

MYSTATE LIMITED (MYS)

THE ROLE, SKILLS AND ATTRIBUTES OF THE CHAIRMAN

INTRODUCTION

The Chairman's position is established pursuant to the Company's Constitution, whereby "the Board may elect a Chairman and a Deputy Chairman of its meetings and determine the period for which each is to hold office". The Constitution is silent on the role of the Chairman, other than providing for the appointment. The Chairman must be an independent Director and cannot have been Chief Executive for the previous three (3) years. The Chairman will have proven leadership skills in guiding the Board to provide strategic direction and effective oversight of Management. In this role the key objective is to encourage management to continuously strive for above average performance, taking into account risk.

The Chairman will work with the Board and Management to ensure that MYS conducts its business and affairs in a manner that is in accordance with sound commercial practice; that conforms to relevant laws and is consistent with the MYS Constitution. The challenge for the Board is to build on the current culture and values to grow the business.

Open and transparent communication will exist between the Chairman and the Executive Team, facilitated by regular company performance reporting.

The purpose of this document is to clearly establish the requirements necessary to undertake the role of Chairman. Specific requirements are set out under the following headings:

- Skills and Attributes
- Meetings of the Board;
- Leadership and Responsibilities; and
- Board Direction.

The Chairman must be an independent Director.

Skills and Attributes

The Chairman requires a range of specific skills and attributes in leading the Board in its decision-making and oversight processes.

- Essential Skills
 - strong strategic expertise with proven industry experience;
 - very strong commercial and financial acumen with the capacity to contribute to developing and growing businesses;

- Strong national business networks;
 - Knowledge of and interest in Financial Services;
 - Strong credentials in technology-driven business; and
 - Some formal training in governance related issues is considered essential.
- Core Business Skills.

Demonstrated ability and capability in a number of the following areas;

- corporate governance skills;
 - strong leadership skills;
 - the ability to maintain effective professional and working relationships with stake holders including shareholders, government and the community;
 - creative commercial skills;
 - financial skills;
 - strategic planning skills;
 - management and risk assessment skills;
 - the ability to ensure compliance with legislation, policies and procedures;
 - a sound understanding of a Director's legal duties and responsibilities;
 - an understanding of employee issues in a large organisation;
 - knowledge of the legal and regulatory framework which govern ADIs and Trustee Services;
 - a sound knowledge of strategic marketing and public relations; and
 - a sound knowledge of how technology is employed to grow and maintain market share.
- Personal Qualities

The following personal qualities are highly desirable;

- personal and professional integrity;
- sound independent judgement;
- sound business acumen;

- genuine interest in the organisation and it's business;
- high level interpersonal and persuasion skills, including the ability to work within a team; and
- previous experience as a Chairman of a commercial enterprise.

MEETINGS OF THE BOARD

- Chairing the Board

The Chairman's role is to:

- settle Board agendas in liaison with the Managing Director/Chief Executive Officer (MD/CEO) and Company Secretary and convene meetings of the Board;
- ensure that appropriate matters are brought before the Board for information, discussion, deliberation and decision, including matters which Directors may wish to raise;
- chair Board meetings in a manner which results in consensus and a commitment to clear and unambiguous Board decisions;
- ensure Board discussions effectively address the matters before the Board and the critical issues (if any) facing the business;
- foster a climate of openness, common purpose and debate where contributions from all members are encouraged and valued; and
- ensure Board minutes properly record Board decisions and the business conducted at the meeting.

LEADERSHIP AND RESPONSIBILITIES

- Leadership and Responsibilities

The Chairman's role is to:

- develop a productive, ongoing relationship with the MD/CEO;
- act as mentor for the MD/CEO;
- ensure that the MD/CEO is aware of the Board's expectations in terms of performance and information;
- ensure appropriate relationships exist between individual directors and the executive team;
- chair the Annual General Meeting and any other formal meetings of the Company;
- assist in finalising the Company's annual and half-yearly report;
- develop a draft annual calendar of Board activities, including Board meeting dates for the coming year, for Board consideration;

- authorise and/or make public announcements pertaining to the operations of the business;
- oversee and where appropriate participate directly in, the relationship between the company and its shareholders;
- actively represent the Company in the wider public domain, including acting as spokesman in matters that have a significant bearing on the Company's activities.
- be available to meet with APRA on request.

BOARD DIRECTION

- Board Direction

The Chairman's role is to:

- be primarily responsible for the direction and effectiveness of the Board;
- monitor and review the adequacy of the information presented to the Board for decision making;
- obtain further information which members of the Board consider necessary for decision making by the Board, including obtaining external advice or the making of independent enquiries;
- ensure the timely dissemination of information relevant to the Board's deliberations;
- oversee the establishment and operation of Board Committees, including their composition, terms of reference, effectiveness and remuneration;
- ensure that the Board has defined its role and relationship with management to enable both to function efficiently and effectively;
- act as a link between Board and senior management between Board meetings;
- ensure that the Board's performance is reviewed annually to ensure that the Board as a whole performs effectively;
- ensure that a robust process is in place for reviewing Board membership and the balance of competencies among directors;
- consider requests from a director or the directors collectively or from a Committee of the Board for obtaining independent advice and make the necessary arrangements for the provision of that advice, including authorising payments for the advice and/or services provided.