

A letter from the Chairman

Dear Member,

It is my pleasure to invite you to the 2019 Annual General Meeting (AGM) of B&E Ltd trading as *Bank of us* on Tuesday, 29 October 2019.

We will provide you with an overview of our Company's performance for the year ended 30 June 2019 and we will update you on our strategy for the year ahead.

The meeting will be held at the Hotel Grand Chancellor, "Chancellor 6 Room", 29 Cameron St, Launceston TAS 7250, commencing at 9.30am.

An electronic copy of our Annual Year in Review as well as our Statutory Annual Report can be viewed on our website at www.bankofus.com.au/reports.

I encourage you to attend the AGM. It is the easiest way for you to take an active interest in the management of our customer owned bank.

After the AGM, you are invited to join the Board and Executive team for some light refreshments.

Your Directors and Executives look forward to seeing you at the AGM.

Yours sincerely,



Stephen Brown
Chairman

3 October 2019

* You can 'opt out' of receiving a hard copy of the Notice of Meeting and help us to help the environment and reduce costs. Please email us at company.secretary@bankofus.com.au or call us on 1300 306 716 to opt to receive your future Notices of Meeting via email.

2019 Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting (AGM) of B&E Limited (the Company) will be held at:

LOCATION: Hotel Grand Chancellor, "Chancellor 6 Room", 29 Cameron St, Launceston TAS 7250

DATE: Tuesday, 29 October 2019

TIME: 9.30am

ITEMS OF BUSINESS

1. CHAIRMAN AND CEO PRESENTATIONS

2. FINANCIAL STATEMENTS AND REPORTS

To receive the Financial Statements and Reports of the Company for the year ended 30 June 2019.

NOTE: There is no requirement for members to approve these reports.

3. ELECTION OF DIRECTORS

- a) To elect Mr Mark Nugent as Director of the Company. His appointment will be for the period commencing at the end of this AGM until the end of the third AGM thereafter.
- b) To elect Helen Galloway as Director of the Company. Her appointment will be for the period commencing at the end of this AGM until the end of the third AGM thereafter.

NOTE: The Company's Constitution provides that where the number of candidates is equal to or less than the number of positions to be filled, each candidate shall be elected by a separate resolution for each candidate. The Directors unanimously support the election of Helen Galloway and Mark Nugent.

4. REMUNERATION OF DIRECTORS

To consider and, if thought fit, pass the resolution for the maximum aggregate remuneration to be paid to Directors.

5. OTHER BUSINESS

To transact any further business which may be brought forward in accordance with the Constitution of the Company and which may be properly dealt with at the Annual General Meeting.

Please refer to the attached Explanatory Notes.

By Order of the Board



Gerald White
Company Secretary

3 October 2019

Explanatory notes

ITEM 2: FINANCIAL STATEMENTS AND REPORTS

The Financial Reports for the year ended 30 June 2019 include the Directors' Report, Statement of Financial Performance, Statement of Financial Position, Directors' Declaration, Notes to the Financial Statements and the Independent Auditor's Report.

Copies of our 2019 Year in Review and our 2019 Statutory Financial Report are available:

- online at www.bankofus.com.au/reports
- by emailing company.secretary@bankofus.com.au
- by calling 1300 306 716
- at your nearest branch of *Bank of us*

Neither the Corporations Act nor the Company's Constitution require a vote of members on the reports or statements. However, members will be given a reasonable opportunity to ask questions about or make comments regarding our financial performance.

ITEM 3: ELECTION OF DIRECTORS

In accordance with the Company's Constitution, Mark Nugent and Mr Lyn Cox retire at the end of this AGM. Mark Nugent has offered himself for election and Lyn Cox has not offered himself for re-election.

The Board would like to take this opportunity to thank Lyn Cox for his service to the Bank since 2007 as a Director and as a past Board Chairman.

Rule 13.4 of the Company's Constitution requires that all persons nominated for appointment as a Director be assessed by the Board Nominations Committee to determine their fitness and propriety to act as a Director in accordance with the requirements of the Board's Fit & Proper Policy. Further, all persons nominated for appointment as a Director must meet the requirements of accountable persons under the BEAR legislation as administered by the Australian Prudential Regulatory Authority (APRA). Once they have been assessed as having the appropriate fitness, propriety and accountability, they become 'candidates' for appointment under the Company's Constitution.

In addition, APRA requires the Board, through the APRA Governance Standard CPS 510, to ensure that it maintains a sound governance framework. To achieve this Standard, the Board regularly reviews its composition to ensure an appropriate mix of skills, experience and knowledge to meet the good governance and strategic demands of the Company.

The Board has assessed Mark Nugent and Helen Galloway as being fit, proper and accountable with the appropriate set of skills, experience and knowledge to act as a Director. Further, under Rule 13.12 of the Company's Constitution, the Board has resolved to waive the requirement for Helen Galloway to have been a member of B&E Ltd for the 3 years prior to her appointment.

As the number of candidates is equal to or less than the number of positions to be filled, under Rule 13.3 of the Company's Constitution, each candidate shall be elected by a separate resolution for each candidate.

The Directors unanimously support the election of Mark Nugent & Helen Galloway

ITEM 4: REMUNERATION OF DIRECTORS

Member approval is sought to set the maximum aggregate remuneration paid to Directors of the Board at \$365,000. This is an increase of \$3,000 over amount approved last year. Rule 13.4 of the Company's Constitution requires that the limit on total aggregate remuneration that may be paid to non-executive Directors is fixed by ordinary resolution of a general meeting of members.

Directors' fees are reviewed annually and set and approved by the Board based on advice received from the Board Remuneration Committee which in turn receives advice from external remuneration consultants every three years.

The Board considers that the remuneration pool for Directors is reasonable and appropriate for the following reasons:

- there are increasing demands on non-executive Directors given our growth in operations;
- there are continued regulatory changes which increase workloads and time demands on non-executive Directors; and
- the Board is comprised of highly experienced senior business leaders. The ability to recruit and retain high calibre Directors requires sufficient capacity to respond to changes in market rates for non-executive Directors as required.

With Directors noting their interest, the Board unanimously recommends that members vote in favour of Item 4.

PROXIES

- Any member entitled to attend the Annual General Meeting may appoint a proxy to attend the meeting for them and their proxy does not need to be a member of the Company.
- A Proxy Form can be obtained from our website, by emailing companysecretary@bankofus.com.au or phoning 1300 306 716.