

Minutes of the 2018 AM Institute AGM

Australasian Mutuals Institute

Trading as Instil - Engaging bright minds

Date: Wednesday, 27 Mar 2019 - 3:30pm to 3:50pm.

Location: Endeavour Mutual Bank, 59 Buckingham St Sydney

In Attendance

AM Institute Members:

1. Louise Aubusson, Endeavour Mutual Bank
2. Mal Webster, Endeavour Mutual Bank
3. Linda Edmonds-Colley, Endeavour Mutual Bank
4. Karen Sutherland, Endeavour Mutual Bank
5. Leah Nygryn, Endeavour Mutual Bank
6. Tony Schesser, Instil - Engaging bright minds
7. Gerard Hermens, Institute of Strategic Management
8. Eileen Thoms, Laboratories Credit Union
9. Elizabeth Swain, Police Bank
10. Alison Sheridan, Regional Australia Bank
11. Adam Milbank, SCU
12. Kathy Loutas, Transport Mutual Credit Union
13. John Watt, Transport Mutual Credit Union
14. John Kavaleros, Transport Mutual Credit Union
15. Meredyth-Ann Williams, Transport Mutual Credit Union

Observers:

1. Brian Bennett, Australian Mutuals Fund (Returning Officer)
2. Neville Sinclair, Grant Thornton
3. Michele Jarvis, Grant Thornton
4. Clair Gilmartin, Grant Thornton

Apologies: Jo McKennariey, Elsbeth Torelli, Phillip Derham, John Ford, and Lorelle Emmett.

1. Opening:

The Chair welcomed members and attendees to the Annual General Meeting of Australasian Mutual Institute Ltd, trading as Instil - *Engaging bright minds*. A quorum was reached with 15 members in attendance in addition to 4 observers.

2. Apologies:

The Chair informed the meeting of apologies received as per above. The Chair called for apologies from the floor and none were advised.

3. Notice of Meeting:

The Chair requested that as the Notice of Meeting had been sent to all Members and, subject to there being no objections from the floor that the Notice be taken as read. The Chair called for a motion from the floor to take the Notice of Meeting as read.

Motion Moved by: Elizabeth Swain.

There were no questions and on a show of hands the Motion Carried.

4. Confirmation of the Minutes of the Annual General Meeting held on 26 February 2018:

The minutes of the 2017 AM Institute AGM were presented for confirmation. The Chair commented that the minutes had been made available on the AM Institute website (www.instilgroup.com.au), and that copies were also available with registration for this meeting. The Chair called for any questions relating to the minutes, and no questions raised.

The Chair then called for a motion that the minutes of the 2017 AM Institute AGM held on Monday 26 February 2018 be confirmed and adopted as a true and accurate record.

Motion Moved by: Elizabeth Swain.

There were no questions and on a show of hands the Motion Carried.

5. Business Arising

The Chair advised that there was no business arising from the 2017 AGM, and that no matters were raised prior to this meeting. The Chair then asked if there were any questions arising from the minutes.

There were no questions raised.

6. Reports

a) The Chair moved to present the Chair's Report:

This year a growing audience has strongly supported the quality and relevance of Instil's core programs. Instil's webinar activity has also increased and, with the inclusion of interactive roundtable events like the timely Open Banking roadshows and the next stages of the Hammond Review, we have extended our reach.

Instil's long-standing partnership with ISM also continues with the third year of the highly regarded Excelerate program. New partner ventures in 2018 also included the affiliation with AFIAA and MAGPI, which underpins the combined Risk Audit and Finance Conference; new engagements with Natural Mind Concepts around people skill development; and an online forum for Marketers.

Instil's business advisory services also supported the sector in areas like strategy planning, and board and management facilitation. While these services were well received, this activity will be scaled back in 2019 to

concentrate more so on Instil's educational and professional development offerings.

That said the event calendar remains Instil's primary source of income, however attendance numbers continue to be challenging, contributing to a sustained loss of (\$32,575) for the year ended 2018. As in prior years, event participation continues to be influenced by consolidation which has also seen membership decline. Other influences include lower than anticipated Advisory and Strategic & Business Partner income. Noted that the CEO would expand on Instil's end of year position in the CEO's Report.

Respecting and recognising the inherent challenges in serving a consolidating market, Instil has continued to remain committed to the current membership pricing structure, while event pricing continues to be positioned at the lower end of external benchmarks.

In spite of the challenges, the Board is confident Instil has the capacity to continue providing pathways for professional development informed by mutual values to the mutual sector. The Chair also acknowledged the support by the many industry event sponsors in 2018.

Going forward, the 2019 Instil strategy takes into account the comprehensive member survey conducted last year that pointed to a need for improved visibility and clearer member value propositions. In short, Instil's 2019 strategy is to:

1. Develop a deeper understanding of the sector's capability, gaps, and needs
2. Curate profitable delivery solutions that resonate with industry
3. Build and strengthen strategic partnerships (in support of objectives 1 and 2).

To help deliver the 2019 strategy, we've committed to the recruitment of an Executive Assistant to better support Tony; the outsourcing of marketing and communications expertise; and a website upgrade to enhance the user experience.

Before handing over to the CEO, the Chair acknowledged the many years of hard work, dedication, and belief in the Instil brand that defined Elsbeth Torelli's time on the Instil Board.

There were no questions regarding the Chair's Report.

b) The Chair then called on Tony Schesser to present the CEO's Report:

Events developed in the two previous years began gaining real traction in 2018 - with feedback averaging 60% 'Excellent' and 40% 'Good' ratings around content, speakers, venues, etc. The many topics covered resonated with attendees and sponsors alike.

Instil's strong collaboration with MAGPI and AFIAA for example delivered a rejuvenated Risk Audit and Finance Conference (RAFC), and took Instil's traditional Finance and Risk program to a new level of content and attendance. Webinar activity too gained momentum, with high number of online sessions focusing primarily on Technology, People Management, Governance and Compliance, and Strategy and Industry.

With the approach of Open Banking, Instil dedicated resources to a 2018 road show covering Sydney, Brisbane, Melbourne, Adelaide, and regional NSW that was also well received. This built upon earlier work in 2017, and was also covered off in ISC2018. The highly successful Excelerate has become a premium program for fast-tracking the industry's emerging leadership. NSW mutuals also continue to have access to the NSW Government's Smart and Skilled option - covering the enrolment for this program.

In 2019, Instil will again be introducing programs that increase the focus on new starters to the sector with a view to helping them better understand the customer-owned model. The transfer of Insight NSW/ACT and VIC/TAS to Instil will be a large part of this, in addition to the new Banker's Induction to Mutuals Workshop.

The Instil member survey revealed pockets of high member engagement, but also found many members under-utilising their membership, or confused about its value. Going forward, Instil will invest additional resources in curating and better communicating new development pathways for members. The Instil Strategy Plan explains this in greater detail.

The CEO updated the meeting regarding the following conferences and forums in 2018:

- Industry Strategy Conference - 26 Feb 2018, Luna Park Sydney
- Marketing Forum - 1 May 2018, Powerhouse Museum, Sydney
- A Career Not Just a Job - 17 May 2018, Grace Hotel, Sydney
- Risk Audit & Finance Conference - 6 to 8 Jun 2018, Marriott Hotel, Brisbane
- Lending Forum - 18 Jul 2018, Grace Hotel Sydney
- Digital and Technology Forum - 29 Aug 2018, Grace Hotel, Sydney

Instil also ran a series of round table events in NSW, QLD, VIC and SA on Open Banking. This in addition to a Sydney event presenting the next stages of the Hammond Review.

Instil's virtual business model continues to be supported by valued business partners including ISM, who to date have provided administrative and back office support to Instil. That said this support will be scaled back with the introduction of the Executive Assistant / Member Liaison role. The Kentico Content Management System (managed by Create Studios), continues to serve Instil's event management and member administration, while our accounting and IT needs continue to be managed by Basic Bookkeepers and infocomm IT respectively.

Recognising the challenges of attendance noted previously, Instil's 2018 loss was also largely influenced by lower than anticipated income from Business Advisory (\$35K under budget), Online Services (\$6.5K under budget) and Strategic & Business Partners (\$14K under budget). Instil's core reason for being continues to be built on curating educational and professional development - including Instil's outsource service partners

such as ISM,. Again, Instil's strategy now will be to focus exclusively on this primary source of income.

Membership subscriptions as at December 2018 were 3 percent above budget, influenced by new initiatives such as the Online Marketing Forum, and growing interest in the NGS Scholarship - both of which can be accessed at no cost to members.

In closing, and in addition to echoing the Chair's tribute to Elsbeth Torelli, the CEO also acknowledged the long-term support of Life Member Ken Pickering, whose contract with ISM finished in July 2018. Ken had long supported the event and administration needs of Instil, and previously AM Institute. His impressive contribution to Instil is noted.

There were no questions regarding the CEO Report.

c) Directors' Report, including Financial Reports & Audit Reports

The Chair then moved to the tabling of the Directors report, Audited Financial Statements, and Independent Audit Report on behalf of the Directors and Auditor, advising that a copy of the Financial Statements and Reports were included in the Annual Report.

The Annual Report was posted on the Instil webpage on 8 Mar 2019, and copies of the report were made available at the AGM. The Chair also advised the meeting that the External Auditors were represented by Claire Gilmartin - Partner from Grant Thornton Audit Pty Ltd, and Michele Jarvis, Manager - Audit & Assurance.

There were no questions regarding the Directors', Financial, and Audit Reports.

7. Instil Board Election

The Chair then moved to agenda item 7, the Instil Board Election and Returning Officer's Declaration. The Returning Officer Brian Bennett was present at the AGM. The Chair also advised the room of her being in receipt of three Proxies held. In relation to this year's director election, there was an uncontested election for one vacant position. The current incumbent, Ms Louise Aubusson, sought re-election, and with that said no other candidates nominated to stand for election.

The Chair called for a motion and resolution to motion that **Louise Aubusson** be elected as Director of the Australasian Mutuals Institute Ltd - *trading as Instil Engaging bright minds*.

Motion moved by Elizabeth Swain.

There were no questions and on a show of hands the Motion Carried.

8. General Business.

There was no General Business.

9. Close of Meeting

The Chair again thanked fellow Directors for their services this year, and also extended the Board's gratitude to Chief Executive Officer Tony Schesser and support staff for their service to Members. A vote of thanks for Elsbeth Torelli's long standing and high quality service to Instil was also noted from the Meeting.

The meeting closed at 3:50pm.

A handwritten signature in black ink, appearing to read 'Alison Sheridan', written in a cursive style.

Alison Sheridan, Meeting Chair

Date: 15 April 2019