Dear Member,

Notice of MAS 2017 Annual General Meeting

We invite MAS Members to join us at the 2017 Annual General Meeting (AGM) to be held at the Museum of Te Papa Tongarewa, 55 Cable Street, Wellington on Wednesday 30 August 2017 at 6:45pm.

Following the AGM, we hope you’ll be able to stay and farewell Dr Richard Tyler who will be retiring as a Director and Chair of MAS after 37 years of service.

To RSVP please click here or email MASAGM@mas.co.nz.

AGM AGENDA

1. Apologies

2. Chairman’s Report

3. Resolution 1: Approval of Annual Report by Ordinary Resolution
   To consider, and if it thought fit, approve the 2017 Annual Report and Financial Statements.

4. Resolution 2: Election of Practitioner Trustees by Ordinary Resolution
   There are two Practitioner Trustee vacancies and two candidates standing for election. See the Explanatory Notes for more details.
   To consider and if thought fit approve:
   • the re-election of Dr Harley Aish as a Practitioner Trustee.
   • the election of Dr Alexandra Muthu as a Practitioner Trustee.

5. Resolution 3: Approval of Commercial Trustee Appointments by Ordinary Resolution
   Commercial Trustees are appointed by Practitioner Trustees. The appointment must be approved by Ordinary Resolution at the next Annual General Meeting. There are two appointments to be approved. See the Explanatory Notes for more details.
   To consider and if thought fit approve:
   • the appointment of Danelle Dinsdale as a Commercial Trustee.
   • the appointment of Lindsay Knowles as a Commercial Trustee.

6. Resolution 4: Remuneration of Directors
   To consider, and if thought fit, approve the Trustees, in their capacity as Shareholders in MAS, voting in favour of the resolution to increase the remuneration to be divided among all the Directors of MAS from $617,000 per annum to $660,000 per annum.

7. General Business

EXPLANATORY NOTES TO RESOLUTION 2: ELECTION OF PRACTITIONER TRUSTEES

In 2015, being mindful of the far more stringent regulatory environment in which MAS businesses now operate, the Board put in place a policy (the Trustee and Director Appointment and Re-Appointment Policy) to support an election process.

The underlying principle is that the assessment of Trustee and Director candidates should test them against the skills and experience the Board requires. These skills and experience include criteria that will change as skills and experience on the Board evolve.

The MAS Constitution, subject to certain conditions, requires that Practitioner Trustees will retire by rotation. Those due to retire this year are Dr Richard Tyler and Dr Harley Aish. Dr Harley Aish is standing for re-election.
The candidates for this year’s election and their current status are as follows:

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<thead>
<tr>
<th>Name</th>
<th>Current Status</th>
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<tr>
<td>Dr Harley Aish</td>
<td>Practitioner Trustee since 2013</td>
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<tr>
<td>Dr Alexandra Muthu</td>
<td>Member Nominated Candidate</td>
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Under MAS’s Trustee and Director Appointment and Re-Appointment Policy, all candidates must be assessed by the Board against the skills and experience criteria.

The primary criteria are:
1. Connectedness to professional groups or occupations including the medical, dental or veterinary professions sector;
2. An understanding of and support for the principle of mutual organisations;
3. Commercial acumen and strategic focus; and
4. The ability to work in a team.

A candidate must also be able to meet the requirements of MAS’s Fit and Proper Policy; a policy that is required by the Reserve Bank of New Zealand under the Insurance (Prudential Supervision) Act 2010 (the Overarching Criteria).

All candidates were assessed by the Board as being Fit and Proper.

Seven Member nominated candidates were interviewed earlier this year by an independent governance advisor and four of these were interviewed subsequently by a committee of the Board. The peer appraisal of the incumbent Practitioner Trustees performance was also considered in arriving at the following Board recommendation to Members.

The Board also considered the value of continuity of experience and stability having regard to succession plans, as Dr Aish is the chair-elect to replace the retiring Dr Tyler.

Based on the foregoing assessment and evaluation process, the Board supports the re-election of Dr Harley Aish, and the election of Dr Alexandra Muthu.

The following profiles have been provided by candidates:

**DR HARLEY AISH**

Harley is a General Practitioner, and has worked in Otara for the last 20 years. He has been involved in several projects with the local District Health Board to research and improve health for the local community, integrating care, and trying new models of care.

Harley is an experienced director, having a variety of governance roles during the last 18 years. He is currently a director in Howard Baptist Healthcare Group, and Chairman of ProCare Health Limited.

Harley has been a Practitioner Trustee since 2013, and if re-appointed, says he looks forward to continuing governing the awesome organisation MAS is becoming.

**DR ALEXANDRA MUTHU**

Alexandra is an Occupational and Environmental Physician. She was Clinical Director at Homecare Medical responsible for clinical governance of the new National Telehealth Service (2015-16). Prior to this she was at Air New Zealand (2010-15) and Mayo Clinic USA (2008-10). Alexandra has been involved in projects on digital and novel models of care, health informatics, systems improvement and integration, workplace wellbeing, and health and safety.

Alexandra is a member of the Institute of Directors, an independent member of the Advisory Board for the University of Auckland Masters of Health Leadership, and Director for an eHealth digital start-up company. She is a Councillor and deputy Director of Training for the Royal Australasian College of Physicians (RACP) Australasian Faculty of Occupational and Environmental Medicine (AFOEM).
EXPLANATORY NOTES TO RESOLUTION 3: APPROVAL OF COMMERCIAL TRUSTEES APPOINTMENT

In accordance with the MAS Members’ Trust Deed, Commercial Trustees must retire by rotation.

The Commercial Trustees whose appointments are to be approved by Ordinary Resolution are Danelle Dinsdale and Lindsay Knowles.

Each candidate has been assessed as fit and proper by the Board.

The following profiles have been provided by the proposed appointees:

DANELLE DINSDALE

Danelle is a commercial lawyer who spent 15 years overseas advising boards on change management, particularly in the insurance and banking sectors. During the last 7 years, Danelle has served on the boards of a PHO (Health Hawke’s Bay) and a telecoms provider (Ultrafast Fibre Limited) and continues to be an independent director on Hawkes Bay Regional Investment Company Limited and Crown Fibre Holdings Limited. Prior to becoming a director of MAS and its insurance and funds management subsidiaries, Danelle served as an independent director for Medical Securities Limited (MSL) from 30 November 2010 to August 2013.

LINDSAY KNOWLES

Lindsay has 15 years experience as a corporate banker, and is currently an executive director in their family import distribution business, Acme Supplies Limited, a nationwide wholesaler of stationery, hardware and packaging products. He is also a director of Cranford Hospice Trust Board, the chair of Howick Baptist Healthcare Limited group, and has served on several other commercial and not-for-profit boards. Lindsay has been a director on a number of MAS Group boards since 2013, and currently chairs the Audit and Risk Committee.

EXPLANATORY NOTES TO RESOLUTION 4: REMUNERATION OF DIRECTORS

In accordance with the MAS Members’ Trust Deed, changes to the annual amount of remuneration paid to Trustees must be approved by an Ordinary Resolution.

The approved fee pool is divided among all nine directors of MAS, as remuneration for the following appointments:

- Trustees of the Members’ Trust
- Directors of Medical Assurance Society New Zealand Limited
- Directors of Medical Insurance Society Limited
- Directors of Medical Life Assurance Society Limited
- Directors of Medical Funds Management Limited
- Directors of Medical Securities Limited
- Trustees of the Medical Assurance Society KiwiSaver Plan
- Trustees of the Medical Assurance Society Retirement Savings Plan

In setting the proposed level of remuneration, consideration has been given to: external benchmarking to comparable financial services organisations, the increasing demands on directors generally, the desire to continue to attract suitable candidates for the board, and the two-year period since the last increase to the approved remuneration.

VOTING AT THE AGM

All Full MAS Members (as defined in the Trust Deed) will be entitled to vote on any resolutions put to the membership at the AGM.

For those not attending the AGM, you can provide a proxy voting form to MAS no less than 48 hours before the AGM.

If you have received an email regarding the Notice of Annual General Meeting, please follow the online voting instructions, otherwise a copy of the proxy form can be found here. Please complete this and send it by freepost, or email a scanned signed copy to MASAGM@mas.co.nz.

By Order of the Trustees
Matthew Judge
Company Secretary
Wellington
9 August 2017