



ASSET AND LIABILITY COMMITTEE CHARTER

Tasmanian Perpetual Trustees Limited (TPT)

Asset And Liability Committee (TPTL-ALCO)

Charter

Scope and Objective

The Asset and Liability Committee (TPTL-ALCO) shall assist the Board of Tasmanian Perpetual Trustees Limited (TPT) in fulfilling its oversight responsibilities with respect to TPT asset and liability management, liquidity and capital management as well as interest rate, market and credit risk. Further, as the Responsible Entity of TPT's Managed Investment Schemes the TPT-ALCO shall assist the Board of TPT in fulfilling its oversight responsibilities with respect to, interest rate, market liquidity, equity price, investment manager, property market, cash flow, operational, derivative and foreign currency, transaction and technology and credit risk.

The TPTL – ALCO shall seek to maximise returns from its investment and lending activities, within acceptable levels of financial risk and recognising the distinction between investors' funds and those of the Company:

Duties and Responsibilities

To fulfil its responsibilities and duties, the TPTL-ALCO is expected to:

- Monitor TPT's prudential capital requirement relating to the off-balance sheet nature of its responsible entity activities (ASIC defined NTA requirements).
- Recommend to the Board policies and any changes to those policies, in relation to TPT's assets, liabilities and capital structures.
- Recommend to the Board policies and any changes to those policies, in relation to the management of all Tasmanian Perpetual Trustees Limited Managed Investment Schemes and the lending activities of Tasmanian Perpetual Trustees Limited Mortgage Funds.
- Ensure that an effective system of internal controls is in place to enable effective monitoring of performance against those policies.
- Regularly review the various investment funds' performance against agreed benchmarks.

- Ensure each fund is managed within its investment policy.
- Ensure that all aspects of lending practices are within established policies and continue to remain so.
- To approve the appointment, replacement or removal of investment managers from TPTL's Managed Investment Schemes.
- Monitor product development as well as implementation.
- To review and consider any breaches of investment or lending policy; and
- Report minutes and any resolutions to the Board on at least a monthly basis or more often where appropriate.

TPTL-ALCO Governance

Membership

The TPTL-ALCO shall comprise all members of the Executive as well as the Senior Manager Investment Services and Senior Manager Lending Services.

Meetings

The TPTL-ALCO shall meet at least monthly (usually the second Tuesday of the month unless otherwise advised by the Chairman) and on an ad hoc basis where circumstances require it.

Quorum

A quorum shall be at least four permanent members of TPTL-ALCO, one of which must be either the Managing Director or Chief Financial Officer.

Additional Attendees

Senior Management personnel will be invited to attend all Committee meetings as required as well as any other personnel whose contribution is considered by any permanent member to be appropriate and useful.

The following Senior Management will be invited to attend meetings on a regular basis, as required:

- Senior Manager Retail and Strategic Partners
- Senior Manager Product Development and Research
- Senior Manager Brand and Communications

Chairman

The Managing Director shall designate one permanent member of the Committee as the TPTL-ALCO Chairman.

The Chairman of the Committee will report formally to the Board with a summary of the Committee's work and results. This should include the Committee's meetings, any formal recommendations of the Committee and other major issues of which the Committee believes the Board should be informed.

Secretary

The Senior Manager Investment Services or his/her designated representative shall be appointed Secretary to the Committee. The Secretary, in conjunction with the Chairman, shall draw up an agenda and Committee papers, which shall be circulated to each member of the Committee and others requested to attend any meeting at least two working days prior to each meeting.

The Secretary will prepare the minutes of Committee meetings to be circulated to each member of the Committee.

Recommendations

The TPTL-ALCO may recommend action that requires ratification at the next Board meeting where it believes the action is necessary to protect the interests of MIS investors and/or Tasmanian Perpetual Trustees Limited. The TPTL-ALCO must state such recommendations in writing.

Resolutions require the support of the Managing Director (or if the Managing Director is unavailable within require timeframes, the Chief Financial Officer), in addition to at least 3 other permanent TPTL-ALCO members.

Resolutions may be passed at the TPTL-ALCO meeting or via rotary resolution methods. In the case of rotary resolutions, permanent members will be required to provide their views in writing to the Chairman of TPTL-ALCO.

TPTL-ALCO Direction

Only the Board or its delegated authorities as listed below may act or direct action in respect of the TPTL-ALCO's recommendation in these circumstances.

Chief Executive (Managing Director)

The Managing Director has the delegated authority of the Board to act in any way necessary to protect the interests of TPTL Managed Investment Scheme investors and the assets and equity of Tasmanian Perpetual Trustees Limited. Any direction given to an individual by the Managing Director to act with regard to this delegated authority must be given in writing stating the use of this delegated authority. The Managing Director will notify the Chairman of the Board immediately upon the use of this delegated authority and will seek ratification at the next Board meeting.

Chief Financial Officer (Chief Financial Officer)

The Chief Financial Officer may act with the delegated authority of the Managing Director only in the absence of the Managing Director. Any direction given to an individual by the Chief Financial Officer with regard to this delegated authority must be given in writing stating the use of this delegated authority.

Meeting Attendance

The TPTL-ALCO meeting will require attendance of all permanent members and the necessary additional attendees noted above. If any permanent or required additional attendee of the Committee is unavailable, a delegate representing this area will be required to attend.

Charter Review

The Committee shall review and reassess its Charter on an annual basis.

Committee Performance

The Committee shall evaluate its own performance on an annual basis.