

The Banking Code of Practice applies to every guarantee and indemnity given by an individual and obtained for the purpose of securing any financial accommodation, or any facility provided by Rural Bank.

By becoming a Guarantor, you are guaranteeing that a person, or business to whom Rural Bank are lending (the borrower), will keep to all the terms and conditions of that loan or contract.

Before taking a Guarantee

Rural Bank encourages you to seek independent legal and financial advice on the effect of the Guarantee.

Important:

- You have the right to refuse to enter into the Guarantee.
- There are financial risks involved.
- You have a right to limit your liability.
- You have the right to request any information about the facility you are being asked to guarantee.

As an individual guarantor, Rural Bank is required to provide copies of documents, which contain important information that may affect your decision to provide a guarantee.

- Any notice of demand made by Rural Bank, on the borrower and any dishonour on any facility the borrower has (or has had) with us, in the prior two years.
 - A list showing the extent of excesses or over-drawings of \$100 or more, on any facility the borrower has (or has had) with Rural Bank, which occurred in the prior 6 months.
 - Any related credit contract, together with a list of related security contracts.
 - Upon request, copies of the related security contracts.
 - The final letter of offer provided to the borrower by Rural Bank.
 - If earlier letters of offer have contained conditions which have since been satisfied, details of those satisfied conditions.
 - Any related credit report, from a credit reporting agency.
 - Any current related credit insurance contract, held by Rural Bank.
 - Financial information about the facility to be guaranteed, given to Rural Bank by the borrower, in the prior two years.
 - The latest statement of account relating to the facility, during which a notice of demand was made by Rural Bank, for the loan you are to guarantee.
 - Any unsatisfied notice of demand, made by Rural Bank on the borrower, in relation to the facility, in the prior two years.
 - Any other information Rural Bank has about the facility that you reasonably request.
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As a director guarantor, you can choose not to receive the following documents, which contain important information that may affect your decision to provide a guarantee.

- Any related credit contract, together with a list of related security contracts.
- Upon request, copies of the related security contracts.
- The final letter of offer provided to the borrower by Rural Bank.
- If earlier letters of offer have contained conditions which have since been satisfied, details of those satisfied conditions.
- Any related credit report, from a credit reporting agency.
- Any current related credit insurance contract, held by Rural Bank.
- Financial information about the facility to be guaranteed, given to Rural Bank by the borrower, in the prior two years.
- The latest statement of account relating to the facility, during which a notice of demand was made by Rural Bank, for the loan you are to guarantee.
- Any unsatisfied notice of demand, made by Rural Bank on the borrower, in relation to the facility, in the prior two years.
- Any other information Rural Bank has about the facility that you reasonably request.

Rural Bank may only accept a Guarantee if:

- Liability is limited to a specific amount, plus other liabilities (such as interest and recovery costs), that are described in the Guarantee.
- Liability is limited to the value of a specified security (for example your mortgage), at the time of recovery.

Rural Bank will not ask you to sign a Guarantee, or accept it, unless we have:

- Provided you with the information mentioned in this fact sheet, which you are entitled to receive under the Code of Banking Practice.
- Allowed you until the next day* to consider that information before Rural Bank asks you to sign the Guarantee.

*Rural Bank does not have to allow you until the next day to sign a guarantee if you have obtained independent legal advice after receiving the information listed in this fact sheet. If you are a director guarantor, you can tell us you do not wish to have the benefit of that period.

Want to find out more?

Simply visit www.ruralbank.com.au or call our Customer Service Team on 1300 660 115

Effective: 1 July 2019

This information has been prepared without taking into account your personal circumstances, objectives, financial situation or needs. All applications for loans or credit are subject to lending criteria. Terms, conditions, fees, charges may apply. Rural Bank - A Division of Bendigo and Adelaide Bank Limited, ABN 11 068 049 178 AFSL/Australian Credit Licence 237879.