

# LIXI Director Responsibilities & Commitments

This document outlines the high level responsibilities and commitments of a LIXI Board Director, to aid them with the expectations and necessary allocation of time in order to fulfill their duties.

## **General Obligations**

First and foremost, a Director on the LIXI Board has the same statutory obligations as described by ASIC for company directors. A publication "Duties & Responsibilities of Directors and Officers" published by Prof. Bob Baxt in conjunction with the Australian Institute of Company Directors, is available to all LIXI Directors for reference purposes.

In the context of LIXI, Directors are nominated by Member companies and after being elected, serve for 1 year, unless re-elected as stated in the LIXI Constitution. During this year, Directors are expected to meet their member company as well as LIXI obligations.

There are no specific prerequisite qualifications for a LIXI Director, except for those stated in the LIXI Constitution [adult, the nominated representative of a financial LIXI member, seconded by another financial member]. A broad or vertical knowledge of the Lending industry is of some advantage, as Director's are frequently called to make decisions that will impact the industry and influence the way the standards are developed.

LIXI Director's often attend events on behalf of LIXI and in that capacity are expected to be able to articulate the benefits of LIXI, gather feedback and also talk about future plans and strategies. Being employed by a member company, this representation may pose difficulties when talking with a competitor of their company, so clear disclosure of their position is appropriate at all times to avoid possible compromising situations. A LIXI code of conduct under these circumstances has been articulated by the Chair of Board and endorsed by all Directors.

LIXI Directors must, when exercising their LIXI obligations, place the welfare and best interests of LIXI and the industry foremost in their mind at all times.

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## **Time obligations**

LIXI Directors are expected to attend, if possible, all LIXI Board meetings (10-12 per annum) either in person or via telephone conference and not miss any more than 3 consecutive meetings. Attendance KPIs are kept and published. Each Board meeting requires around 2 hours of attendance and at least 1-2 hours of preparation. Annual Board meeting time requirements start from a minimum of 50 hours.

LIXI Directors are also expected to participate in at least one and typically two sub-committees. Director selection of sub-committee participation is voluntary, based either on their skills, experience or desire to participate. Time commitments for each sub-committee are similar to Board requirements, though some have less face-to-face time and more assigned work. Annual time commitments are around 100+ hours for committee related assignments.

In addition to the above time commitments, LIXI publishes the LIXI@Work newsletter and organises General Meetings, an AGM, and an Industry Forum event. These also require a total of around 40-50 hours of participation per annum on average.

## **Financial Obligations**

LIXI Directors are not remunerated for their time, as stated in the LIXI Constitution. Out of pocket expenses for LIXI specific assignments are financed by LIXI as per the guidelines in the constitution. It is common practice though for Directors to combine a LIXI requirement with that of their sponsor company reducing the cost to LIXI. Typical outlays are 1-2 flights per annum, depending where the Director is domiciled.