

Dear \_\_\_\_\_,

### **Appointment as Non-executive director**

I am very pleased to confirm your appointment as a Non-Executive Director of MyState Limited (MYS)

### **Term of appointment and vacation of office**

You will hold office until the [XXXX] annual general meeting of MYS.

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 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 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 documents on the MYS website which discuss the role of the Board and outline 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 duties as detailed on the MYS website.

## **Time commitments**

I anticipate that your duties as a Non-executive Director of MYS will involve a commitment of at least [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 and all Directors are provided with an annual calendar of meetings and events.

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.

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 commitments (including other Board appointments) which may conflict with, or impact upon, your role as a Non-Executive Director of MYS.

## **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.

## **Independence and other interests**

The independence policy adopted by the Board to assess the independence of Directors is available on the MYS 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. 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.

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 Australian Securities Exchange (ASX) Listing Rules and the Corporations Act.

## **Remuneration and expenses**

Each Non-executive Director is paid a base fee which is currently \$85,000 per annum inclusive of statutory superannuation. Fees are payable fortnightly in arrears and will be deposited into a bank account nominated by you.

Current fees for Committee roles are: (all inclusive of statutory superannuation):

- \$XXXX per annum for Chairman of the Group Audit Committee;
- \$XXXX per annum for Chairman of the Group Risk Committee;
- \$XXXX per annum for Chairman of the Group Remuneration Committee;

- \$XXXX per annum for Chairman of the Group Nominations & Corporate Governance Committee;
- \$XXXX per annum for being a member of a Board Committee.

You will not be entitled to a retirement allowance.

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.

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.

### **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 programs from time to time determined by the Board as being appropriate for Directors, at the expense of MYS and whether or not those programs are offered by MYS; and
- 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 the Board Chairman.

## **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.

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**

In addition to its constitution MYS has developed 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 ASX Listing Rules, MYS may be required to provide information about you to the securities exchange. Filings concerning you and your associates must also be made with various government authorities.

In accordance with ASX Listing Rule 3.19B 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 MYS Share Trading Policy, a copy of which is contained on the MYS website. By accepting this appointment, you agree to be bound by the provisions of the Policy.

**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 or the Company Secretary, Mr Scott Lukianenko, if you have any queries in relation to the above.

Yours sincerely

**M Hampton**  
Chairman

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**Acknowledgment**

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

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Signature

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Date