



# 2017

## POLICE BANK

### Annual General Meeting & Director Elections



# A MESSAGE FROM OUR CEO

Dear Member,

On behalf of the Board of Directors of Police Bank, it is my pleasure to invite you to the 2017 Annual General Meeting (AGM) of Police Bank Ltd on Thursday, 23 November 2017. The AGM will commence at 6:00pm in the Tuscan Room at the Sydney Masonic Centre, 66 Goulburn St, Sydney NSW 2000.



At the AGM, our Board Chair, Mr David Walton, and I will provide members with an overview of your Bank's performance for the financial year ending 30 June 2017, and will update you on our strategy for the year ahead. Eligible Members have the opportunity to vote in our 2017 Board of Directors election, details enclosed in this pack, and the final results will be announced at the AGM. Eligible Members will have the opportunity to vote on the Constitutional Change and other important matters set out in the agenda by attending our AGM in person or if you prefer, by lodging a proxy as detailed later in this booklet.

A copy of the Police Bank 2017 Annual Report is available for viewing on our website. Alternatively, call our Contact Centre on 131 728 if you would like a copy to be mailed to you.

The Directors and Executive team of Police Bank look forward to seeing you at the AGM.

A handwritten signature in black ink that reads "Anthony Taylor". The signature is written in a cursive, flowing style.

Anthony Taylor  
CEO  
25 October 2016

# NOTICE OF ANNUAL GENERAL MEETING

POLICE BANK LTD ABN 95 087 650 799

Police Bank Ltd hereby gives notice that the Annual General Meeting of Members will be held in the Tuscan Room, Sydney Masonic Centre, 66 Goulburn Street, Sydney on Thursday 23rd November 2017 commencing at 6:00pm.

## AGENDA

Ordinary Business

**1. Apologies**

**2. Minutes**

To confirm the minutes of the 2016 AGM held on 24th November 2016 by a show of hands.

**3. Financial statements and reports**

To confirm the Annual Report by a show of hands.

**4. Director Elections**

To receive the announcement of results of the 2017 Board of Director Elections.

**5. Directors' remuneration for 1 December 2017 to 30 November 2018.**

To consider, and if thought fit, pass the following as an ordinary resolution by a show of hands:

That Members approve the amount of \$720,000, as the total pool of Directors' Fees for the period 1 December 2017 to 30 November 2018. Payment to individual Directors will be at the discretion of the Board. Further that the superannuation guarantee levy contributions are inclusive within the pool amount.

**6. Constitutional Amendments**

To consider and, if thought fit, pass the following resolution as a special resolution:

"That the Constitution of the company be amended in the manner set out in the Schedule of Proposed Constitutional Amendments tabled at the meeting and, for the purposes of identification, signed by the Chair."

**7. General Business**

Directors' Report and the Auditor's Report for the year ended 30 June 2017 be presented at the meeting. Whilst a Member resolution is not required under the Corporations Act 2001, the Directors believe that asking the meeting for an advisory vote by a show of hands at the AGM is important to engage with you on important issues affecting the Bank.

The Police Bank Annual Report, which includes the financial statements and reports, will be made available at the AGM or can be viewed on our website in our Annual Report and AGM section, or you can request a copy from our Company Secretary by emailing [secretary@policebank.com.au](mailto:secretary@policebank.com.au)

**3. Director elections**

The results of the 2017 Board of Director Elections, conducted by secret ballot before the AGM, will be announced at the AGM as required by the Constitution. No Member vote in this regard is required at the AGM.

There are three Director positions to be filled and five candidates. In accordance with the Constitution: the election process is via a ballot; the order in which the candidates appear has been determined by the returning officer by lot; and the candidates with the highest number of votes are appointed as Directors. The Directors elected at this AGM will hold office for the period to the AGM in 2020.

Robert Redfern and Raff Del Vecchio are existing Directors of the Bank. In accordance with the Bank's Constitution, the term of office for this Director ends at the conclusion of the 2017 Annual General Meeting. Mr Redfern and Mr Del Vecchio seek re-election to the Board, and have been nominated by five Members for election as Director, been interviewed by the Nominations Committee and passed the tests for fitness and propriety under the Board's Fit and Proper Policy.

David Hudson, Nigel Phair, and Tony Ferguson are Members of the Bank who seek election to the Board, have been nominated by five Members for election as Director, have been interviewed by the Director Nominations Committee and passed the tests for fitness and propriety under the Bank's Fit and Proper Policy. The content of the following statements has been reproduced as received from the candidates:

## EXPLANATORY NOTES

**1. Minutes**

The Minutes from the previous year's AGM will be made available at the AGM or can be viewed on our website in our Annual Report and AGM section, or you can request a copy from our Company Secretary by emailing [secretary@policebank.com.au](mailto:secretary@policebank.com.au)

**2. Financial statements and reports**

The Corporations Act 2001 and the Constitution require that the Bank's Financial Report,

# CANDIDATE STATEMENTS

\* Current Member Director seeking re-election

## Raff DEL VECCHIO \*

I have served as a Director of Police Bank Ltd since 2008. I believe I am well suited to this position, holding qualifications of:

- Bachelor of Policing;
- Post Graduate Diploma in Criminology;
- Fellow, Australian Institute of Company Directors; and
- Corporate Governance Program Harvard University.



I have extensive experience in banking and corporate governance with particular expertise in the police services, as evidenced by my background and credentials as:

- Former Head of Administrative Services Police Association of NSW;
- Member of Retired Police Association;
- Director of Police Legacy; and
- Senior management roles within major financial institutions, specialising in fraud and risk management.

Currently, I am the Chief Executive Officer of the Migration Institute of Australia, the professional organisation for Australian migration service providers worldwide.

I remain focused on ensuring Members continue to have available through multiple channels, competitive financial products and services.

I seek your support to serve for a further term so that I can continue to build on the strong performance of your Bank, which has flourished under strong and effective leadership. The mutual banking sector is facing challenges which are best served by experienced well-credentialed directors ensuring that your Bank continues to prosper now and into the future.

## Nigel PHAIR – MGovComLaw, MArts (Public Policy), BAdminLead, GAICD

I have been an active Police Bank member for over 25 years, utilising the financial products and enjoying many of the community services provided by the organisation. I now seek to give back to the Bank and work hard to make it the strongest possible organisation for the benefit of its members.



In a 21 year Policing career I attained the rank of Superintendent and when combined with my current senior academic appointment and company director experience provide me with the skills and experience to oversee the strategy, risk and governance of Police Bank. Specifically:

- I am a graduate of the Australian Institute of Company Directors - Company Director Course and Mastering the Boardroom Course.
- I have over 10 years company director experience, being a director on a number of not-for-profit and government boards.
- I am an Adjunct Professor at the University of Canberra and conduct research and analysis and provide advice on the use of technology by organisations, specifically those in the financial services industry.

I respectfully seek your vote.

### **Anthony (Tony) Ferguson**

I believe I am well qualified to provide good governance to the Police Bank and look after your interests. My qualifications and experience in corporate governance, risk and compliance provides me with the skills to enhance the board's capabilities.

#### **Qualifications**

Master of Management Bachelor of Business

Graduate Certificate, Applied Leadership

Foundations of Directorship, Australian Institute of Company Directors, Compliance and Risk Management, Governance Risk and Compliance Institute

#### **Experience**

Superintendent of Police

Current Commander, Compliance and Auditing Chief Risk Officer, NSWPF

With over 30 years of policing and membership of Police Bank, I have learned the importance of our culture. A culture that embraces safety, trust, loyalty and resilience. I will bring to the board demonstrated skills in strategy, planning, and compliance together with years of making decisions based on sound risk management principles and applying governance across the operation of the NSWPF.

As a board we need to focus on the needs of our members, from the very young to our retired colleagues, continuing to provide the safety and security that makes us a great bank.

I seek your support for election to the Police Bank Board to help it be the safest and most trusted bank.



### **David HUDSON**

I have had a diverse policing career that has seen me perform roles as Local Area Commander at Rosehill and Mt Druitt Commands, the Commander of State Crime Command, the Deputy Commissioner for Corporate Services and I am currently the Deputy Commissioner for Investigations and Counter Terrorism. I have brought to these commands

a broad skill set of governance, compliance, strategic planning and fiscal responsibility. This skill set has been supplemented with academic qualifications in the areas of public policy, criminology and the completion of the Australian Institute of Company Directors Course.

If successfully elected to the Board of the Police Bank I believe I would bring this skill set as well as a strong desire to position the organisation to take advantage of opportunities in the financial sector. I think it is essential that the bank is so positioned so that members can gain maximum benefits from the services of the Police Bank. In support of my application I raise my strong work ethic and desire to succeed in my professional life. My achievements to date are testament to this. I would approach this opportunity as I have always, with passion, commitment and a strong desire to succeed.



### **Robert REDFERN \***

- Current Director of the Police Bank Ltd.
- Chair of the Audit and member Risk Committee.
- Member NSWPF and Police Bank for 36 years.
- Member Police Superannuation Advisory Committee.
- Member Australian Corporate Lawyers Association
- Member Law Society of NSW
- Solicitor of the Supreme Court of NSW & High Court.
- Former head of Civil Law; Commander, State Audit Branch; and Director of Legal Services for NSW and currently the Commander, Workforce Safety.
- Holder of Master of Studies (Criminology and Police Leadership); Executive Masters in Public Administration; Bachelor of Laws; and Bachelor of Economics.
- Awarded the Australian Police Medal.



Married with three daughters, I understand the challenges facing members of the Police bank family. In difficult financial circumstances worked to enhance leadership; culture; and performance, to ensure ongoing quality services to the police family for years to come. That work continues. I seek your ongoing support to ensure a strong bank that meets the challenges ahead and thrives to benefit members. My experience and qualifications ensure I meet the important responsibilities associated with protecting the interests of members through ongoing strong performance, which is now prospering under strong and effective leadership.

I remain committed to ensuring that the Bank provide value to Members.

#### 4. Directors' remuneration

Please note that the Board is seeking an increase to Directors fees this year to a pool of \$720,000. The amount requested at agenda item 5 was determined by increasing the current pool by 2.5%, plus also allowing appointment of an additional Director. Members can vote on this item at the AGM by show of hands, or by appointing a proxy. A proxy form has been included in this pack, or can be obtained on our website in our Annual Report and AGM section, or you can request a copy from our Company Secretary by emailing [secretary@policebank.com.au](mailto:secretary@policebank.com.au)

#### 5. Constitutional Amendments

The Schedule of Proposed Constitutional Amendments are as follows:

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### **WE ARE PROPOSING TWO SETS OF CHANGE TO MODERNISE AND SIMPLIFY THE POLICE BANK CONSTITUTION**

#### **A. Governance Changes to the Constitution**

These proposed amendments are:

- a. Introduction of the potential to appoint Merger Appointed Directors (so that when contemplating a merger there would be a mechanism to add extra Directors) and details of the qualifications and other terms upon which such Director appointments could occur.
- b. Simplification of the Director qualification and nomination processes that makes the process easier for candidates and the Bank to complete.
- c. Amendments to the process under which Members can call a General Meeting to align with the Corporations Act provision

#### **B. Changes to Schedule 1 Common Bond**

The proposed changes to the Schedule 1 Common Bond are;

- Amendment of Category 1 (Employment) to reflect relevant professions/ vocations and remove references to specific organisations. This is proposed to avoid future Constitutional change when organisations are renamed e.g. NSW Police Service to NSW Police Force, Customs to Department of Immigration and Border Protection
- Replacement of references to 'Australasia' in the schedule with 'Australia' given our operations, processes and regulatory frames are all based on operating in Australia.
- Providing a more inclusive list of regulators.
- Expanding the reference to associated service provider to clearly include those who attend policing organisations.
- Adding an additional Category [7] to allow up to 20% of Members to not have a connection to the employment bond.

There are three key drivers for this proposed change;

- a. To allow us to serve those with a connection / affinity to our Bond e.g. Friends of Members
- b. To ensure there is transparency on eligibility and less reliance on the current Category 6 'Other Persons – Any other person or class of persons approved by the Board to provide more transparency around eligibility for membership' definition which is not transparent.
- c. To simplify the membership process for Members who would have been eligible to join previous (and future) merger entities.

Note that by limiting this new category to 20%, we ensure that the traditional employment bond remains the dominant majority of the voting membership and thus maintain the focus on serving the traditional bond.

The proposed updated Constitution may be obtained from or inspected at the Bank's registered office, 25 Pelican Street, Surry Hills NSW. Alternatively it can be downloaded from the Bank's website: [www.policebank.com.au](http://www.policebank.com.au) or you can request a copy from our Company Secretary by emailing [secretary@policebank.com.au](mailto:secretary@policebank.com.au)

### **INSTRUCTIONS**

#### **How to appoint a proxy to vote on your behalf at the AGM**

A Member who is entitled to attend the Annual General Meeting and vote is entitled to appoint a proxy. A proxy need not be a Member. A proxy form is enclosed with this notice. To be effective the appointment of a proxy must be received by the Bank at least 48 hours prior to the meeting either at its registered office at 25 Pelican St, Surry Hills NSW 2010, Reply Paid 63593 Surry Hills NSW 2010 or by emailing [secretary@policebank.com.au](mailto:secretary@policebank.com.au)

By Order of the Board of Directors.



Jennifer Miller  
Company Secretary  
25 October 2017

# POLICE BANK LTD - PROXY FORM

## Annual General Meeting - Thursday, 23 November 2017

If you wish to appoint a proxy, please complete this form. Proxy forms should be sent to the Secretary at 25 Pelican Street, Surry Hills NSW 2010 (or Reply Paid 63593, Surry Hills NSW 2010), fax to (02) 9287 0809 or email to secretary@policebank.com.au and be received by 6:00 pm on 21 November 2017.

### Step 1 - Your Details (please PRINT)

Surname \_\_\_\_\_ Given Name(s) \_\_\_\_\_  
Member Number \_\_\_\_\_  
Your Postal Address \_\_\_\_\_  
Postcode \_\_\_\_\_

### Step 2 - Proxy Details

Please indicate your preference for A or B by marking the appropriate box (as shown here ) for the 2017 Annual General Meeting of Police Bank Ltd and any adjournment of that meeting:

(A)  I appoint the Board Chair of the meeting (including any adjournment of the meeting) as my proxy. Please indicate your preference for one of the options below by marking the appropriate box (as shown here ):

I authorise the Board Chair of the meeting to vote at their discretion; or

I direct the Board Chair to vote in the following manner (set out clearly your instructions as to each agenda item):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Directors' remuneration  For  Against  Abstain  
6. Constitutional change  For  Against  Abstain

The full name of my Proxy is \_\_\_\_\_

**OR**

(B)  I appoint the person I have named below as my Proxy. Please indicate your preference for one of the options below by marking the appropriate box (as shown here ):

I authorise my Proxy to vote at their discretion; or

I direct my Proxy to vote in the following manner (set out clearly your instructions as to each agenda item):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Directors' remuneration  For  Against  Abstain  
6. Constitutional change  For  Against  Abstain

The full name of my Proxy is \_\_\_\_\_

### Step 3 - Your Signature

Member's Signature \_\_\_\_\_ Date \_\_\_\_\_

