Procedures for the Conduct of Director Elections of Avant Mutual Group Limited (Avant Mutual)

The following procedures will govern the conduct for the election of Voting Member Directors. These procedures are determined pursuant to article 8.3 of the Avant Mutual Constitution.

Eligibility for election as a Voting Member Director

1. To be eligible for election as a Voting Member Director:
   a. Voting Member Nominees must be a Voting Member and must have been a Voting Member for a period of at least three consecutive years on the date three months before the Annual General Meeting (referred to as Voting Member Nominees)
   b. Voting Member Nominees must have complied with these procedures and criteria for appointment of directors as set out in the Avant Mutual Constitution (the Constitution) and determined by the Avant Mutual Board from time to time. A summary of the criteria for appointment of directors is set out in the Director Nomination Information.
2. In addition to 1 above, article 8.8 of the Constitution provides that a person is not eligible for election as a Voting Member Director unless a consent to nominate, signed by the person, has been lodged at the registered office at least 45 business days before the Annual General Meeting (AGM) or any other period permitted under the *Corporations Act 2001* (Cth), but no more than 180 business days before the AGM.

Board Election Committee is established

3. The Avant Mutual Board establishes the Board Election Committee under article 8.3 of the Constitution.
4. The Board Election Committee Charter is available at **avant.org.au/agm**.
5. The Board Election Committee oversees and manages the Voting Member Director election process in compliance with the criteria set by the Avant Mutual Board and these procedures.

Nominations, consent and Voting Member Nominee information

6. The Company Secretary shall call or cause the calling of nominations for election of Voting Member Directors by giving notice to Voting Members at least 45 business days before, but no more than 180 business days before the AGM at which the term of a Voting Member Director is due to expire.
7. A nomination of a Voting Member Nominee for election must be made by the 'Nomination Form' which forms part of the Voting Member Nomination Information, which is available at **avant.org.au/agm**.

Nominee assessments and interviews

8. The Board Election Committee will:
   a. determine the eligibility and validity of Voting Member nominations
   b. publicly endorse up to five nominees who best possess the skills, experience, competencies, diversity, attributes and characteristics that the Avant Mutual Board considers necessary and desirable to complement the existing skills on the Board for the Avant Group to meet its strategic objectives.

Valid nominations

9. If the number of valid nominations for eligible Voting Member Directors received at the close of nominations is equal to, or less than the number of vacancies to be filled at the election, the Company Secretary shall, subject to the limitations in article 8.1 of the Constitution, declare each of the Voting Member Nominees elected at the AGM.
10. If the number of valid nominations for eligible Voting Member Directors received at the close of nominations is more than the number of vacancies to be filled, an election of directors shall be conducted. The ballot will be conducted by electronic means.

Ballot

11. Avant Mutual appoints an independent scrutineer to undertake the ballot. The independent scrutineer will oversee and record the drawing of Voting Member Nominee names and the order in which they will appear on the ballot paper to be provided to Voting Members with the Notice of Annual General Meeting.

Vote canvassing

12. Vote canvassing by Voting Member Nominees must comply with Avant's Director Election Campaign and Vote Canvassing Policy. Breach of the Vote Canvassing Policy may lead to disqualification from standing for election by the Board Election Committee.

Voting

13. A Voting Member wishing to vote must comply with the instructions on how to vote as provided.
14. A returning officer is appointed to manage the voting process.
15. An independent scrutineer is appointed to oversee compliance with these procedures.
16. All valid votes received by the returning officer, which are submitted in accordance with the how-to-vote instructions and by the time specified, shall be deemed valid and shall be counted in the ballot.

17. After the ballot is closed, the scrutineer shall:
    a. take reasonable steps to satisfy themselves regarding the integrity of the ballot
    b. eliminate any invalid votes
    c. ensure the returning officer has validly counted the ballot.
18. Non-receipt or non-delivery of a voting paper by any Voting Member shall not invalidate the ballot.
19. A vote shall be declared invalid if it is not submitted or received by the specified time, or if it is not made in accordance with item 13 above.
20. In accordance with the requirements of article 8.1 of the Constitution:
    a. the highest polling Voting Member Nominee will be elected, provided no less than one and no more than three elected Voting Member Directors (including existing Voting Member Directors) are, or would be, resident in each of New South Wales, Queensland or Victoria
    b. if the geographical limit for a particular state is reached (considering the number of existing Voting Member Directors from that state) the Voting Member Nominee with the next highest number of votes from a different state or territory will be elected to the vacant position on the Avant Mutual Board.

Appointment

21. If any two or more Voting Member Nominees have the same number of votes:
    a. if only one of the Voting Member Nominees is endorsed, that Nominee will be deemed to be elected; or
    b. if more than one of the Voting Member Nominees are endorsed, the Board Election Committee will review each Voting Member Nominee's supporting materials and recommend to the Avant Mutual Board the most suitable Voting Member Nominee deemed to be elected, having regard to the skills, experience, competencies, diversity, attributes and characteristics the Avant Mutual Board considers necessary and desirable for the Avant Group to meet its strategic objectives.
22. The voting papers shall be held by the Company Secretary for one month after the result of the election is declared and then destroyed, unless required by law, or the Avant Mutual Board resolves otherwise.
23. At the AGM of Avant Mutual, the Company Secretary will announce the results of the ballot, subject to the requirements of article 8.1 of the Constitution.

Chair determination

24. If there is doubt regarding the operation of these procedures, the matter shall be referred to the Chair of the Board Election Committee for determination and that determination shall be final.