

[Insert Date]

[Name of Candidate]
[Address]

Dear [Name]

Appointment as Non-executive director

Appointment

Following our recent discussions, I am very pleased to confirm my invitation to you to join the Board of MyState Limited (MYS) as a Non-executive Director. Please complete and return to the Company Secretary the materials requested in the attachment to this letter (Annexures [,] [], [] and []).

Term of appointment and vacation of office

Subject to confirmation of your appointment by Board and receipt of your Consent to Act as a Director of MYS, you will hold office from [date] until the [year] annual general meeting of MYS. In effect, this is to enable shareholders to 'confirm' your appointment. You are eligible for election as a Director at that meeting and, if elected, will be subject to ongoing retirement by rotation under MYS's constitution.

At any time during your tenure, including when you become subject to re-election under MYS's constitution or the law, your performance as a Director will be reviewed in accordance with processes agreed by the Board from time to time. A recommendation as to your re-appointment may be made in notices of meeting or other material provided to shareholders. You agree to participate in such reviews.

You may cease to hold office as a Director:

- at any time that you resign by written notice to the Company. It is desirable that you give the Chairman reasonable forewarning of your intention to resign or to not seek re-election where that is possible, so that MYS can plan for succession of skills and experience on the Board; and,
- in accordance with the law or the constitution of MYS.

This letter refers only to your appointment as a Non-executive Director. The Board may from time to time request that you participate in one or more Board Committees, subject to your agreement.

Role

I refer you to the Board Governance Document (Annexure [] to the attachment) which discusses the role of the Board and outlines the processes it has developed in carrying out its role.

As a Non-executive Director of MYS, you will be expected to participate as a member of the Board in:

- constructively challenging and helping to develop proposals on strategy of the Company;
- setting values and standards for the Company and establishing systems for their communication and monitoring;
- monitoring the performance of management in meeting agreed goals and objectives and ensuring that the necessary financial and human resources are in place to enable the Company to meet those goals and objectives;
- satisfying yourself as to the adequacy and integrity of financial and other reporting to the Board and shareholders and that there are adequate systems of internal control; and,
- satisfying yourself that systems for identification and management of risks are robust and appropriate.

While you have been selected on the basis of ensuring that the Board has a mixture of skill and experience that it requires, you are not expected to participate in Board deliberations as an expert.

As a Director of MYS, you will have legal duties and obligations under Australian law. It is expected that you will familiarise yourself with the relevant directors' duties, as set out in the Directors' Manual, available from the Company Secretary

Time commitments

I anticipate that your duties as a Non-executive Director of MYS will involve a commitment of approximately [XX] days in each year. Currently that would typically comprise attendance at:

- eleven scheduled board meetings;
- a one-day strategy meeting;
- the annual general meeting; and,
- Board Committee meetings which occur at times other than those days set aside for Board meetings. If you are appointed as a Chairman of any Committee, you may expect a further call on your time to fulfil that role.

A rolling schedule of Board and Committee meetings is provided to Directors each month for your convenience. The [year] schedule is in Annexure [] to the attachment.

In addition, you will be expected to devote appropriate preparation time ahead of each meeting and to attend such ad hoc meetings as may be necessary or convenient.

Board meetings are held on the fourth Tuesday in each month in either Hobart or Launceston, with an occasional meeting held elsewhere in the State.

By accepting this appointment, you confirm that you are able to allocate sufficient time to meet these expectations. You should consult with me as Chairman before you accept any additional commitments (including other Board appointments) which may conflict with, or impact upon, the time you are able to devote to your role as a Non-executive Director of MYS. Your appropriate commitment of time to the affairs of MYS will be one of the issues addressed in performance reviews.

Technology

By consenting to become a Director, you consent to the use of video, telephone, electronic mail or any other technology that permits each Director to communicate with other Directors, or any combination of these technologies for the purpose of calling and holding Directors' meetings. You can withdraw this consent by notification to the Company Secretary in a reasonable period before a Board or Committee meeting is due to be held.

Independence and other interests

The independence policy adopted by the Board to assess the independence of Directors of MYS is available on the Company's website. [You have confirmed to me that you regard yourself as an independent Director within the framework of those guidelines.]

If your circumstances change in any way which may affect your status as an independent Director, you must immediately disclose this to the Board.

MYS accepts that you will have business interests other than those of MYS. You will give to us a declaration of interest (Annexure [] to the attachment) which will be tabled at the Board meeting to consider your candidacy.

Disclosure of interests is a continuing obligation. If your circumstances change and you acquire any office or property which may conflict with your office as a Director of MYS or the interest of MYS, then you must disclose its character and extent at the next meeting of Directors. This should be done in writing. You may wish to consult with me as Chairman, or with the Company Secretary, as soon as you become aware of any potential conflict.

You should be aware that under the law and the constitution you will generally not be entitled to attend any part of a Board meeting, or to vote on any matter in which you have a material personal interest, unless the other Directors unanimously decide otherwise. Any material interests are required to be disclosed in the annual report and the financial statements pursuant to ASX Listing Rules and the Corporations Act.

Remuneration and expenses

Each Non-executive Director is paid a base fee which is currently \$XXXX per annum. Fees are payable quarterly in arrears and will be deposited into your bank account, details of which you will provide to the Company.

Directors may, in addition, receive a fee for devoting special attention to the business of MYS which is outside the scope of ordinary duties, or where any business journey must be undertaken. Current fees are:

- \$XXXX per annum for acting as Chairman of the Audit Committee;
- \$XXXX per annum for acting as Chairman of the Business Risk and Compliance Committee;
- \$XXXX per annum for acting as Chairman of the Human Resources and Remuneration Committee;
- \$XXXX per annum for acting as Chairman of the Investment, Lending and Credit Committee;
- \$XXXX per annum for acting as Chairman of the Corporate Governance and Nominations Committee;
- a travelling allowance;
- An information technology allowance;
- Professional development.

These amounts or the nature of the benefit may be changed by the shareholders or the Board. You will not be entitled to a retirement allowance. MYS will contribute to a superannuation scheme for your benefit in accordance with statutory requirements.

You are entitled to be paid other expenses you properly incur concerning MYS's affairs. Except for expenses associated with travel and accommodation, you should obtain the approval of the Chairman to the expense before you incur it.

Induction

You have agreed to participate in an induction program that includes:

- meetings with other Directors;
- one-on-one meetings with members of Management; and
- visits to premises.

You will also receive an induction pack of information concerning the Company from the Company Secretary. You should feel free to request any further information which you require either from me, or from the Company Secretary, at any time.

Continuous improvement and directors' appraisal

The Board believes that progressive organisations appreciate the challenge of operating in today's business environment.

You agree that you will participate in:

- continuous improvement programmes from time to time determined by the Board as being appropriate for Directors, at the expense of MYS and whether or not those programmes are offered by MYS; and
- participate in processes of internal and external review of Director, Board and Committee performance as may be determined to be appropriate by the Board from time to time. You acknowledge that such processes may result in positive or negative recommendations in relation to your candidacy for re-appointment to the Board.

If there are any issues which cause you concern about the Board or your individual performance, or the performance of any Committee, you should feel free to raise it with me as Chairman at any time.

Indemnity, insurance and access to company documents

A copy of the current Directors' and Officers' insurance policy is available from the Company Secretary. This policy will be extended to you from the date of your appointment. Annexed (Annexures [] and []) is a copy of the Directors' Deed of Indemnity, Insurance and Access which will be executed by MYS as a condition of your agreement to be appointed as a Director.

Under Australian law, directors have a right of access to financial records and they may make copies of books (other than financial records) for the purposes of certain legal proceedings. This latter right continues for 7 years after you cease to be a Director.

Independent advice

With the approval of the Chairman, you may seek independent professional advice, at the expense of MYS, on any matter connected with the discharge of your responsibilities. Copies of this advice must be made available to and for the benefit of, all Board members, unless the Chairman otherwise agrees.

Constitution charters and policies

MYS has developed a constitution and a range of charters and policies which govern conduct of the Directors and employees and set out the processes, values and standards of the Company in dealing with all stakeholders. You should familiarise yourself with them. You may access them from the Company's website or the Company Secretary will provide you with hard copies at your request. You acknowledge that your conformity with these constitutions, charters and policies will be an element in any assessment of your performance as a Director of MYS.

Notification of personal interests

Under the Listing Rules of the Australian Stock Exchange, MYS may be required to provide information about you to the stock exchange. Filings concerning you and your associates must also be made with various government authorities.

You agree that you will provide to the Company Secretary promptly (and within required timeframes for filing that information) all information about you which may be required for this purpose including (without limitation):

- details of your name, address, date and place of birth; and,
- details of dealings by you, your spouse and minor children and entities associated with you or any of them, in securities issued by MYS.

Please note that under current policies you are required to obtain the consent of the Chairman before dealing in securities of MYS and there are designated periods for dealing. This information is set out in the Company's Directors and Officers Dealing in Company Shares Policy, a copy of which is annexed (Annexure []) to the attachment. By accepting this appointment, you agree to be bound by the provisions of the Policy.

Directors must also execute an ASX Listing Rule 3.19B Agreement whereby the Company will assume responsibility for noting routine Director disclosure Appendix 3Y lodgements with the ASX.

Company Secretary

The Company Secretary of MYS is Mr Paul Viney. All Directors have access to his advice and services.

Confidentiality

All information obtained during your appointment is confidential to MYS and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman, or as required by law.

I also draw your attention to both legislation and MYS's policy prohibiting disclosure or use of price sensitive information.

We look forward to welcoming you to our Board. Please feel free to contact me on [number] or the Company Secretary, Mr Paul Viney, on [number] if you have any queries in relation to the above. If you need specific assistance with the completion of any of the documentation attached, Paul would be happy to assist you.

Yours sincerely

M J Vertigan AC
Chairman

Acknowledgment

I, [Directors Name], hereby accept the terms of appointment set out in this letter.

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Signature

.....
Date

[This is a model letter of appointment. Actual terms may vary when agreed with individual directors].