

# Responsible Persons

## - Fit and Proper Policy

<b>Approver</b>			
Board of Directors			
<b>Accountable Person</b>			
Board of Directors			
<b>Mandatory Stakeholders</b>			
Chief Executive Officer		GCRA Committee	
Chief People and Culture Officer		Head of Compliance & Company Secretary	
<b>Document Classification</b>			
Internal <sup>1</sup>			
<b>Revision History<sup>2</sup></b>			
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1.0	26 May 2020	Head of Compliance & Company Secretary	Existing Policy reformatted into new template and version control format
For version Control purposes this policy commences as Version 1.0 thereafter any Previous History will be shown at Appendix 4			
<b>Next Mandated Policy Review Date</b>			By May 2023
<b>Master Policy Directory</b>			

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## 1 Introduction

### 1.1 Background

Bank First is committed to best practice in corporate governance. It needs to ensure that the persons responsible for management and oversight, and identified as 'Responsible Persons', are eligible to hold a responsible person position.

Bank First is regulated by the Australian Prudential Regulation Authority (APRA) and is required to adhere to prudential standards issued by APRA. APRA uses the term 'Fit and Proper' in naming its standard in relation to eligibility to hold a responsible person position.

Non-observance of this policy by directors, senior management and other persons covered by this policy could place the interests of Members and other stakeholders at risk.

The objectives of this Policy are to:

- Outline the minimum standards for determining the eligibility of individuals to serve in responsible person positions;
- Strengthen the governance framework within Bank First; and
- Promote confidence in Bank First and its officers.

Implementation of this policy will assist Bank First manage any risk that individuals who hold positions of responsibility do not have the level of fitness and propriety required to undertake their role. Accordingly, this Policy forms part of the Bank First's risk management system.

### 1.2 Purpose, Authority and Coverage

This policy applies to Bank First and its related entities, together referred to throughout this policy as 'Bank First'.

This document sets out policy and procedures to determine the eligibility of Bank First responsible persons to hold their positions both prior to their appointment and on an ongoing basis and for dealing with responsible persons who fail to meet the eligibility criteria.

A copy of this Policy must be provided to:

- Any candidate for election as a director as soon as possible after the candidate has nominated;
- Any other person applying for a responsible person position, ahead of their final interview for the role; and
- Any other person before an initial assessment of their eligibility is conducted.

1. Required for Bank First document classification (refer: Operational Risk Policy - Data Risk Management » Operational Risk Policy - Data Risk Management)

2. Paragraph 36 of CPS 220 requires that there is a process for monitoring the date when each policy or procedure was last revised, the date that it is next due for review and who is responsible for the review. Protecht should be used to record obligations and for reminders to be sent out at the appropriate time to those responsible for the review.

Responsible persons will be required to attest annually that they have read and understood this Policy.

This Policy is based on APRA's Fit and Proper Prudential Standard CPS 520 and the associated Prudential Practice Guide APG 520 (jointly referred to in this policy as the Prudential Standard). The Prudential Standard sets out minimum requirements for determining the eligibility (i.e. fitness and propriety) of individuals in responsible person positions, and it is a mandatory requirement that it be applied.

This Policy covers APRA's 'Responsible Persons' requirements only, and does not deal with the requirements set by the Australian Securities and Investments Commission (ASIC) regarding 'Responsible Managers'.

In addition to this Policy, Responsible Persons with the exception of the Head of Treasury, Head of Lending Operations and Head of Compliance will also be registered with APRA under the Banking Executive Accountability Regime (BEAR) and in accordance with the Bank First BEAR framework. Bank First is required to identify its individual accountable persons, who must then be registered with APRA prior to becoming an accountable person.

## 2. Policy

### 2.1 Identification of Responsible Person Positions

The Prudential Standard defines 'Responsible Persons' as:

- a) Directors.
- b) Senior Managers.
- c) Consultants and contractors performing the functions and duties of a Senior Manager.
- d) The Appointed Auditor (who is the auditor appointed by Bank First to provide any report in relation to Bank First that is required to be prepared by an auditor under the Corporations Act 2001, the Prudential Standards, or Reporting Standards under the Financial Sector (Collection of Data) Act 2001).
- e) A person who performs activities for a subsidiary of Bank First where those activities could materially affect the whole, or a substantial part, of the business of Bank First or its financial standing, either directly or indirectly.
- f) Persons specified in writing by APRA upon it being satisfied that they play a significant role in the management or control of Bank First, or that the person's activities may materially impact on prudential matters.

\*The Prudential Standard defines 'Senior Manager'<sup>3</sup> as a person other than a director who:

- i) Makes or participates in decisions that affect the whole or a substantial part of Bank First's business.
- ii) Has the capacity to significantly affect the Bank First's financial standing.
- iii) May materially affect the whole, or a substantial part of, Bank First's business or financial standing through their responsibility for:

- Enforcing policies and implementing strategies approved by the Board;

- Developing and implementing processes or systems that identify, assess, manage or monitor risks in relation to the business of the Bank;
- Monitoring the appropriateness, adequacy or effectiveness of risk management systems.

The Prudential Standard explains that:

- The nature of the duties and functions of a person, rather than the person's title, will determine whether the person is a responsible person.
- 'Senior Managers' will include, and generally not extend greatly beyond, managers reporting directly to the Chief Executive Officer as well as managers / persons responsible for key aspects of risk management.

A review is to be undertaken at least annually of positions within Bank First to determine whether the nature of the duties and functions of a person have changed such that the person's position would be classified as a responsible person position. The Head of Compliance and Company Secretary in consultation with the CEO and Chief People & Culture Officer will undertake the assessment as part of the review of this policy annually or where there has been a significant increase in a person's responsibilities and decision making authority.

Bank First may also be notified by APRA that a position is deemed to be a responsible person position.

By applying these definitions to Bank First, the positions identified as 'responsible person' positions are shown on the organisation chart - **Annexure A** and listed in **Annexure B**.

APRA may determine that a person is not, or is no longer, a Responsible Person if it is satisfied that the person does not play a significant role in the management or control of Bank First or that the person's activities do not materially impact on prudential matters. Bank First will apply to APRA for such determinations in appropriate cases.

Upon any change in responsible persons, the Chief People & Culture Officer will advise the Head of Finance for APRA reporting purposes, and the Company Secretary.

### 2.2 Criteria for assessing a responsible persons eligibility

The Prudential Standard requires this Policy to address matters Bank First will consider in determining if a person is eligible i.e. is fit & proper to hold a particular responsible person position.

Accordingly, this policy:

- Documents the minimum competencies required for each responsible person position, including any training or induction processes required for the position at commencement and on a continuing basis; and
- Ensures that the criteria for eligibility are given due consideration before a person can be assessed as eligible for a responsible person position.

The criteria for assessing eligibility for a responsible person position are whether, for that person and position:

- It would be prudent for Bank First to conclude that the person possesses the competence, character, diligence, honesty, integrity and judgment to properly perform the responsible person position;

3. Points (i) and (ii) are intended to be interpreted consistently with the definition of 'senior manager' (in relation to a corporation) in section 9 of the Corporations Act.

- The person is not disqualified from holding the position including under BEAR<sup>4</sup>; and
- The person:
  - o Has no conflict of interest in performing the duties of the position; or
  - o If the person has a conflict, it would be prudent to conclude that the conflict will not create a material risk that the person will fail to properly perform the duties of the position.

The Appointed Auditor is required to satisfy the following additional requirements:

- Is a registered company auditor under the *Corporations Act*;
- Has at least five years relevant and recent experience in the audit of regulated institutions and is familiar with current issues in the audit of ADI's;
- Is a member of a recognised professional body;
- Ordinarily resides in Australia; and
- Is independent.

The Prudential Standard allows that the additional requirements for the Appointed Auditor do not need to apply where there are exceptional circumstances and where exemption has been obtained from APRA.

The matters that will be considered in determining if a responsible person is fit and proper are:

- The skills and experience required by each responsible person will depend on that person's role and this will be affected by the role undertaken by other responsible persons;
- Where a person is found not to be eligible due to a lack of character, diligence, honesty, integrity or judgment, that person will not normally be suitable for any responsible person position;
- The person must ordinarily be resident in Australia to both attain and occupy the position of a responsible person;
- In conducting an assessment of eligibility the nature and extent of a number of matters will ordinarily include, as relevant:
  - a) The person's character, competence and experience relative to the duties involved, including whether the person:
    - i) possesses the necessary skills, knowledge, expertise, diligence and soundness of judgement to undertake and fulfil the particular duties and responsibilities of the role in question; and
    - ii) has demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and/or in the conduct of his or her current duties.
  - b) Whether the person:
    - i) has demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;

- ii) has breached a fiduciary obligation;
- iii) has perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- iv) has been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- v) has seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others;
- vi) has been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- vii) is of bad repute in any business or financial community or any market; or
- viii) was the subject of civil or criminal proceedings enforcement action, in relation to the management of an entity, or commercial or professional activities, which were determined adversely to the person (including by the person consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected adversely on the person's competence, diligence, judgement, honesty or integrity.

**Annexures G - J** of this policy outline the process protocols for assessment of each of the Bank's responsible person positions including the assessment criteria and the competencies required for particular responsible person positions.

### 2.3 Breaches

Non-compliance with the requirements of this Policy may materialise the following risks:

- Non-compliance with other APRA Prudential Standards if this Policy is not observed by responsible persons.
- Interests of depositors and other stakeholders put at greater risk.

#### **Process for handling material breaches**

Upon identification of a significant breach of this Policy and/or Prudential Standard CPS 520, the breach will be assessed as to its significance in order to determine whether it is reportable to APRA.

The result of the action/s taken must ensure that Bank First is compliant with this Policy and the Prudential Standard.

The Chair of the Board and the CEO through joint consultation have the authority to exercise discretion in circumstances where there is evidence that minor breaches of the requirements of this Policy and the Prudential Standard have occurred.

In exercising any discretion, the Chair of the Board and CEO must ensure that the objectives of the Prudential Standard and this Policy are upheld.

<sup>4</sup> In serious cases of non-compliance with BEAR accountability obligations, APRA may disqualify an individual from being an accountable person.

## Breach reporting

If Bank First becomes aware that it has breached (or is likely to breach) a prudential requirement under this Policy and that breach is 'significant', it must give APRA a written report about the breach. A breach must be notified within 10 business days after the Bank becomes aware a breach has occurred.

Failure to notify APRA of a breach of a prudential requirement is a strict liability offence and a penalty may apply.

Significant breaches must be reported to the Company Secretary who will record and report the breach of the Prudential Standard as required to APRA, and if required ASIC (The Bank holds an AFS licence and the breach may relate to a legislative provision administered by ASIC).

A report on the significant breach must be tabled at the next Board meeting after the breach has occurred.

### 2.4 Policy Review

This Policy was approved by the GCRA Committee on XX May 2020, and takes effect from X May 2020.

The GCRA Committee, on behalf of the Board of Directors, will ensure a review of this policy is undertaken at least annually.

In accordance with the Board Delegation of Authority Policy relating to Approval – Non Material Amendments to Board Policies, the GCRA Committee can approve non-material amendments to the policy as required. Material amendments to the policy must be submitted to the Board for approval

## 3. Procedures

### 3.1 Process for assessing eligibility

The Prudential Standard requires the Bank to document the processes that will be undertaken in assessing whether a person is fit and proper for a responsible person position and, in particular:

- a) Who will conduct the assessments for each responsible person position;
- b) What information will be obtained by Bank First and how it will be obtained;
- c) The matters that will be considered before determining if a person is eligible for a responsible person position; and
- d) What decision-making processes will be followed for the assessment.

The assessment of a person's eligibility to be a responsible person must generally be conducted prior to a person's appointment. The exceptions are:

- Elected directors where the Prudential Standard requires the assessment to be conducted within 28 days of election.

Bank First's policy is to conduct an assessment of the eligibility of nominees for director positions prior to their election.

Notification by APRA that a person is deemed to be a responsible person; where the Prudential Standard requires the assessment to be conducted within 28 days of APRA giving Bank First such a notification.

The Bank's policy is to comply with this requirement.

Interim appointments which are dealt with in Section 8 of this Policy below.

Where a position has changed and is subsequently deemed a responsible person position, an eligibility assessment is to be conducted on the person occupying the position within 28 days<sup>5</sup>.

All responsible persons of Bank First are required to undergo an annual, or as close to annual as possible, fit and proper re-assessment process.

Bank First's protocols for assessment of each of the responsible person positions are outlined in **Annexures G - J** of this policy.

Each Protocol specifies who will conduct the eligibility assessment for that responsible person position ('the Assessor') and each Protocol specifies what information Bank First will obtain and how it will obtain that information.

In that regard:

- **Annexure C** - is the Declaration to be obtained prior to the initial assessment of a person for a particular responsible person position.
- **Annexure D** - details the standard enquiries to be undertaken prior to the initial assessment of a person for a particular responsible person position. Part 1 of Annexure D details the enquiries to be conducted for interim appointments (except where the appointee is already a responsible person of the Bank) and Part 2 of Annexure D details the enquiries to be conducted for permanent appointments.
- **Annexure E** - is the Declaration to be obtained as part of the annual re-assessment of a responsible person.
- **Annexure F** - details the standard enquiries to be undertaken as part of the annual re-assessment of a responsible person.

Each Protocol also specifies the decision-making process to be followed for the assessment of the responsible person position and the matters that will be considered in determining whether a person is eligible for the position.

As part of the consideration in the re-assessment of a responsible person's eligibility, Bank First will also take into account compliance with all other relevant policies as outlined in Section 2 above.

### 3.2 Dealing with subsequently received or notified information

Where a responsible person who has been assessed as fit and proper subsequently becomes aware of circumstances that will or may deem them as no longer fit and proper, they must notify the Head of Compliance and Company Secretary and the CEO.

There may also be situations where a responsible person has been assessed as fit and proper but Bank First subsequently becomes aware of information that may result in the person being assessed as not eligible.

<sup>5</sup> Refer Section 5 of this Policy

In both these situations Bank First must take all reasonable steps, including collecting sensitive information as defined in the *Privacy Amendment (Enhancing Privacy Protection) Act 2012*<sup>6</sup> (Privacy Act) if relevant, and providing the person with a fair opportunity to put matters to Bank First to ensure that it can prudently conclude that no material concern exists. Where a concern exists, a full eligibility assessment must be conducted by the Assessor.

### 3.3 Dealing with persons who are not Fit & Proper

Bank First will take all prudent steps to ensure that a person who is not fit and proper for a responsible person position is not appointed to that position; and a person occupying a responsible person position does not continue to hold that position if subsequently found not eligible for that position.

If a person is assessed as not fit and proper for a particular responsible person position because of a lack of competence for that specific position, or because of a conflict of interest that applies to the duties of that specific position, he/she may still be fit and proper for another responsible person position.

#### Directors

In relation to directors, Bank First's Constitution provides that a person is unable to stand for election as a director or be appointed as a director if the Nominations Committee has determined, by reference to this Policy, that the person does not meet the eligibility requirements for the position of a director.

For removal of directors, the ability to take action following a finding that a director is no longer eligible to hold the position of director is limited by the Corporations Act and the Constitution. Whenever Bank First forms the belief that a director is not eligible, notification will be provided to APRA within 10 business days of forming the belief of:

- The fact of the belief;
- The basis for the belief;
- Whether the director remains in office; and
- Whether there is the need for a direction by APRA under the *Banking Act* to enable Bank First to promptly remove the director.

#### The Appointed Auditor

In relation to removal of the Appointed Auditor, the Bank's ability to take action following a finding that the auditor is not eligible is limited by the Corporations Act. Accordingly, whenever the Bank forms the belief that the auditor is not eligible, it will notify APRA within 10 business days of forming the belief of:

- The fact of the belief;
- The basis for the belief;
- Whether the auditor remains in office; and
- Whether there is the need for a direction by APRA under the *Banking Act* to enable the Bank to promptly remove the auditor.

#### Other Responsible Person Positions

In relation to other responsible person positions, all employment contracts with Senior Managers, and all contracts and arrangements with consultants involving the discharge of senior management responsibilities will include:

- Obligations on the employee or consultant to:
  - Be eligible for the responsible person position being occupied;
  - Comply with this Policy at all times; and
  - Provide reasonable assistance to Bank First in obtaining disclosures in accordance with this Policy.
- In the event that the employee or consultant is found no longer eligible for the responsible person position being occupied, Bank First may at its discretion terminate the employment or consultancy on the basis that it represents a fundamental breach of contract or employment agreement.
- An agreement that Bank First will not be liable for damages to the employee or consultant from implementing this Policy in good faith.
- Consent by the employee or consultant to Bank First conducting all enquiries relevant to an assessment of the eligibility of the employee or consultant to hold a responsible person position.
- Consent by the employee or consultant to Bank First disclosing information and providing documents to APRA relating to the reasons for their resignation, retirement or removal.
- All employment contracts and all contracts with consultants will include a term that Bank First will not take action against the employee or consultant as a consequence of the employee or consultant making a disclosure, in good faith, to APRA or in accordance with this Policy.

### 3.4 Interim appointment of responsible persons

The Prudential Standard permits Bank First to conduct more limited checks on the eligibility of a person for a particular responsible person position if the person holds the position on an interim basis for no more than 90 days or such longer period as APRA agrees in writing.

6. Regulated institutions have obligations under the *Privacy Amendment (Enhancing Privacy Protection) Act 2012* (Privacy Act) relating to how they collect and use information about responsible persons. The obligations include informing responsible persons that information will be collected about them and the ways which the information may be used and disclosed. Regulated institutions may need to take steps to ensure compliance with the Privacy Act such as with Australian Privacy Principles 1.3 and 1.5. In some instances, a regulated institution may have information about a person that has not been collected for assessing eligibility. Where this information is relevant, OPS 520 may require the use of that information for assessing eligibility. The Privacy Act includes exemptions from the National Privacy Principles for conduct required by law, such as the requirement of the Act to comply with Prudential Standards.

Where relevant, Bank First may consider seeking its own legal advice on these issues.

In such cases Bank First will:

- Do nothing further, prior to the interim appointment, if the person has already been assessed as eligible for another Responsible Person position with Bank First.
- In any other case:
  - The person must submit a Declaration, Information Statement and Questionnaire in the form of Annexure C; and
  - The Assessor for the particular responsible person position must conduct the enquiries specified in Part 1 of Annexure D.

A person appointed to a responsible person position on an interim basis may subsequently be confirmed in that position if, following a full assessment in accordance with the relevant Protocol and Annexure D, the person is found to be eligible for the particular responsible person position.

### 3.5 Communicating this Policy

Bank First will ensure that all responsible persons are aware of and understand this Policy by:

- Providing a copy of this Policy to all candidates for election as a director as soon as possible after the candidate is nominated;
- Providing a copy of this Policy to all other responsible persons, including Board appointed directors, prior to the initial assessment of their eligibility.
- Make available a copy of this Policy to all responsible persons as part of their annual re-assessment of eligibility; and
- Incorporating declarations of receipt, reading and understanding of this Policy as part of the completion of Annexure C and Annexure E.

### 3.6 Whistleblowing

Bank First has a separate Whistleblowing policy. Whistleblowing provisions under the Whistleblowing Policy are for reporting by all employees any incidents of fraud, corruption or improper conduct, whether it is suspected or actual.

Any person, including any officer or employee of, or any contractor to Bank First, who is or becomes aware of circumstances that leads that person to believe (in good faith) that a responsible person, or candidate for a responsible person position, does not meet the eligibility criteria, is encouraged to notify the Head of Compliance and Company Secretary<sup>7</sup> of the circumstances or their concerns. Alternatively, Bank First consents to the person providing that information to either the person responsible for conducting the eligibility assessments or APRA.

Bank First also consents to any person who previously held a responsible person position disclosing information or providing documents to APRA relating to their reasons for resignation, retirement or removal. Similarly, persons who have information that Bank First has not complied with the Prudential Standard can provide that information to APRA.

APRA does not require that Bank First impose an obligation on any person to make the disclosures referred to above. However, all reasonable steps will be taken to ensure that no person making such disclosures in good faith is subject to, or threatened with, a detriment because of any notification in purported compliance with the requirements of this policy.

It is a requirement that all provisions of this Policy encouraging whistleblowing, and any procedures related to whistleblowing, are adequately explained to directors and employees of Bank First who are likely to have information relevant to fit and proper assessments.

Bank First undertakes that it will not constrain, impede, restrict or discourage in any way any person from disclosing information or providing documents to APRA about the matters referred to above, whether by confidentiality clauses, policies, or other means.

### 3.7 Dealings with APRA

Bank First will:

- Provide a copy of this Policy to APRA upon request.
- Notify APRA, in writing and on APRA's form, of the following details in relation to each of its responsible persons within 28 days of any change or new appointment:
  - Full name;
  - Date of birth;
  - Position and responsibilities; and
  - A statement whether the person has been assessed under this Policy.
- Notify APRA within 10 business days if it forms the belief that a responsible person is not eligible for the responsible person position that they hold including:
  - The fact of the belief;
  - The basis for the belief;
  - Whether the person remains in the position; and
  - If the person remains in the position, what action is being taken.
- Give all information or notifications to APRA in the prescribed format where required.
- Upon request by APRA, take all reasonable steps to provide information and documentation to assist APRA in assessing the eligibility of a person.

### 3.8 Retention of Documents

Bank First will retain any information considered in assessing eligibility for a reasonable time. Bank First will:

- Document all information considered in initially assessing and annually re-assessing the eligibility of a person for a particular responsible person position.

*7. However, if the Company Secretary is the person about whom the concern exists, the Chair of the Board or CEO may be notified.*

- Retain documentation relating to the initial assessment or annual re-assessment of a responsible person for as long as the person remains in that responsible person position or another responsible person position with Bank First and for up to five years after the person has ceased to be a responsible person.
- Retain documentation relating to the initial assessment of an unsuccessful candidate for a responsible person position for no more than two years after the person has been assessed as not fit and proper, unless there is a legitimate business reason to retain the documentation for a longer period.

Under the Australian Privacy Principles, Bank First is required to provide each applicant for a responsible person position a statement setting out how it will deal with the applicant's personal information. This Policy section and the requirement under this Policy for responsible persons to declare they have read and understood this Policy will be taken as having fulfilled the requirement.

The Company Secretary and Chief People & Culture Officer are responsible for the retention of documentation relating to each eligibility assessment and reassessment of responsible persons.

### 3.9 Consent

To enable Bank First to assess if a person meets the eligibility requirements of this Policy, anyone applying for or holding a responsible person position, is required to:

- Agree to satisfy the requirements of this Policy as a condition of their directorship, employment or engagement;
- Consent, consistent with the Privacy Act, to allowing the collection and use of any information:
  - required to comply with APRA's Prudential Standards and this Policy; and
  - by APRA for its powers and functions under the Banking Act.
- Disclose to Bank First, and if necessary to APRA, any information required to be provided under this Policy or APRA's Prudential Standard;
- Authorise Bank First to make periodic enquiries with external parties as to any circumstances that may impact their position as a responsible person; and
- Notify the Chair of the Board, Head of Compliance and Company Secretary, CEO or the Chief People and Culture Officer immediately, should the responsible person consider they may have breached this Policy.

Information provided for the purposes of this policy may include sensitive information as defined in the *Privacy Act*.

Bank First will also obtain consent from each applicant for the collection and use of any information required to comply with this Policy and the Prudential Standard.

The information statement to applicants and the consent of applicants are incorporated in the Declarations in Annexure C and Annexure E. Upon request by an applicant, Bank First will provide copies of any such Declarations made by them.

## 4. Related policies

This Policy should be read in conjunction with any relevant Bank First policies and governance documents ('policies'), regulatory standards, and statutory laws issued from time to time; and in particular the:

- Whistleblowing Policy;
- Conflicts of Interest Policy;
- Directors' Code of Conduct;
- Privacy Policy;
- Confidentiality Agreement (as applicable);
- The Bank First's Constitution;
- Board Charter;
- Corporations Act 2001
- Privacy Amendment (Enhancing Privacy Protection) Act 2012 including the Australian Privacy Principles
- The Australian Prudential Regulation Authority's Prudential Standard CPS 520 Fit and Proper;
- The Australian Prudential Regulation Authority's Prudential Practice Guide APG 520 Fit and Proper;
- The Australian Prudential Regulation Authority's Prudential Standard CPS 510 Governance;
- The Banking Executive and Accountability Regime (BEAR) Framework; and
- Other policies and procedures relating to the Bank First's authority to carry on a banking and financial services business that are relevant to the position.

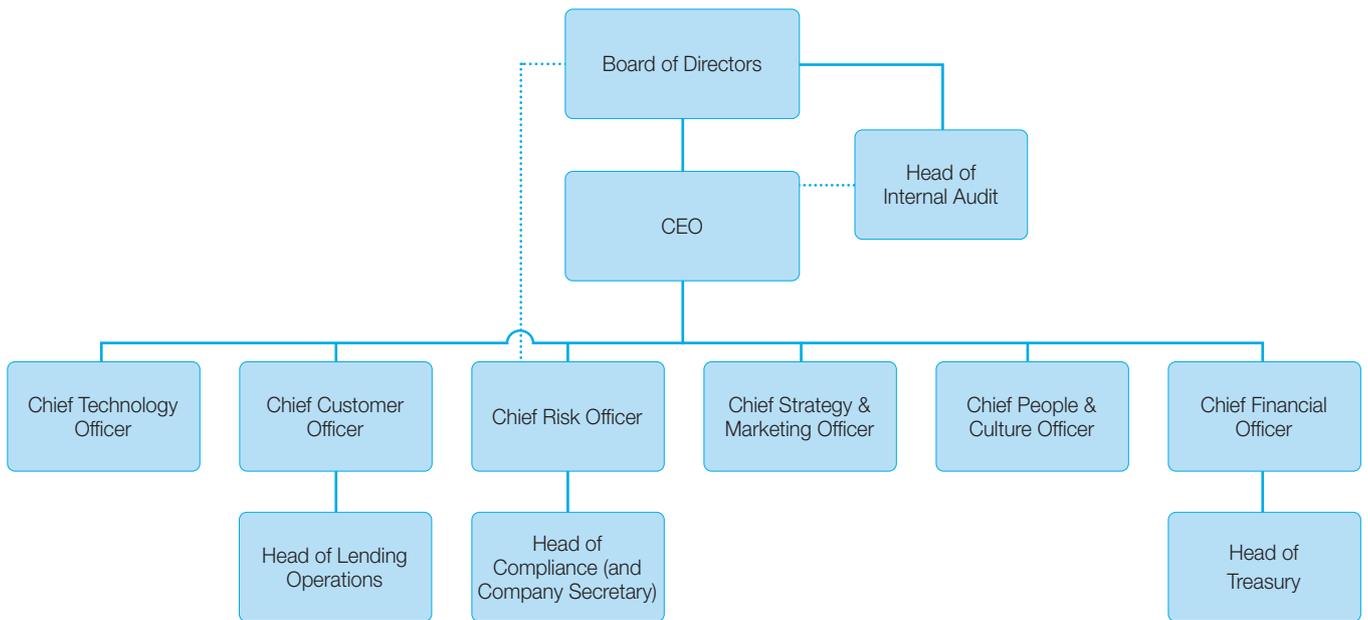
## 5. Related legislation, standards and guidance

APRA Fit and Proper Prudential Standard CPS 520 and the associated Prudential Practice Guide APG 520

## Appendix 4 Policy Revision History

Revision History				
Version	Approval Date	Approved By	Author / Policy Owner and / or Accountable Person	Summary Details of Policy changes
1.0	26 May 2020	Board	Head of Compliance & Company Secretary	Policy Reformatting into Bank First's Formal Policy Template

## Annexure A: Responsible Persons Organisational Chart



## Annexure B: List of Responsible Person Positions

- (1) Director
- (2) Chief Executive Officer
- (3) Chief Risk Officer
- (4) Chief Customer Officer
- (5) Chief Technology Officer
- (6) Chief Strategy & Marketing Officer
- (7) Chief People & Culture Officer
- (8) Chief Financial Officer
- (9) Head of Internal Audit
- (10) Head of Compliance
- (11) Head of Lending Operations
- (12) Head of Treasury
- (13) The lead partner of the External Audit firm appointed by the Mutual Bank (the Appointed Auditor)

**BANK FIRST**

**Declaration by Applicant for a Responsible Person  
Position – Initial Assessment**

**Questionnaire**

**Full Name of Applicant** of   
'the Applicant'

**Responsible Person Position being considered for**   
'the Position'

**Have you ever been known by another name?** Yes  No

**If Yes, by what other names?**

**When?**

**Gender** Male  Female

**Date of Birth**  /  /

**Town/City of birth**

**Country of birth**

**Are you a member of Bank First?** Yes  No

**If Yes, what is your membership number?**

**Your Contact Details**

**Telephone** Home (  ) **Business** (  )

**Mobile**

**Email**

**Residential address**

**Suburb**

**Postcode**

**Your Employment Details**

**Your current employer**

**Employers'  
Business address**
**Suburb**

**Postcode**

**Position held**

**Brief Summary of role  
/ position  
responsibilities**

**Your Employment History**

Please provide details of your employment history by completing the Employment History section at page 8

**Your Knowledge, Skill & Experience**

- |   |                             |  |
|---|-----------------------------|--|
| 1. Do you have any tertiary / post high-school academic qualifications?   | No <input type="checkbox"/> | Yes <input type="checkbox"/><br>Provide details at page 9  |
| 2. Have you ever been a director or manager of a company?   | No <input type="checkbox"/> | Yes <input type="checkbox"/><br>Provide details at page 10 |
| 3. Have you ever been the director or employee of, or professional consultant to, an Authorised Deposit Taking Institution (ADI)? | No <input type="checkbox"/> | Yes <input type="checkbox"/><br>Provide details at page 11 |
| 4. Have you ever been an employee of a professional services firm?  | No <input type="checkbox"/> | Yes <input type="checkbox"/><br>Provide details at page 12 |
| 5. Have you ever been a member of a professional or industry body?  | No <input type="checkbox"/> | Yes <input type="checkbox"/><br>Provide details at page 13 |

6. Do you have any other qualifications or experience which makes you suitable to be a responsible person?

No

Yes   
Provide details below:

7. Refer to the relevant protocol annexed to Bank First's Responsible Persons - Fit & Proper Policy and state whether you believe that you have all the specified competencies and character for a Responsible Person position.

No   
Identify any deficiencies / areas for improvement and training / development needs below

Yes

## Your Propriety

8. Have you ever been convicted of a criminal offence under the laws of Australia or of a foreign country?

No

Yes   
Provide details below:

Comprehensive details should be provided for any convictions for an offence at any time arising out of:

- Banking Act;
- Corporations Act, Corporations Law or any corresponding law of a foreign country;
- A law of Australia or a foreign country where the offence relates to dishonest conduct or to conduct of a company carrying on business in the financial sector.

9. Have you ever been bankrupt under the laws of Australia or of a foreign country?

No

Yes   
Provide details below:

10. Have you ever executed a deed of arrangement, or accepted a composition with your creditors under the Bankruptcy Act, 1966 (Cwlth) or a similar law of a foreign country?

No

Yes   
Provide details below:

11. Have you ever been disqualified from managing or directing a corporation?

No

Yes   
Provide details below:

12. Has the Australian Prudential Regulation Authority ('APRA') ever disqualified you from being or acting as a director or senior manager of an authorised deposit taking institution or an authorised non-operating holding company, or a senior manager of the Australian operations of a foreign authorised deposit-taking institution?

No

Yes   
Provide details below:

13. Have you ever been disqualified under the law of a foreign country from managing, or taking part in the management of an entity that carries on the business of banking or insurance or otherwise deals in financial matters?

No

Yes   
Provide details below:

14. Has a personal representative or trustee ever been appointed to administer your property on the grounds of mental incapacity?

No

Yes   
Provide details below:

15. Are there any unsatisfied judgments against you in any court of law?

No

Yes   
Provide details below:

<b>16. Are you able to pay your debts as and when they fall due?</b>	No <input type="checkbox"/>	Yes <input type="checkbox"/>
<b>17. Are you aware of any matters which may be relevant to an assessment of your character, diligence, honesty, integrity or judgment?</b>	No <input type="checkbox"/>	Yes <input type="checkbox"/> Provide details below:
<div style="border: 1px solid black; height: 95px;"></div>		

**Conflicts of Interest**

<b>18. Do you have any interest in a contract or a proposed contract with Bank First?</b>	No <input type="checkbox"/>	Yes <input type="checkbox"/> Provide details below:
<div style="border: 1px solid black; height: 77px;"></div>		
<b>19. Do you hold an office or have an interest, whereby, whether directly or indirectly, a conflict could arise with your duties and interests as a Responsible Person of Bank First?</b>	No <input type="checkbox"/>	Yes <input type="checkbox"/> Provide details below:
<div style="border: 1px solid black; height: 95px;"></div>		

**Other Matters**

<b>20. Are you aware of any other matters which are relevant and material to an assessment of your eligibility for the Responsible Person Position in accordance with Bank First's Policy?</b>	No <input type="checkbox"/>	Yes <input type="checkbox"/> Provide details below:
<div style="border: 1px solid black; height: 95px;"></div>		

## Character References

Provide the names and contact details of 3 people who are prepared to give a character reference about you.

### REFEREE - 1

Family Name

Given Names

Your relationship to referee

Telephone Home

( )

Business

( )

Mobile

### REFEREE - 2

Family Name

Given Names

Your relationship to referee

Telephone Home

( )

Business

( )

Mobile

### REFEREE - 3

Family Name

Given Names

Your relationship to referee

Telephone Home

( )

Business

( )

Mobile

## Your Employment History

**Details of your employment history over the last 10 years:**

(For more than 3 past employers, provide details on an attached sheet)

**EMPLOYER - 1**

**Address**

**Period of employment**

 /  /  to  /  / 

**Position held**

**Brief Summary of role /  
position  
responsibilities**

**Reason for leaving**

**EMPLOYER - 2**

**Address**

**Period of employment**

 /  /  to  /  / 

**Position held**

**Brief Summary of role /  
position  
responsibilities**

**Reason for leaving**

**EMPLOYER - 3**

**Address**

**Period of employment**

/ / to / /

**Position held**

**Brief Summary of role /  
position  
responsibilities**

**Reason for leaving**

### **Details of Academic Qualifications for Question 1**

(For more than 4 qualifications, provide details on an attached sheet)

#### **QUALIFICATION - 1**

**What was the name of the Academic Institution?**

**Qualification obtained (Full Title)?**

**Applicable post-nominal conferred**

#### **QUALIFICATION - 2**

**What was the name of the Academic Institution?**

**Qualification obtained (Full Title)?**

**Applicable post-nominal conferred**

#### **QUALIFICATION - 3**

**What was the name of the Academic Institution?**

**Qualification obtained (Full Title)?**

**Applicable post-nominal conferred**

**QUALIFICATION - 4**

**What was the name of the Academic Institution?**

**Qualification obtained (Full Title)?**

**Applicable post-nominal conferred**

**Details of Directorships or Management of Companies for Question 2**

(For more than 3 companies, provide details on an attached sheet)

**COMPANY- 1**

**What was the name of the company?**

**What was your role?**

**During what periods did you have this role?**

**COMPANY - 2**

**What was the name of the company?**

**What was your role?**

**During what periods did you have this role?**

**COMPANY - 3**

**What was the name of the company?**

**What was your role?**

**During what periods did you have this role?**

**Details of Directorship, Employment or Consultancy of an ADI for Question 3**

(For more than 3 ADIs, provide details on an attached sheet)

**ADI - 1**

**What was the name of the ADI?**

**What was your role?**

**During what periods did you have this role?**

**ADI - 2**

**What was the name of the ADI?**

**What was your role?**

**During what periods did you have this role?**

**ADI - 3**

**What was the name of the ADI?**

**What was your role?**

**During what periods did you have this role?**

### Details of Employment in a Professional Services Firm for Question 4

(For more than 3 Professional Services Firms, provide details on an attached sheet)

#### PROFESSIONAL SERVICES FIRM - 1

What was the name of the Professional Services Firm?

What was your role? (please provide a brief description)

During what periods did you have this role?

#### PROFESSIONAL SERVICES FIRM - 2

What was the name of the Professional Services Firm?

What was your role? (please provide a brief description)

During what periods did you have this role?

#### PROFESSIONAL SERVICES FIRM - 3

What was the name of the Professional Services Firm?

What was your role? (please provide a brief description)

During what periods did you have this role?

\

### Details of Membership of a Professional or Industry Body for Question 5

(For more than 4 Professional or Industry Bodies, provide details on an attached sheet)

#### PROFESSIONAL OR INDUSTRY BODY - 1

What was the name of the Professional or Industry Body?

During what periods were you a member?

Details of any applicable post-nominal conferred

#### PROFESSIONAL OR INDUSTRY BODY - 2

What was the name of the Professional or Industry Body?

During what periods were you a member?

Details of any applicable post-nominal conferred

#### PROFESSIONAL OR INDUSTRY BODY - 3

What was the name of the Professional or Industry Body?

During what periods were you a member?

Details of any applicable post-nominal conferred

#### PROFESSIONAL OR INDUSTRY BODY - 4

What was the name of the Professional or Industry Body?

During what periods were you a member?

Details of any applicable post-nominal conferred

### Important Notes

- *The Banking Act 1959 (Cth)* provides that a disqualified person cannot act as a Director, Senior Manager or the Auditor of an ADI and that an ADI cannot allow a disqualified person to act as a Director, Senior Manager or the Auditor.

A disqualified person is defined in Section 20 of *the Banking Act 1959* as a person who has been convicted of certain offences, entered into bankruptcy arrangements or been disqualified by the Australian Prudential Regulation Authority (APRA). The questionnaire is for the purpose of determining whether any applicant is a disqualified person.

- In completing the questionnaire you are not required to reveal any convictions which may be protected by Part VIIC of the *Crimes Act 1914* which means that you do not have to disclose any convictions to which any of the following criteria apply:
  - If you were granted a free and absolute pardon because of a wrongful conviction;
  - The conviction was quashed; or
  - The conviction is spent.

A Commonwealth, State, Territory or foreign conviction is spent if a pardon was granted for a reason other than wrongful conviction or if it meets all of the following conditions:

- It is 10 years or more since the date of the conviction (*or 5 years since the date of the conviction if the person was dealt with as a juvenile*);
- If a sentence of imprisonment was imposed, it was for a period of not more than 30 months;
- There have not been any further offences in the 10 (*or 5*) year period; and
- An exclusion which removes or restricts the rights of an individual which may allow the disclosure of criminal convictions does not apply.

**APPLICANT DECLARATION**

I, \_\_\_\_\_ (full name of Applicant),  
DO SOLEMNLY AND SINCERELY DECLARE AS FOLLOWS:

1. I am applying for a Responsible Person Position.
2. In applying for the Position **of Director** I have been provided with copies of the following documents which I have read and understood:
  - (a) The position description for the position which includes a statement of competencies for the position
  - (b) Bank First's Responsible Persons - Fit and Proper Policy;
  - (c) APRA Prudential Standard CPS 520 'Fit and Proper';
  - (d) APRA Australian Practice Guide APG 520 Fit and Proper;
  - (e) APRA Prudential Standard CPS 510 'Governance';
  - (f) APRA Australian Practice Guide APG 510 Governance;
  - (g) Bank First's Constitution;
  - (h) The Board Charter; and
  - (i) This Declaration including my completed Questionnaire.

In applying for the Position (of Director) I have read and understood the requirements under the Corporations Act 2001 (Act) relating to the duties of directors particularly Sections 180 – 184. I also give my consent to act as a director as required under Sec 201D of the Act.

**or**

In applying for a Responsible Person Position **other than as a Director**, I have been provided with copies of the following documents which I have read and understood:

- (j) The position description for the position which includes a statement of competencies for the position
  - (k) Bank First's Responsible Persons - Fit and Proper Policy;
  - (l) APRA Prudential Standard CPS 520 'Fit and Proper';
  - (m) APRA Australian Practice Guide APG 520 Fit and Proper;
  - (n) Bank First's Constitution; and
  - (o) This Declaration including and my completed Questionnaire.
3. The answers given in my completed Questionnaire, and any other information that I have given to Bank First in connection with my application for the Position, are complete and accurate as at today's date. I am not aware of any other matters which

are relevant and material to an assessment of my eligibility for the Position, particularly those matters outlined in Section 5 of the Responsible Persons - Fit and Proper Policy.

- 4. I consent to Bank First collecting and verifying the information provided by me in this questionnaire, and making appropriate enquiries to assess my eligibility for the Position.
  
- 5. I consent to Bank First disclosing to APRA any information that is required under the Prudential Standard.

**Declared at:**

**City/Town**

**State/Territory**

**Signature of applicant**

**Before me:**

**Signature of witness**

**Name of witness**

**Address of witness**

**Date**

**(day/month/year)**

## Annexure D: Standard Enquiries – Initial Assessment

### Part 1 – Interim Appointments

(except if already a responsible person)

- 1 Obtain a Declaration in the form of Annexure C.
- 2 Verify identity\*
- 3 Check with APRA whether disqualified\*.
- 4 Check with ASIC whether disqualified\*.
- 5 Conduct a National Criminal record check (includes Federal and State Police)\*.
- 6 Conduct a bankruptcy search\*.
- 7 Obtain a credit history check\*.
- 8 Verify any qualifications which are material to an assessment of competency for the responsible person position\*.
- 9 Obtain at least two character references.

*\* These may be conducted through an online third party verification service who will separately seek the consent of the individual person.*

### Part 2 – Permanent Appointments

- 1 Obtain a Declaration in the form of Annexure C.
- 2 Verify identity\*
- 3 Check with APRA whether disqualified\*.
- 4 Check with ASIC whether banned or disqualified\*.
- 5 Conduct a National Criminal record check (includes Federal and State Police)\*.
- 6 Conduct a bankruptcy search\*.
- 7 Verify any qualifications which are material to an assessment of competency for the responsible person position\*.
- 8 Obtain three character references.
- 9 Obtain a credit history check\*.
- 10 Obtain a report showing information about any directorships and significant shareholdings\*.
- 11 Verify recent employment history to the extent relevant and material\*.
- 12 Verify professional association membership\*.
- 13 Check any other matters disclosed in the Declaration to the extent relevant and material to an assessment of fitness and propriety.

*\* These may be conducted through an online third party verification service who will separately seek the consent of the individual person.*

**BANK FIRST**

# Declaration by Responsible Person – Annual Reassessment

**Full Name of Responsible Person**  
'the Responsible Person'

**Responsible Person Position**  
'the Position'

## Your Contact Details

Telephone Home ( )  Business ( )

Mobile

Email

Residential address

Suburb

Postcode

## Your Employment Details

Your occupation

Your employer

Business address

Suburb

Postcode

## Your Employment History

1. Have there been any changes to your employment history from the details previously provided to the Bank First?

No

Yes  Provide details

## Your Knowledge, Skill & Experience

<p>2. Have you obtained any tertiary qualifications or undertaken any formal training in the previous 12 months?</p>	<p>No <input type="checkbox"/></p>	<p>Yes <input type="checkbox"/> Provide details below</p>
<p></p>		
<p>3. Refer to the relevant protocol annexed to the Bank First's Responsible Persons - Fit and Proper Policy and state whether you believe that you have the specified competencies and character required for the Responsible Person position you hold.</p>	<p>No <input type="checkbox"/> Identify any deficiencies / areas for improvement and training / development needs below</p>	<p>Yes <input type="checkbox"/></p>
<p><i>Note: Your answer, either Yes or No could be by reference to your most recent performance appraisal</i></p>		

I specifically declare that I have:

- 1) not failed to discharge my responsibilities as a director or manager of an entity, or a professional service provider to an entity, with competence, diligence, sound judgement, honesty and integrity;
- 2) not been the subject of criticism, discipline, punishment or adverse findings, directions or orders, by a court, tribunal, official inquiry, regulatory agency, complaints handling body, dispute resolution body, or professional or industry body concerning my conduct in relation to:
  - i) the management of an entity; or
  - ii) commercial or professional activities in which I was involved;
- 3) not been the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i) the management of an entity; or
  - ii) commercial or professional activities;
 which were determined adversely to me (including by me consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected on my competence, diligence, judgement, honesty, or integrity;
- 4) not been:
  - i) personally expelled or excluded from, or refused admission to, a professional or industry body, or a clearing house or exchange; or
  - ii) involved with an entity which has been expelled or excluded from, or refused admission to, a professional or industry body, or a clearing house or exchange, in circumstances where I was involved with the affairs of the entity at a time when events or conduct were occurring, which caused or contributed to the entity's expulsion, exclusion or non-admission;

- 5) not been:
  - i) personally refused a licence or authorisation relating to a commercial or professional activity, or had such a licence or authorisation revoked; or
  - ii) involved with an entity which has been refused a licence or authorisation relating to a commercial or professional activity, or had such a licence or authorisation revoked, in circumstances where I was involved with the affairs of the entity at a time when events or conduct were occurring which caused or contributed to the refusal of the licence or authorisation;
- 6) not been terminated, resigned or was asked to resign, from a position as a director or manager of, or professional service provider to, an entity in circumstances which reflected adversely on my competence, diligence, judgement, honesty, or integrity in discharging my responsibilities in the position;
- 7) not been disqualified, removed or excluded from, or not admitted to:
  - i) the management of, or a position of responsibility in relation to, an entity or class of entities; or
  - ii) a commercial or professional activity;by a court, tribunal or regulatory agency, or by the operation of a legislative provision;
- 8) not seriously or persistently failed to manage my debts or financial affairs satisfactorily in circumstances where such failure caused loss to others;
- 9) not acted as a director or manager of, or a professional service provider to, an entity which:
  - i) was, or later came to be, insolvent; or
  - ii) was, or later came to be, under insolvency administration; or
  - iii) was, or later came to be, under statutory or judicial management; or
  - iv) failed to repay, or otherwise failed to meet its financial obligations to, creditors or beneficiaries;at a time when events or conduct were occurring which caused or contributed to the insolvency, placement under insolvency administration or statutory or judicial management, or failure to repay or otherwise meet obligations to creditors or beneficiaries;
- 10) not contravened any regulatory requirement or professional standard relating to:
  - i) the management of an entity; or
  - ii) commercial or professional activities;
- 11) never been obstructive, misleading or untruthful in dealing with a court, tribunal, official inquiry, complaints handling body, dispute resolution body, or professional or industry body;
- 12) never hindered, obstructed or misled, or was not candid or truthful with a regulatory agency;
- 13) never demonstrated a lack of readiness and willingness to comply with legal obligations, regulatory requirements or professional standards;
- 14) never breached a fiduciary obligation or other obligation involving trust;
- 15) not perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- 16) not:
  - i) failed to disclose a conflict of interest; or
  - ii) failed to disqualify myself because of a conflict of interest; or

- iii) participated in deliberations relating to a matter in which I had a conflict of interest;
- or
- iv) acted in my own interests in preference to the interests of others contrary to a legal, professional or ethical obligation which applied to the person/s;

- 17) not been or become a person of bad repute in any business or financial community or any market;
- 18) not knowingly appointed a person who was not fit and proper to act as a Responsible Person;
- 19) no undisclosed interest or conflict of interest, which may influence my ability to carry out the role and functions of the Responsible Person position I hold or am being considered for, or already fill.

Conflict of interest includes but is not limited to:

- engagement in any other paid employment without the prior written consent of Bank First;
- engagement in any additional business or activity which conflicts with the interests of Bank First or the requirements of the Responsible Person position or the ability to perform the requirements and responsibilities of the position;

- 20) not failed to comply with a condition imposed by APRA;
- 21) not been convicted of any offence arising out of breaches of the Financial Sector (Collection of Data) Act 2001;
- 22) not been convicted of any offence arising out of breaches of the Corporations Act 2001, the Corporations Law that was previously enforce, or any law of a foreign country that corresponds to that Act or the Corporations Law;
- 23) not been convicted of an offence against or arising out of a law in force in Australia, or the law of a foreign country, where the offence related or relates to dishonest conduct, or to conduct relating to a company that carries on a business in the financial sector;
- 24) not been declared bankrupt under Australian or foreign law;
- 25) not executed a deed of arrangement under Part X of the Bankruptcy Act 1966 (Cth) (or a similar law of a foreign country) where I have not yet fully complied with the terms of the deed;
- 26) not failed to make final payment under the composition where my creditors accepted a composition under Part X of the Bankruptcy Act 1966 (Cth) or similar law of a foreign country);
- 27) not been disqualified by a court from managing corporations;
- 28) not been disqualified by ASIC from managing corporations;
- 29) never been disqualified under the law of a foreign country from managing, or taking part in the management of, an entity that carries on the business of banking or insurance or otherwise deals in financial matters;
- 30) not failed to meet obligations or commitments made by me to the Board of Bank First in relation to my tenure and the Board renewal plans (if relevant); and

31) In my Responsible Person position (as a Director) I have adhered to the requirements of the Directors' Code of Conduct.

In my Responsible Person position (as a Director) I have been provided with copies of the following documents which I have read and understood:

- (a) The Responsible Persons - Fit and Proper Policy;
- (b) APRA Prudential Standard CPS 520 'Fit and Proper Requirements';
- (c) APRA Australian Practice Guide APG 520 Fit and Proper;
- (d) APRA Prudential Standard CPS 510 'Governance';
- (e) APRA Australian Practice Guide APG 510 Governance;
- (f) Bank First's Constitution;
- (g) The Board Charter; and
- (h) This Declaration including my completed Questionnaire.

In my position as a Director I have read and understood the requirements under the Corporations Act 2001 relating to the duties of directors particularly Sections 180 – 184, and give my consent to acting as a Director.

In my Responsible Person position (other than as a Director), I have been provided with copies of the following documents which I have read and understood:

- (a) The Responsible Persons - Fit and Proper Policy;
- (b) APRA Prudential Standard CPS 520 Fit and Proper;
- (c) APRA Australian Practice Guide APG 520 Fit and Proper;
- (d) Bank First's Constitution; and
- (e) This Declaration including my completed Questionnaire.

The answers given in my completed Questionnaire and declaration, and any other information that I have given in connection with the reassessment of my fitness and propriety for the Responsible Person position, are complete and accurate as at today's date. I am not aware of any other matters which are relevant and material to an assessment of my fitness and propriety for the Responsible Person position by Bank First in accordance with paragraph 13 of **APG 520 Fit and Proper**.

I consent to Bank First collecting and verifying the information provided by me in this questionnaire, and making appropriate enquiries to assess my eligibility for the Position.

I consent to Bank First disclosing to APRA any information that is required under the Prudential Standard.

I acknowledge that any false statement I make in this declaration may lead to dismissal or removal from the Responsible Person position I have been appointed to.

**Declared at**

City/Town

State/Territory

Signature of  
responsible person**Before me**

Signature of witness

Name of witness

Address of witness

**Date***Important Note*

*The Banking Act 1959 (Cth)* provides that a disqualified person cannot act as a Director, Senior Manager or the Auditor of an Authorised Deposit taking Institution (ADI) and that an ADI cannot allow a disqualified person to act as a Director, Senior Manager or the Auditor. A disqualified person is defined in Section 20 of *the Banking Act 1959* as a person who has been convicted of certain offences, entered into bankruptcy arrangements or been disqualified by the Australian Prudential Regulation Authority (APRA). The questionnaire is for the purpose of determining whether any Responsible Person is a disqualified person. In completing the questionnaire you are not required to reveal any convictions which may be protected by Part VIIC of the *Crimes Act 1914* which means that you do not have to disclose any convictions to which any of the following criteria apply:

- If you were granted a free and absolute pardon because of a wrongful conviction;
- The conviction was quashed; or
- The conviction is spent.

A Commonwealth, State, Territory or foreign conviction is spent if a pardon was granted for a reason other than wrongful conviction or if it meets all of the following conditions:

- It is 10 years or more since the date of the conviction (*or 5 years since the date of the conviction if the person was dealt with as a juvenile*);
- If a sentence of imprisonment was imposed, it was for a period of not more than 30 months;
- There have not been any further offences in the 10 (*or 5*) year period; and
- An exclusion which removes or restricts the rights of an individual which may allow the disclosure of criminal convictions does not apply.

## Annexure F: Standard Enquiries – Annual Reassessment

- 1 Obtain a Declaration in the form of Annexure E.
- 2 Investigate additional matters disclosed in the Declaration to the extent relevant and material to an assessment of the responsible person's ongoing fitness and propriety.
- 3 Check with APRA whether disqualified\*.
- 4 Check with ASIC whether disqualified\*.
- 5 Conduct a bankruptcy search\*.
- 6 Obtain a credit bureau report\*.
- 7 Obtain a National Criminal history check (includes Federal and State Police)<sup>b\*</sup>.

*a In the case of the Appointed Auditor, this standard enquiry is optional.*

*b To be obtained at a minimum of every three (3) years.*

*\*These may be conducted through an online third party verification service who will separately seek the consent of the individual person.*

*Alternatively, in relation to the External Auditor Responsible Person position the Mutual Bank may rely on a letter from the Audit Firms' internal Audit Independence Leader confirming checks and procedures undertaken and verifying that there are no areas of concern.*

## Annexure G: Protocol for Directors

### 1 Required Competencies

In assessing whether a person is fit and proper to hold a Responsible Person position, consideration will be given to whether the person:

- i) Possesses the necessary competencies - skills, knowledge and technical expertise, to undertake and fulfil the duties and responsibilities specified in the director role / position description together with any special requirements determined by the Board as necessary at that time to ensure the Board collectively has the range of skills and competencies required for the circumstances of Bank First;
- ii) Has demonstrated the appropriate competence in fulfilling occupational, managerial or professional responsibilities previously and / or in the conduct of their current duties.

Without limiting the range of matters that may be considered in eligibility assessment, Bank First will have regard to the skills and abilities that are inherent to the position or office which the person is seeking to occupy, and the matters specifically canvassed in any relevant position description or position advertisement.

Each director is not expected to have all the competencies that the Board "collectively" needs if other directors have those competencies or they are obtained from external consultants or experts. The size, complexity and risk profile of Bank First will impact on the competencies required for each responsible person position.

Each candidate for a director position is expected to have relevant tertiary qualifications, professional memberships and experience such that the candidate would be able to add value to the Board and provide a high level of strategic input into Board deliberations.

### 2 Required Character

In assessing whether a person is "eligible" to hold a Responsible Person position, consideration will also be given to whether it would be prudent to conclude that the person possesses the appropriate character – ethical, diligent, honest, integrity, sound judgement, and emotional intelligence to perform properly the duties of the position.

In order to determine whether a person possesses the necessary character to properly perform their position, consideration will be given to whether the person:

- is not disqualified under the Banking Act from holding the position;
- either:
  - i) has no conflict of interest in performing the duties of the Responsible Person position; or
  - ii) if the person has a conflict of interest, it would be prudent to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position.
- has a reputation for honesty, diligence and integrity throughout their working life and a strong commitment to high standards of corporate governance and independence;
- exhibits sound judgement, interpersonal skills, self-awareness and self-regulation, and a collegiate approach;

- exhibits adherence to the duties of directors under the Corporations Act 2001, in particular the:
  - Duty to act with care and diligence - s180(1)
  - Duty not to improperly use position - s182
  - Duty not to use information for personal advantage - s183
- has demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
- has breached a fiduciary obligation;
- has perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- has been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- has seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failures caused loss to others;
- has been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- is of bad repute in any business or financial community or any market;
- was the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i) the management of an entity; or
  - ii) commercial or professional activities; which were determined adversely to the person (including by the person consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct), and which reflected adversely on their competence, character, diligence, honesty, integrity or judgement; and / or
- failed to meet obligations or commitments made to the Board of Bank First in relation to confidentiality, tenure and Board renewal plans.

Conduct and events that took place overseas may also be relevant to the assessment.

### 3 Who will assess eligibility?

Bank First's Nominations Committee Interview Panel will assess the eligibility of persons seeking to hold the position of director prior to their election, re-election, appointment or re-appointment.

The Chair of the Board together with the Chair of the Governance Committee will undertake the annual re-assessment of incumbent directors. The annual performance review will typically be the appropriate time for the annual reassessment to be undertaken.

The Nominations Committee is informed in its assessment by the Competency and Character criteria that is determined by the Board as being required at the time, either at an individual or collective level, as listed in Table A below, and any other relevant circumstances as determined by the Board.

## 4 What information will be obtained and how?

Initial Assessment	Annual Reassessment
Conduct the Standard Enquiries in Annexure D	Conduct the Standard Enquiries in Annexure F

## 5 Process for assessing eligibility

Initial Assessment	Annual Reassessment
<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of: <ul style="list-style-type: none"> <li>• The documents listed in Annexure C</li> <li>• Annexure C for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure C &amp; Annexure D.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria: <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure C and Annexure D documentation / information provided.</li> <li>5. Nominations Committee Interview Panel to conduct interview</li> <li>6. Nominations Committee Interview Panel to complete the assessment of eligibility and make their decision (refer section 6 below).</li> <li>7. If not eligible, refer to section 8 of the Policy <b>‘Dealing with persons who are not fit and proper’.</b></li> </ol>	<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of: <ul style="list-style-type: none"> <li>• The documents listed in Annexure E.</li> <li>• Annexure E for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure E &amp; Annexure F.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria: <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure E and Annexure F documentation / information provided.</li> <li>5. Chair of the Board and Chair of Governance Committee to complete the assessment of eligibility and make their decision (refer section 6 below).</li> <li>6. If not eligible, refer to section 8 of the Policy <b>‘Dealing with persons who are not fit and proper’</b> and section 12 of the Policy <b>‘Dealings with APRA,</b> and action accordingly.</li> </ol>

## 6 Eligibility assessment decision

The assessment decision will be made having considered the assessment criteria and will be based on the information collected in Annexure C or Annexure E (the Form), information collected in Annexure D or Annexure F, and any other information or material produced by the person, as well as the person’s demonstrated capabilities, their conduct and performance.

The Nominations Committee reserves the right to request that a psychometric test be undertaken by the nominee / applicant, at Bank First’s cost, as part of the interview process where the Nominations Committee feels that this would assist in their decision making.

Consideration will also be given to the findings of any necessary and relevant investigations conducted to verify the accuracy of information provided in the person’s Form. The final decision as to whether a person is considered eligible as a nominee / candidate for a director position will be made by the Nominations Committee in accordance with the Nominations Committee Charter and Nominations Committee Process Guidelines.

For nominees / candidates for the position of director, the Chair of the Nominations Committee will furnish a report recording the Committee’s decision which will be provided to the Board of Directors, Company Secretary and where applicable, the Returning Officer.

In relation to the ongoing eligibility of incumbent directors the decision will be made by the Chair of the Board and Chair of Governance Committee, and if necessary and appropriate, in consultation with Bank First’s Legal Counsel.

### TABLE A:

In determining the character and competency requirements for directors of Bank First a review of the organisation’s purpose and values, operational functions and strategic direction / plans, as well as review of a position description describing the responsibilities of a director is undertaken.

Taken into account is the following:

- 1 **The personal attributes (character / behaviour) every director should bring to Board work** such as a demonstrated commitment to cooperative/mutual endeavours, support for Bank First’s purpose and values, personal integrity and ethics, understanding of the difference between the role of management and governance, ability to work collaboratively and as a team.
2. **The professional and technical backgrounds and skills (competencies) directors need to have (individually or collectively) to understand the organisation and to make informed decisions.**  
Expertise in banking operations and risk management, commerce and business management are the most commonly needed backgrounds for a banking organisation, but depending on business objectives the Board may also need directors knowledgeable in areas such as; financial management, technology, information management & security, governance, economics, marketing, and law.
3. **The diversity of the Membership (Customers and Shareholders) compared to the Board**

Bringing together a diverse range of skills and experience is an important aspect of good governance and a pre-requisite for a constructive and challenging Board.

The competency and character requirements are determined by the Board as either core or non-core. Core means that every individual director should be able to demonstrate these attributes, and non-core are attributes that the Board may specifically target when seeking new or additional directors. The descriptions of competencies are intended to reflect the oversight responsibilities of directors, and are not intended to require higher technical skills than those skills required to be held by senior management involved in the day to day operations.

## Director Skills and Experience (Competency) Requirements

Each director will bring a different set of skills to the Board. In an evaluation of the appropriate mix of business skill sets, due regard will be given to; Member expectations with respect to having representatives from the communities the Bank serves on the Board, diversity, and other factors reflective of the Bank First's operations, and risk profile. The skills and competencies required by the Board are also linked to the long-term strategic direction.

Subject to ensuring that appropriate minimum governance standards are met such as financial literacy and independence, consideration will be given to the number of Board members that are required to have, and that meet, the desired skills and competencies set out below.

### EXPERIENCE AS A DIRECTOR

Board experience at a large ADI (>\$5bn) / large regulated corporate entity - a positive record of accomplishment in present and prior positions.

Board experience at a Corporations Law governed SME / NFP / small-medium sized ADI/financial services organisation with a positive record of accomplishment in present and prior positions.

### BUSINESS OVERSIGHT & STRATEGIC FOCUS

Has understanding of Retail Banking / Customer Owned Banking sector operations and the competitive/market environment (lending, deposits, liquidity and investments, payments systems).

Has strategy development and business planning experience (i.e. major directional business strategy changes, capital/resource management; performance monitoring and evaluation; and policy development, implementation and review). May have held/hold Executive Management position in public or private sector, or run own company.

Has strategy development and business planning experience (i.e. major directional business strategy changes, capital/resource management; performance monitoring and evaluation; and policy development, implementation and review). May have held/hold Executive Management position in public or private sector, or run own company.

Has ADI experience in leading 'bank' business functions and familiarity with the evolution and future of those functions (credit, treasury, retail banking products and services, technology).

Has experience with major business change / transformation projects and their governance.

### GOVERNANCE & RISK MANAGEMENT EXPERTISE

Has expertise / experience (approx 5yrs exp) in developing or oversight of a risk management framework; and / or managing / oversight of areas of material risk in the context of an APRA regulated ADI (particularly credit risk, liquidity risk, market risk and operational risk).

Corporate governance expertise (demonstrated leadership of good practice in corporate governance, detailed understanding of directors' duties and legal obligations, contributes fully to Board and governance structures – has at least 3-years experience) - may have undertaken AICD Mastery of the Boardroom, has been a Chair of the Board or Chair of the Governance C/Tee in other Board positions.

Has legal skills and experience particularly in areas such as corporations law / contract law or experience or expertise relevant to the legislative compliance environment i.e. has held roles within an ADI or professional services firm dealing with ASIC, FSR, NCCP, and Austrac provisions affecting lending and deposit products.

Broad knowledge and understanding of the monitoring and auditing processes required to ensure compliance with policies, standards of sound business practices and regulatory requirements (Can define, compare and explain: The role of the Audit Committee; The External Audit process and the role of the external auditor; The role and nature of the Internal Audit function; APRA's supervisory process; The role and nature of the risk function and the compliance function; role and nature of internal controls; role of the Risk & Compliance Committee).

Expertise / experience in monitoring and oversight of audit, risk and compliance processes – Ability to Analyse results and reports and contribute to Board discussion and debate on complex issues and any material variances or control and compliance weakness; Interprets and confirms that corrective action taken by management to address material risk or non-compliance situations is identified in internal, external and regulatory audit reports is appropriate; Identifies when it is necessary to challenge management for additional information to support conclusions or recommendations; Identifies when a professional, independent opinion is required; Calls upon risk, and / or internal or external audit resources to investigate complex variances and non-compliance situations.

### MEMBER / COMMUNITY REPRESENTATION

Has broad understanding of the education community - its sectors, teacher/educator workforce issues and the Government's policy agenda.

Has recent / current experience in the primary / secondary / tertiary education sector (preferably at a senior decision making level e.g. principal, VIT, DET, Association).

Has broad understanding of / or senior level experience in target market vocational community services - its sectors, workforce and the Government's policy agenda.

### ASSESSING OPERATING AND FINANCIAL CONDITIONS AGAINST FORECASTS

Has finance professional qualifications and experience (e.g. qualified Chartered accountant, Large External Audit firm experience, CFO experience) either working in or for an ADI.

Experience with the preparation of, audit, analysis or evaluation of financial statements and disclosures that present the breadth and level of complexity of accounting and financial transaction issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised in the financial statements of a retail bank.

Has a strong financial analysis skills and ability to assess complex financial transactions (e.g. Hedging, Capital instruments, financial instruments, cost/ benefit and business case financial analysis).

Has strong understanding of or background in market economic analysis.

**TECHNOLOGY**

Broad understanding of Information and Communications Technology (ICT) applications in banking environment (banking applications/platforms, systems networks, Internet banking, social networks, digital channels, cloud computing, Information Security systems).

Has relevant experience or expertise in: Technology (incl. digital) systems developments, e-Commerce & Payments Systems architecture, DRP and / or Business Continuity Systems Planning in a banking environment.

**MARKETING & BUSINESS DEVELOPMENT**

Has marketing / communications experience - Understanding of relationship marketing, media management, social media, communication planning.

Has expertise in social economics (i.e. how social norms, ethics and other social philosophies that influence consumer behaviour shape an economy, and uses history, politics and other social sciences to examine potential results from changes to society or the economy).

Understands / has experience in Brand positioning, market segmentation and market differentiation strategies.

Has had experience in developing the business side of a company, identify arising business opportunities and build long term relationships with prospects / stakeholders in order to grow the business.

**ASSET MANAGEMENT**

Credit Risk Experience - extensive credit risk, lending and credit management experience within the financial services industry e.g. has held senior credit roles and has been responsible for process and system improvements ensuring compliance with credit legislation.

Wealth Management Experience - extensive senior management experience within the funds management / financial services industry e.g. has held senior funds manager / financial planning / advisory / oversight roles.

Experience at a senior level in ADI Treasury - investment / capital markets.

**CHARACTER / BEHAVIOUR**

Judgment:

Knows how to put things in perspective and sets priorities after assessing the facts objectively. Remains objective in analysing complex and ambiguous situations. Adopts a constructive approach and ensures good balance of the different views.

Commitment and Sense of Responsibility:

Demonstrates an understanding and commitment to mutuality, corporate social responsibility and member engagement. Honours their commitments, is assiduous and makes a positive contribution to the affairs of the Board.

Emotional Intelligence:

Is emotionally mature, self-aware and recognises their impact on others.

Team Intelligence:

Focuses on common goals, priorities and problems through active listening of the concerns expressed by others by focusing on behaviours conducive to effective decision-making by the collective. Seeks to establish trusting relationships. Recognises the importance of complementarities on the Board.

Sense of Ethics:

Behaves ethically and in a manner consistent with the Code of Conduct. Demonstrates a high sense of integrity and strong values aligned to the values of the company. Places the needs of the company before their own.

Strategic Thinking:

Has a clear vision, anticipates trends and considers the risks associated with strategic decisions. Analyses situations in a global perspective. Has good sense for planning and anticipating the long-term impacts. Ability to adapt to change.

Communication:

Able to share their views with clarity, able to articulate the key issues and provide critical insight. The ability to listen to others and challenge them constructively.

## Annexure H: Protocol for Chief Executive Officer

### 1 Required Competencies

In assessing whether a person is fit and proper to hold the Responsible Person position of Chief Executive Officer, consideration will be given to whether the person:

- i) Possesses the necessary competencies - skills, knowledge and technical expertise, to undertake and fulfil the duties and responsibilities specified in the role / position description for the role;
- ii) Has demonstrated the appropriate competence in fulfilling occupational, managerial or professional responsibilities previously and / or in the conduct of their current duties.

Without limiting the range of matters that may be considered in an assessment, Bank First will have regard to the skills and abilities that are inherent to the position or office which the person is seeking to occupy, and the matters specifically canvassed in the relevant position description.

The skills and abilities expected of the Chief Executive Officer are listed below:

- Relevant tertiary qualifications, preferably in management, financial or business administration e.g. Bachelor of Accounting / Commerce / Economics / Banking & Finance. Post graduate qualifications will also be favourably considered.
- Executive management experience within a banking, financial services or related service industry.
- Significant financial and people management experience.
- Marketing and product development experience.
- Understanding of banking technologies and digital platforms and developments.
- Appreciation of technology interfaces for product and channel distribution and customer relationship management.
- Demonstrated high level strategic, analytical and conceptual capabilities.
- Strong leadership, interpersonal and people development skills.
- Sound judgement in the context of complex external and internal demands.
- Excellent communication, negotiations and conflict management skills.
- Genuine commitment to excellent customer service and the measurement and enhancement of service standards in a mutual environment.
- Ability to develop and implement long term business plans and strategies.
- Ability to lead change or business transformation agendas.

### 2 Required Character

Consideration will also be given to whether it would be prudent to conclude that the person possesses the appropriate, character, diligence, honesty, integrity and judgement to perform properly the duties of the position.

To determine whether a person possesses the necessary character to properly perform their position, consideration will be given to whether the person:

- is not disqualified under the Banking Act from holding the position;
- either:
  - i) has no conflict of interest in performing the duties of the Responsible Person position; or
  - ii) if the person has a conflict of interest, it would be prudent to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position.
- demonstrates a commitment to ethical business practices;
- exhibits sound judgement;
- has a high degree of integrity to ensure conflicts of interests between management role and any directorship role are deflected;
- has a reputation for honesty, diligence and integrity throughout their working life and a strong commitment to high standards of corporate governance;
- has demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
- has breached a fiduciary obligation;
- has perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- has been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
- has seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failures caused loss to others;
- has been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
- has been or is of bad repute in any business or financial community or any market;
- was the subject of civil or criminal proceedings, or enforcement action, in relation to:
  - i) the management of an entity; or
  - ii) commercial or professional activities;which were determined adversely to the person (including by the person consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct), and which reflected adversely on their competence, character, diligence, honesty, integrity or judgement.

### 3 Who will assess eligibility?

The Chair of the Board and Deputy Chair or a panel of directors approved by the Board will assess the eligibility of the Chief Executive Officer prior to appointment, and will undertake the annual reassessment of the Chief Executive Officer.

#### 4 What information will be obtained and how?

Initial Assessment	Annual Reassessment
Conduct the Standard Enquiries in Annexure D	Conduct the Standard Enquiries in Annexure F

#### 5 Process for deciding fitness and propriety

Initial Assessment	Annual Reassessment
<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of: <ul style="list-style-type: none"> <li>• The documents listed in Annexure C</li> <li>• Annexure C for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure C &amp; Annexure D.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria: <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure C and Annexure D documentation / information provided.</li> <li>5 Chair of the Board and Deputy Chair, or panel of directors, to conduct interview</li> <li>6 Chair of the Board and Deputy Chair, or panel of directors to complete the assessment of eligibility and make their decision (refer section 6 below).</li> <li>7 If not eligible, refer to section 8 of this Policy <b>'Dealing with persons who are not fit and proper'</b>.</li> </ol>	<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of: <ul style="list-style-type: none"> <li>• The documents listed in Annexure E</li> <li>• Annexure E for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure E &amp; Annexure F</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria: <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure E and Annexure F documentation / information provided.</li> <li>5 Chair of the Board and Deputy Chair to complete the assessment of eligibility and make their decision (refer section 6 below).</li> <li>6 If not eligible, refer to section 8 of this Policy <b>'Dealing with persons who are not fit and proper'</b> and section 12 of this policy <b>'Dealings with APRA'</b>, and action accordingly.</li> </ol>

#### 6 Eligibility assessment decision

The decision will be made having considered the assessment criteria and will be based on the information collected in Annexure C or Annexure E (the Form), information collected in Annexure D or Annexure F and any other information or material produced by the person, as well as the person's demonstrated capabilities, their conduct and performance.

Consideration will also be given to the findings of any necessary and relevant investigations conducted to verify the accuracy of information provided in the person's Form. If necessary and appropriate, the final decision as to whether a person is considered eligible will be made in consultation with Bank First's Legal Counsel.

The Chair of the Board together with the Deputy Chair will furnish a report recording the decision which will be provided to the Board of Directors and the Company Secretary.

## Annexure I: Protocol for Appointed Auditor

### 1 Required Competencies & Character

In assessing whether a person is fit and proper to hold a Responsible Person position, consideration will be given to whether the person:

- i) Possesses the necessary competencies - skills, knowledge and technical expertise, to undertake and fulfil the role of Appointed Auditor (being the nominated 'engagement partner' of the firm engaged by Bank First to conduct its statutory audit)
- ii) Has demonstrated the appropriate competence in fulfilling occupational, managerial or professional responsibilities previously and / or in the conduct of their current duties
- iii) Possesses the appropriate, character, diligence, honesty, integrity and judgement to perform properly the position.

Without limiting the range of matters that may be considered in the assessment, Bank First will have regard to the skills and abilities that are inherent to the position or office which the person occupies.

Bank First expects the Appointed Auditor to:

- Be registered as an auditor under the *Corporations Act*;
- Have five years of recent experience relevant to the circumstances of Bank First and is familiar with current issues in the audit of ADI's; and
- Be a member of a recognised professional body.

### 2 Who will assess eligibility?

The Chair of the Audit Committee or together with members of the Audit Committee will assess the eligibility of the Appointed Auditor prior to the appointment, and the Chair of the Audit Committee will undertake the annual reassessment of the Appointed Auditor.

### 3 What information will be obtained and how?

Initial Assessment	Annual Reassessment
<ul style="list-style-type: none"> <li>• Conduct the Standard Enquiries in Annexure D.</li> <li>• Obtain written representations from the auditor personally and from the auditor's firm that the auditor satisfies the additional requirements for auditors specified in paragraph 32 of CPS 520: see section 5 of this Policy <b>'Criteria for assessing eligibility.</b></li> <li>• Check that the auditor is registered under the Corporations Act.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct the Standard Enquiries in Annexure F.</li> <li>• Obtain written representations from the auditor personally and from the auditor's firm that the auditor satisfies the additional requirements for auditors specified in paragraph 32 of CPS 520: see section 5 of this Policy <b>'Criteria for assessing eligibility.</b></li> <li>• Check that the auditor is registered under the Corporations Act.</li> </ul>

### 4 Process for deciding fitness and propriety

Initial Assessment	Annual Reassessment
<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of: <ul style="list-style-type: none"> <li>• The documents listed in Annexure C</li> <li>• Annexure C for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure C &amp; Annexure D.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria: <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Responsible Persons Position Eligibility Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure C and Annexure D documentation / information provided.</li> <li>5 Chair of the Audit Committee or together with members of the Audit Committee to conduct interview</li> <li>6 Chair of the Audit Committee or together with members of the Audit Committee to complete the assessment of eligibility and make their decision (refer section 5 below).</li> <li>7 If not eligible, refer to section 8 of this policy <b>'Dealing with persons who are not fit and proper'</b>.</li> </ol>	<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of: <ul style="list-style-type: none"> <li>• The documents listed in Annexure E.</li> <li>• Annexure E for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure E &amp; Annexure F.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria: <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Responsible Persons Position Eligibility Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure E and F documentation / information provided.</li> <li>5 Chair of Audit Committee to complete the assessment of eligibility and make their decision (refer section 5 below).</li> <li>6 If not eligible, refer to section 8 of this policy <b>'Dealing with persons who are not fit and proper'</b> and section 12 of this policy <b>'Dealings with APRA'</b>, and action accordingly.</li> </ol>

### 5 Eligibility assessment decision

The eligibility assessment decision will be made having considered the assessment criteria and will be based on the information collected in Annexure C or Annexure E (the Form), information collected in Annexure D or Annexure F and any other information or material produced by the person, as well as the person's demonstrated capabilities, their conduct and performance.

Consideration will also be given to the findings of any necessary and relevant investigations conducted to verify the accuracy of information provided in the person's Form.

The Chair of the Audit Committee will provide a report to the Audit Committee and the meeting minutes provided to the Board of Directors and the Company Secretary will record the decision as to the assessment of the Appointed Auditor.

## Annexure J: Protocol for Other Senior Managers

### 1 Required Competencies & Character

In assessing whether a person is fit and proper to hold a Responsible Person position, consideration will be given to whether the person:

- i) Possesses the necessary competencies skills, knowledge and technical expertise, to undertake and fulfil the duties and responsibilities specified in the role / position description for the particular role;
- ii) Has demonstrated the appropriate competence in fulfilling occupational, managerial or professional responsibilities previously and / or in the conduct of their current duties.
- iii) Possesses the appropriate, character, diligence, honesty, integrity and judgement to perform properly the duties of the position.

Without limiting the range of matters that may be considered in an assessment, Bank First will have regard to the skills and abilities that are inherent to the position or office which the person occupies, the matters outlined in paragraph 13 of APG 520, and the matters specifically canvassed in the relevant position description.

### 2 Who will assess eligibility?

- a) The Chief Executive Officer will assess the eligibility of the following senior manager positions, or any consultants performing the functions and duties of a senior manager position and consult with the Chair of the Board prior to their appointment, and will undertake the annual reassessment:
  - Chief Financial Officer
  - Chief Customer Officer
  - Chief Technology Officer
  - Chief Strategy & Marketing Officer
  - Chief People & Culture Officer
  - Chief Risk Officer
- b) The Chief Executive Officer will assess the eligibility of the following senior manager positions, or any consultants performing the functions and duties of the senior manager position, and will undertake the annual reassessment:
  - Head of Compliance
  - Head of Lending Operations
  - Head of Treasury
- c) The Chief Executive Officer in consultation with the Chair of the Audit Committee will assess the eligibility of the Head of Internal Audit position, or any consultant performing the functions and duties of the Internal Audit Manager position prior to their appointment and will undertake the annual reassessment.
- d) The Chief Executive Officer in consultation with the Chair of the Board and Chair of the Risk Committee will assess the eligibility of the Chief Risk Officer position, or any consultant performing the functions and duties of the position prior to their appointment and will undertake the annual reassessment.

### 3 What information will be obtained and how?

Initial Assessment	Annual Reassessment
<ul style="list-style-type: none"> <li>• For employees, conduct the Standard Enquiries in Annexure D.</li> <li>• For consultants, conduct the Standard Enquiries in Annexure D.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct the Standard Enquiries in Annexure F.</li> </ul>

### 4 Process for deciding fitness and propriety

Initial Assessment	Annual Reassessment
<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of:                             <ul style="list-style-type: none"> <li>• The documents listed in Annexure C</li> <li>• Annexure C for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure C &amp; Annexure D.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria:                             <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure C and Annexure D documentation / information provided.</li> <li>5 CEO, or as applicable, to conduct interview</li> <li>6 CEO, or as applicable, to complete the assessment of eligibility and make their decision (refer sections 2 &amp; 5).</li> <li>7 If not eligible, refer to section 8 of this Policy <b>'Dealing with persons who are not fit and proper'</b>.</li> </ol>	<ol style="list-style-type: none"> <li>1 Provide the applicant with copies of:                             <ul style="list-style-type: none"> <li>• The documents listed in Annexure E.</li> <li>• Annexure E for completion.</li> </ul> </li> <li>2 Collect information as detailed in Annexure E &amp; Annexure F.</li> <li>3 Conduct a preliminary assessment with particular reference to the following criteria:                             <ul style="list-style-type: none"> <li>• Whether the applicant has the required competencies for the position;</li> <li>• Whether the applicant has the required character for the position; and</li> <li>• Section 3 &amp; 5 of the Policy.</li> </ul> </li> <li>4 Give the Applicant the opportunity to respond to any matters of concern in Annexure E and Annexure F documentation / information provided.</li> <li>5 CEO, or as applicable, to complete the assessment of eligibility and make their decision (refer sections 2 &amp; 5 below).</li> <li>6 If not eligible, refer to section 8 of this Policy <b>'Dealing with persons who are not fit and proper'</b> and section 12 of this policy <b>'Dealings with APRA'</b>, and action accordingly.</li> </ol>

## **5 Eligibility assessment decision**

The decision will be made having considered the assessment criteria and will be based on the information collected in Annexure C or Annexure E (the Form), information collected in Annexure D or Annexure F and any other information or material produced by the person, as well as the person's demonstrated capabilities, their conduct and performance.

Consideration will also be given to the findings of any necessary and relevant investigations conducted to verify the accuracy of information provided in the person's Form. Apart from the positions of Head of Internal Audit and Chief Risk Officer, the final decision as to whether a person is considered eligible will be made at the discretion of the CEO, and if necessary and appropriate, in consultation with the Chief People & Culture Officer and the Company Secretary.

The final decision as to whether a person is considered eligible to hold the position of Head of Internal Audit will be made at the discretion of the CEO and Chair of the Audit Committee; and for the position of Chief Risk Officer at the discretion of the CEO and Chair of the Board and Chair of the Risk Committee.

The CEO will advise the decision on the Head of Internal Audit to the Audit Committee and for the position of Chief Risk Officer to the Risk Committee; and for all other senior manager positions, to the Chief People & Culture Officer and the Company Secretary.