FARM MANAGEMENT DEPOSIT
TERMS AND CONDITIONS

Important information you should read before proceeding

THIS DOCUMENT CONTAINS TERMS AND CONDITIONS FOR THE FOLLOWING FARM MANAGEMENT DEPOSIT

Effective Date: 27 April 2015

Issuer of the Products: Rural Bank Limited
ABN 74 083 938 416

Australian Financial Services Licence (AFSL) 238042

Registered Office: Level 6, 80 Grenfell Street, Adelaide, SA 5000

Products distributed by Rural Finance – A Division of Bendigo and Adelaide Bank Ltd,
ABN 11 068 049 178 AFSL/237879 as sales agent for Rural Bank Limited.

The Farm Management Deposit Terms and Conditions (Terms) contain important information you should consider before making a decision to acquire or continue to hold a Farm Management Deposit. Please read it carefully. We recommend that you compare products available in the marketplace and select a product that best suits your individual needs. You should keep the Terms in a safe place, as it may be a useful reference guide in the future. Please contact us if you require further information or if you have any questions.

Statements made in the Terms do not constitute investment advice. We recommend you seek independent financial advice.

To the extent that general advice about financial products is provided in the Terms, you should note that:

• the advice has been prepared without taking into account your objectives, financial situation or needs;
• because of this you should, before acting on the advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs;
• individual circumstances may vary and special legislative requirements must be adhered to. You should consult your taxation advisor.
• you should read these Terms and consider the risk factors and other information contained in the Terms before deciding whether to acquire our Farm Management Deposit product.

FINANCIAL CLAIMS SCHEME

Deposits with Rural Bank are covered by the Financial Claims Scheme. The account holder may be entitled to payment under the Financial Claims Scheme. Payments under the Scheme are subject to a limit for each depositor. Information about the Financial Claims Scheme can be obtained from the APRA website at www.apra.gov.au and the APRA hotline on 1300 55 88 49.
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**Definition of Terms**

In these Terms, unless the context otherwise requires:

‘AFSL’ means Australian Financial Services Licence number;

‘branch’ includes any branch of Rural Finance who act as agents of Rural Bank;

‘BSB’ means Bank State Branch identifier. It is used to identify individual financial institutions for the purpose of direct credits, direct debits and cheque clearing;

‘business day’ means a day on which banks in Melbourne or Sydney are able to effect settlement through the Reserve Bank of Australia;

‘deposit’ means a deposit we establish in your name for the purpose of recording transactions in connection with a Farm Management Deposit product we provide to you;

‘direct debit request’ is an authorisation that you complete to arrange for payments to be made automatically from or to your deposit or to a specified payee(s) on dates advised by you;

‘Fixed rate FMD’ means our fixed rate Farm Management Deposit;

‘FMD’ means Farm Management Deposit;

‘FMD provider’ means farm management deposit provider as defined in subsection 393-20(3) of the Income Tax Assessment Act 1997;

‘maturity date’ means the date on which the term of an FMD expires;

‘primary producer’ means:

(a) An individual who carries on a primary production business in Australia other than as a trustee of a trust estate;

(b) A partner (not being a company) in a partnership that carries on a primary production business in Australia; or

(c) A beneficiary (not being a company) who is presently entitled to a share of income of a trust estate where the trustee carries on a primary production business in Australia;

‘primary production business’ means where you carry on a business of:

(a) cultivating or propagating plants, fungi or their products or parties (including seeds, spores, bulbs and similar things), in any physical environment;

(b) maintaining animals for the purpose of selling them or their bodily produce (including natural increase);

(c) manufacturing dairy produce from raw material that you produced;

(d) conducting operations relating directly to taking or catching fish, turtles, dugong, bêche-de-mer, crustaceans or aquatic molluscs;

(e) conducting operations relating directly to taking or cultivating pearls or pearl shell;

(f) planting or tending trees in a plantation or forest that are intended to be felled;

(g) felling trees in a plantation or forest;

(h) transporting trees, or parts of trees, that you felled in a plantation or forest to the place:

(i) where they are first to be milled or processed; or

(ii) from which they are to be transported to the place where they are first to be milled or processed;

‘we’ means Rural Bank (‘RB’) Limited ABN 74 083 938 416 AFSL Number 238042 and its successors and assigns and ‘our’ and ‘us’ have a corresponding meaning; and

‘website’ means the Rural Finance website ruralfinance.com.au

‘you’ means the person or persons in whose name the FMD is to be established, as evidenced by the FMD application form, and ‘your’ has a corresponding meaning;

A reference to:

(a) the singular includes the plural and vice versa;

(b) a document includes any replacement or variation of it;

(c) a thing includes the whole and each part of it; and

(d) a law means common law, equity or statutory laws (which, in the case of statutory laws, include any instruments made under them and amendments to and replacements of them).
1. IMPORTANT FARM MANAGEMENT DEPOSIT (FMD) INFORMATION

The taxation implications of investing in an FMD depend on your individual circumstances. You should consult your taxation advisor before deciding to invest in an FMD.

When transferring all, or part of, an FMD from another FMD provider, to preserve the taxation benefit the principal invested must be transferred via EFT.

1.1 WHAT IS A FARM MANAGEMENT DEPOSIT?

The FMD scheme was established by the Income Tax Assessment Act (1997). It is designed to allow primary producers to set aside pre-tax income in profitable years to establish cash reserves and help meet costs in less profitable years. It enables the management of exposure to seasonal fluctuations and adverse economic events.

The FMD scheme allows primary producers to deduct the amount of any deposit from their assessable income for the income year in which the deposit is made.

Withdrawals made from an FMD are then subject to tax in the year in which they are made.

To be eligible for the FMD scheme and to maintain FMD status, primary producers and deposits must meet the criteria specified in the Income Tax Assessment Act 1998 and those outlined in these terms and conditions. For further details on eligibility criteria refer to the Farm Management Deposits Law or visit the Department of Agriculture, Fisheries and Forestry website at www.daff.gov.au

1.2 SPECIAL FMD TERMS AND CONDITIONS

Federal Law states that the following special terms and conditions must apply to your FMD for it to qualify as an FMD for the purposes of the FMD scheme. Consequently, these special terms and conditions apply to your FMD deposit. A breach of these special terms and conditions will result in the deposit, or some of the deposit, of your FMD Deposit not qualifying as an FMD. You must read this section very carefully.

To the extent that you control these, it is your responsibility to ensure the following special terms and conditions are complied with:

(a) You must be a primary producer when the deposit is made.
(b) Your FMD can only be opened in your name and cannot be held jointly, or otherwise, with any other person.
(c) The deposit must not be made:
   (i) by a trustee of a trust estate on behalf of a beneficiary, unless the beneficiary is presently entitled to a share of the income of the trust estate and is under a legal disability, or
   (ii) otherwise by a person in his or her capacity as a trustee.
(d) Your rights as depositor in respect to your FMD are not transferable to another entity.
(e) You can own more than one FMD, and can own FMD(s) with different FMD providers but the sum of the balances of all your FMD(s) must not be more than $400,000.
(f) You can consolidate existing FMD(s) that have been held for at least 12 months.
(g) A charge or other encumbrance must not be created over your FMD as security for any amount payable by you or any other entity to us or to any other entity.
(h) Interest or other earnings on your FMD must not reduce your liability to pay interest to us on loans or other debts you have.

(i) Interest or other earnings on your FMD must not be invested in an FMD with us without having first been paid to you.
(j) You are permitted to consolidate existing FMDs that have been held for at least 12 months.

In addition to the above, the following special conditions must be satisfied by us in relation to your FMD, and we will comply with them:

(k) We must repay your FMD(s) if:
   (i) you die;
   (ii) become bankrupt; or
   (iii) you cease to be a primary producer for at least 120 days.
(l) Except where the entire amount of your FMD is repaid by us, the amount of any repayment must be $1,000 or more.
(m) At your written request, and upon receipt of any information or other assistance necessary for the purpose, we must electronically transfer all, or part of, the balance of your FMD to another FMD provider that agrees to accept it as an FMD.

NOTE: Reduced interest may apply if a fixed rate FMD is transferred prior to its maturity date (refer to section 6 for details).

(n) We must not deduct from your FMD (whether at the time the deposit is made, while it is with us, or at the time of its repayment) any administration fee or other amount required by us to be paid in respect to the FMD or otherwise.

1.3 ELIGIBILITY FOR TAX BENEFIT

You are entitled to deduct the total dollar amount of deposits made to your FMD in an income year from your assessable income for the year of the income if:

(a) you are the owner of the FMD made in the year of income;
(b) your taxable non-primary production income for the year of income is not more that $100,000; and
(c) you did not during the year of income:
   (i) become bankrupt; or
   (ii) cease to be a primary producer for 120 days or more (whether or not falling entirely within the year of income).

The taxation deduction that you claim must not exceed your taxable primary production income for the year of income.

Taxation benefits are not retained for deposits or part of deposits withdrawn in the first twelve months of the deposit being made, unless the withdrawal is made:

(a) because the owner:
   (i) dies;
   (ii) becomes bankrupt; or
   (iii) has requested all, or part of, the deposit be transferred to another FMD provider.
(b) in circumstances specified in regulation 7 of the Income Tax (Farm Management Deposits) Regulations 1998, relating to repayment in the event of a natural disaster, exist.

Taxation benefits are retained for any part of a deposit remaining after a withdrawal in the first twelve months of the deposit being made if:

(a) if the remaining FMD is not withdrawn for at least twelve months; and
(b) the residual amount does not fall below $1,000.

For these purposes, deposits made with us as a result of one or more transfers from another FMD provider may be taken to be made when the deposit was made with the first FMD provider,
provided certain criteria are met. For more information, contact us on 1300 796 101, or email admin@ruralfinance.com.au.

Withdrawals made twelve months after the date of deposit for which a deduction was claimed are considered to be assessable income. The withdrawal forms part of the instalment income for the instalment period under the Pay As You Go system.

Interest earned on an FMD is assessable in the year that it is earned.

1.4 Repayment of Deposit Within First Twelve Months

If you withdraw all, or part of, the balance of your FMD within twelve months of the date it was deposited, the amount repaid will not, and will never have been, taken to be part of an FMD for the purposes of the FMD scheme unless:

(a) the repayment is required as a result of your death or bankruptcy;

(b) the repayment is the result of a written request by you to transfer all, or part of, your FMD to another FMD provider; or

A repayment in exceptional circumstances occurs if the repayment is required due to circumstances specified in regulation 7 of the Income Tax (Farm Management Deposits) Regulations 1998, relating to repayment in the event of a natural disaster, exist.

Any subsequent deposit made by you, or on your behalf, in the financial year in which the repayment is made, is taken never to have been an FMD for the purposes of the FMD scheme. Any balance remaining from prior to your repayment continues to be covered by the FMD scheme only if it is at least $1,000 and it remains an FMD for at least twelve months.

Where a deduction has been claimed in a prior year of income for the part of an FMD that was repaid within twelve months of the deposit, you are not able to retain the tax benefit of the deduction and you need to request an amendment of your assessment for that prior income year. Where more than one repayment has been made within twelve months at different times, it may be necessary to request additional amended assessments.

**Example (assuming none of the exceptions set out previously apply)**

On 1 November 2012, a primary producer made an FMD of $10,000. For the income year ending 30 June 2013, the farmer claimed a deduction of $10,000. On 1 September 2013, the farmer has to withdraw $7,000.

The $3,000 remaining FMD still qualifies for a deduction, providing it remains in the account until 1 November 2013.

The $7,000 withdrawn is not, and is taken never to have been part of an FMD. Consequently, the deduction for the year ended 30 June 2013 has to be reduced to $7,000.

**NOTE** This example is for illustration purposes only. The actual outcome, should you make a withdrawal for an FMD within twelve months of making a deposit, depends on your particular circumstances at the time. You should seek financial advice prior to making the decision to transact on your FMD.

1.5 Repayment Upon Death

If you die, the balance of your FMD becomes payable at that time, and is assessable income in that financial year to the extent that it has previously been claimed as a deduction.
2.8 Interest Rates That May Apply

Fixed interest rates apply to Farm Management Deposit(s). The rate of interest that applies to your initial deposit will be confirmed to you once your deposit is accepted.

Interest is calculated daily on the basis of a 365 day year from the applicable depositing day up to but not including the date of withdrawal. Cheques are not deposits until cleared. Deposits can be made up to 3:00 pm on any business day.

For deposits with an interest payment frequency of one year, interest is paid on each anniversary of the investment date. For deposits with an interest payment frequency of less than one year, interest payments are made after the expiry of a complete period of that frequency commencing on the first working day of the next month, at that frequency thereafter and at the maturity date. Interest must be paid to you and cannot be reinvested.

2.9 FMD Statements

A statement of transactions is provided upon payment of interest, full withdrawal or transfer to another financial institution.

2.10 Communicating with You

This section deals with notices, certificates and other communications sent by us to you that apply to your FMD.

We may give you a notice, certificate or other communication personally, by post, by facsimile, by email, by publication in a national or local newspaper, on our website or by any other means permitted by law. Notices or other documents are deemed to be received by you:

• where given personally, on the date of service;
• where posted, on the date it would have been delivered in the ordinary course of post;
• where sent by facsimile, email or other electronic means, on the date on which the machine from which it was sent produces a report indicating that the notice or other document has been sent; and
• in the case of notices published in a newspaper or on our website, on the date of the first publication.

2.11 Communicating With Us

This sections deals with notices, certificates and other communications sent by you to us that apply to your FMD.

If a communication is given by you, it must be signed by you. Notices for us should be sent to our mailing address outlined in section 2.

Unless otherwise agreed, we will not maintain or transact on your account before receiving a signed, written instruction from yourself.

2.12 Changes to the Terms and Conditions and Ongoing Disclosure

We may vary the terms and conditions applicable to your FMD as set out in the Terms, but where the product was issued to you as a basic deposit product, we cannot vary the terms and conditions in a way that would not permit the deposit to remain as a basic deposit product. Basic deposit products are relatively simple deposit products for which separate rules may apply under the Corporations Act (2001). In addition:

• we will not vary the terms of an FMD so that it no longer qualifies as an FMD without giving you at least twelve months notice; and
• where we have agreed to a fixed rate of interest, we cannot vary that rate unless we agree to you withdrawing funds prior to the end of the agreed term (refer to section 6 for details).

We will notify you of variations to the terms and conditions, interest rates and fees and charges that affect your FMD as follows:

<table>
<thead>
<tr>
<th>Type of variation</th>
<th>Minimum notice</th>
<th>Method of notice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adding, deleting or varying terms and conditions that affect your deposit other than as specified elsewhere in this table.</td>
<td>Before the variation(s) takes effect.</td>
<td>In writing, press advertisement or publication on our website.</td>
</tr>
<tr>
<td>Introducing or increasing fees and charges (other than a government charge) that affect your deposit.</td>
<td>30 days before the fee(s) and/or charge(s) takes effect.</td>
<td>In writing, press advertisement or publication on our website.</td>
</tr>
<tr>
<td>Varying the method by which interest is calculated or the frequency which it is credited that affects your deposit.</td>
<td>30 days before the variation(s) takes effect.</td>
<td>In writing, press advertisement or publication on our website.</td>
</tr>
<tr>
<td>Varying an interest rate that affects your deposit.</td>
<td>Before or on the date the variation(s) takes effect.</td>
<td>In writing, press advertisement or publication on our website.</td>
</tr>
<tr>
<td>Introducing or increasing fees and charges (other than a government charge) or a fee or charge relating solely to the use of an access method, or the issue of an additional or replacement access method that affects your deposit.</td>
<td>30 days before the fee(s) and/or charge(s) take effect.</td>
<td>In writing, press advertisement or publication on our website.</td>
</tr>
</tbody>
</table>

After you establish an FMD, we will notify you of any material changes to matters specified in, or of significant events affecting matters specified in, the Terms whilst you hold the FMD. Some specific matters are covered in the previous table. We will notify you of other such information prior to, or as soon as possible after, the change or event occurs (except where the material change or significant event is not adverse to your interests and accordingly you would not be expected to be concerned about any delay in receiving the information, in which case the notification will be given no later than twelve months after the change or event occurs).

You agree that we may notify you of variations to terms and conditions, or of such other information as contemplated above in writing, by press advertisement or publication on our website, or by any other means permitted by law. Where a notification is posted on our website we will place a clear statement on our homepage that such a notice exists, with a link to the full notice.

Information in the Terms that is not materially adverse may have changed. In addition, and subject to our obligation to notify you of certain matters set out above, information contained in the Terms that is not materially adverse may change in the future. We may update such information by publication on our website. You can obtain updated information by contacting us on 1300 796 101 or by visiting our website at ruralfinance.com.au. A paper copy of any updated information will be provided free of charge upon request.
2.13 Other Important Terms
For the purpose of determining the closing daily balance, transactions occurring before the end of the calendar day Eastern Standard Time will be included in your closing balance that day for the purpose of interest calculations.

Any certificate we give you shall be evidence of the matters referred to therein unless subsequently proven to be incorrect.

We may exercise any power, right or remedy referred to in the Terms in any way that we deem fit, including by imposing any conditions that we require. Our failure to exercise a power, right or remedy does not prevent us from exercising it in the future.

Our powers, rights or remedies cannot be waived unless we have agreed in writing to waive those powers, rights or remedies.

Our rights and remedies as set out in the Terms are in addition to those that we otherwise have at law. Our rights and remedies may be exercised by us or by persons we authorise. We are not liable for any loss you or anyone else incurs as a result of the actual or contemplated exercise or failure to exercise a right or remedy we have.

We may assign our rights in relation to your and terms and conditions as set out in the Terms provided that the deposit remains an FMD. This means that we can transfer them to another person. To assist us to do this you agree that we may disclose any information we require to any person. You may not assign your rights unless we have agreed to the assignment in writing (refer also to section 1.2 for other special terms and conditions applying to an FMD).

The terms and conditions in the Terms are governed by the law of South Australia. You and we submit to the non-exclusive jurisdiction of the courts of South Australia.

If any law would make any terms or conditions applicable to your deposit void, voidable, illegal, invalid or unenforceable, or if any term or condition imposes an obligation or requirement prohibited by law, then such term or condition shall be read as if it is varied to the extent necessary to comply with that law or, if necessary, is omitted. Where allowed by law, and subject to the previous sentence, the terms and conditions prevail to the extent that they are inconsistent with any law.

Deposit balances are denominated in Australian dollars.

2.14 Anti-Money Laundering
You agree we may delay, block or refuse to process any transaction without incurring any liability if we suspect that:

(a) making a payment may breach any law in Australia or any other country;

(b) the transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, unlawful conduct.

You agree to provide all information to us which we believe we reasonably require to manage money-laundering or terrorism financing risk or to comply with any laws in Australia or another country. You agree that we may disclose information which you provide to us where required by any laws in Australia or any other country.

Unless you have disclosed that you are acting in a trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf in entering into this agreement.

You declare and undertake to Rural Bank that the payment of monies by Rural Bank in accordance with the customer’s instructions will not breach any laws in Australia or any other country.

2.15 If You Have a Complaint
We value your feedback, as it provides us with an opportunity to improve our products and services. If our products and services do not meet your expectations we want to hear from you. We will ensure we respond to your concern as soon as possible.

You can notify us of a complaint by writing to us or phoning us:

<table>
<thead>
<tr>
<th>Mail</th>
<th>Rural Finance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PO Box 1313</td>
</tr>
<tr>
<td></td>
<td>Bendigo Central VIC 3552</td>
</tr>
<tr>
<td>Phone</td>
<td>1300 796 101</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:admin@ruralfinance.com.au">admin@ruralfinance.com.au</a></td>
</tr>
</tbody>
</table>

We aim to respond to complaints immediately. Upon the receipt of your complaint, we will take the following steps:

Step 1
We will contact you, in writing, within three business days to acknowledge your complaint.

Step 2
We will aim to resolve your complaint within 45 business days of the complaint being received.

Step 3
We will keep you informed of our progress in resolving the complaint.

If you feel your complaint has not been properly handled or resolved, you may be able to refer it to the Financial Ombudsman Service. The Ombudsman will generally be able to consider your complaint if:

• it is about a financial service provided by us or an affiliate;
• you are an individual or a small business; and
• the value of the applicant’s claim is less than $500,000.

If you are unsure whether the Ombudsman can deal with a complaint, you can call the Ombudsman’s office on 1300 780 808, or refer to the Operational Guidelines available at www.fos.org.au

The Ombudsman’s office can be contacted via:

<table>
<thead>
<tr>
<th>Mail</th>
<th>Financial Ombudsman Service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GPO Box 3</td>
</tr>
<tr>
<td></td>
<td>Melbourne VIC 3001</td>
</tr>
<tr>
<td>Phone</td>
<td>1300 780 808</td>
</tr>
<tr>
<td>Facsimile</td>
<td>(03) 9613 6399</td>
</tr>
<tr>
<td>Website</td>
<td><a href="http://www.fos.org.au">www.fos.org.au</a></td>
</tr>
</tbody>
</table>
3 Establishing an FMD

3.1  Eligibility
Please refer to section 1.2 for specific eligibility requirements.

3.2  Your completed application form
To open an FMD you are required to complete an FMD Application Form. An opening deposit is required and you can make an opening deposit via transfer from another financial institution, bank account or by posting a cheque.

You should not apply for an FMD until you have had the opportunity to read and understand the Terms. If we accept your application an FMD will be established in accordance with your instructions (as appearing on the completed application).

We will issue you with a deposit confirmation letter following the establishment of your FMD.

We are not obligated to accept your FMD application, and may refuse your FMD application at our discretion.

3.3  Identification
Federal Government legislation requires Rural Bank to verify the identity of all FMD holders, signatories and agents. All deposit holders, signatories and agents must satisfactorily meet Rural Bank’s Customer Identification Process. Rural Bank’s Customer Identification Process is detailed in the FMD application process. Rural Bank reserves the right to request documents in addition to those detailed in the FMD application process.

3.4  Joint FMD
FMDs cannot be opened in joint names.

3.5  Taxation implications and providing a tax file number
The taxation implications of investing in a Farm Management Deposit depend on your individual circumstances. You should consult your taxation advisor before deciding to invest in an FMD.

3.5.1  Providing us with a tax file number (TFN)
When establishing an FMD, you have the option of providing us with your TFN. You are not obliged to provide us with these details. However, unless an exemption applies, if you do not quote a TFN, we must deduct withholding tax from the interest paid to you, calculated at the highest marginal tax rate, plus the Medicare Levy. The amount deducted is forwarded to the Australian Taxation Office (ATO).

We ensure that your TFN details are kept confidential in accordance with the Privacy Act 1988 (Cth).

You may provide your TFN either when you establish an FMD, or at a later time. If you provide your TFN at a later time or it has not been provided at all and withholding tax has already been deducted, you can claim this on your next tax return. We can only refund a deduction that was made in error in the current tax year.

You may have an exemption from quoting a TFN. Please advise us of this exemption when establishing an FMD (e.g. pensioners). You will be charged withholding tax unless you are exempt.

If you do not have a TFN, you may be able to obtain one from the Australian Taxation Office.

4. Accessing and operating an FMD

4.1  Accessing an FMD

4.1.1 Depositing cheques into your FMD
The proceeds of cheques and other instruments deposited are not available until cleared and paid, which usually takes a minimum of three business days.

A cheque must be deposited within 15 months from the date the cheque was drawn or it will become stale and is no longer valid.

We may, at our discretion, debit the amount of any cheque deposited into your FMD that is later dishonoured.

4.1.2 Withdrawals from your FMD
You should consult your taxation advisor before deciding to withdraw your FMD. All requests to withdrawal part of or all of an FMD must be provided by signed written instructions from yourself.

4.2  Staff assisted transfers

4.2.1 External account - staff assisted transfers
An ‘external account – staff assisted transfer’ refers to the transfer of funds to an account held with another financial institution within Australia.

All ‘external account – staff assisted transfer’ requests must be made in writing via a Farm Management Deposit Transfer Funds To Another Financial Institution Authority Form (Transfer Form) and sent to our mailing address as set out in section 2.1, or completed at your nearest branch. Contact Rural Finance to obtain a Transfer Form.

You are required to provide us with the following information, together with such other information as we may require at the time:

• the details of the FMD from which the funds are being transferred;
• a valid BSB number for the financial institution to which the funds will be transferred;
• a valid account number and account name for the account to which the funds will be transferred;
• the amount of the transfer; and
• valid signature(s) to authorise the transaction.

4.2.2 External account - staff assisted transfer cut off times
If your external account – staff assisted transfer request is received by 3.00pm (EST) on a business day, your request will usually be processed on the same day. Requests received after 3.00pm (EST), or on a non-business day, will usually be processed on the next business day. The payment will in most cases be credited on the next business day, although this can depend on the identity of the recipient’s financial institution.

4.2.3 Liability – staff assisted transfers
To the extent permitted by law, and subject to any other provisions of these terms and conditions, we are not liable for any loss or damage you suffer as a result of using the staff assisted transfer services, or any delay, omission or failure in respect to any payment. Without limitation, this includes, if you request us to make a payment to an account held with another financial institution, we are not liable for any loss or damage you suffer as a result of:
a) any delay or failure to make a payment which results from a technical failure in the system we use to make a payment from your deposit with us to another financial institution; and
b) any omission, delay or failure on the part of the other financial institution in processing that payment.

If we debit your deposit, we are not acting as your agent or the agent of another person. We are not liable for any loss or damage to you from us not acting as you require.

4.3 Changing your Deposit Details

If you choose to change your information supplied in the FMD application form (such as change your address details), such a change will only be acted upon by us upon receipt of written notice of that change.

You must notify us promptly of any change to your name or address. We will not be responsible for any errors or losses associated with deposit detail changes where we have not received prior notice.

You can provide a written notice by sending us a letter, facsimile (refer to section 2 for our contact details), or by providing written instructions at the nearest Rural Finance regional office. Any written instructions must be signed by the owner of the deposit.

4.4 Inactive Accounts (Unclaimed Moneys Provision)

FMDs can sometimes be inactive over long periods. FMDs are exempted from the unclaimed moneys provision to ensure decisions to deposit or withdraw funds are made in the context of risk management.

5. Maturing FMDs

3 month or 6 month fixed rate FMDs are available to assist you with managing your interest income. At maturity, they must be rolled for further periods for at least 12 months in order to retain the taxation benefits associated with FMDs.

Your FMD terminates on the maturity date.

We will issue a maturity letter approximately fourteen days before the maturity date of your FMD.

Following receipt of the maturity letter, you may instruct us, in writing, that at maturity you want to:

• roll all, or part of, the balance of your FMD over into a new FMD for the same or a different term at the relevant FMD fixed interest rate on the maturity date or;
• withdraw all, or part of, and roll over the balance of the funds in your FMD into a new FMD.

If you wish to roll all of your FMD over for the same term, you do not need to do anything.

Please note, if the same term is not available the closest available term will be selected at the discretion of Rural Finance.

If you instruct us to repay funds from your FMD, that request will be processed on the maturity date, thus reducing the balance of your FMD. Funds will be repaid in accordance with your instructions on the maturity date.

If the maturity date of an FMD falls on a non-business day and the deposit is not being re-invested the balance of the deposit will be repaid on the next business day and interest will be adjusted accordingly.

In the absence of acceptable instructions regarding the application of the proceeds of your FMD at maturity, your FMD will be rolled over into a new FMD at our prevailing fixed rate FMD interest rate on the maturity date, of the amount of the proceeds and for the same term as your original FMD.

If you withdraw funds after the maturity date, that request for repayment will be processed on the day of receipt, thus reducing the balance of your FMD. Funds will be repaid in accordance with your instructions on that day. We will apply the interest rate, as at the maturity date, to determine the interest payable on the amount repaid. That interest will be paid in accordance with the interest payment method you selected on your FMD application form.

In the event that you withdraw part of your funds the maturity date and the balance is rolled over into a new fixed rate FMD, the balance of the new fixed rate FMD will be the reduced balance, and the interest rate applicable to the FMD will apply to the reduced balance, not the balance of your fixed rate FMD at the maturity date.

If you request a withdrawal of funds either at maturity or after maturity, that request will be processed either on the maturity date, or on the day we receive your request as applicable (“relevant day”), and if the funds are:

• to be transferred to an account you hold with us, the funds will be transferred to that account on the relevant day; or
• to be transferred to an account held with another FMD provider, the funds will be transferred to the other FMD provider on the next business day following the relevant day.

If all, or part, of your FMD is immediately reinvested the reinvestment does not involve the repayment of the FMD, or the making of a new FMD for taxation purposes.

6. Closing an FMD or Repayment of an FMD Prior to Maturity

If you wish to close or withdraw all, or part of, your FMD prior to its maturity date, you require our agreement (subject to section 1.2). Any request must be in writing or by visiting your nearest Rural Finance Office or by contacting us on 1300 796 101. Withdrawals are not normally permitted during the investment term and any such withdrawal will be at our sole discretion.

If we agree to repaying the whole or any part of the deposit prior to maturity or if the deposit must be repaid prior to maturity or is transferred prior to maturity to another financial institution, Rural Finance reserves the right to charge you for any economic loss it suffers as a result of the early withdrawal. You agree to pay the amount of the loss upon demand by Rural Finance.

7. Transferring Your FMD to Another Financial Institution

You can choose to transfer all, of part of, your FMD to another FMD provider by visiting your local Rural Finance Office or by contacting us on 1300 796 101.

At your written request, and upon receipt of any information or other assistance necessary for the purpose, we will electronically transfer the requested amount from your FMD to another FMD provider that agrees to accept it as an FMD.

NOTE: Reduced interest may apply if an FMD is transferred prior to its maturity date.

Any interest owing to you will be paid to you separately to your nominated bank account as it cannot be included in the principal amount being transferred to the other FMD provider.