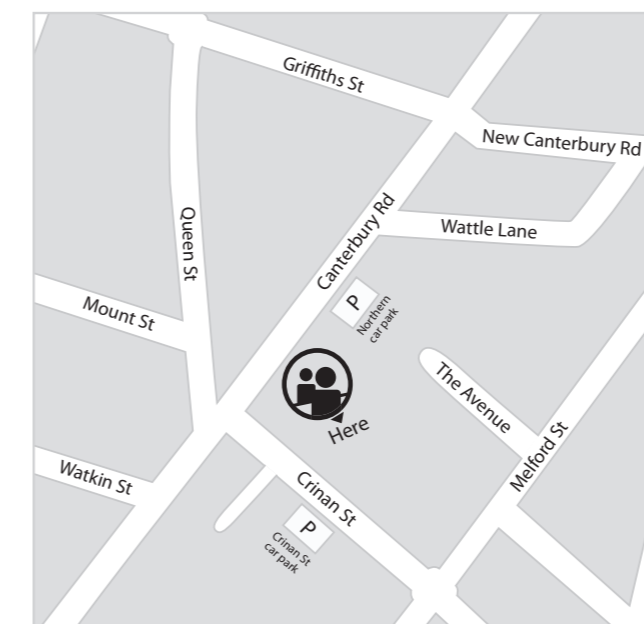
Note: No member of the Company is entitled to cast more than one vote.

Teachers Mutual Bank Limited – Notice of Annual General Meeting and Business Papers

By order of the board, notice is given that the 51st Annual General Meeting of Teachers Mutual Bank Limited ABN 30 087 650 459, will be held at 10.00am Australian Eastern Standard time (AEST) on Saturday, 25th November 2017 at Canterbury Hurlstone Park RSL Club, 20-26 Canterbury Road, Hurlstone Park NSW 2193.

After the meeting a seated lunch will be served. If you have special dietary requirements please complete the information on the acceptance below. Your partner is welcome to attend the Annual General Meeting and lunch.

If you are unable to attend the AGM in person, you may wish to view the meeting live via our webcast. Simply visit <http://stagingconnections.org/TMB17>



Venue information

How to get there:

Car - free, secure car parking is available at the Northern car park located just off Canterbury Road at the Wattle Lane intersection or at Crinan Street car park.

Rail - Both Canterbury and Hurlstone Park train stations are only a few minutes from the club. The RSL courtesy bus will operate from 9am onwards to pick up and return members from and to both stations.

RSVP

Please let us know by Thursday, 16th November 2017 if you are attending the meeting and if you require a vegetarian or a gluten free lunch. You can do this by emailing agm@tmbank.com.au, calling **13 12 21** 8am to 7pm, weekdays or 9am to 3pm, Saturday or complete the acceptance below.

2017 Annual General Meeting acceptance

I will be attending the Annual General Meeting.

Name

Member no

Tick **one** of the following for any special dietary requirements: vegetarian gluten free

I will be bringing a guest Guest's member no (if applicable)

Tick **one** of the following for any special dietary requirements: vegetarian gluten free

Signature

Date

Please return this form by Thursday, 16th November 2017 to one of our offices or mail to:
Teachers Mutual Bank Limited, PO Box 7501 Silverwater NSW 2128

Meeting agenda

- 1 Welcome to members and guests, and apologies
- 2 Confirmation of minutes of 50th Annual General Meeting
- 3 Business arising from minutes
- 4 Receipt and adoption of reports
 - a. Directors' report
 - b. Statement of accounts
 - c. Auditors' report
- 5 Constitutional Changes
- 6 Remuneration of Directors
- 7 Declaration of the poll for election of Directors
- 8 Declaration of the poll for election of Members Committee
- 9 CEO's Report
- 10 General Business



Annual Report & Constitutional Amendments

Copies of the 2016/17 Annual Report, including the Annual Financial Statements, may be obtained from or inspected at the Company's registered office, 28-38 Powell Street, Homebush NSW 2140.

The documents can be downloaded from the Company's website tmbank.com.au/annualreport

If you are unable to download the documents, you may request them to be emailed to you, or sent via post. Please provide your member number and email or postal address if you require this.

Member number

Email or postal address

Agenda Item 5 Constitutional Changes

The proposed (2) rule changes are:

1. Removing the requirement for members to pay subscription IN CASH and
2. Increase the number of directors that the board can appoint from 3 to 4

Rule Change #1

Amend Clause 3.1 Admission to Membership by deleting "in cash".

3.1 Admission to Membership

- 1) Subject to any other rule allowing admission of members, the company may admit a person as a member only if:
 - (a) the person makes a written application in a form the company requires;
 - (b) the person provides evidence, satisfactory to the company, that the person is eligible to be a member under the common bond;
 - (c) the person applies for a member share; and
 - (d) the person pays the subscription price for the member share.

Reason

The Constitution currently requires a member to pay the subscription price of \$10 in cash. To simplify the joining process for members the board is seeking the support of members to delete the requirement that the share must be paid in cash. This will provide additional means to collect the \$10 subscription.

Rule Change #2

Increase the maximum number of directors and the number of directors that can be appointed by the board.

Amend Clause 9.1 to a maximum of 10 and 9.1 (b) to 4

9.1 Number of Directors

The company must have such a number of directors being not less than 7 and not more than 10 as the board from time to time determines of which:

- (a) not more than 7 may be elected or appointed by members ("elected director"); and
- (b) not more than 4 may be appointed by the board ("appointed director").

Reason

The board proposes to increase the number of directors that the board can appoint from 3 to 4. If there are further opportunities for mergers with other mutuals then this additional position could be available for a director of the transferring mutual. The additional position also provides the capacity to bring any required expertise to the board if necessary. The majority of the board remains member elected directors.