



		<p><b>Moved: That the Minutes of the Special General Meeting held on 20 June, 2007, as tabled, be confirmed.</b>  <b>H Derbyshire/R Dixon</b></p> <p><b>The Chairman then requested a Poll.</b></p> <table data-bbox="1050 286 1257 376"> <tr> <td><b>In Favour</b></td> <td><b>46</b></td> </tr> <tr> <td><b>Against</b></td> <td><b>0</b></td> </tr> <tr> <td><b>Abstention</b></td> <td><b>1</b></td> </tr> </table> <p>The motion was then declared as <b>carried</b>.</p>	<b>In Favour</b>	<b>46</b>	<b>Against</b>	<b>0</b>	<b>Abstention</b>	<b>1</b>
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3	<b>Chairman's Address</b>	<p>The Chairman gave a comprehensive address to the Meeting which focused on the Credit Union's direction, including the past, present and the future.</p> <p>The Chairman spoke about the history which ranged over the development of the Credit Union Movement globally, nationally within Australia, then within Queensland and of course, the development of the Queensland Teachers' Credit Union.</p> <p>He advised that this history had now been documented in a booklet "Our History, 1965 – 2007" augmented by personal contributions from a wide range of members. Some of the contributions were from people who figured prominently in the development of the Credit Union; other contributions were from members whose names are unknown to most of the members, but who were invited to contribute as loyal, long-standing members.</p> <p>The Chairman then spoke on the present and the future direction of the Credit Union focusing on the Board renewal process and the changes that were now occurring and will go on occurring over the next couple of years. He commented that the Board in three years' time will look quite differently from the Board of even six months ago.</p> <p>The Chairman advised the members that Director I Nott had retired after 25 years of service and Director B Felsman would be retiring at the conclusion of the AGM after 35 years of service. He requested the members present to join him in showing appreciation to both Ian and Brigid for their fine contribution over the years.</p> <p>The Chairman stated that it was a challenge for the Board to manage its renewal process wisely and in a way that retained the strengths of yesteryear. He added that it was absolutely paramount that the renewal process ensures that as the Credit Union moves forward that the new and emerging leaders display a continuation of the best characteristics of the best leaders of the present and the past.</p> <p>The Chairman then outlined the Board renewal process to date and advised that following Director I Nott's retirement a casual vacancy was created. As a result, N King was appointed to fill the casual vacancy and as Director I Nott's full term of office expired at the conclusion of this AGM, N King was obliged to go before the membership for election at the recent election.</p> <p>The Chairman congratulated N King on his re-election and also congratulated Director D Spence on her re-election to the Board.</p> <p>The Chairman also reminded the members present that at a Special General Meeting held on 20 June, a motion was passed to allow a small degree of flexibility in the size of the Board and as result, following the Annual General Meeting, there will be eight members on the Board until or unless the Board decides otherwise and that the retirement of Director B Felsman will not create a casual vacancy on the Board.</p>						

		<p>On a different note, the Chairman advised the members present that at the recent ABACUS Convention in Brisbane, the Credit Union Movement's highest honour, the Distinguished Service Award, was bestowed on Ron Dixon. He advised that these awards are bestowed only once every three years and that there were only three recipients at the 2007 Convention. He requested the members present to join him in congratulating Ron on receiving this richly deserved award.</p> <p>In conclusion, the Chairman conveyed his appreciation to his Board colleagues, Management and staff for another year of sterling work and thanked them for their dedication and commitment.</p>
4	<p><b>Receiving and Adopting Financial Documents</b></p>	<p><b>Moved: That the Directors' Report, the Financial Report comprising the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, the Accompanying Notes to the Financial Statements and the Directors' Declaration for the twelve months ended 30 June 2007, together with the Independent Auditors' Report thereon, as tabled, be adopted.</b></p> <p style="text-align: center;"><b>M Murphy/K Trowbridge</b></p> <p>The General Manager, M Murphy, gave a comprehensive address to the meeting which included the following:</p> <p><b>Financials</b></p> <p>In referring to the financials in the Annual Report, Mr Murphy noted that QTCU's profitability had been over \$10M for the second successive year and that this was the first year the result had been achieved from purely operational performance.</p> <p>He reminded the members that the previous year's financial results were influenced by the significant one-off transaction that was the sale of 25% of our financial planning business to the Snowball Group for \$1.178M.</p> <p>Mr Murphy noted that the results were achieved by an ongoing commitment to our Strategic Plan and the success of the ongoing strategies to maintain control over costs, increase revenues and to deliver solutions to improve efficiency and service quality.</p> <p>He outlined other results for the year, as well as other significant achievements including:</p> <ul style="list-style-type: none"> <li>• Member deposits grew to \$724M and the loans portfolio grew just under 7.7% to \$698M.</li> <li>• Total assets now stood at \$841M, an increase of 9.3% for year and on target to achieve the Credit Union's Strategic Plan goal of \$1bn by June 2009.</li> <li>• Capital Adequacy Ratio increased from 14.5% to 15.1% which is a prudential measure of our strength and soundness and significantly more than the regulated APRA legislated requirement of 8%.</li> <li>• Development and implementation of the Teachers Life Package.</li> <li>• The opening of a new Personal Finance Centre in the Orion Shopping Centre at Springfield.</li> <li>• Upgrading the security within our internet banking system.</li> <li>• Continuing our important community support programs of Keyway and Financial Coaching.</li> </ul>

**Future**

Mr Murphy advised that member relationships and value propositions are key requirements for financial success. He pointed out that the margins will continue to decline in the years ahead together with increased competition, making increased profit figures difficult to achieve.

However, the organisation is confident that it will meet all these challenges and continue to provide competitive products and services to members that will deliver a relevant value proposition to all members.

Mr Murphy stated that QTCU takes great pride in the excellent level of service we provide to our members and that the organisation has the right people with the necessary skills and commitment to overcome the challenges and achieve the strategic objectives.

In conclusion, Mr Murphy stated that the future of QTCU would be an exciting one, albeit, in an extremely competitive and, at times, uncertain environment.

Mr Murphy then asked for questions from the members present.

Mr O'Connor made comment regarding the high level of bad debts in excess of \$1M in 2006 and \$879,000 in 2007. He asked how the organisation could vet members who applied for loans so that this figure could drop even further.

Mr Murphy responded by advising that the organisation was now utilising a credit scoring system and, in fact, the bad debts expense for 2006/07 represented a reduction of 35% on the 2005/06 actuals.

L Steinke, the Executive Manager Credit also responded to Mr O'Connor's comment and advised that previously the Credit Union had assessed loan applications in a subjective manner. Since the introduction of the credit scoring statistical controlled manner of assessment, the bad debts expense has improved by 35% and that this trend is expected to continue.

R Dixon spoke in favour of the motion and acknowledged the good result for the year. He stated that congratulations should be extended to the Board, Management and Staff for a job well done and that at the current rate of growth QTCU will have on balance sheet assets in excess of \$1bn before the end of this decade. This was an outstanding achievement considering the very modest beginnings back in 1965.

R Dixon also drew the members attention to Item 25 (b) of the financial accounts which detailed certain Directors had been paid a retirement benefit and that such payments satisfied the requirements of the Corporations Act. Whilst he supported payment of benefits to long standing Directors, Mr Dixon had reservations if such payments were paid to recently elected Directors.

R Dixon believed that the payment should have been determined by members in accordance with the Credit Union's Constitution where the General Meeting determined the remuneration of Directors.

R Dixon also took the opportunity to pay tribute to Tim Kendall as this would be the last year he could act as the designated audit partner overseeing the audit of QTCU. R Dixon commented that his counsel was highly valued and that this sentiment would be supported by all members of the Audit Committee both past and present.

M O'Connor referred to the Member Satisfaction Survey results of 83% satisfaction level reported in the General Manager's address. M O'Connor queried whether this meant that 17% were dissatisfied with QTCU and asked whether specific details had been provided. M Murphy responded by indicating that a fair proportion of members were neither satisfied nor dissatisfied with QTCU.

		<p>The actual percentage that indicated dissatisfaction would have been low. M Murphy also advised that a comprehensive report had been provided which highlighted areas requiring improvement. One area of note was access to branches and M Murphy said that this issue was difficult for an organisation of our size to overcome.</p> <p>L Schuntner also advised that the Board received a report quarterly from Management recording any complaints that had been received from members. He also advised that any correspondence received by the Chairman is tabled at a Board meeting.</p> <p>The Chairman then asked the members present if they had any ideas to encourage more attendance at the AGM and gave an example of the participation by members of the NSWTCU at their AGM. Some suggestions were forthcoming from the members present (e.g. a substantial door prize).</p> <p><b>The Chairman then requested a Poll.</b></p> <table data-bbox="1050 622 1264 712"> <tr> <td><b>In Favour</b></td> <td><b>47</b></td> </tr> <tr> <td><b>Against</b></td> <td><b>0</b></td> </tr> <tr> <td><b>Abstention</b></td> <td><b>0</b></td> </tr> </table> <p>The motion was then declared as <b>carried</b>.</p>	<b>In Favour</b>	<b>47</b>	<b>Against</b>	<b>0</b>	<b>Abstention</b>	<b>0</b>
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5	2007 Election of Directors	<p>The Company Secretary, C Lucas, advised that a ballot had been required as the Returning Officer had received and accepted three nominations for the two directors' positions when nominations closed at 4.00 pm on 19 September 2007.</p> <p>She advised that a total of 8037 valid voting papers had been received and then announced that the results of the count were Darien Spence 6120 votes, Nathan King, 5184 votes, and David Willis 4171 votes. The Company Secretary then declared Darien Spence and Nathan King elected.</p> <p>She advised that the three year term of appointment for the elected directors commenced at the conclusion of the Annual General Meeting.</p>						
6	Directors' Remuneration	<p><b>Moved:</b> That the Board of Directors be allocated a quantum of \$250,700 for the period commencing at the conclusion of the 2007 AGM and concluding on the date of the 2008 AGM.</p> <p style="text-align: right;"><b>N Ross/D Spence</b></p> <p><b>Moved:</b> That the apportionment of the quantum be at the discretion of the Directors.</p> <p style="text-align: right;"><b>N Ross/D Spence</b></p> <p><b>Moved:</b> That where superannuation contributions at the prescribed Superannuation Guarantee rate to an approved superannuation fund are not required to be paid in respect of any individual Director, the equivalent amount shall be paid to the Director instead.</p> <p style="text-align: right;"><b>N Ross/D Spence</b></p> <p>In speaking to the motion, N Ross said that the amount in question represented a 15% increase on the quantum of last year. He advised that the Board Remuneration Committee arrived at this figure after reviewing information from the Board Remuneration Survey compiled by McGuirk Consultants in association with the AMI Institute. He added that the survey revealed an overall increase of 17.9% for Credit Union Directors over the previous years' figures whereas in that same period, the QTCU fees increased by 12%.</p> <p>N Ross advised that after considering all of the information presented within the 2007 Remuneration Survey, the Board Remuneration Committee felt that it was appropriate and justifiable to recommend an increase of 15% to the Directors' quantum.</p>						

		<p>N Ross said that a 15% increase to the existing remuneration levels would result in the following:</p> <table border="0"> <tr> <td>Chairman</td> <td>\$43,808</td> </tr> <tr> <td>Deputy Chairman</td> <td>\$30,523</td> </tr> <tr> <td>Director</td> <td>\$25,485</td> </tr> </table> <p>N Ross advised that it was not intended to apportion the total amount given that retiring Director B Felsman's position would not be filled. He stated that in the future the Board, having undertaken a review of required skills, may need to appoint a Director possessing certain skills and expertise and that this person would need to be remunerated.</p> <p>In further support of the motion, N Ross gave example of the remuneration for Directors of other teacher credit unions as well as the Queensland Teachers' Union Health Society. He added that the responsibilities of a Director, both regulatory and fiduciary responsibilities were enormous together with the amount of time needed to be dedicated to the duties of a Director as well as ongoing professional development activities.</p> <p><b>Moved: That an extension of time of up to three minutes be granted to the mover of the motion.</b></p> <p style="text-align: right;"><b>K Trowbridge/D Maher Carried</b></p> <p>N Ross concluded by advising that it was necessary to ensure the success of the Board Renewal process and therefore the remuneration must attract competent people to the position of Director.</p> <p>N Ross commended the motions for adoption.</p> <p>M O'Connor spoke against the motion considering that the profit and return on assets figures for the financial year were down on last year's figures.</p> <p>Director D Spence responded by advising that the profit would have been exceeded if the staff were not awarded a bonus of 1 week's pay.</p> <p>The Chairman advised the meeting that the Board had discussed the position of Directors when a Board recommendation on remuneration of the Board is being voted on at a General Meeting. He advised that on one hand, a choice could be made to show support for the Board recommendation; on the other hand, a choice could be made to abstain from voting.</p> <p>The Chairman advised that the Board had decided that Directors individually may adopt either choice.</p> <table border="0"> <tr> <td><b>The Chairman then requested a Poll.</b></td> <td><b>In Favour</b></td> <td><b>38</b></td> </tr> <tr> <td></td> <td><b>Against</b></td> <td><b>1</b></td> </tr> <tr> <td></td> <td><b>Abstentions</b></td> <td><b>7</b></td> </tr> </table> <p>The motion was then declared as <b>carried</b>.</p> <p><b>Moved: That this meeting formally recognises the tremendous contribution made by QTCU former Directors B Felsman and I Nott and also our long time Auditor, T Kendall.</b></p> <p style="text-align: right;"><b>N Ross/ H Derbyshire</b></p> <p>N Ross spoke briefly in conveying appreciation on behalf of members. The motion was carried.</p>	Chairman	\$43,808	Deputy Chairman	\$30,523	Director	\$25,485	<b>The Chairman then requested a Poll.</b>	<b>In Favour</b>	<b>38</b>		<b>Against</b>	<b>1</b>		<b>Abstentions</b>	<b>7</b>
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7	<b>Closure</b>	<p>The Chairman thanked the members for attending the Annual General Meeting and closed the meeting at 6.42 pm.</p>															