



Annual Election of Directors 2018 Nomination Form

I hereby nominate.....
(please use block letters)

for the position of Director of Qudos Bank Mutual Limited, trading as Qudos Bank.

Name of ProposerStaff/Member Number.....
(please use block letters)

Signature of Proposer.....

Name of Seconder.....Staff/Member Number.....
(please use block letters)

Signature of Seconder.....

CONSENT & DECLARATION BY NOMINEE

I,.....

of
(home address)

consent to being nominated for election as a Director of Qudos Bank Mutual Limited (Qudos Bank) ABN 53 087 650 557, and, if elected, to act as a Director of Qudos Bank.

I declare that I:

- am qualified under the Constitution of Qudos Bank and the *Corporations Act 2001* to be elected and act as a Director;
- have the required experience and skills to be a Director;
- am committed to devoting such time as is necessary to carry out the duties of Director;
- agree to observe the Directors' and Officers' Code of Conduct; and
- have been provided with a Director Nomination Pack, including information about the eligibility, fit and proper and competency requirements to be a Director of Qudos Bank, the Directors' and Officers' Code of Conduct and forms to be completed by me in support of my fit and proper assessment to hold the position of a Director of Qudos Bank.

SignatureDate.....

Contact Telephone No:.....Staff/Member No.....

Nominations must be received by the Returning Officer not later than **Noon (Sydney time) on Friday the 10th of August 2018.**

ALL NOMINEES MUST PROVIDE THE FOLLOWING (please refer to Nomination Pack for more information):

- DECLARATION AND QUESTIONNAIRE;
- A BRIEF PROFILE OF QUALIFICATIONS AND EXPERIENCE UP TO 200 WORDS;
- PASSPORT SIZED PHOTO (good quality, high resolution);
- BANKRUPTCY SEARCH
- NATIONAL POLICE CHECK

Nomination forms and attachments should be sent to:

The Returning Officer, Qudos Bank, Level 4, 60 Carrington Street Sydney NSW 2000

Director Nomination Pack

Introduction

This Nomination Pack provides important information to Members considering nominating to stand for election as a Director of Qudos Mutual Limited, trading as Qudos Bank (Qudos Bank). It provides background information about Qudos Bank, outlines various corporate governance requirements applying to the Board and Directors of Qudos Bank and explains the process for nomination and election under Qudos Bank's Constitution.

Attached to this pack is a declaration and questionnaire in support of the nomination for Director that must be completed and returned to Qudos Bank, together with certain other documents **no later than Noon (Sydney time) on Friday the 10^h of August 2018** for the nomination to be considered by Qudos Bank's Returning Officer and Nominations Committee.

The Documents to be provided are:

- ✓ **completed nomination form**
- ✓ **completed declaration and questionnaire**
- ✓ **profile (no more than 200 words)**
- ✓ **passport sized photo**
- ✓ **Bankruptcy Search**
- ✓ **National Police Check**

If all information is not provided, the Nominations Committee may not be able to complete the eligibility and fit and proper assessments and the nomination may be rejected. Links to assist with obtaining the necessary searches are attached at the end of this pack.

For more information, you can contact the Returning Officer by calling 02 8234 5171, emailing sydreturningofficer@computershare.com.au or writing to the Returning Officer, Qudos Bank, Level 4, 60 Carrington Street Sydney NSW 2000

Background of Qudos Bank

Qudos Bank (formally Qantas Credit Union) was formed in 1959 by a small group of Qantas Airways employees who decided to pool their funds by saving together and lending to each other, to create a financial co-operative for competitive loans and savings accounts. In 2015 Qantas Staff Credit Union Limited changed its name to Qudos Bank Mutual Limited and in 2016 Qudos Bank became a bank and launched as Qudos Bank.

Today, Qudos Bank has over 95,000 Members, over \$3billion in assets and provides a vastly expanded range of financial services. A copy of Qudos Bank's latest annual report is available from our website, www.qudosbank.com.au.

Being a mutual, owned and operated by its shareholders, Qudos Bank has an inherent co-operative structure and attitude, and can offer benefits that other types of financial institutions cannot, whilst being equally able to fulfil members' financial needs.

Qudos Bank is a very strong and secure financial institution, offering a wide range of products and services and up-to-date facilities, including the following:

- Membership rather than customer status.
- Common interest rather than profit motive.
- Members are shareholders and thus owners.
- Pricing structure based on low cost/high return for members.
- One member, one vote, to control policy and direction.
- Members from within the membership elect the Board of Directors.
- Operated under strict prudential standards and supervision to protect members' interests and Qudos Bank's financial integrity and efficiency.

Offices

Qudos Bank operates throughout Australia, including Member Service Centres in Sydney, Melbourne, Brisbane and Perth and its head office is located at Mascot, New South Wales.

Products and Services

Qudos Bank offers a full range of retail financial services, including:

- Savings accounts.
- Payment services (e.g. cards, chequing and online banking).
- Term deposits.
- Retirement Savings Accounts.
- Home and Investment loans.
- Personal loans.
- Overdrafts.
- Lines of Credit.
- Credit Cards.

Qudos Bank also has arrangements with third parties to provide members with superannuation, general insurance, loan protection insurance, financial planning and foreign currency.

Eligibility for Membership

To become a member of Qudos Bank and to access Qudos Bank's lending products, a person or entity must meet certain criteria contained in the Constitution. Details can be found on the Qudos Bank website (www.qudosbank.com.au). In summary, eligibility is linked to current or past employment within the airline, travel, hospitality and government sectors, being the family of a member, or being nominated by a member.

The Board of Directors

Qudos Bank's Board of Directors (Board) has the ultimate responsibility to its members/shareholders for the strategy and performance of Qudos Bank in general. The Board is dedicated to fulfilling these duties in a lawful and professional manner, and with the utmost integrity and objectivity. As such, the Board actively pursues best practice governance processes.

Good governance policies and processes are critical for ensuring that Qudos Bank is governed in the best interests of Qudos Bank as a whole. With this in mind, the Board has formalised the corporate governance framework within which Qudos Bank operates in the form of a Board Charter, which is a written policy document that defines the respective roles, responsibilities and authorities of the Board, both individually and collectively, and of Management in setting the direction, management and control of the organisation.

The Board meets monthly, usually the last Wednesday from 12noon, at Qudos Bank's Head Office at 191 O'Riordan Street Mascot NSW. Papers for these meetings require at least six hours pre-reading. In addition the Board may hold special meetings for strategic planning and there are additional meetings for Board Committees and General Meetings. Meetings attended by Directors each year could range from 15 to 30 depending on the Board Committees upon which the Director serves.

Constitution

Qudos Bank's Constitution sets out rules for the company, including the election of Directors. A summary of the election process is included in this pack. A copy of the Constitution is available on our website www.qudosbank.com.au, or from Qudos Bank's Company Secretary, Cindy Hansen, by telephoning 1300 747 747 or by sending an email to chansen@qudosbank.com.au.

Prudential Regulation

Qudos Bank is an Authorised Deposit Taking Institution (ADI) licenced under the Banking Act 1959 by the Australian Prudential Regulation Authority (APRA). As an ADI, Qudos Bank is governed by the same prudential regulation as all other banks, building societies and credit unions in Australia. APRA imposes minimum prudential standards ensuring that Qudos Bank maintains appropriate risk management systems, including in relation to the skills, qualifications and experience of our Board of Directors. Qudos Bank also holds an Australian Credit Licence and Australian Financial Services Licence, regulated by the Australian Securities and Investments Commission (ASIC).

The Director Election Process

Qudos Bank's Directors are democratically elected by our Members for three year terms from within our eligible Membership base.

The process to elect Directors is set out in Schedule 2 of Qudos Bank's Constitution.

Directors' Duties

Directors of public companies, such as Qudos Bank, are subject to comprehensive statutory and governance obligations. Further, in addition to general Corporations Law obligations, financial institutions such as Qudos Bank are subject to specific legal requirements relating to their prudential management and their credit and financial services activities.

Qudos Bank's Board must not only oversee corporate governance, financial reporting and the setting of strategy, but also risk management systems, including key areas of credit risk, interest rate risk, liquidity, capital adequacy, legal risk and operational risk.

Directors must comply with Qudos Bank's corporate governance policies, as set out in the Board Charter, including the Directors' and Officers' Code of Conduct, annual fit and proper assessments, annual Board and Director evaluations (e.g. independence and competency assessments) and ongoing training and development requirements.

A copy of the Directors' and Officers' Code of Conduct is attached.

Eligibility to nominate as a Director

Under clause 50 of the Constitution, to be eligible to be a Director of Qudos Bank, a nominee must:

- have been a Member of Qudos Mutual Limited for at least 5 consecutive years;
- be over 18 years of age;
- not be an employee of Qudos Mutual Limited (unless nominated by the Board under clause 62 of the Constitution);
- not be bankrupt, not have applied to take the benefit of any law for the relief of bankrupt or insolvent debtors, not have compounded with your creditors, nor made an assignment of your remuneration for their benefit;
- not be prohibited from being a director of a body corporate by the *Corporations Act*;
- not have been convicted in the last ten years of an indictable offence in relation to the promotion, formation or management of a body corporate, or an offence involving fraud or dishonesty;
- be a "fit and proper" person under Qudos Bank's policy, prepared in accordance with Australian Prudential Regulation Authority Prudential Standards or Guidance Notes; and
- not have had your Member voting rights suspended under clause 43 of the Constitution.

Eligibility assessment

Upon receipt of nomination forms, Qudos Bank's Returning Officer will initially assess the nominations to confirm that the nominees are eligible under clause 50 of the Constitution, for all matters other than the "fit and proper" requirement.

Nominations will then be forwarded to Qudos Bank's Nominations Committee for an assessment to be made in accordance with Qudos Bank's Fit and Proper Policy.

A summary of the fit and proper requirements and assessment process follows.

Fit and Proper requirements

Qudos Bank is an Authorised Deposit Taking Institution (ADI) regulated by the Australian Prudential Regulation Authority (APRA). APRA have released various Prudential Standards, including CPS 520 Fit and Proper, which provides that:

"Persons who are responsible for the management and oversight of a regulated institution need to have appropriate skills, experience and knowledge, and act with honesty and integrity. These skills and qualities strengthen the protection afforded to depositors, policyholders and other stakeholders. To this end, regulated institutions need to prudently manage the risk that persons in positions of responsibility might not be fit and proper."

Accordingly, Qudos Bank's Fit and Proper Policy provides that responsible persons (including Directors) must:

- possess the competence, character, diligence, honesty, integrity and judgement to perform their duties;
- not be disqualified from holding a responsible person position under the Banking Act, 1959; and

- not suffer from a conflict of interest (or perceived conflict of interest) that would create a material risk that the person will fail to perform properly their duties.

Prior to calling for nominations for the Director Election the Board determines the list of the competencies for the role of Director for that year's Director Election to ensure that candidates possess the competence to perform their duties. This list of competencies will include:

- the core competencies identified in the Board Charter; and
- at least three (3) of the functional competencies identified in the Board Charter as assessed by the Board as being necessary for that election season so as to maintain the appropriate mix of skills and experience on the Board.

Required Competencies

Each candidate for the 2018 Director election must have relevant tertiary qualifications, professional memberships and/or type/length of experience such that the candidate would be able to provide a high level strategic input into Board deliberations in relation at least 3 seasonal functional competencies at the required skill level, being:

- Board/CEO/Senior Management Experience in substantial organisations (mandatory)

PLUS at least 2 of the following:

- Retail Banking or Lending
- Finance, Accounting or Audit
- Contemporary Corporate Governance
- Risk Management

In addition, all candidates must bring certain personal attributes to the Board table to allow them to make an effective contribution to Board deliberations and processes. This includes possession of the following core competencies/attributes:

- having sufficient time available to fulfil the role;
- an understanding of the role and responsibilities of a director of an ADI;
- the ability to listen, evaluate and form conclusions;
- financial literacy;
- appropriate experience in the senior management or governance of a financial institution or a significant public company, or in a senior professional role relevant to the business (for example, accountancy or law);
- an understanding of the collegial nature of a Board and the ability to function effectively in a collegial way;
- an understanding of, and demonstrated commitment to the values of Qudos Bank, including Mutual, Authentic, Achieving, Energetic;
- the ability to understand Qudos Bank's business and regulatory risks, including the identification, monitoring and mitigation of risk;
- the capacity and willingness to prepare and contribute to Board meetings and deliberations;
- the capacity and willingness to undertake continuous professional development and learning consistent with Qudos Bank's policies on Board renewal.

The Nominations Committee will assess whether it is satisfied in its absolute discretion that a nominee demonstrates the required functional and core competencies, as well as meeting the other fit and proper requirements. Nominees who do not demonstrate the required competencies will not be eligible to stand as a candidate in the 2018 Director Election.

Fit and Proper assessments

Fit and Proper assessments for Director Elections are conducted by a Nominations Committee (NC) comprising 2 members who are not Directors, Employees or Members of Qudos Bank and one member who is a Director of Qudos Bank (who is not standing for re-election in the current election season).

Nominees will be invited by the NC to attend an interview with the NC within 14 days of the closure of nominations for the annual Director election, to determine the fitness and propriety of the nominee for election as a Director.

Nominees are responsible for meeting their costs associated with attending an interview with the NC and for all searches and enquiries which the NC is required to undertake to determine if the nominee is of appropriate fitness and propriety to be and act as a Director in accordance with the fit and proper policy.

Nominees must provide the NC with all information and documentation that the NC reasonably requests to determine if the person is of appropriate fitness and propriety to be and act as a Director in accordance with

the fit and proper policy. Any nominee who fails to make themselves available for interview will have their nomination rejected.

After interviewing all nominees who make themselves available for interview the NC will advise the Returning Officer of the nominees assessed to be eligible candidates for the Director Election.

Election material

After the NC assessments have been conducted the Returning Officer will determine whether an Election of Directors is required under Schedule 2 of the Constitution. If a Director Election is required, all eligible candidates will be randomly selected to ascertain the order in which their names will appear on the ballot paper.

Election material will be sent to all Members with their September statements in October 2018 and will be available via Qudos Bank's website.

In addition to the ballot paper, the election material will include a photograph and a profile of each candidate to enable shareholders to make an informed decision on their election. There is a strict limit of 200 words for the profile. Words in excess of the 200 word limit may be excised without consultation. The candidates name, title, nickname and letters after their name will count towards the 200 word limit.

The profile can only include:

- biographical details, including competencies and qualifications and information sufficient to enable an assessment of the independence of the candidate;
- details of relationships between:
 - the candidate and Qudos Bank; and
 - the candidate and Directors;
- directorships held;
- particulars of other positions which involve significant time commitments;
- the term of office currently served by any Directors subject to re-election;
- any other particulars required by law.

The profile for each candidate cannot include any extraneous information, for example the profile must not:

- represent that the candidate is a member of a group;
- endorse any other candidate;
- refer to intentions, policies or objectives of the candidate;
- be inaccurate, misleading, deceptive or defamatory;
- be irrelevant to the candidature; or
- breach the Directors' and Officers' Code of Conduct.

The election material and ballot paper may indicate which of the candidates are retiring Directors standing for re-election. In addition, Qudos Bank may adopt an ASX corporate governance recommendation to include a statement by the Board in the election material as to whether it supports the nomination of candidates.

Voting and Election results

Voting will open in or about the first week of October 2018 for electronic voting, paper voting material will be sent with Members' September statements in October. Voting will close on 14 November 2018. Members can vote electronically or by postal ballot.

The election results will be announced at the Annual General Meeting (AGM) to be held at 3pm (Sydney time) on Wednesday the 28th of November 2018 at the Pullman Hotel, 191 O'Riordan Street, Mascot, NSW.

8.4 Director, Officer and Employee Code of Conduct

8.4.1 Scope

This Code of Conduct governs the conduct of Directors, officers and employees while conducting the affairs of QB.

8.4.2 Compliance with Laws

Directors, officers and employees are expected to comply, at all times, with all laws governing the operation of QB and must not knowingly participate in any illegal or unethical activity.

8.4.3 Policy Statement

All Directors, officers and employees of QB must conduct the business of QB with the highest level of ethics and integrity in relation to members, suppliers, external organisations and each other.

QB Directors, officers and employees must act:

- ethically, honestly, responsibly and diligently with high standards of personal integrity;
- in accordance with QB's values, vision and mission;
- in full compliance with the letter and spirit of the law;
- in full compliance with QB's policies, procedures and controls, including this Code and QB's risk management framework;
- within approved delegations;
- in the best interest of QB.

8.4.4 Breach of the Code

Any breach of applicable laws, prevailing business ethics or other aspects of the Code will result in disciplinary action. Such disciplinary action may include (depending on the severity of the breach) reprimand, formal warning, demotion or termination of employment.

Similar disciplinary action will be taken against any supervisor, manager or any other Director, officer or employee who directly approves of such action or has knowledge of the action and does not immediately take appropriate remedial action.

8.4.5 Reporting breaches

All Directors, officers or employees are requested to report immediately any circumstance that may involve a deviation from this Code to the CEO or the Chairman. QB will protect 'whistleblowers' who report breaches in good faith in accordance with our Whistleblowing Policy.

8.4.6 Interpretation of Laws

It is recognised that, in some cases, there may be uncertainty about which laws and regulations are applicable and there may be difficulties in interpretation. In some circumstances, QB Directors, officers and employees have access to external legal advice as is necessary to ensure compliance.

8.4.7 Political contributions

Political contributions (to any government official, political party or political candidate) must not be made directly or indirectly on behalf of QB.

8.4.8 Prohibited payments

Inducements, bribes, kickbacks or other illegal payments of any kind must not be offered or made to any government official, customer, supplier or any other party in connection with obtaining orders or favourable treatment or for any other purpose.

8.4.9 Prohibited receipts

All Directors, officers and employees of QB must not seek or accept any type of bribe, kickback, compensation, fee, commission or gratuity from any government official, customer, supplier or any other party in connection with the operations of QB.

8.4.10 Hospitality and gifts

Directors, officers and employees should decline offers of, sponsored travel and expensive gifts or hospitality. Offers of modest gifts or hospitality may be accepted where these come within the category of normal "relationship building".

8.4.11 Protection of assets

All Directors, officers and employees are responsible for taking all prudent steps to ensure the protection of Qudos Bank(QB) assets and resources. In particular, care should be taken to minimise the possibility of theft of QB property by any person.

QB owned or leased assets and resources are to be used for the purposes of QB and in accordance with appropriate authorisations. Computer programs and databases or any part of them are not to be copied, or removed from QB.

8.4.12 Accounting records

QB officers and employees must ensure that all QB accounting records accurately and fairly reflect in reasonable detail the underlying transactions of QB and of all changes in QB assets or liabilities and any disposal of QB assets.

Accounting records must be maintained in accordance with Generally Accepted Accounting Principles and the Financial and Accounting Policies issued by QB.

8.4.13 Confidential information

All Directors, officers and employees may, while undertaking activities for QB, receive or originate confidential information. Such information must be retained within QB. Also, such information must not be disclosed or released to others (unless authorised by QB or required by law), nor used for the benefit of Directors, officers or employees of QB or for the benefit of others. The definition of "confidential information" includes but is not limited to, trade secrets, manufacturing processes, computer access codes, personal knowledge or information of QB or its members.

8.4.14 Unauthorised statements or activities

Directors, officers and employees must not, without authority, directly or indirectly state that they represent QB or its public position in respect of any matter.

Directors, officers and employees must not directly or indirectly engage in any activity, which could by association cause public embarrassment or damage to QB.

8.4.15 Copyright

Any work as defined by Copyright Act 1968, (as amended) including the computer programs created by Directors, officers or employees of QB while undertaking activities for QB shall be property of QB. Such work shall not be published or used for any purpose without the written consent of QB.

8.4.16 Dealing with auditors and regulatory bodies

All Directors, officers and employees must fully co-operate with internal and external auditors, and regulators, of QB.

False or misleading statements must not be made to internal or external auditors, or regulators, of QB and relevant information must not be concealed from the internal or external auditors, or regulators, of QB.

8.4.17 Conflicts of interest

QB Directors, officers or employees must not:

- enter into any arrangement or participate in any activity that would conflict with QB's best interests or that would negatively affect QB's reputation;
- take advantage of the property or information of QB or our customers or suppliers to benefit themselves or any other business or person, or to cause detriment to QB or our customers;
- not take advantage of their position or the opportunities arising from their position for

the benefit of themselves or any other business or person;

- otherwise use their position for personal benefit independent from the business of QB or to benefit any other business or person.

QB Directors, officers and employees must not engage directly or indirectly in any outside activity involving commercial contact with, or work for the benefit of, QB's customers, suppliers or competitors without the prior written consent of the Board.

Directors must also comply with the section of the Board Charter in relation to Conflicts of Interest.

8.4.18 Culture

Directors and officers must set the tone from the top on culture to create an environment where every employee has ownership and responsibility for 'doing the right thing' and ensuring 'good outcomes for customers'.

QB's values and competencies of 'doing the right thing' and ensuring 'good outcomes for customers' must be reflected in QB's business strategy, business model, risk appetite and business practices. Directors and officers must lead by example.

Directors and officers must foster an environment in which employees understand, respect and fulfil their obligations in order to conduct themselves to the highest standards of professional and personal conduct.

All employees are expected to help protect QB and its members against fraud or other illegal activities.

Directors and officers must actively support and work to improve QB's compliance and risk management culture by devoting the necessary time to compliance and risk management related activities.

Directors and officers must commit adequate resources to compliance and risk management functions and must reward compliance behavior and any breaches of internal policies and limits disciplined.

8.4.19 Conduct Risk

All Directors, officers and employees must behave appropriately, ethically and in a lawful behavior.

Directors and officers must:

- set QB's conduct expectations, which must be clear, concise and proactive, and communicate and reiterate these expectations to all employees to ensure they are 'front of mind';
- promote a culture of open communication and effective challenge to encourage a positive, critical attitude among employees and to promote an environment of open and constructive engagement;
- challenge existing practices to determine whether current conduct and behaviours are appropriate;
- continually review, enforce and validate QB's conduct risk

Qudos Mutual Limited

Director Nomination Assessment Declaration and Questionnaire

Full Name of Nominee

Address of Nominee

I DO SOLEMNLY AND SINCERELY DECLARE AS FOLLOWS:

1. The answers given in my completed Questionnaire, and any other information that I give to Qudos Mutual Limited (Qudos Bank) in connection with the assessment of my nomination for the position of Director, 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, and fitness and propriety for the position of Director by Qudos Bank, as described in the Nomination Pack provided to me.
2. I authorise Qudos Bank to collect information and make enquiries to assess my eligibility, and fitness and propriety for the position of Director, including, without limitation, criminal history, bankruptcy, disqualification register and references checks and verifying information provided by me with relevant third parties (e.g. my employment and qualification details).
3. At no time have I, either in Australia or overseas:
 - 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;
 - breached a fiduciary obligation or other legal or professional obligation involving trust or conflict of interest or perpetuated or participated in negligent, deceitful or otherwise discreditable business or professional practices;
 - perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
 - been reprimanded, or disqualified, or removed, by a professional or regulatory body in relation to matters relating to personal honesty, integrity or business conduct (or been involved with the affairs of an entity that has been subject to such discipline);
 - seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others;
 - been substantially involved in the management of a business or company which has failed, become insolvent, or entered into any form of external administration or scheme or arrangement with its creditors, where that failure, insolvency etc. has been occasioned in part by deficiencies in that management;
 - been of bad repute in any business or financial community or any market;
 - been the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or 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 adversely on my competence, diligence, judgment, honesty or integrity;
 - been refused a licence or authorisation or been involved with the affairs of an entity that was refused a licence or authorisation (or had that licence or authorisation restricted) relating to a commercial or professional activity, or had such a licence or authorisation revoked where I engaged in conduct that caused or contributed to the refusal or revocation

- of the licence or authority; this includes any Corporations Act 2001 (or previous corresponding laws) licence or an Australian credit licence;
 - been the subject of any investigations or proceedings that are current or pending and which may result in disciplinary action being taken in relation to any such licence or authorisation;
 - had a claim made against a professional indemnity insurance policy in relation to advice I tendered or been refused professional indemnity insurance;
 - been disqualified from holding a responsible person position under the Banking Act 1959 (Cth); or
 - failed to be assessed as fit and proper within a fit and proper policy of an APRA-regulated institution.
4. Any conflicts of interests (or perceived conflicts of interest) that I have are disclosed in the Questionnaire and will not create a material risk that I will not properly perform the position of Director.

Declared at

City/Town

State/Territory

Signature of nominee

Before me

Signature of witness

Name of witness

Address of witness

**Qualification
witness**

of

Justice of the Peace/Solicitor *(delete as applicable)*

To be completed by the witness

**Please cross out any text that does not apply*

I certify the following matters concerning the making of this statutory declaration by the person who made it:

*I saw the face of the person

or

*I did not see the face of the person because the person was wearing a face covering, but I am satisfied that the person had a special justification for not removing the covering.

*I have known the person for at least 12 months

or

*I have confirmed the person's identity using an identification document and the document I relied on was

[describe identification document relied on].

Date

Information for Nominees for the position of Director

All Directors, as responsible persons of Qudos Bank, are subject to assessment as to their eligibility, and fitness and propriety for the responsible person position they occupy. Nominees for Director must provide Qudos Bank with a completed Declaration and Questionnaire and supporting documentation. Qudos Bank collects personal information from you for these purposes:

- to verify information contained in your completed Declaration and Questionnaire;
- to assess whether you are eligible to be a Director under the Constitution, and fit and proper to be a responsible person of Qudos Bank as an Authorised Deposit-taking Institution under the Banking Act and under Qudos Banks' Australian Financial Services Licence and Australian Credit Licence.

We may also collect information about you from other persons and organisations disclosed in your completed Questionnaire, such as previous employees, professional and industry bodies of which you may have been a member, business associates, referees and educational institutions. In order to collect this information we may disclose that you have nominated as a Director and the information contained in your completed Declaration and Questionnaire to these persons and organisations.

If you do not give us the personal information we require we will not be able to assess your eligibility, and fitness and propriety to hold a responsible person position of Qudos Bank.

We may disclose your information to our Returning Officer, our Nominations Committee, our legal representatives, our auditors and the Australian Prudential Regulation Authority (APRA).

By submitting the completed Questionnaire, you consent to our collection and use of your personal information as disclosed above.

Required Competencies for Candidates

As part of the assessment under Qudos Bank's Fit and Proper Policy, each candidate for the 2018 Director election must have relevant tertiary qualifications, professional memberships and/or type/length of experience such that the candidate would be able to provide a high level strategic input into Board deliberations in relation at least 3 seasonal functional competencies at the required skill level, being:

- Board/CEO/Senior Management Experience in substantial organisations (mandatory)
PLUS at least 2 of the following:
- Retail Banking or Lending
- Finance, Accounting or Audit
- Contemporary Corporate Governance
- Risk Management

In addition, all candidates must bring certain personal attributes to the Board table to allow them to make an effective contribution to Board deliberations and processes. This includes possession of the following core competencies/attributes:

- having sufficient time available to fulfil the role;
- an understanding of the role and responsibilities of a director of an ADI;
- the ability to listen, evaluate and form conclusions;
- financial literacy;
- appropriate experience in the senior management or governance of a financial institution or a significant public company, or in a senior professional role relevant to the business (for example, accountancy or law);
- an understanding of the collegial nature of a Board and the ability to function effectively in a collegial way;
- an understanding of, and demonstrated commitment to the values of Qudos Bank, including Mutual, Authentic, Achieving, Energetic;
- the ability to understand Qudos Bank's business and regulatory risks, including the identification, monitoring and mitigation of risk;
- the capacity and willingness to prepare and contribute to Board meetings and deliberations;
- the capacity and willingness to undertake continuous professional development and learning consistent with Qudos Bank's policies on Board renewal.

The Nominations Committee will assess whether it is satisfied in its absolute discretion that a nominee demonstrates the requirements. Nominees who do not demonstrate the requirements will not be eligible to stand as a candidate in the 2018 Director Election.

Questionnaire

Your Personal Details

Family Name

Given Names

Have you ever been known by another name?

Yes No

If Yes, by what other names?

When?

Sex

Male Female

Date of Birth

Town/City of birth

Country of birth

Have you been a member of Qudos Bank for at least 5 years?

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 occupation

Your employer

Business address

Suburb

Postcode

Your Employment History

Details of your employment history:

(For more than 5 past employers, provide details on an attached sheet)

Employer 1

Address

Period of employment

to

Position held

Reason for leaving

Employer 2

Address

Period of employment

to

Position held

Reason for leaving

Your Employment History continued

Employer 3

Address

Period of employment

to

Position held

Reason for leaving

Employer 4

Address

Period of employment

to

Position held

Reason for leaving

Employer 5

Address

Period of employment

to

Position held

Reason for leaving

Your Knowledge, Skill & Experience

1. Do you have any tertiary qualifications?

No

Yes
Provide details at page 12

2. Have you ever been a director or manager of a company?

No

Yes
Provide details at page 13

3. Have you ever been the director or employee of, or professional consultant to, an Authorised Deposit Taking Institution (ADI)?

No

Yes
Provide details at page 14

4. Have you ever been a member of a professional services firm?

No

Yes
Provide details at page 15

5. Have you ever been a member of a professional or industry body?

No

Yes
Provide details at page 16

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

No

Yes
Provide details below:

7. Refer to the relevant competencies listed prior to this Questionnaire and state whether you believe that you have the specified competencies.

No
Identify any deficiencies and training 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:

PLEASE ATTACH YOUR NATIONAL POLICE CHECK CERTIFICATE*

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

No

Yes
Provide details below:

PLEASE ATTACH YOUR BANKRUPTCY SEARCH RESULT*

10. Have you ever executed a deed or arrangement, or accepted a composition with your creditors under the Bankruptcy Act, 1966 (Cth) 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:

* see attached for guidance on how to obtain this certificate/search

Your Propriety continued

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 a 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:

16. Are you able to pay your debts as and when they fall due?

No

Yes

Your Propriety continued

17. Are you aware of any other matters which may be relevant to an assessment of your character, diligence, honesty, integrity or judgment?

No

Yes
Provide details below:

Conflicts of Interest

18. Do you have any interest in a contract or a proposed contract with Qudos Bank?

No

Yes
Provide details below:

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 director of Qudos Bank?

No

Yes
Provide details below:

Other Matters

20. Are you aware of any other matters which are relevant and material to an assessment of your fitness and propriety for the Position by Qudos Bank?

No

Yes
Provide details below:

Character References

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

Reference 1

Family Name

Given Names

Telephone

Home

Business

Mobile

Reference 2

Family Name

Given Names

Telephone

Home

Business

Mobile

Reference 3

Family Name

Given Names

Telephone

Home

Business

Mobile

Details of Tertiary Qualifications for Question 1

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

Qualification 1 - attach a copy of your academic transcript

What is the name of the qualification?

Which institution conferred the qualification?

When was the qualification conferred?

Qualification 2 - attach a copy of your academic transcript

What is the name of the qualification?

Which institution conferred the qualification?

When was the qualification conferred?

Qualification 3 - attach a copy of your academic transcript

What is the name of the qualification?

Which institution conferred the qualification?

When was the qualification conferred?

Qualification 4 - attach a copy of your academic transcript

What is the name of the qualification?

Which institution conferred the qualification?

When was the qualification conferred?

Details of Directorships or Management of Companies for Question 2

(For more than 4 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?

Company 4

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 Authorised Deposit Taking Institution (ADI) for Question 3

(For more than 4 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?

ADI 4

What was the name of the ADI?

What was your role?

During what periods did you have this role?

Details of Membership of a Professional Services Firm for Question 4

(For more than 4 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?

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?

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?

During what periods did you have this role?

Professional Services Firm 4

What was the name of the Professional Services Firm?

What was your role?

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 - attach a copy of your membership

What was the name of the Professional or Industry Body?

During what periods were you a member?

Professional or Industry Body 2 - attach a copy of your membership

What was the name of the Professional or Industry Body?

During what periods were you a member?

Professional or Industry Body 3 - attach a copy of your membership

What was the name of the Professional or Industry Body?

During what periods were you a member?

Professional or Industry Body 4 - attach a copy of your membership

What was the name of the Professional or Industry Body?

During what periods were you a member?

LINKS FOR OBTAINING SEARCHES TO BE RETURNED WITH QUESTIONNAIRE

National Police Check

National Police Checks can be ordered online via State or Federal Police websites.

Refer to https://www.police.nsw.gov.au/online_services/criminal_history_check for more information about conducting a national police check via the NSW Police.

Refer to <https://www.afp.gov.au/what-we-do/services/criminal-records/national-police-checks> for more information about conducting a national police check via the Australian Federal Police.

NB for searches via the AFP, please use reason code 25 - Australian Securities and Investments Commission (ASIC) Consumer Credit/Financial Services Licensing Requirements

Bankruptcy Search

Refer to <https://www.afsa.gov.au/resources/npii/how-to-search-the-npii> for more information.

If you do not think that you will receive your police check or bankruptcy search prior to the closing date for nominations, please submit your nomination with a note advising the date you applied for the police check/bankruptcy search. Your nomination will be reviewed subject to receipt of the searches. However, if the searches are not received prior to 17 August 2018 your nomination may be rejected.

SENDING NOMINATIONS AND ATTACHMENTS

Nominations must be received by the Returning Officer not later than Noon (Sydney time) on Friday the 10th of August 2018

Nomination forms and attachments should be sent to:

The Returning Officer
Qudos Bank
Level 4, 60 Carrington Street
Sydney NSW 2000