MEMORANDUM OF UNDERSTANDING (MOU)

BETWEEN

Teachers Mutual Bank Limited (**TMBL**);

AND

Finance Sector Union of Australia (**FSU**)

PURPOSE

1. Teachers Mutual Bank Limited (**TMBL**) and Australian Mutual Bank Ltd (**AMBL**) have traditionally been member-owned authorised deposit-taking institutions.

2. Recently, the members of TMBL and AMBL voted in favour of a voluntary total transfer of business under which AMBL's assets, liabilities, members and employees will transfer to TMBL. The proposed transfer date is 1 May 2026 (the **Merger Date**).

3. It is proposed that on 30 April 2026, the majority of AMBL employees will cease employment with AMBL and then commence employment with TMBL on the Merger Date.

4. TMBL is in the process of making offers of employment to the majority of AMBL employees to perform the same or substantially similar work for TMBL as they performed for AMBL (the **Transferring Employees**).

5. Upon Merger Date, TMBL will recognise continuity of service, transfer accrued leave balances, and recognise pre-approved leave of the Transferring Employees.

6. Assets used in connection with the transferring work will also transfer to TMBL on the Merger Date.

7. AMBL and the majority of its employees have traditionally been covered by the *Australian Mutual Bank Ltd Enterprise Agreement 2024–2027* (**AMBL EA**).

8. TMBL and the majority of its employees have traditionally been covered by the *Teachers Mutual Bank Limited Enterprise Agreement 2023* (**TMBL EA**).

9. The AMBL EA will be a transferable instrument within the meaning of s 312 of the *Fair Work Act 2009* (Cth) (the **Act**), and pursuant to s 313 of the Act, the AMBL EA will cover TMBL and the Transferring Employees in relation to the transferring work on and from the Merger Date, subject to any order under s 318 of the FW Act.

10. On 16 March 2026, TMBL lodged an application with the Fair Work Commission (**FWC**) under s 318(1) of the Act (**Application**) seeking orders that:

    a. the AMBL EA does not and will not cover TMBL and the Transferring Employees;

    b. the TMBL EA does and will cover the Transferring Employees in the roles covered by that enterprise agreement; and

c. the *Banking, Finance and Insurance Award 2020* (the **Award**) does and will cover the Transferring Employees in the roles covered by that modern award.

11. This Memorandum of Understanding (**MOU**) is made between the parties in connection with the Application.

THE AGREED MATTERS

1. Upon the execution of this MOU by the parties and in consideration for TMBL providing all of the **Undertakings** in clause 2 below to the FSU, the FSU will support all aspects of the Application and consent to the FWC approving all aspects of the Application (the **FSU Application Support**).

2. Upon the execution of this MOU by the parties and in consideration for the FSU providing the **FSU Application Support**, TMBL provides all of the following **Undertakings** to the FSU:

   (a) TMBL undertakes that, if making an L6 or L7 Transferring Employee redundant, TMBL will apply the terms of clause 20 of the *Australian Mutual Bank Ltd Enterprise Agreement 2024–2027* to the extent that it provides a more beneficial entitlement to the employee than the benefit set out in the REDUNDANCY clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employees to effect the transfer of their employment to TMBL.

   (b) TMBL undertakes that the words *"to perform designated duties whether or not these duties form part of the Employee's usual role"* as used in the DIRECTION TO PERFORM DIFFERENT DUTIES OR STAND DOWN clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employees to effect the transfer of their employment to TMBL will be read as "*to perform designated duties whether or not these duties form part of the Employee's usual role provided that such duties are within the Employee's skill and competency and reasonably assigned".*

   (c) TMBL undertakes that the words *"The Employee must take all reasonable steps to ensure that the Employer's statutory obligations under the Privacy Laws are met"* as used in the PRIVACY clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employee to effect the transfer of their employment to TMBL will be read as if those words were deleted from the contract of employment.

   (d) TMBL undertakes that the words *"The Employee consents to the Employer disclosing the Employee's personal information to other persons (including to persons outside of Australia) for any lawful purpose relating to the Executive's Employment or the conduct of the Employer's business"* as used in the PRIVACY clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employees to effect the transfer of their employment to TMBL will be read as *"The Employee consents to the Employer disclosing the Employee's personal information to other persons (including to persons outside of Australia) for any lawful purpose relating to the Executive's Employment or the conduct of the Employer's business, provided that such disclosure is limited to disclosure to insurers, superannuation administrators, healthcare workers, the Australian Taxation Office, government agencies, financial and legal advisers, potential purchasers on sale of business and law enforcement bodies."*

(e) TMBL undertakes to comply with the requirements of the *Workplace Surveillance Act 2005* (NSW) in its application of the MONITORING AND SURVEILLANCE clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employee to effect the transfer of their employment to TMBL.

(f) TMBL undertakes, in the event it is ever required to apply the SET-OFF clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employees to effect the transfer of their employment to TMBL, to apply the clause in such a way that ensures the employee is better off overall financially than the employee would have been had the AMBL EA applied to the employee.

(g) TMBL undertakes that the effect of the SPECIAL PROVISION clause of the contracts of employment issued by TMBL to L6 and L7 Transferring Employees to effect the transfer of their employment to TMBL is as follows:

i. The employee will be employed by TMBL regardless of the outcome of the Application;

ii. If the Application is <u>successful</u>, the terms and conditions of the employment will be those specified in the contract of employment issued by TMBL to the employee;

iii. If Application to the FWC is <u>un</u>successful, the terms and conditions of the employment will be those that applied to the employee during their employment with AMBL except that:

- The employer will be TMBL;
- TMBL policies and procedures will apply; and
- Any reference to the Employee' position title, classification level (but not rate of pay), reporting lines or work location in the Employee's AMBL contract will be taken to refer to the same details as set out in the TMBL contract issued to the employee.

(h) TMBL undertakes to comply with the requirements of the *Workplace Surveillance Act 2005* (NSW) in its application of the MONITORING AND SURVEILLANCE clause of the contracts of employment issued by TMBL to L1, L2, L3, L4 and L5 Transferring Employees to effect the transfer of their employment to TMBL.

(i) TMBL undertakes that, whenever it requires a Transferring Employee to attend for a medical examination, TMBL will first seek to reach agreement with the employee on the choice of medical practitioner. Provided that if such agreement cannot be reached within 14 days, then TMBL will have the right to elect the medical practitioner.

Signatures

Date: 8 April 2024

Signed by David Mollison, Head of People Operations for and on behalf of Teachers Mutual Bank Limited

Date: 13 April 2026

Signed by Julia Angrisano, National Secretary for and on behalf of the Finance Sector Union of Australia