

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 46th Annual General Meeting (AGM) of Members of Futurity Investment Group Limited (Futurity) will be held as a virtual meeting <https://agmlive.link/FUTURITY20> on Friday 30 October 2020 at 11 am to conduct the following business:

ORDINARY BUSINESS

1. **Adoption of Minutes:** To consider and, if thought fit, adopt the minutes of the last Annual General Meeting held on 25 October 2019.

Note: As there is no requirement for member approval, there is no vote on this item of business.

2. **Financial Statements and Report:** To receive, consider and note the Financial Report, Directors' Report and Auditor's Report of Futurity for the financial year ended 30 June 2020.

Note: As there is no requirement for member approval, there is no vote on this item of business.

Refer to the Explanatory Notes over the page.

3. **Election of Directors:** To elect two directors of Futurity for a term of three years in accordance with Futurity's Corporate Governance Rules (Constitution).

In accordance with Futurity's Constitution:

- a) **Re-election of Mr Craig Dunstan as a Director**

Mr Craig Dunstan will retire as director and, being eligible, offers himself for election.

- b) **Re-election of Mr Leon Nash as a Director**

Mr Leon Nash will retire as director and, being eligible, offers himself for election.

As the only nominations were that of Mr Dunstan and Mr Nash, in accordance with Rule 11.6.1 of Futurity's Constitution, they shall be deemed to be elected. No vote is required.

Refer to the Explanatory Notes over the page.

4. **Remuneration Report:**

- a) To note that the total remuneration pool for non-executive directors is \$535,000 inclusive of Directors' fees and superannuation guarantee requirements (no increase on previous year).
- b) To note the committee fees payable in a financial year as shown in the table (no increase on previous year):

COMMITTEE	FEE PER MEETING	MAXIMUM FEE PER FINANCIAL YEAR
Audit	Chair: \$975	Chair: \$6,825
	Member: \$585	Member: \$4,095
Risk and Compliance	Chair: \$975	Chair: \$6,825
	Member: \$585	Member: \$4,095
Nominations and Remuneration	Chair: \$975	Chair: \$6,825
	Member: \$585	Member: \$4,095
Investment	Chair: \$975	Chair: \$9,750
	Member: \$585	Member: \$5,850

Refer to the Explanatory Notes over the page.

SPECIAL BUSINESS

5. Amendments to the Constitution:

5.1 Mutual Capital Instruments

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

The Constitution is amended by incorporating the following amendments:

- a) Addition of new defined terms in Rule 1.1:

“MCI” means a mutual capital instrument as per section 167AD of the Corporations Act;

“MCI Member” means a Member under Rule 6.9A;

“Transmission Event” means the MCI Member’s death, the MCI Member’s bankruptcy, or an MCI Member becoming of unsound mind, or a person who, or whose estate, is liable to be dealt with in any way under the laws relating to mental incapacity;

- b) At the commencement of Rule 5A(2) addition of the words:

“Subject to Rule 5B(6)”

- c) Addition of new Rules 5B, 5C and 5D:

“5B. MUTUAL CAPITAL INSTRUMENTS

- (1) *The Society is intended to be a MCI mutual entity for the purposes of the Corporations Act.*
- (2) *The Board may decide that the Society will issue or allot MCIs (and options over MCIs) and, subject to this Constitution, the terms on which MCIs (and options over MCIs) will be issued or allotted, including voting rights attached to them and the basis upon which they may be transferred.*
- (3) *An MCI may only be issued as a fully paid share.*
- (4) *Each MCI confers on the holder a right to receive a dividend at the rate and on the basis decided by the Board and set out in the terms of issue of the MCI. Dividends in respect of an MCI must be non-cumulative.*
- (5) *The Board may pay any dividend required to be paid under the terms of issue of an MCI. Paying a dividend does not require confirmation at a general meeting.*
- (6) *The Board may determine and set out in the terms of issue of an MCI that the MCI confers on its holder the right in a winding up of the Society to payment in priority to non MCI Members of:*
 - (a) *the amount of any dividend accrued but unpaid on the MCI at the date of winding up; and*
 - (b) *any additional amount specified in the terms of issue, limited to the issue price of the MCI.*
- (7) *An MCI does not confer on its holder any right to participate in the profits or assets of the Society, including on winding up, except as set out above.*
- (8) *An MCI does not entitle its holder to vote on a proposal to wind up the Society.*
- (9) *The rights attached to a MCI may be varied or cancelled only by the passing of a special resolution of Members at a general meeting of the Society and either:*
 - (a) *by the passing of a special resolution at a meeting of the class of Members holding MCIs in the same class; or*
 - (b) *with the written consent of Members holding MCIs in the same class with at least 75% of the votes in the class.*
- (10) *For the purpose of a special resolution referred to in Rule 5B(9)(a), a written consent referred to in Rule 5B(9)(b), or any other meeting or approval of a class of Members holding MCIs in the same class, a Member who holds an MCI in that class has one vote for each MCI held in that class as at the last time for receipt of proxies in respect of that meeting or at the record time for the written consent, as applicable.*
- (11) *The Society may treat the registered holder of an MCI as the absolute owner of that MCI and need not:*
 - (a) *recognise a person as holding an MCI on trust, even if the Society has notice of a trust; or*

(b) recognise, or be bound by, any equitable, contingent, future or partial claim to or interest in an MCI by any other person, except an absolute right of ownership in the registered holder, even if the Society has notice of that claim or interest.

(12) None of Rule 5B(7), 5B(8) or this Rule 5B(12) may be modified or repealed except with the prior authority of a special resolution of the Members. The requirements of this Rule 5B are a further requirement of the kind specified in subsection 136(3) of the Corporations Act.

5C. TRANSFER & TRANSMISSION OF MCIs

- (1) Subject to this Constitution and to the rights or restrictions attached to MCIs, an MCI Member may transfer any of their MCIs by an instrument in writing in the form approved by the Board or in such other manner as the Board determines.
- (2) Subject to any special rights conferred on the holders of MCIs, the Board may, in its absolute discretion:
 - (a) decline to register any transfer of MCIs; and
 - (b) suspend the registration of transfers of MCIs at such times and for such periods as it determines.
- (3) Where an MCI Member dies, the only persons the Society will recognise as having any title to the Member's MCIs or any benefits accruing on those MCIs are:
 - (a) the legal personal representative of the deceased, where the deceased was a sole holder; and
 - (b) the survivor or survivors, where the deceased was a joint holder.
- (4) Rule 5C(3) does not release the estate of a deceased Member from any liability on an MCI, whether that MCI was held by the deceased solely or jointly with other persons.
- (5) A person who becomes entitled to an MCI because of a Transmission Event may, on producing any evidence the Board requires to prove that person's entitlement to the MCI, choose:
 - (a) to be registered as the holder of the MCI by signing and giving the Society a written notice stating that choice; or
 - (b) to nominate some other person to be registered as the transferee of the MCI by executing or effecting in some other way a transfer of the MCI to that other person.
- (6) The provisions of this Constitution concerning the right to transfer MCIs, and the registration of transfers of MCIs apply, so far as they can and with any necessary changes, to any transfer under Rule 5C(5) as if the relevant Transmission Event had not occurred and the transfer were signed by the registered holder of the MCI.
- (7) A transferor of MCIs remains the holder of the MCIs transferred until the transfer is registered and the name of the transferee is entered in the Register of Members as the holder of the MCIs.
- (8) For the purpose of this Constitution, where 2 or more persons are jointly entitled to an MCI because of a Transmission Event they will, on being registered as the holders of the MCI, be taken to hold the MCI as joint tenants.
- (9) Despite Rule 5C(3), the Board may register a transfer of an MCI signed by a member before a Transmission Event even though the Society has notice of the Transmission Event.
- (10) The Board may do anything that is necessary or desirable for the Society to participate in any computerised, electronic or other system for facilitating the transfer of MCIs or operation of the Society's registers.
- (11) The Board may, to the extent the law permits, waive or vary any of the requirements of this Rule 5C and prescribe alternative requirements instead, to give effect to rule 5C(10) or for another purpose.
- (12) The holder of the MCI will only be recognised upon their name being entered into the Register of Members as the holder of the MCI.

5D. PREFERENCE RIGHTS

The Board will give preference to the interests of Members over the interests of MCI Members.

Where a person is both a Member and an MCI Member, the Board will give preference to the Member's interests as a non MCI Member."

d) Addition of new Rule 6.2(c):

"(c) that person becoming an MCI Member under Rule 6.9A;"

e) Addition of new Rule 6.9(a):

" 6.9A **MCI Member**

An individual who is a registered holder of an MCI may be a Member of the Society."

f) Addition of the following words at the end of Rule 16.9(1):

"MCI Members in their capacity as MCI Members shall only have one such vote irrespective of the number of MCIs held."

Refer to the Explanatory Notes over the page.

5.2 Virtual Meetings

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

The Constitution is amended by incorporating the following new Rule 15.7 and new Rule 17.15:

"15.7 Virtual & Hybrid Meetings

- (1) As an alternative to a physical meeting, a general meeting of the Society may also be convened as a virtual meeting where all members attend electronically and no physical venue is nominated, or otherwise as a hybrid meeting, where members may attend either at a nominated physical venue or electronically.
- (2) Members attending the meeting are taken for all purposes (e.g. quorum) to be present at the meeting and entitled to exercise all rights as if he or she was present in person.
- (3) A vote taken at the meeting must be taken on a poll using technologies that give each person the opportunity to participate in the vote in real time and, where practicable, by recording their vote in advance of the meeting. Direct voting will be permitted by any electronic means approved by the Board.
- (4) The provisions of Rule 16 – Proceedings at General Meetings, are where required, to be read subject to the provisions of this Rule."

AND

"17.15 Virtual & Hybrid Meetings

- (1) As an alternative to a physical meeting, a Benefit Fund meeting of the Society may also be convened as a virtual meeting where all members attend electronically and no physical venue is nominated, or otherwise as a hybrid meeting, where members may attend either at a nominated physical venue or electronically.
- (2) Members attending the meeting are taken for all purposes (e.g. quorum) to be present at the meeting and entitled to exercise all rights as if he or she was present in person.
- (3) A vote taken at the meeting must be taken on a poll using technologies that give each person the opportunity to participate in the vote in real time and, where practicable, by recording their vote in advance of the meeting. Direct voting will be permitted by any electronic means approved by the Board.
- (4) The other provisions of Rule 17 – Benefit Fund Meetings, are where required, to be read subject to the provisions of this Rule 17.15."

Refer to the Explanatory Notes over the page.

5.3 Electronic Notice of Meetings

The Constitution is amended by amending Rule 15(1) and Rule 17.4(1).

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

Addition of the words '*via the member platform/portal used by members as a transaction and communication tool,*' after '*Society's newsletter,*' in Rule 15.5(1) and in Rule 17.4(1) respectively.

Refer to the Explanatory Notes over the page.

5.4 Voting Rights

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

The Constitution is amended by amending Rule 16.9(2).

Substitution of the words '*A Benefit Fund Member's*' for the words '*A Member's*' at the commencement of Rule 16.9(2).

Refer to the Explanatory Notes over the page.

OTHER BUSINESS

To transact any other business that may be legally brought forward.

NOTES AND PROXY INFORMATION:

- (a) Explanatory Notes accompany this Notice of Annual General Meeting.
- (b) Under the Constitution of Futurity, a member shall not be entitled to vote at a meeting unless the member has been a Benefit Fund member for not less than 3 months immediately preceding the date of the meeting.
- (c) If you wish to vote by proxy or to appoint a person to attend the meeting as your proxy rather than vote directly or attend the meeting yourself, please complete and return the attached 'Proxy Form' by email, post to the address noted therein or otherwise submit through the meeting portal as instructed. Your proxy does not have to be a member of Futurity but should be able to provide suitable identification to verify he or she is your nominated proxy. Proxies will need to obtain login details in order to vote on your behalf.
- (d) The current Notice of AGM, Explanatory Memorandum and Proxy Form is available on <https://events.miraql.com/futurity-agm> or they may be obtained on request from Futurity from **2 October 2020**.

By order of the Board of Directors.

A handwritten signature in black ink, appearing to read "Enzo Silverii".

Enzo Silverii

Company Secretary

26 August 2020

EXPLANATORY NOTES:

ITEM 2 - FINANCIAL STATEMENTS AND REPORT

As required by section 317 of the *Corporations Act 2001 (Cwth)*, the Financial Report, Directors' Report and Auditor's Report of Futurity for the financial year ending 30 June 2020 will be presented at the meeting.

These reports are approved by the Board, and accordingly there is no requirement for members to approve these reports. However, members are invited to consider and note the reports, and will be given a reasonable opportunity to ask questions and make comments on the reports at the meeting.

ITEM 3 – ELECTION AND RE-ELECTION OF DIRECTORS

Under Rule 11.8 of Futurity's Corporate Governance Rules ("Constitution"), the term of office of an elected director must end at the conclusion of the third Annual General Meeting of Futurity after the director's election. Under Rule 11.7, at each Annual General Meeting, one-third of the directors or, if their number is not a multiple of three, then the number nearest to one-third must retire from office.

The following directors retire in accordance with Rule 11.7:

Mr Craig Dunstan; and

Mr Leon Nash

Nominations from Futurity members were sought for the two director positions in accordance with the terms of the Futurity Constitution. No nominations were received. Under Rules 11.6.4(5) and 11.8, a retiring director may stand for election without nomination but must be eligible for election in accordance with Rule 11.3. Mr Dunstan and Mr Nash wish to stand for election, at this Annual General Meeting. Their profiles are set out in the next page.

The Board has assessed the eligibility of Mr Dunstan and Mr Nash in accordance with Rule 11.3 of Futurity's Constitution and has resolved that they satisfy the eligibility criteria. The Board assesses the experience and skills that it requires of Directors to achieve its mission and strategic plan on a regular basis and has active discussions in relation to these matters.

The Board is of the view that Futurity shall benefit from having Mr Dunstan continue in his role as Chairman throughout the ongoing transformation and restructure of the Society. Mr Nash continues to provide valuable contribution with a lengthy history within the organisation both as a director and as a member. He is also representative of a regional area and is therefore supported by the Board. As there are two director positions to be filled and the only nominations received were that of Mr Dunstan and Mr Nash they are deemed to be elected in accordance with Rule 11.6.1 of Futurity's Constitution.

ITEM 4 – REMUNERATION REPORT

Rule 11.11(1) of Futurity's Constitution effectively requires members of Futurity to only approve increases to the remuneration of Directors.

At last year's Annual General Meeting held in October 2019, members approved a total remuneration pool for non-executive directors of \$535,000 inclusive of Directors' fees and superannuation guarantee requirements.

In addition, the members approved an increase to the maximum committee fees payable in a financial year to the amounts shown in the table:

COMMITTEE	FEE PER MEETING	MAXIMUM FEE PER FINANCIAL YEAR
Audit	Chair: \$975	Chair: \$6,825
	Member: \$585	Member: \$4,095
Risk and Compliance	Chair: \$975	Chair: \$6,825
	Member: \$585	Member: \$4,095
Nominations and Remuneration	Chair: \$975	Chair: \$6,825
	Member: \$585	Member: \$4,095
Investment	Chair: \$975	Chair: \$9,750
	Member: \$585	Member: \$5,850

The Board proposes that no increase be made to the total remuneration pool, and to continue paying the committee fees (as noted above) for the 2020/2021 financial year.

ITEM 5 – AMENDMENTS TO THE CONSTITUTION:

5.1 Mutual Capital Instruments (MCI) amendment resolution

The recently enacted Treasury Laws Amendment (Mutual Reforms) Act 2019 enables Futurity, as a member-based organisation (mutual), to raise funds through a financial instrument called a mutual capital instrument without demutualising and without incurring debt. Although it is unlikely that Futurity will need to raise funds in the foreseeable future, the legislation imposes strict conditions for the introduction of MCIs including a limited time period in which to amend the Constitution, that being no later than 4 April 2022.

The ability to issue MCIs will provide Futurity with access to a broader range of capital raising and investment options. To mitigate risks associated with financial uncertainty, Futurity is eager to secure this flexibility. To offer MCIs, Futurity must be an 'MCI mutual entity' as defined in the Corporations Act and requires amendments to its Constitution as outlined in the proposed special resolution.

MCI holders (individually or jointly) will become members of Futurity on issue of an MCI and will be entitled to a dividend as determined by the terms of issue of the MCI and as determined by Futurity's Board. MCI holders will be able to transfer an MCI, subject to Futurity Board approval and usual estate transmission rules apply. MCI holders can exercise a vote at all Futurity meetings, other than in relation to its winding up and have special voting rights in respect to matters affecting MCI holders generally.

5.2 Virtual and Hybrid Meetings

As the ability to hold physical meetings has been restricted in response to COVID-19, it is considered prudent to incorporate into the Constitution a right to convene future general meetings and benefit fund meetings as either physical, hybrid or virtual meetings. As Futurity does not have an existing constitutional right to do, Futurity is relying on relief provided by the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020 to convene the 46th AGM as a virtual meeting and to issue notices electronically.

5.3 Electronic Notice – General Meetings and Benefit Fund Meetings

Notwithstanding that members are still required to nominate the electronic means by which they receive meeting notices, the addition of the words '*via the member platform/portal used by members as a transaction and communication tool,*' after '*Society's newsletter,*' in Rule 15.5 and in Rule 17.4(1) ensures that delivery of notices in this way is permitted under the Constitution.

5.4 Voting Rights

Addition of the words '*A Benefit Fund Member*' at the commencement of Rule 16.9(2) is a clarifying amendment. It distinguishes Benefit Fund members from any other type of member, as requiring membership of a Benefit Fund at least 90 days before the meeting in order to be entitled to vote at an AGM.

ANNEXURE TO EXPLANATORY NOTES:

The following is a summary of the experience and qualifications of the candidates offering themselves for election or re-election.

DIRECTOR PROFILES

Craig Dunstan

Bachelor of Commerce, Bachelor of Laws, Masters of Business Administration, Graduate Diploma of Applied Finance and Investment, Fellow Financial Services Institute of Australia, Member Australian Institute of Company Directors

Chairman of Futurity, Chair of Nominations & Remuneration Committee, Member of Investment Committee, Director of subsidiary companies.

A professional career of over 30 years in the financial services industry in senior executive and non-executive director roles with a focus on innovation, turn-arounds and investment management.

Previous roles have included General Manager of Financial Services and Chief Investment Officer of Australian Unity Limited, Managing Director and Chief Investment Officer of ASX listed real estate investment manager, MacarthurCook Limited and Deputy Chair of Seaforth TAFE College.

Craig currently is also a non-executive director and Chair of the People & Culture Committee of health insurer, Latrobe Health Services Limited and is Managing Director of corporate trustee, Vasco Trustees Limited.

Craig is seeking re-election to the Futurity Board as he is looking to assist in overseeing the turnaround of Futurity's current product and business strategy and restore the financial health of the organisation whilst expanding the potential of Futurity to assist as many children and young adults as possible in gaining a quality education through Futurity's advocacy and philanthropy efforts and products and services.

"I am passionate about the life changing impact that education can make to one's life and the potential that Futurity has to assist".

Leon Nash

Bachelor of Business, Masters of Business Administration, Fellow of CPA Australia, Fellow of Australian Institute of Company Directors

Chair of Audit Committee, Member of Nomination & Remuneration Committee, Director of subsidiary companies.

Leon has had a professional career spanning 30 years in multiple industry sectors including Construction, Automotive and Industrial Parts, Land Development, Manufacturing and FMCG. He has filled senior executive positions and has been both an executive and non-executive director.

His previous roles having included Financial Controller ANZ of McCain Foods Australia Limited, GM Operations for Grocon Systems Pty Ltd, GM Finance of Australian Timken Pty Ltd and Finance Manager at multiple organisations. His primary focus has been on business improvement and development whilst maintaining compliance.

Leon currently is the Chief Financial Officer for A.F. Gason Pty Ltd a regional Victorian metal fabrication company and manufacturer. He also acts as the Company Secretary for the Gason group of companies.

Leon is seeking re-election to the Futurity Board as he is committed to continuing the development of our member based organisation that has a vision far beyond simply making money. The key purpose of Futurity has not changed in his time on the Board and that is what provides him the desire and drive to want to continue the improvement in all aspects of Futurity.

"I believe because Education is the key enabler that makes a difference in people's lives and circumstances that what Futurity is continuing to do is extremely important. Futurity is clearly looking to support families and individuals with information and financial solutions that will assist them on their individual education journey, and that's a journey I want to be a part of."