

1 INTRODUCTION

The purpose of the charter is to document the objectives, responsibilities and administration of the Audit, Risk, Finance & Technology (ARFT) Committee. This committee is committee of the Board.

2 OBJECTIVES

The objectives of the Audit, Risk, Finance & Technology Committee are to assist the Board to discharge its corporate governance and legal responsibilities and to exercise due care, diligence and skill on:

- Reporting financial information to users of financial reports
- Applying accounting policies
- Maintaining the independence of the company's auditors
- Financial management
- Internal control systems
- Risk management
- Complying with applicable laws and regulations
- Oversight of the investment policy.
- Oversight of the development of the strategy for the company's Insurance operations and monitoring its achievement of revenue and cost KPI's of those operations as approved in the current budget and strategic plan.
- Oversight and monitoring of the organisation's IT infrastructure to improve business outcomes and ensure data security, data gathering and legal compliance.
- Ensuring that agreements with third parties are in the best interests of the organisation and the achievement of budgets and strategic plans.
- Ensuring that the organisation complies with all relevant laws, regulations, and significant agreements.
- Monitoring managements reporting to the board.

3 DUTIES AND RESPONSIBILITIES

The committee examines any matters about the financial affairs of the company and about the external audit that it considers necessary. It also is responsible for the risk management, development and performance of the company's Insurance business operations and IT infrastructure. The committee also examines any other matters referred to it by the Board.

In addition, it will oversee the compliance with applicable laws, regulations and agreements relating directly to its responsibilities.

The main duties and responsibilities of the committee are as follows:

3.1 Financial Information

- 3.1.1 To review the monthly financial information presented by management to the Board.
- 3.1.2 To review the company's annual draft financial statements before Board approval, by focusing on:
 - Significant changes in accounting policies and practices
 - Major judgemental areas • Significant departures from accounting standards
 - Compliance with statutory requirements for financial reporting.
- 3.1.3 Consider the effects on the company of any new or proposed accounting practices, principles, developments, disclosure requirements and legislative or regulatory pronouncements.

3.2 Risks, Policies and Controls

- 3.2.1 Review the adequacy and monitor accounting control systems by reviewing the external auditor's written reports and by monitoring management's responses and actions to correct any deficiencies.
- 3.2.2 Monitor the application of the company's administrative, operating and accounting policies through reports from management and the external auditors.
- 3.2.3 Monitor from time to time the need for an internal audit function.
- 3.2.4 Review, monitor and assess the effectiveness and quality of the risk management processes and strategies.
- 3.2.5 Report all major strategic and operational risk matters to the Board in a timely manner including the management of those matters.

3.3 External Auditors

- 3.3.1 Recommend to the Board the appointment of external auditors and approve the payment of their annual fees.
- 3.3.2 Review the audit plans of the external auditors and ensure that no undue restrictions or limitations have been placed on the scope of work of the external auditors.
- 3.3.3 Review the performance of the external auditors annually.
- 3.3.4 Monitor the independence of the external auditors and their compliance with the requirements of the Corporations Act 2001 and professional standards as updated from time to time.
- 3.3.5 Ensure the annual financial statements provide a full analysis of the total fees paid to external auditors, including a breakdown of fees for non-audit activities.
- 3.3.6 Review the contents of the audit report and consider specific recommendations to the Board.

3.4 Oversight of National Seniors Australia Investments

- 3.4.1 To review the Investment Policy annually and recommend any changes to the Board. To review the investment performance information provided by management.
- 3.4.2 Monitor the implementation by management of the investment processes and controls as outlined in the Investment Policy.
- 3.4.3 Receive a recommendation from management on the performance of the Investment Adviser.

3.5 Governance of Insurance Operations

- 3.5.1 Provide advice to management on the development of strategy particularly in relation to marketing of Insurance operations to members and non-members, annual business plans and budgeting.
- 3.5.2 Monitor the performance of the Insurance program relationships and provide advice to management and the Board on the results.
- 3.5.3 Review the insurance agency's risk management plan and management's monitoring of that plan; ensure the plan is based upon the Board's appetite or tolerance for risk in the insurance operations.
- 3.5.4 Review pricing reviews to assess the impact on the long-term strategic direction of the insurance portfolio.
- 3.5.5 Support management in maintaining good business relationships with key Underwriting agencies.
- 3.5.6 If requested, act as a resource to individual directors on questions relating to the Insurance business operations and IT infrastructure.
- 3.5.7 Provide advice to the board and senior management on the interpretation and monitoring of Insurance agency agreements and contracts.

3.6 Governance of IT Infrastructure

- 3.6.1 Monitor the performance of the IT infrastructure relationships and provide advice to

management and the Board on the results.

3.6.2 If requested, act as a resource to individual directors on questions relating to IT infrastructure.

3.7 Compliance with legal and regulatory obligations

Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance; in particular, the Committee's role covers compliance with laws and regulations relating to the following:

- Corporations Act
- ACNC Act and Governance Principles
- Financial Services Reform Act
- Insurance Contracts Act
- Private Health Insurance Act
- Insurance Agents Act
- Competition and Consumer Act
- Privacy Act
- Cyber Securities Laws and Regulations

3.8 Other

3.8.1 Review the placement of the company's insurance program to ensure it meets the company's needs and aligns with the company's risk profile.

3.8.2 Identify any special projects or investigations deemed necessary.

3.8.3 Regularly review the company's compliance with its Insurance and IT contracts and / or agreements.

3.8.4 Obtain regular updates from management (and where considered appropriate, the company's legal advisors) regarding compliance matters.

3.8.5 Be satisfied that all regulatory compliance matters relating Audit, Risk, Finance & Technology have been considered in the preparation of the annual financial statements.

3.8.6 Review the findings of any examinations by regulatory agencies.

4 ADMINISTRATION

4.1 Membership and attendance at meetings:

- The Board appointed committee consists of three Board members and any other parties nominated by the Board.
- The CEO and CFO will attend all meetings of the Committee with rights of audience and debate.
- The Chair of the Board will be an ex officio member of the committee.
- The chair of the Audit, Risk, Finance & Technology Committee will be a Board member nominated by the Chair of the Board.
- The CEO will provide a written report to the committee on all key responsibilities of this committee

- There will be no set term of appointment to the committee. However, the composition of the committee will be reviewed by the Board from time to time.
- A quorum of the Audit, Risk, Finance & Technology Committee is minimum of 50% of the members.

- The Audit, Risk, Finance & Technology Committee will meet with the external auditors at least bi-annually, or additionally, at the request of the external auditors or the Committee.
- From time-to-time the Audit, Risk, Finance & Technology Committee through the chair, may invite other people to attend committee meetings as it considers necessary. In particular, any Board member may attend by arrangement with the chair of the committee.
- The secretary of the Audit, Risk, Finance & Technology Committee is the Company Secretary.

4.2 Meetings of the Audit, Risk, Finance & Technology Committee:

- Meetings are to be held prior to every Board meeting wherever possible. Special meetings may be convened as required to fulfil the committee's responsibilities.
- The external auditor may request a meeting of the Audit, Risk, Finance & Technology Committee if they consider it necessary.
- Meetings may be held in person, by telephone or by video conference, or by any combination of these media.
- The secretary or other person nominated by the committee chair takes minutes of the proceedings of all meetings of the Audit, Risk, Finance & Technology Committee.

4.3 Authority

The committee is an advisory Committee of the Board and has no executive decision-making power.

The Board authorises the Audit, Risk, Finance & Technology Committee, within the scope of its responsibilities and after informing the Board Chair, to:

- Obtain any information it requires from any employee or external party.
- Obtain outside legal or other independent professional advice.
- Ensure the attendance of external parties with relevant experience and expertise.

The Committee is to report expeditiously to the Board on the outcomes of the information or advice received.

4.4 Board reporting

The chair of the Audit, Risk, Finance & Technology Committee reports to the Board after each meeting of the committee. The report covers the findings and recommendations of the committee and should cover any matters raised by the external auditor. The minutes of all committee meetings are circulated to all Board members.

4.5 Other responsibilities

To perform other oversight functions as requested and directed by the Board.

4.6 Review of charter and composition:

- The Committee is to annually review its composition and charter at the meeting following the Annual General Meeting and recommend any changes to the Board.
- The Committee is to undertake an annual assessment of the Committee's own performance and report on that assessment to the Board.
- The Board annually reviews the composition of the Committee after receiving recommendations from the committee and ratifies the committee charter.