

Fit and Proper Policy

An overview of this Policy:

The aim of this policy is to:

1. ensure compliance with Prudential Standard APS 520 Fit and Proper (APS 520);
2. provide guidelines on the application of APS 520;
3. provide the minimum standards for determining the fitness and propriety of persons who hold or are being considered for appointment to a responsible person position;
4. strengthen the governance framework within CCPS' operations; and
5. promote confidence in the CCPS Group and its officers.

Who should use this Policy:

All responsible persons (as defined under sub-heading 1.1.1 of the section 'Obligations of this Policy' below) must adhere to this policy at all times.

Member and or internal Customer Service Expectation:

CCPS members and staff expect that all persons appointed to responsible person positions within the CCPS group meet the appropriate standards of fitness and propriety.

External References applicable to this Policy:

The Australian Prudential Regulation Authority (APRA) is the prudential regulator of the Australian financial services industry.

The Community CPS Australia Group (CCPS Group) consists of Community CPS Australia Limited (CCPS) and several controlled entities. CCPS is an authorised deposit-taking institution (ADI) and is regulated by APRA in accordance with the *Banking Act 1959* (the Act). CCPS is the only CCPS group member that is an ADI. As an ADI, CCPS must adhere to APRA's prudential requirements at all times.

A primary objective of APS 520 is to ensure that persons who are responsible for the management and oversight of an ADI have appropriate skills, experience, and knowledge, and act with honesty and integrity.

CCPS recognises APRA's statutory powers to direct the Credit Union to remove a director, senior manager or auditor, and to disqualify a person from being, or acting as, a director or senior manager.

CCPS cannot and will not allow anyone to act as a responsible person for the Credit Union if that person is a disqualified person under any APRA-administered legislation.

Risk Consequences:

CCPS risks non-compliance with an APRA Prudential Standard if this policy is not observed by responsible persons.

Non-observance of this policy by responsible persons could place the interests of depositors and other stakeholders of CCPS at greater risk. CCPS needs to ensure that the persons responsible for the management and oversight of the CCPS Group have the appropriate skills, experience and knowledge and act with honesty and integrity (i.e. they are fit and proper).

The Obligations of this Policy:

1 Preamble

1.1 Responsible Persons

1.1.1 Definition

For the purposes of this policy 'responsible person' means:

1. Director (including casual appointment);
2. CEO;
3. Senior Manager (as defined in this policy) of CCPS. In this context the following are considered to be Senior Managers:
 - i. All Group Executives who report directly to the CEO;
 - ii. Internal Audit Manager; and
 - iii. Responsible Managers (for AFS licence purposes);
4. Managers in Categories G to H. These consist of the senior management group who are either state managers or functional managers who report to an Executive manager;
5. Responsible Auditor. The CCPS Group considers the Responsible Auditor to be the lead partner of the External Auditor of Community CPS;
6. A person who performs activities for a subsidiary of CCPS, where those activities may materially affect the whole or a substantial part of the business of CCPS or its financial standing, either directly or indirectly; and
7. APRA-deemed – any person determined in writing by APRA to have a significant role in relation to the management or control of CCPS, or is responsible for activities which may materially impact on prudential matters.

'Senior Manager' – A Senior Manager, in relation to this Policy, is a person (other than a director) who:

- a) makes, or participates in making, decisions that affect the whole or a substantial part of the business; or
- b) has the capacity to affect significantly the financial standing of the business; or
- c) may materially affect the whole or a substantial part of the business or its financial standing through their responsibility for:
 - i. enforcing policies and implementing strategies approved by the Board; or
 - ii. the development and implementation of systems that identify, assess, manage or monitor risk in the business; or
 - iii. monitoring the appropriateness, adequacy and effectiveness of risk management systems.

1.1.2 Register of responsible persons

The HR Manager is responsible for the maintenance of a Register of Responsible Persons ('Register') for the CCPS Group (refer to Appendix 1 for the format of the Register).

Human Resources is responsible for updating the Register after any change to responsible persons.

The HR Manager is responsible for ensuring that the competencies for each responsible person position are documented.

1.2 Policy Maintenance

1.2.1 Components

The Company Secretary and HR Manager are responsible for administrating the system that has been implemented to ensure compliance with APS 520.

1.2.2 Authority to Exercise Rules

The Board Governance Committee in conjunction with the Company Secretary and the HR Manager are responsible for ensuring the components of the policy are met.

1.2.3 Authority to Change Policy

Proposed changes to the policy must be submitted by the Company Secretary to the Board via the Board Governance Committee for approval.

1.2.4 Policy Review

The policy is to be reviewed by the Company Secretary in conjunction with the HR Manager, as the need arises or at intervals not exceeding 24 months.

The Company Secretary is responsible for identifying any changes to the requirements of APS 520 and recommending the appropriate policy amendments to the Board Governance Committee.

1.2.5 Owner

The owner of this policy is the Board of Directors.

2 Fit and Proper Assessment

2.1 Definition of ‘Fit and Proper’

APS 520 does not define the term ‘fit and proper’ for the purposes of the Standard although it does set out the criteria for meeting the standard in paragraph 18.

2.2 Criteria to determine if a responsible person is fit and proper

APS 520 provides that the criteria that must be met for a person to be fit and proper to hold a responsible person position are whether:

1. it would be prudent for CCPS to conclude that the person possesses the competence, character, diligence, honesty, integrity and judgement to perform properly the duties of the responsible person position;
2. the person is not disqualified under the Act from holding the position; and
3. the person either:
 - i. has no conflict of interest in performing the duties of the responsible person position; or
 - ii. if the person has a conflict of interest, it would be prudent for a regulated institution to conclude that the conflict will not create a material risk that the person will fail to perform properly the duties of the position.

In addition to the APS 520 requirements, responsible persons must also, where relevant, satisfy the criteria, if any, in the:

1. Corporations Act;
2. APS 510;
3. CCPS Constitution; and
4. job specification, job description and job statement for a particular responsible person’s position.

Under APS 520, the skills and experience required by each responsible person depend on the person’s role. As required by APS 520, CCPS will consider the nature and extent of a number of matters when conducting fit and proper assessments. These will ordinarily include, when relevant:

Fitness

1. the person's character, competence and experience relative to the duties involved, including whether the person:
 - a) possesses the necessary skills, knowledge, expertise, diligence and soundness of judgement to undertake and fulfil the particular duties and responsibilities of the position in question; and
 - b) has demonstrated the appropriate competence and integrity in fulfilling occupational, managerial or professional responsibilities previously and/or in the conduct of his/her duties; and

Propriety

2. whether the person;
 - a) has demonstrated a lack of willingness to comply with legal obligations, regulatory requirements or professional standards, or has been obstructive, misleading or untruthful in dealing with regulatory bodies or a court;
 - b) has breached a fiduciary obligation;
 - c) has perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
 - d) has been reprimanded, or disqualified, or removed by a professional or regulatory body in relation to matters relating to the person's honesty, integrity or business conduct;
 - e) has seriously or persistently failed to manage personal debts or financial affairs satisfactorily in circumstances where such failure caused loss to others;
 - f) has been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management;
 - g) is of bad repute in any business or financial community or any market; or
 - h) was the subject of civil or criminal proceedings or enforcement action, in relation to the management of an entity, or commercial or professional activities, which were determined adversely to the person (including by the person consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected adversely on the person's competence, diligence, judgement, honesty or integrity.

2.3 Additional criteria applying to responsible auditors

In addition to meeting the requirements set out in this policy for directors, CEO, senior managers and Managers categories G & H the CCPS responsible auditor must meet the following additional fitness and propriety criteria. The responsible auditor:

- a) must not be a director or employee of the Credit Union, or of a related body corporate, within the meaning of section 50 of the Corporations Act 2001;
- b) must be registered as an auditor under the Corporations Act 2001;
- c) must have appropriate formal qualifications and be a member of a recognized professional body;
- d) must have a minimum of five years relevant experience in the industry; and
- e) must be ordinarily resident of Australia.

2.4 Banking Act Provisions – Disqualified Persons

The Act contains provisions relating to disqualified persons (sections 19 to 23), which gives APRA the power to remove 'disqualified' persons from acting for an ADI.

These legislative powers given to APRA are in addition to the fitness and propriety criteria set out in APS 520. Section 23(2) of the Act provides APRA with the power to remove an ADI director or senior manager if they do not meet one or more of the criteria for fitness and

propriety, provided that an officially issued prudential standard exists that sets out the relevant criteria.

A person is a *disqualified person* (according to the following definition, taken from Section 20 of the Act) if:

- a) The person has been convicted of an offence against or arising out of:
 - i. This Act; or
 - ii. The Financial Sector (Collection of Data) Act 2001; or
 - iii. The Corporations Act 2001, the Corporations Law that was previously in force, or any law of a foreign country that corresponds to that Act or to that Corporations Law; or
- b) The person has been convicted of an offence against or arising out of a law in force in Australia, or the law of a foreign country, where the offence related or relates to dishonest conduct, or to conduct relating to a company that carries on business in the financial sector; or
- c) The person has been or becomes bankrupt; or
- d) The person has applied to take the benefit of a law for the relief of bankrupt or insolvent debtors; or
- e) The person has compounded with his or her creditors; or
- f) the Federal Court of Australia has disqualified the person under section 21; or
- g) The person has been disqualified under the law of a foreign country from managing, or taking part in the management of, an entity that carries on the business of banking or insurance or otherwise deals in financial matters.

3 Assessment Process

3.1 Overview of Process and Timing

Wherever possible the fitness and propriety of a responsible person must be:

1. assessed prior to their initial appointment or at the latest within 28 days of the person's appointment to the responsible person position; and
2. reassessed annually (or as close to annually as practicable).

3.1.1 Candidates – directors' election

The Nomination Committee must assess each person who is nominated as a candidate and determine whether it is satisfied that the person is fit and proper to be and act as a director by reference to this Policy.

This assessment must, wherever possible, be completed before the ballot material is sent to members or at the latest within 28 days of the person's appointment as a director.

3.1.2 All other appointments to responsible person positions

This assessment must, wherever possible, be completed before the person is appointed to the responsible person position or at the latest within 28 days of the person's appointment to the responsible person position.

3.1.3 Responsible auditor

This assessment must, wherever possible, be completed before the person is appointed to the responsible auditor position or at the latest within 28 days of the person's appointment to the responsible auditor position.

CCPS will require the Responsible Auditor to declare that he or she meets the requirements of this policy in the audit firm's annual engagement letter which is considered by the Board Audit and Finance Committee.

3.2 Interim appointments

Interim appointments to a responsible person position may be made without the need to conduct a full fit and proper assessment for a period of 90 days (or longer with APRA’s agreement) including any prior period of interim appointment.

Prior to making such appointment, CCPS will take reasonable steps as specified in this policy to assess the fitness and propriety of the person. If the person is to be appointed to the responsible person position on a permanent basis, CCPS will complete a full fit and proper assessment prior to his/her appointment.

3.3 Assessment of fitness and propriety

For a person to be regarded as Fit and Proper:

In relation to individual directors	In relation to the CEO	In relation to the Responsible Auditor	In relation to Senior Managers, Managers categories G & H and persons who perform activities for a subsidiary and are considered to be responsible persons
the Nomination Committee must be satisfied that the individual director or candidate for a directors’ election:	the Board must be satisfied that the CEO:	the Board Audit and Finance Committee must be satisfied that the Responsible Auditor:	the HR Manager, in conjunction with the CEO, must be satisfied that the Person:

1. has satisfied all the requirements of the fit and proper declaration (Refer appendix 5);
2. has satisfied all the fit and proper checks (refer appendix 4);
3. is competent to perform the duties of the responsible person position. This assessment may include:
 - i. candidate for a directors’ election – assessment criteria;
 - ii. incumbent director – Board/director appraisal;
 - iii. senior manager and Managers categories G & H - performance assessment; and
 - iv. applicant for responsible person position – assessment against the job description.

All responsible persons, prior to or on appointment and then annually, must complete a declaration to the effect that they remain a Fit and Proper person as defined in the prudential standard and this policy.

All responsible persons and applicants for responsible person positions must provide their consent to a Police check on request for the purposes of this policy.

All persons recruited externally for appointment to a responsible person position must, if requested, provide a Police check obtained for purposes of the appointment or proposed appointment to the responsible person position.

All current employees appointed or proposed to be appointed to a responsible person position must, if requested, provide a Police check which must not have been obtained more than 24 months prior to the date of appointment or proposed appointment to the responsible person position.

3.3.1 Fit and Proper Checks

A schedule of checks to be undertaken and declarations to be obtained for 'fit and proper' purposes is contained in Appendix 3.

The Fit and Proper Checks (nature and frequency) that will be conducted to assist with the assessment of a responsible person's fitness and propriety are summarised in Appendix 4.

3.3.2 Responsibility for checks, searches, questionnaires and declarations

Responsible Person Position	Responsibility for conduct of Checks
Directors and persons nominated for appointment or election to the Board.	Company Secretary on behalf of the Nomination Committee
All responsible persons with the exception of directors and persons nominated for appointment or election to the Board.	HR Manager
Responsible auditor.	Board Audit and Finance Committee

3.4 Documentation

Appropriate documentation for each fit and proper assessment will be retained to demonstrate the fitness and propriety of CCPS' current, and recent past responsible persons. Fit and proper documentation to be retained comprises:

Documentation	Retention Period*	Method of Retention
Police Check	3 years	File in Register of Responsible Persons
Fit and Proper Declaration	1 year	File in Register of Responsible Persons
Bankruptcy Check	1 year	File bankruptcy check extract in Register of Responsible Persons
APRA Data-Base - Disqualified Persons Check	1 year	File search extract in Register of Responsible Persons
ASIC Disqualified Person Register Check	1 year	File search extract in Register of Responsible Persons
Eligibility Declaration (Directors)	3 years	File in Register of Responsible Persons
Google General Search	n/a	n/a

* Record to be updated when latest check conducted.

Responsibility for retaining documentation:

Assessment	To be retained by
Directors	Human Resources department
All other responsible persons	Human Resources department

4 Fit and Proper Breaches

Non-compliance with the requirements of this Policy will be considered a 'breach'. A breach may materialise the risk consequences detailed in the section 'Risk Consequences' on page 1 of this policy.

A responsible person considered to be in breach will be provided the opportunity to submit any additional information in support of his/her fit and proper assessment. This additional information must be taken into consideration before a final determination as to his/her fitness and propriety is made and a recommendation of remedial action is made.

4.1 Process for handling breaches

Remedial action will be taken to either:

1. remedy the breach and result in the person satisfying the fit and proper assessment criteria. This may involve additional training for the person; or
2. ensure the person is not appointed to, or does not continue to hold, a responsible person position.

4.1.1 Breach by CEO

The action to be taken will be determined by the Chairman in conjunction with the Deputy Chairman. The result of the action/s taken must ensure that CCPS is compliant with this policy.

4.1.2 Breach by Senior Manager, Managers categories G & H and person who performs activities for a subsidiary and is considered to be a responsible person

The action to be taken will be determined by the HR Manager in conjunction with the CEO. The result of the action/s taken must ensure that CCPS is compliant with this policy.

If a person is assessed as unfit for a particular responsible person position because of a lack of competence for that specific position, or because of a conflict of interest that applies to the duties of that specific position, he/she may still be fit and proper for another responsible person position.

Where a person is assessed not fit and proper for one responsible person position due to a lack of character, diligence, honesty, integrity or judgement, CCPS will assume that the person is not suitable for any responsible person position.

4.1.3 Breach by Director

The action to be taken will be addressed with the Director concerned by the Chairman in conjunction with the Chairman of the Nomination Committee.

If the director assessed as not being fit and proper is the Chairman, the action to be taken will be addressed with the Chairman by the Deputy Chairman in conjunction with the Chairman of either the Nomination Committee or the Board Governance Committee as appropriate.

If the director assessed as not being fit and proper is the Chairman of the Nomination Committee, the action to be taken will be addressed with the Chairman of the Nomination Committee by the Chairman in conjunction with the Deputy Chairman or Chairman of the Board Governance Committee as appropriate.

The result of the action/s taken must ensure that Community CPS is compliant with this policy.

4.1.4 Breach by Responsible Auditor

The action to be taken will be determined by the Board Audit and Finance Committee. The result of the action/s taken must ensure that CCPS is compliant with this policy.

4.1.5 APRA Orders – Disqualification or Removal

CCPS will remove a responsible person when directed by APRA, and will respond to any order by APRA disqualifying a person from acting as a responsible person or imposing conditions on

their role as a responsible person. Disqualification takes immediate effect and CCPS must apply to APRA to have a responsible person 'undisqualified' if it wishes to retain the person in their current role.

Any person subject to removal or disqualification order by APRA may request APRA to review their decision (via the CEO/Chairman) and may appeal any adverse decision to the Administrative Appeals Tribunal.

4.1.6 Discretionary Powers

The Board, CEO, Nomination Committee and HR Manager have the authority to exercise discretion in circumstances where there is evidence that a responsible person has breached the requirements of this policy and APS 520.

In exercising any discretion, the CEO and/or the Nomination Committee must ensure that the objectives of the Prudential Standard APS 520 and this policy are upheld. The discretion will be exercised, taking into account factors such as:

1. position and role the responsible person occupies in the organisation;
2. materiality of the breach;
3. elapsed time since the breach;
4. repetition or duration of the behaviour that resulted in the breach; and
5. impact of the breach.

4.1.7 Internal breach reporting

All breaches must be reported to the HR Manager who will complete the Register – Fit and Proper Breaches (refer Appendix 2). The CEO must be informed of all breaches. The Register must be tabled at the next CCPS Board meeting after the breach has occurred.

Section 5.3 of this Policy documents the actions that must be taken in informing APRA if a responsible person is not assessed fit and proper.

5 Notification and Reporting

5.1 Public disclosure

A copy of this policy will be made accessible via the CCPS website.

5.2 Policy awareness

5.2.1 Provision of policy prior to appointment

A copy of this policy will be provided to:

1. persons who are nominated for a directors' election (elected directors);
2. persons being considered for appointment to the Board (appointed directors);
3. all persons being considered for appointment to a responsible person position.

Responsibility: Company Secretary – Persons seeking appointment to the Board.
HR Manager – all other persons seeking appointment to a responsible person position.

5.2.2 Responsible persons

All responsible persons must be issued or referred to a copy of this policy and are required to sign a declaration that they have read and understood the Policy and agree to its requirements.

Responsibility: HR Manager

5.3 Risk management

This fit and proper policy forms part of the CCPS risk management system required under Prudential Standard APS 310 Audit and Related Arrangements for Prudential Reporting. The General Manager Risk and Compliance has responsibility for the CCPS risk management system.

5.4 Informing APRA

5.4.1 Responsible person details

CCPS will provide the following details on responsible persons to APRA:

1. a list of current responsible persons within 28 days of APS520 applying to it; and
2. any changes to responsible persons due to appointments, resignation, retirement or removal within 28 days of any change.

Details for each responsible person will include the person's:

1. full name;
2. date of birth;
3. position and main responsibilities;
4. statement of whether the person has been assessed under the CCPS Fit and Proper criteria; and
5. any other information that may be requested from time to time.

5.4.2 Responsible person assessed not fit and proper

CCPS will notify APRA within 10 business days if a responsible person is assessed not fit and proper. If that person remains in the responsible person position, the notification to APRA will state the reason for this and the action that is being taken.

5.4.3 APRA requests

CCPS will comply with any request by or requirement of APRA to obtain information relevant to the responsible person including:

1. criminal history;
2. any relevant civil proceedings;
3. enquiries with the police, regulators, professional bodies or any other source; and
4. any other information relevant to fitness and propriety.

5.4.4 Responsibility for APRA reporting

The Company Secretary is responsible for reporting to APRA the matters referred to under heading 5.4.1 above.

The HR Manager is responsible for reporting to APRA the matters referred to in sections 5.4.2 and 5.4.3 of this Policy.

5.4.5 Person who held a responsible person position

CCPS consents to any person who held a responsible person position disclosing information or providing documents to APRA relating to his/her reasons for resignation, retirement or removal.

6 Whistleblowing

6.1 Protection

CCPS will take all reasonable steps to ensure that persons making disclosures, in good faith, as per 6.2, 6.3 and 6.4 below, are not subject to, or threatened with, a detriment because of any notification in compliance with the requirements of this policy.

6.2 Director

Where a CCPS director considers that a responsible person does not meet the Fit and Proper criteria, the director is strongly encouraged to notify the CEO or Chairman.

6.3 Staff member

Where any CCPS Group employee believes that a responsible person does not meet the Fit and Proper criteria, the employee is strongly encouraged to notify the HR Manager.

6.4 Notifying APRA

If a director or employee believes that CCPS has not dealt with the matter in a satisfactory manner, they should then notify APRA of their concern.

Appendix 3

SCHEDULE OF CHECKS TO BE UNDERTAKEN AND DECLARATIONS TO BE OBTAINED FOR 'FIT AND PROPER' PURPOSES

Person	Checks
Director	<ol style="list-style-type: none">1. Eligibility Declaration (contained within the nomination form)2. Fit and Proper Person Declaration (contained within the nomination form)3. Criminal History Check (Police)4. Bankruptcy Check5. Public search of APRA Data-base – Disqualified Persons6. ASIC Disqualified Person Register Check7. Google search – consider any adverse information
CEO, Senior Managers, Managers categories G & H and persons who perform activities for a subsidiary and are considered to be a responsible persons	<ol style="list-style-type: none">1. Criminal History Check (Police)2. Bankruptcy Check3. Fit and Proper Person Declaration4. Public search of APRA Data-base – Disqualified Persons5. ASIC Disqualified Person Register Check6. Google search – consider any adverse information
Responsible Auditor	<ol style="list-style-type: none">1. Declaration in the annual engagement letter regarding the fitness and propriety criteria

A. Banking Act Fit and Proper Checks

Community CPS will conduct the following checks to determine whether:

1. The person has been convicted of a disqualifying offence in Australia under the Banking Act 1959 (Cth).

Check to be conducted

1. Criminal history check with the relevant Australian Police Force.

Frequency

1. Prior to the person being appointed to a responsible person position within the CCPS Group, or upon a person being nominated for the position of director, or (at the latest) within 28 days of the person's appointment to the responsible person position; and
2. at least every 3 years.

2. The person has been convicted of a disqualifying offence overseas.

Check to be conducted

1. A questionnaire as per Appendix 5.

Frequency

1. Prior to the person being appointed to a responsible person position within the CCPS Group, or upon a person being nominated for the position of director, or (at the latest) within 28 days of the person's appointment to the responsible person position; and
2. annually.

3. The person has been bankrupt or entered an arrangement or composition under Part X of the Bankruptcy Act 1966 (Cth).

Check to be conducted

1. Search via National Personal Insolvency Index (<https://www.confirm.citec.com.au>)

Frequency

1. Prior to the person being appointed to a responsible person position within the CCPS Group, or upon a person being nominated for the position of director, or (at the latest) within 28 days of the person's appointment to the responsible person position; and
2. annually.

4. The person has been disqualified by APRA from being or acting as a director or senior manager on the grounds that they are not a 'Fit and Proper' person.

Check to be conducted

1. Search of the APRA disqualification register ([http://www.apra.gov.au/Disqualification- Register-List.cfmH](http://www.apra.gov.au/Disqualification-Register-List.cfmH)).

Frequency

1. Prior to the person being appointed to a responsible person position within the CCPS Group, or upon a person being nominated for the position of director, or (at the latest) within 28 days of the person's appointment to the responsible person position; and
2. annually.

5. The person has not been disqualified under the law of a foreign country from managing or taking part in the management of an entity that deals in financial matters.

Check to be conducted

1. Questionnaire as per Appendix 5 will be used to obtain a declaration.

Frequency

1. Prior to the person being appointed to a responsible person position within the CCPS Group, or upon a person being nominated for the position of director, or (at the latest) within 28 days of the person's appointment to the responsible person position; and
2. annually.

6. There is any information that may be relevant to the assessment of the responsible person's fitness and propriety.

Check to be conducted

1. Google 'search' on the responsible person.

Frequency

1. Prior to the person being appointed to a responsible person position within the CCPS Group, or upon a person being nominated for the position of director, or (at the latest) within 28 days of the person's appointment to the responsible person position; and
2. annually.

B. Corporations Act and CCPS Constitution eligibility requirements for Directors

The Corporations Act and the CCPS Constitution impose a number of eligibility requirements on CCPS directors.

Before accepting a person's nomination as a candidate for director, or before appointing a person to a casual vacancy, CCPS will conduct the following checks to determine whether:

1. The person is aged 18 years or over.

1. Candidate for directors' election – date of birth to be provided in the nomination form.

2. The person has been disqualified from managing a corporation.

Checks to be conducted

- 1) a search of the Disqualified Persons Register maintained by ASIC; and
- 2) a check to see whether the person is an undischarged bankrupt or has entered an arrangement or composition under Part X of the *Bankruptcy Act 1966* (Cth) which has not yet been fully complied with – search via National Personal Insolvency Index (<https://www.confirm.citec.com.au>).

3) The person has been convicted of a disqualifying offence in Australia.

Check to be conducted

Criminal history check with the relevant Australian Police Force.

4) The person has been convicted of a disqualifying offence overseas.

Check to be conducted

A questionnaire as per Appendix 5.

5) For directors, the person is a member of CCPS (unless an appointed director).

Check to be conducted

Eligibility declaration contained within the nomination form.

- 6) **For directors, the person meets any other eligibility requirements of the CCPS Constitution.**

Check to be conducted

Eligibility declaration contained within the nomination form.

Appendix 5

'Fit and Proper' Person Declaration

I declare that I am a fit and proper person within the meaning of Prudential Standard APS 520 Fit and Proper.

I specifically declare that I have:

- 1) the educational or technical qualifications, knowledge, skills, experience, competence, diligence, judgement, character, honesty and integrity required to satisfactorily discharge the responsibilities of the responsible person position I hold or seek appointment to;
- 2) never failed to discharge my responsibilities as a director or manager of, or a professional service provider to, an entity with competence, diligence, sound judgement, honesty and integrity;
- 3) not been the subject of criticism, discipline, punishment or adverse findings, directions or orders, by a court, tribunal, official inquiry, regulatory agency, complaints handling body, dispute resolution body, or professional or industry body concerning my conduct in relation to:
 - i) the management of an entity; or
 - ii) commercial or professional activities in which I was involved;
- 4) not been the subject of civil or criminal proceedings, or enforcement action, in relation to:
 - i) the management of an entity; or
 - ii) commercial or professional activities;

which were determined adversely to me (including by me consenting to an order or direction, or giving an undertaking, not to engage in unlawful or improper conduct) and which reflected adversely on my competence, diligence, judgement, honesty, or integrity;

- 5) not been:
 - i) personally expelled or excluded from, or refused admission to, a professional or industry body, or a clearing house or exchange; or
 - ii) involved with an entity which has been expelled or excluded from, or refused admission to, a professional or industry body, or a clearing house or exchange, in circumstances where I was involved with the affairs of the entity at a time when events or conduct were occurring, which caused or contributed to the entity's expulsion, exclusion or non-admission;
 - 6) not been:
 - i) personally refused a licence or authorisation relating to a commercial or professional activity, or had such a licence or authorisation revoked; or
 - ii) involved with an entity which has been refused a licence or authorisation relating to a commercial or professional activity, or had such a licence or authorisation revoked, in circumstances where I was involved with the affairs of the entity at a time when events or conduct were occurring which caused or contributed to the refusal of the licence or authorisation;
 - 7) not been terminated, resigned or was asked to resign, from a position as a director or manager of, or professional service provider to, an entity in circumstances which reflected adversely on my competence, diligence, judgement, honesty, or integrity in discharging my responsibilities in the position;
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- 8) not been disqualified, removed or excluded from, or not admitted to:
- i) the management of, or a position of responsibility in relation to, an entity or class of entities; or
 - ii) a commercial or professional activity;
- by a court, tribunal or regulatory agency, or by the operation of a legislative provision;
- 9) not seriously or persistently failed to manage my debts or financial affairs satisfactorily in circumstances where such failure caused loss to others;
- 10) not acted as a director or manager of, or a professional service provider to, an entity which:
- i) was, or later came to be, insolvent; or
 - ii) was, or later came to be, under insolvency administration; or
 - iii) was, or later came to be, under statutory or judicial management; or
 - iv) failed to repay, or otherwise failed to meet its financial obligations to, creditors or beneficiaries;
- at a time when events or conduct were occurring which caused or contributed to the insolvency, placement under insolvency administration or statutory or judicial management, or failure to repay or otherwise meet obligations to creditors or beneficiaries;
- 11) not contravened any regulatory requirement or professional standard relating to:
- i) the management of an entity; or
 - ii) commercial or professional activities;
- 12) never been obstructive, misleading or untruthful in dealing with a court, tribunal, official inquiry, complaints handling body, dispute resolution body, or professional or industry body;
- 13) never hindered, obstructed or misled, or was not candid or truthful with a regulatory agency;
- 14) never demonstrated a lack of readiness and willingness to comply with legal obligations, regulatory requirements or professional standards;
- 15) never breached a fiduciary obligation or other obligation involving trust;
- 16) not perpetrated or participated in negligent, deceitful, or otherwise discreditable business or professional practices;
- 17) not:
- i) failed to disclose a conflict of interest; or
 - ii) failed to disqualify myself because of a conflict of interest; or
 - iii) participated in deliberations relating to a matter in which I had a conflict of interest; or
 - iv) acted in my own interests in preference to the interests of others contrary to a legal, professional or ethical obligation which applied to the person;
- 18) not been or become a person of bad repute in any business or financial community or any market;
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- 19) not knowingly appointed a person who was not fit and proper to act as a responsible person;
- 20) no conflict of interest, which may influence my ability to carry out the role and functions of the responsible person position I hold or am being considered for, or already fill. Conflict of interest includes but is not limited to:
 - engagement in any other paid employment without the prior written consent of CCPS;
 - engagement in any additional business or activity which conflicts with the interests of CCPS or the requirements of the position being sought or the ability to perform the requirements and responsibilities of the position being sought;
- 21) not failed to comply with a condition imposed by APRA;
- 22) not been convicted of any offence arising out of breaches of the Financial Sector (Collection of Data) Act 2001;
- 23) not been convicted of any offence arising out of breaches of the Corporations Act 2001, the Corporations Law that was previously enforce, or any law of a foreign country that corresponds to that Act or the Corporations Law;
- 24) not been convicted of an offence against or arising out of a law in force in Australia, or the law of a foreign country, where the offence related or relates to dishonest conduct, or to conduct relating to a company that carries on a business in the financial sector;
- 25) not been declared bankrupt under Australian or foreign law;
- 26) not executed a deed of arrangement under Part X of the Bankruptcy Act 1966 (Cth) (or a similar law of a foreign country) where I have not yet fully complied with the terms of the deed;
- 27) not failed to make final payment under the composition where my creditors accepted a composition under Part X of the Bankruptcy Act 1966 (Cth) or similar law of a foreign country);
- 28) not been disqualified by a court from managing corporations;
- 29) not been disqualified by ASIC from managing corporations; and
- 30) never been disqualified under the law of a foreign country from managing, or taking part in the management of, an entity that carries on the business of banking or insurance or otherwise deals in financial matters.

I acknowledge the Community CPS may conduct checks and obtain references to establish that I am a fit and proper person and provide my consent to Community CPS to obtain a criminal history check if required, and that any false statement I make in this declaration may lead to dismissal or removal from the Board or the responsible person position I have been appointed to.

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Signature of Responsible Person

Date:.....

