

# NOTICE OF MEETING

nib holdings limited  
abn 51 125 633 856

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Notice is given that the Annual General Meeting (AGM)  
of nib holdings limited (Company or nib) will be held:

**Date:** Wednesday 28 October 2009

**Time:** 1.00pm

**Venue:** Newcastle City Hall  
1st Floor Concert Hall  
290 King Street, Newcastle 2300

# NOTICE OF MEETING

## BUSINESS

### 1. Consideration of Reports

To receive and consider the Financial Report, the Directors' Report and the independent Audit Report of the Company for the financial year ended 30 June 2009.

Shareholders will be given a reasonable opportunity to ask questions about, or comment on, the management and audit of the Company.

### 2. Remuneration Report

To consider, and, if thought appropriate, pass the following Advisory Resolution:

"That the Remuneration Report for the financial year ended 30 June 2009 (set out in the Directors' Report) is adopted"

*Please note that this resolution is advisory only and does not bind the Directors or the Company.*

### 3. To re-elect Mr Keith Lynch as a Director

To consider and, if thought appropriate, pass the following Ordinary Resolution:

"That, Keith Lynch, an Independent Non-Executive Director retiring in accordance with Article 10.3(b) of the Constitution, being eligible, is re-elected as an Independent Non Executive Director of nib holdings limited."

### 4. To re-elect Mr Philip Gardner as a Director

To consider and, if thought appropriate, pass the following Ordinary Resolution:

"That, Philip Gardner, an Independent Non-Executive Director retiring in accordance with Article 10.3(b) of the Constitution, being eligible, is re-elected as an Independent Non Executive Director of nib holdings limited."

### 5. Amendment to the Constitution of nib

To consider and, if thought appropriate, pass the following Special Resolution:

"That Article 12.22 of the nib Constitution be amended with effect from the close of this meeting to read:

#### 12.22 Circulating resolutions

The Directors may pass a resolution without a Directors' meeting being held if a majority of the Directors who are entitled to vote on the resolution sign a statement that they are in favour of the resolution set out in the document. Separate copies of a document may be used for signing by the Directors if the wording of the resolution and statements is identical in each copy. The resolution is passed when the requisite majority has signed the document."

Dated: 22 September 2009

By Order of the Board



**Michelle McPherson**

Company Secretary

## Notes:

1. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Shareholders can appoint a body corporate as well as an individual as their proxy. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at general meetings of nib holdings limited or in the capacity of a shareholders proxy at general meetings of nib. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a general meeting or in voting on a resolution.
2. A shareholder who appoints two proxies may state on the Proxy Form what proportion or number of the shareholder's votes each proxy is being appointed to exercise. If a shareholder appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half the shareholders votes.
3. If a shareholder has appointed two proxies, when a resolution is decided on a show of hands, only the first person named on the Proxy Form may vote. If two Proxy forms have been completed, the person whose name is earlier in alphabetical sequence may vote.
4. A proxy need not be a shareholder of nib holdings limited.
5. Either the original, facsimile or electronic transmission of the Proxy Form(s) and any Power of Attorney or authority under which they are signed must be received at least 48 hours prior to the AGM (i.e. by no later than 1.00pm on Monday 26 October 2009) or any

adjournment. Any Proxy Form received after this deadline, including at the AGM, will be invalid.

6. A Proxy Form accompanies this Notice of Meeting.
7. Additional Proxy Forms will be supplied by the nib Share Registry on request.
8. An electronic proxy facility is also available to shareholders via the nib website – [www.nib.com.au/shareholders](http://www.nib.com.au/shareholders).
9. If a corporate representative is to attend the AGM on behalf of a corporation, a formal Notice of Appointment must be brought to the AGM.
10. In accordance with Regulation 7.11.37 of the Corporations Regulations and ASTC Settlement Rule 5.6.1, the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the register of shareholders as at 7.00pm (AEDST) on 26 October 2009. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the AGM.
11. If you wish a question to be put to the Chairman or Auditor and you are not able to attend the AGM, please complete the Question Form which is attached to this Notice of Meeting.
12. Either the original or facsimile transmission (refer to Question Form for facsimile number) of the Question Form must be received at least five business days prior to the AGM (i.e. by

# NOTICE OF MEETING CONTINUED

no later than 5.00pm on 21 October 2009 or any adjournment. This is to allow time to collate questions and to prepare answers.

## EXPLANATORY NOTES

### on the business to be transacted at the nib holdings limited Annual General Meeting

## ORDINARY BUSINESS

### 1. Consideration of Reports

Section 317(1) of the *Corporations Act 2001* (Cwlth) (**Corporations Act**) requires a public company to lay before its AGM the financial report, the Directors' Report and the Auditor's Report for the financial year that ended before the AGM.

Shareholders will be given a reasonable opportunity to consider, comment on and ask questions of the Directors and the Auditor of the Company about the management of the Company, the conduct of the audit, and the preparation and contents of the financial statements and reports for the financial year ended 30 June 2009.

### 2. Re-election of Director

#### 2.1 Keith Lynch

Keith Lynch was appointed as a Director of nib holdings limited in May 2007 and has been Chairman of nib since 13 September 2007. He has been a Director of nib health funds limited since 1982.

Mr Lynch is also Chairman of nib health funds limited, nib health services Ltd, The Heights Private Hospital Pty Ltd and nib servicing facilities Pty Ltd.

Mr Lynch is a former Director of Kip McGrath Education Centres Ltd. He has previously held senior executive positions with several Hunter-based engineering firms and is a former Director of Newcastle Grammar School and CW Pope & Associates Pty Ltd.

Keith Lynch retires in accordance with Article 10.3(b) of the Constitution and, being eligible, offers himself for re-election as an Independent Non Executive Director.

Mr Lynch is a Member of the nib Investment Committee and Chairman of the nib Nomination and Remuneration Committee.

Mr Lynch holds a BSc(Tech) degree and is a member of the Australian Institute of Company Directors.

The Directors (with Keith Lynch abstaining) recommend that you vote in favour of this Ordinary Resolution.

#### 2.2 Philip Gardner

Philip Gardner was appointed as a Director of nib holdings limited in May 2007 and has been a Director of nib health funds limited since 2005.

Mr Gardner is currently the Chief Executive Officer of the The West's Group Australia, a director of Newcastle Airport Ltd, Treasurer of Western Suburbs Rugby League Football Club Inc and is an adjunct lecturer in the Department of Commerce and Law at the University of Newcastle.

Philip Gardner retires in accordance with Article 10.3(b) of the Constitution and, being eligible, offers himself for re-election as an Independent Non Executive Director.

Mr Gardner is a Member of the nib Audit and Risk & Reputation Committees and Chairman of the nib Investment Committee.

Mr Gardner holds a Bachelor of Commerce degree and is a qualified accountant, a Fellow of the Australian Institute of Company Directors and a Justice of the Peace.

The Directors (with Philip Gardner abstaining) recommend that you vote in favour of this Ordinary Resolution.

### 3. Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Remuneration Report for the financial year ended 30 June 2009 is put to shareholders for adoption. The Remuneration Report is set out on pages 5 to 16 of the Annual Financial Report.

The vote on this resolution is advisory only and does not bind the Directors or the Company. Shareholders will be given a reasonable opportunity to ask questions about, and make comments on, the Remuneration Report at the AGM.

The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.

## SPECIAL BUSINESS

### 4. Amendment to the constitution

The constitution of nib, in accordance with section 248A of the Corporations Act 2001, allows for resolutions of the Directors to be passed without a meeting of Directors being held where all the Directors sign a document containing the wording of the resolution. As currently drafted, this requires the signature of all the Directors before a resolution comes into force. However, this unanimous voting requirement is more onerous than the requirements for any resolution put to a Board meeting, which only requires a majority of those present at the meeting. It also means that this type of resolution cannot be used in some instances where it would be practical to do so, for example if a Director is overseas and not contactable.

As section 248A is a replaceable rule it is not mandatory for nib's Constitution to provide for unanimity in relation to circular resolutions. Therefore, it is recommended that this clause be amended to allow a circulating resolution to be passed where a majority of Directors entitled to vote on the resolution consent to the resolution. This would allow the Directors to use this power to consider, and if appropriate, vote on resolutions that arise between Board meetings.

The Directors unanimously recommend that shareholders vote in favour of this special resolution.

# NOTICE OF MEETING CONTINUED

## ENCLOSURES

Enclosed with the Notice of Meeting are:

- i. a Proxy Form to be completed if you would like to be represented at the AGM by proxy. An electronic proxy facility is also available to shareholders via the nib website ([www.nib.com.au/shareholders](http://www.nib.com.au/shareholders)).
- ii. an AGM Question Form to be completed if you would like a specific question to be addressed by the Chairman or Auditor at the AGM; and
- iii. a reply paid envelope for you to return either or both the Proxy Form and AGM Question Form.



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