

# Annual General Meeting

Notice is hereby given that the 47th Annual General Meeting (AGM) of Victoria Teachers Limited (Bank First) will be held at **Leonda by the Yarra, 2 Wallen Road, Hawthorn** on Thursday 14 November 2019 at 6:00pm for a 6:30pm start.

## Agenda

1. Opening address by the Chair and CEO.
2. Confirm the Minutes of Annual General Meeting held on 21 November 2018.
3. Consider the report of the Board of Directors, the financial statements and auditors' report for the year ended 30 June 2019.
4. Announce the result of the ballot for the election of one Director.
5. To consider and if thought fit, to approve the following special resolutions submitted by the Board of Directors to amend the Constitution of Victoria Teachers Limited as tabled at the meeting, and which for the purposes of identification shall be signed by the Chair of the meeting.
6. To consider and if thought fit, to approve the following special and ordinary resolutions submitted by the Board of Directors to remove the current auditor of the Company and appoint another firm as auditor of the Company.

### Special Resolution #1

That clause 5.1 of the Constitution of Victoria Teachers Limited is amended by deleting the words 'clause 5.3 or clause 5.4' and inserting in lieu thereof the words 'or clause 5.3'.

### Special Resolution #2

That clause 5.3.2 of the Constitution of Victoria Teachers Limited is amended by deleting the words 'Financial Ombudsman Service' and inserting in lieu thereof the words 'Australian Financial Complaints Authority'.

### Special Resolution #3

That clauses 5.3.4, 5.3.5 and 5.3.6 of the Constitution of Victoria Teachers Limited are deleted and the subsequent clause renumbered accordingly.

### Special Resolution #4

That clause 5.3.7 of the Constitution of Victoria Teachers Limited is amended by deleting the words 'including conducting any hearing or consideration of written submission from the Member'.

### Special Resolution #5

That subject to the passing of Ordinary Resolution #1, Deloitte Touche Tohmatsu Limited being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the Company's auditor in accordance with the Corporations Act, effective from the date of the Meeting and the Directors be authorised to agree the remuneration.

### Ordinary Resolution #1

That subject to the passing of Special Resolution # 5 Ernst and Young, the current auditor of the Company, be removed as auditor of the Company in accordance with the Corporations Act, effective from the date of the Meeting.

7. Any other business of which appropriate notice has been given.
8. Annual General Meeting Close.

By order of the Board of Directors



**Emily McGrath**  
Company Secretary

## Notes

A detailed explanation about the proposed Special Resolutions #1, #2, #3, #4 and #5 and Ordinary Resolution #1 is provided below.

### **Please read the Explanatory Memorandum carefully.**

To be passed the special resolutions require 75% of votes cast to be in favour of the resolution, ordinary resolutions require a simple majority of votes cast to be in favour of the resolution.

Votes must be cast by Members who are both eligible to vote and who are present at the meeting either in person or by proxy.

Your Directors unanimously support all of the resolutions and recommend that you vote **FOR** them.

## **Explanatory Memorandum**

### **Special Resolutions numbers 1 to 4**

The purpose of special resolutions numbers 1 to 4 is to seek Member approval to change Division 5 of the Constitution of Victoria Teachers Limited 'Membership Ceasing', and in particular the deletion of those clauses in Division 5 which relate to the process for Bank First to provide notice to Members of Membership termination.

In recent years the ways in which individuals can join Bank First have changed significantly and will continue to change as we embrace new digital tools and automated online solutions which allow remote membership application and processing. These technologies have been implemented to allow Bank First to remain competitive, modern and relevant as well as provide a seamless and easy membership joining experience. Bank First now has the technology to be able to open an account for an applicant remotely who, having passed all of the identity requirements, can have an account opened within minutes of completing an application online. Whilst this is very positive for growth, expansion and the Member experience, these technologies also carry increased and new risks for Bank First such as an increasing vulnerability of 'members' applying to join Bank First using stolen identities and/or fraudulently obtained documents, as well as an increase in the number of persons remotely joining Bank First with the sole intent of using their new account for the purposes of money laundering or proceeds of crime. Unfortunately, it is an accepted industry wide fact that both fraud and identity theft are more prevalent today than they were just a few years ago and this, along with our new digital offering, has increased Bank First's exposure to this vulnerability.

Other risks which Bank First has legal obligations to manage are those related to individuals who apply to join Bank First and who, when checked against certain Government databases, are subsequently flagged as high risk individuals because they may be a politically exposed person (PEP) or originate from a high risk country of concern in accordance with the Anti Money Laundering and Counter Terrorism Financing Legislation. In these instances, specialised staff at Bank First will determine whether or not it is in the interest of Bank First and its existing Members to continue the relationship because of the elevated risk that the relationship may present to Bank First.

The objective of seeking Member approval to make these proposed changes to the Constitution is to enable Bank First to quickly terminate any membership that has been obtained through fraud, deception and or illegal means and also provide the wherewithal to terminate relationships that Bank First believes may present an elevated risk that its products and services could be used for criminal activity including money laundering or the financing of terrorism.

### **Special Resolution number 5 and Ordinary Resolution number 1:**

Ernst & Young has provided external audit services to Bank First since 2001/02. Each year the performance of Ernst & Young has been reviewed against a Client Service Charter and over the years the performance of Ernst & Young has been well regarded by both the Board Audit Committee and management, however it is accepted good governance practice to undertake a formal review and tender process from time to time in order to benchmark the incumbent auditors against other firms and to ensure that ongoing independence is maintained. To this end, earlier this year, the Board Audit Committee approved a proposal from management to undertake benchmarking via agreed evaluation criteria with invitations for proposals to be issued to the top four Australian audit firms. The benchmarking included assessment of the firm's experience, expertise in relation to industry, value for money and consideration of value added services that they may provide to Bank First.

Following submission of each of the proposals, presentations were provided to a special Board Audit Committee meeting in June. A subsequent formal evaluation of each of the proposals was undertaken and as a consequence the Board Audit Committee recommended, and the Board approved, the proposal to appoint the audit firm Deloitte Touche Tohmatsu commencing financial year 2019/2020.

To give effect to the proposed change in audit firms for Bank First, the Corporations Act requires that the Members of Bank First pass two resolutions, an Ordinary Resolution to give effect to the proposal to remove Ernst and Young as the current auditor and a consequent Special Resolution to be passed to appoint Deloitte Touche Tohmatsu as the new audit firm.

Deloitte Touche Tohmatsu have provided their consent to be appointed as Auditor.

A nomination from a shareholder to appoint Deloitte Touche Tohmatsu has been received and is incorporated in these meeting materials below.

The Board and management would like to take the opportunity to thank Ernst and Young for their ongoing professional services over the past years.

**Proxy voting**

Should a Member be unable to attend the AGM, the Member may vote by proxy. Your proxy does not have to be a Member of Bank First.

You may vote by proxy electronically by visiting our website **bankfirst.com.au** and following the instructions. Please note a person appointed by a Member as their Power of Attorney (or similar authority) is unable to lodge a proxy online.

Proxy appointment forms, including instructions for completion and return, are available from our website **bankfirst.com.au** or from Computershare by email at **votingservices@computershare.com.au** or by phone on **1300 117 913** or **03 9415 4338 for overseas holders**.

Please note that proxy forms must be received by mail, fax or electronically by Computershare no later than 6.30 pm Tuesday 12 November 2019.

**Nomination of Auditor**

Ms Emily McGrath  
Company Secretary  
Victoria Teachers Limited  
117 Camberwell Road  
Hawthorn East VIC 3123

Dear Emily  
Nomination of Auditor – Victoria Teachers Limited

For the purposes of Sections 328B (1) & (3) of the Corporations Act 2001, I Bernadette Lloyd, being a Director and Member of Victoria Teachers Limited (“the Company”), hereby nominate Deloitte Touche Tohmatsu for appointment as auditor of the Company at the next Annual General Meeting.

Yours Faithfully



Bernadette Lloyd  
Director & Chair  
Victoria Teachers Limited

**AGM attendance**

For Members attending the meeting in person it will be necessary to register your name prior to the commencement of the meeting. Registration will commence at 6:00pm on Thursday 14 November 2019.

To help with catering arrangements, please advise Karen Mills on **03 9834 8473** or **kmills@bankfirst.com.au** of your attendance.