

RURAL BANK ONE FARM MANAGEMENT DEPOSIT TERMS AND CONDITIONS

Effective date: 23 March 2020

IMPORTANT INFORMATION YOU SHOULD READ BEFORE PROCEEDING

THIS DOCUMENT CONTAINS TERMS AND CONDITIONS FOR THE FOLLOWING RURAL BANK ONE FARM MANAGEMENT DEPOSIT ACCOUNTS:

- Rural Bank ONE Fixed Rate Farm Management Deposit
- Rural Bank ONE Variable Rate Farm Management Deposit

Rural Bank ONE is the online sales channel for Rural Bank. Rural Bank ONE products are only available by applying online at www.ruralbankone.com.au

The Rural Bank ONE Farm Management Deposit Terms and Conditions must be read in conjunction with following documents:

- This document;
- Rural Bank ONE Accessing Your Accounts Terms and Conditions
- Rural Bank ONE Schedule of Fees and Charges

Issuer of the products:

Rural Bank - A Division of Bendigo and Adelaide Bank Limited
ABN 11 068 049 178
AFSL 237879
Postal Address: PO Box 3660 Rundle Mall SA 5000
Telephone 1300 660 115
service@ruralbankone.com.au
www.ruralbankone.com.au

The Rural Bank ONE Farm Management Deposit Terms and Conditions ('Terms') contains important information you should read before making a decision to open or continue to hold a Rural Bank ONE Farm Management Deposit. The accounts to which this document applies have different features and some have restrictions. We recommend that you read this document carefully and compare products available in the marketplace to select a product that best suits your individual needs. Please keep these Terms in a safe place, as you may need to refer to it in the future. Please contact us if you require further information or if you have any questions.

FINANCIAL CLAIMS SCHEME

The Financial Claims Scheme protects depositors through the provision of a guarantee on deposits (up to a cap) held in Authorised Deposit-taking Institutions (ADIs) in Australia and allows quick access to their deposits if an ADI becomes insolvent.

As such please note the following information:

- You may be entitled to a payment under the Financial Claims Scheme in the event of us becoming insolvent;
- Accessibility to the Financial Claims Scheme is subject to eligibility criteria; and
- Information about the Financial Claims Scheme can be found at the APRA website at <http://www.apra.gov.au> and the APRA Hotline on 1300 558 849.

EMERGENCY CONTACT NUMBERS

Lost, stolen or unauthorised use of Internet Banking and Phone Banking passwords	1300 651 839 – during normal business hours
	1800 035 383 – after hours

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Definition of Terms

In these Terms, unless the context otherwise requires:

'account' means an account we establish in your name for the purpose of recording transactions in connection with a Rural Bank ONE Farm Management Deposit product we provide to you;

'AFSL' means Australian Financial Services Licence number;

'business day' means for the purpose of processing payment facility transactions any day on which banks in Melbourne or Sydney are able to effect settlement through the Reserve Bank of Australia;

'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;

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

'EFT transaction' means a transfer of funds initiated by an instruction through electronic equipment using an access ID, password or PIN to debit or credit an account, other than a Bulk Payment transaction. An EFT transaction includes, without limitation, a transaction undertaken using a card and a PIN via EFTPOS or an ATM or a transaction, other than a Bulk Payment transaction, undertaken using Internet Banking or Phone Banking;

'fixed rate FMD' means our Rural Bank ONE Fixed Rate Farm Management Deposit;

'FMD' means Farm Management Deposit as defined by the Income Tax Assessment Act 1997;

'FMD account' means a fixed rate FMD or variable rate FMD;

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

'Government charges' means all charges or duties on deposits into, or withdrawals from your account that are payable under a law of the Commonwealth or any State or Territory or any other jurisdiction whether or not you are primarily liable to pay these charges;

'law' means common law, principles of equity and laws made by parliament (including regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of them);

'maturity date' means the date on which the fixed rate FMD expires;

'nominated account(s)' means any account(s) nominated by you and agreed to by us for use with Internet Banking and Phone Banking services;

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

'Rural Bank Internet Banking' means the service we offer from time to time by which you, or your authorised user, can access and transact on a nominated account by using a personal computer or similar electronic device, accessing our website at www.ruralbankone.com.au or by installing the Rural Bank Application which may be downloaded from the Apple Appstore or Google Play onto compatible devices. **'Internet Banking'** has the same meaning;

'Rural Bank Phone Banking' means the service we offer from time to time by which you, or your authorised user, can access and transact on a nominated account by telephoning 1300 651 839.

'Phone Banking' has the same meaning;

'secure email' means a method of communication between you and us whereby an email is sent to or from your Internet Banking session. Secure emails can only be sent or received once logged into Internet Banking;

'variable rate FMD' means our Rural Bank ONE Variable Rate Farm Management Deposit;

'we', 'us', 'our' and **'Rural Bank'** means Rural Bank - A Division of Bendigo and Adelaide Bank Limited, ABN 11 068 049 178 AFSL 237879 and its successors and assigns;

'website' means our website www.ruralbankone.com.au;

'you' and **'your'** means the account owner of a Rural Bank ONE FMD as evidenced by the account application form.

The singular refers to the plural and vice versa.

A reference to:

- (a) a document includes any variation or replacement of it;
- (b) anything includes the whole and each part of it.

All examples used in this document are for illustrative purposes only.

The **'Definitions of Terms'** contained in the Rural Bank ONE Accessing Your Accounts Terms and Conditions document also apply to terms used throughout this document.

Section 1 – Important Information about Farm Management Deposit Accounts

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

TIP! 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.

To enable this process, you will first need to open an FMD account with us with a \$0 balance.

1.1 WHAT IS A FARM MANAGEMENT DEPOSIT?

The farm management deposits scheme is designed to allow individuals carrying on a primary production business in Australia to shift before tax income from years when they need it least to years when it is most needed. The scheme helps those individuals to manage their exposure to adverse economic events and seasonal fluctuations.

Eligibility criteria apply to individuals carrying on a primary production business in Australia under the scheme. We recommend you get advice from an independent tax adviser before opening a farm management deposit account.

1.2 TAX CONSEQUENCES OF FARM MANAGEMENT DEPOSITS

The scheme allows individuals carrying on a primary production business in Australia to deduct the amount of any farm management deposit they own from their assessable income for the income year in which the deposit is made. However, the amount of the deductions cannot exceed the owner's taxable primary production income for the income year.

Under the Pay As You Go system, owners may reduce their instalment income for an instalment period by the amount of farm management deposits made during that period. The reduction is limited to the amount that the owners can reasonably expect to deduct for the deposit for the income year in which the deposit is made. However, the instalment income for the period cannot be reduced below nil.

When a farm management deposit is repaid to an owner in an instalment period, the instalment income of the period will include the amount of the repayment. But the owner's instalment income will only include so much of the repayment as will be included in the owner's assessable income for the income year in which the repayment is made.

If neither the owner's tax file number nor Australian Business Number has been quoted to the FMD provider that holds the deposit, the amount repaid will also be subject to withholding at a rate equal to the sum of the top marginal tax rate and the Medicare levy.

1.3 IMPORTANT REQUIREMENTS FOR FARM MANAGEMENT DEPOSITS

Some of the requirements for farm management deposits are summarised below. There are also other requirements set out in the Income Tax Assessment Act 1997 ('the Act'). A breach of some of the requirements will result in the deposit not being treated as a farm management deposit, and the tax benefits will be lost.

- (a) the owner must be an individual who is carrying on a primary production business in Australia when the deposit is made;
- (b) the deposit must be made by only one individual and on behalf of only one individual;
- (c) rights of the depositor are not, and must not be, transferable to another entity;
- (d) the deposit must not be used as security for any amount that the depositor or any other entity owes to the FMD provider or any other entity;
- (e) interest or other earnings on the deposit must not be invested as a farm management deposit with the FMD provider without having first been paid to the depositor;
- (f) if the depositor requests in writing, the FMD provider must electronically transfer the deposit, to another FMD provider that agrees to accept it as a farm management deposit. This transfer request will be subject to a 31 day notice period except for reasons of hardship;
- (g) the FMD provider must not deduct any fees from the principal of a farm management deposit. However, it may charge fees on the deposit.

1.4 REPAYMENT OF FARM MANAGEMENT DEPOSITS

The tax benefits are not retained for deposit amounts repaid within the first 12 months after the deposit was made, unless the repayment is made:

- (a) because the owner:
 - (i) dies; or
 - (ii) becomes bankrupt; or
 - (iii) ceases to carry on a primary production business in Australia and does not start carrying on such a business again within 120 days; or
 - (iv) has requested the deposit, or part of the deposit, to be transferred to another FMD provider and the repayment relates to the transfer; or
- (b) because the circumstances specified in subsection 393-40(3) of the Act or in regulations made for the purposes of that subsection, relating to repayment in the event of severe drought, exists; or
- (c) because the circumstances specified in regulation 393-15, relating to repayment in the event of a natural disaster, exist.

If the deposit does not meet the above conditions it will convert to a Term Deposit.

Depositors may withdraw the deposit within 12 months of the original lodgement date, which is usually subject to a 31 day notice period, and still qualify for a Farm Management Deposit tax deduction on the remaining amount, as long as the remaining amount has been lodged for at least 12 months from the original lodgement date and the balance does not fall below \$1,000. Note: Reduced interest may apply if a fixed rate FMD is transferred prior to its maturity date (refer to clause 6.2 for details).

You should consult your taxation advisor prior to making the decision to transact on your Farm Management Deposit.

1.5 ADDITIONAL INFORMATION IN RELATION TO FARM MANAGEMENT DEPOSITS

The minimum deposit is \$1,000 and the maximum deposit is \$800,000.

An individual can own more than one farm management deposit, and can own farm management deposits with different FMD providers, but the sum of the balances of all of the farm management deposits of an owner claimed as a deduction must not be more than \$800,000.

The amount of any repayment of the deposit must be at least \$1,000, except where the entire amount of the deposit is repaid.

The deposit will not be deductible if taxable non-primary production income for the year of income must not exceed \$100,000.

If the deposit is used to offset a liability to pay interest on debts to the FMD provider that do not wholly relate to a primary production business that the owner (or a partnership of which the owner is a partner) carries on, the owner is liable to an administrative penalty of up to 200% of that offset.

2.1 CONTACTING US

If you require further information or have questions at any time, please contact us. Our contact details are:

Name	Rural Bank
Mailing address	PO Box 3660 Rundle Mall SA 5000
BSB	633 - 111
Email	service@ruralbankone.com.au
Website	www.ruralbankone.com.au
Customer Service Team	1300 660 115 8.00am-6.30pm Central Standard Time (CST), Monday to Friday (excluding national public holidays)
Customer Advocate Office	Complaints, compliments and suggestions Telephone 1300 361 911 8.00am - 4.30pm Central Standard Time (CST), Monday to Friday

2.2 ABOUT US

We offer banking services to rural and regional Australia via a number of tailored deposit and lending products. These products are issued by Rural Bank - A Division of Bendigo and Adelaide Bank Limited, ABN 11 068 049 178 AFSL 237879

2.3 YOUR PRIVACY AND CONFIDENTIALITY

Our Privacy Policy explains our commitment to the protection of your personal information. You can obtain a copy of this policy by contacting our Customer Service Team on 1300 660 115 or by visiting our website www.ruralbankone.com.au.

2.4 ABOUT THE TERMS AND CONDITIONS

The terms and conditions for Rural Bank ONE Farm Management Deposits and the methods of accessing those accounts are contained in this document, the Rural Bank ONE Accessing Your Accounts Terms and Conditions and the Rural Bank ONE Schedule of Fees and Charges (collectively known as the Terms). We encourage you to read the Terms and ensure you understand them.

2.5 INTEREST RATE RISK

An interest rate risk applies generally across all of our accounts. It is important that you consider this risk before making a decision to apply for any of these accounts as it may affect your decision.

2.5.1 Variable interest rates

Variable interest rates apply to Rural Bank ONE variable rate FMD accounts. We may change the interest rate from time to time at our discretion. This means that the interest rate may increase or decrease. If any law regulates such a change, we will only make the change to the extent permitted by, and subject to, the requirements of that law.

2.5.2 Fixed interest rates

Fixed interest rates apply to Rural Bank ONE fixed rate FMD accounts. This means that the interest rate for the term is fixed at the start of the term. Should market interest rates change during the term of your fixed rate FMD, the interest rate on your fixed rate FMD will not change.

2.6 GENERAL RISK SPECIFIC TO FMD ACCOUNTS

2.6.1 Change in Taxation Law risk

There is a risk that should the relevant taxation laws change, you may not remain eligible for the current, potential taxation benefits applicable to our FMD accounts.

2.6.2 Taxation risk

There is a risk that should you require access to funds in your FMD account within twelve months of your deposit, you may need to request amendments to prior income tax assessments (refer to clause 1.3 for details).

2.7 FEES AND CHARGES

No service fees or transaction fees currently apply to the Rural Bank ONE Farm Management Deposits. We may however, charge fees for general services that apply to all Rural Bank ONE accounts. For details of those fees, refer to the Rural Bank ONE Schedule of Fees and Charges. Any fees applied to a Rural Bank ONE FMD are unable to be debited to your FMD account. You can find the current fees and charges at anytime by contacting us on 1300 660 115 or by visiting our website ruralbankone.com.au.

We may change the fees and charges from time to time (including introducing new fees and charges) and Government charges may change at any time. There is no maximum limit for the amount of fees and charges we may impose. If the law regulates such a change we will only make the change to the extent permitted by, and subject to, the requirements of that law.

We may at our sole discretion waive any or all fees and charges from time to time, substitute one fee or charge for an alternative fee or charge, or impose a lower fee or charge.

2.8 INTEREST RATES THAT MAY APPLY

2.8.1 Rural Bank ONE Fixed Rate FMD

We calculate interest by applying the daily percentage rate to the balance of your account at the end of each day. The daily percentage rate is the relevant interest rate divided by 365, or in a leap year, 366.

Fixed interest rates apply to Rural Bank ONE fixed rate FMDs. The rate of interest that applies to your initial deposit will be confirmed to you once your deposit is accepted and the account is opened.

2.8.2 Rural Bank ONE Variable Rate FMD

The name of the interest rate applicable to Rural Bank ONE variable rate FMDs is set out in section 8 of this document. Applicable interest rates are variable and may change from time to time. The rate of interest that applies to your initial deposit will be confirmed to you once your deposit is accepted and the account is opened. Your six monthly account statement will display the current interest rate applicable to your deposit. Your account statement will also display any applicable interest rate(s) on your deposit and the effective date(s) if the rate has changed since your previous statement. Details of our current Interest rates are set out on our website www.ruralbankone.com.au or by contacting our Customer Service Team on 1300 660 115.

2.9 ACCOUNT STATEMENTS

Account statements provide a record of all transactions made on the account for the statement period. You must check your statement of account and immediately notify us if you notice an error or possible unauthorised transaction on that statement. You should keep your statements safe for future reference.

You can request a statement of account or query a transaction on your statement of account by contacting our Customer Service Team on 1300 660 115.

TIP! Depending on the account you have, as an alternative to receiving paper statements in the post, you may elect to opt out of paper statements and only obtain electronic statements on one or more of your accounts using Internet Banking.

You must be registered for Internet Banking in order to access electronic statements.

IF YOU HAVE A	STATEMENTS ARE ISSUED
Rural Bank ONE Variable Rate FMD	Six Monthly
Rural Bank ONE Fixed Rate FMD	Six Monthly

2.10 COMMUNICATING WITH YOU

This clause deals with notices, certificates and other communications sent by us to you that apply to Rural Bank ONE FMDs.

Subject to the requirements of any law, and the Banking Code of Practice (where it applies), you agree we may give you a notice, certificate or other communication:

- personally; or
- by leaving it at any address specified by you or your residential or business address last known to us; or
- by post to any address specified by you or your residential or business address last known to us; or
- by facsimile to your residential or business facsimile number last known to us; or
- by email to your email address last notified to us; or
- if you are registered for Rural Bank Internet Banking by secure email in Rural Bank Internet Banking; or
- 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 (including secure 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.

Section 2 – General information cont.

2.11 COMMUNICATING WITH US

This clause deals with notices, certificates and other communications sent by you to us that apply to your Rural Bank ONE FMD.

If a communication is given by you, it must be sent to us via secure email from Internet Banking.

Unless otherwise agreed, we will not maintain or transact on your account before receiving from you a secure email sent from Internet Banking.

2.12 CHANGES TO THE TERMS AND CONDITIONS AND ONGOING DISCLOSURE

Acting reasonably, we may change these terms and conditions (and fees and charges and interest rates) at our absolute discretion at any time. If any law regulates that change, we will only make the change to the extent permitted by, and subject to, the requirements of that law.

If you have a fixed rate FMD and we give you notice of a change that causes detriment to you (excluding any changes to Government charges or any changes we are required to make to comply with our legal obligations), you may opt-out of the change by written notice to us within 30 days of the date the notice is given. If you do so, that change will not apply to you until your next review date.

Subject to the requirements of any law, you agree that we can give notice of changes to these terms and conditions and of any change that affects any of the matters specified in this document (including changes to fees and charges and interest rates), in writing (including by notice in your statement of account), by an advertisement in a major daily newspaper published in Australia or at such other frequency as published by the overseas local major newspaper (if applicable), publication on our website or in such other manner as we reasonably consider is likely to come to the attention of as many account holders as possible; or in accordance with clause 2.10.

Where notice is posted on our website, we will place a clear statement on our home page that a notice exists with a link to the full notice.

The notice of change table below sets out how much prior notice we will give you of changes, if prior notice is required.

Where no prior notice is required, we will give you notice of a change no later than the day on which the change takes effect. However, we may give you a shorter notice period or no notice of a change necessitated by an immediate need to restore or maintain the security of the Rural Bank system or individual accounts or to otherwise manage a material and immediate risk where it is reasonable for us to do so. In that case, we will give you notice of the change as soon as is reasonably practicable.

If a Government charge payable directly or indirectly by you is introduced or varied, we will notify you by advertisement in the national media or local media, a publication on our website or in writing unless the introduction or variation is publicised by the Government.

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

In addition:

- we will not vary the terms of a Rural Bank ONE 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 clause 6.2 for details).

TYPE OF CHANGE	MINIMUM NUMBER OF DAYS NOTICE
Any change that is an increase in fees or charges (other than a government charge).	30
A variation of the method by which interest is calculated.	30
A variation of the frequency with which interest is debited or credited.	
A variation of the balance ranges within which interest rate apply.	
Other changes to the terms and conditions (apart from a change in Government charges payable directly or indirectly by you).	If we believe the change is unfavourable to you, 30. Otherwise, no advance notice.
Changes to an interest rate.	No later than the date of the change.

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 and conditions at our sole discretion. We will act reasonably in all circumstances when exercising any power, right or remedy. We may choose at any time to waive any of our rights under these terms and conditions. Subject to any applicable law, a waiver by us is not a change to, and does not reduce our rights under, these terms and conditions unless we give you written notice that it is a change to these terms and conditions.

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 FMD 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. If we exercise our right to assign your FMD and terms and conditions under this clause 2.13 we will provide you with 30 days' prior written notice. You may not assign your rights unless we have agreed to the assignment in writing (refer also to clause 1.3 for other important requirements for farm management deposits).

Section 2 – General information cont.

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.

Nothing in this agreement has the effect of excluding, restricting or modifying rights in the Australian Securities and Investments Commission Act or Competition and Consumer Act, which cannot be excluded, restricted or modified by agreement. If your account or payment facility is of a kind not ordinarily acquired for personal, domestic or household use, our liability is restricted to re-supplying the services or the cost of re-supplying the services.

Part or all of any provision of these terms and conditions that is illegal or unenforceable will be severed from these terms and conditions, however the remaining provisions of these terms and conditions will continue in force.

Acting reasonably and subject to any applicable law, we may combine the balances of two or more of your accounts which are of the same ownership and entity name. For example, we may do this if one of your accounts is overdrawn or in debit and the other is in credit. In this situation the credit in one account would be used to reduce the debit balance in the other account. We will promptly inform you if we combine your accounts. We need not notify you in advance.

When combining accounts we will comply with any applicable requirements of the Code of Operation for Department of Human Services and Department of Veterans' Affairs Direct Credit Payments.

We will not exercise our right to combine your accounts in connection with amounts you owe in respect of any credit facility which you hold with us that is regulated by the National Credit Code:

- while we are actively considering your financial situation as a result of your hardship application (we may ask you, as a condition of not exercising our right to combine your accounts, to agree to retain funds in an account until our decision on your hardship application has been made); or
- while you are complying with an agreed arrangement with us resulting from our consideration of your hardship application.

Account balances are denominated in Australian dollars.

If Terms constitute a 'consumer contract' or a 'small business contract' for the purposes of section 12BF of the Australian Securities and Investments Commission Act 2001 (Cth), you will not be liable to indemnify us under any indemnity included in these Terms for any loss or damage to the extent caused by the fraud, negligence or wilful misconduct of us or our employees, agents or appointed receivers.

2.14 ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING (AML/CTF)

We are committed to the regulatory requirements for anti-money laundering and counter-terrorism financing.

To comply with these requirements we may:

- (a) require you to provide to us, or otherwise obtain, any additional document or other information;
- (b) suspend, block or delay transactions on your account, or refuse to provide services to you;
- (c) report any, or any proposed, transaction or activity to any body authorised to accept such reports relating to AML/CTF or any other law.

2.15 IF YOU HAVE A CONCERN OR 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 make every effort to resolve the situations in a fair and timely manner.

You can raise your concern or complaint with us by:

- a) speaking to a member of our staff or agents directly;
- b) telephoning the Customer Service Team on 1300 660 115 8.30am – 5.00pm Central Standard Time (CST) Monday to Friday
- c) faxing us on 08 8121 0106
- d) emailing service@ruralbank.com.au
- e) completing the Customer Feedback form online at ruralbank.com.au
- f) write to the Customer Relationship Officer, Reply Paid 84135, Rundle Mall 5000;

If you are not satisfied with the response provided by our Customer Service Team, you have the option of referring the matter to the Customer Advocate who will impartially assess your complaint, keep you informed of the progress and provide you with a response:

- a) telephone –1300 139 572 (+61 3 5485 7919) between 8.00am and 4.30pm (CST) Monday to Friday
- b) post/letter – write to Customer Advocate Office, Bendigo and Adelaide Bank Limited, Reply Paid 480, Bendigo VIC 3552

Alternatively (or following consideration by the Customer Advocate) you may refer your complaint directly to the appropriate External solution scheme.

We are a member of the Australian Financial Complaints Authority (AFCA). You can contact AFCA at:

The Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Telephone: 1800 931 678
Email: info@afca.org.au
Website: www.afca.org.au

2.16 BANKING CODE OF PRACTICE

We are bound by the Banking Code of Practice. The relevant provisions of the Banking Code of Practice apply if you are an individual who is not treated as a business under the Banking Code of Practice or if you are a small business (as defined in the Banking Code of Practice).

The Banking Code of Practice is available on request at any Rural Bank branch or by calling us or from our website www.ruralbank.com.au.

Information about the current fees, charges and interest rates that apply is available from us at any time on request.

Section 3 – Opening an FMD Account

3.1 ELIGIBILITY

Please refer to clause 1.3 for specific eligibility requirements.

Products can only be opened and accessed via www.ruralbankone.com.au. The website provides an online application form which can be submitted to Rural Bank.

You must register for Internet Banking once your account is open.

3.2 YOUR COMPLETED APPLICATION FORM

To open an account you are required to complete either an application form online at www.ruralbankone.com.au or via a printed application form available by contacting us. 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 account until you have had the opportunity to read and understand the Terms. If we accept your application an account will be opened in accordance with your instructions (as appearing on the completed application).

A valid email address is required before the account can be opened.

We will issue you with an account acceptance letter via email following the opening of your account.

Subject to the requirements of any law, we may refuse to open an account.

3.3 IDENTIFICATION

We need to obtain identification information as required by law, including Know Your Customer requirements under anti-money laundering and counter-terrorism financing legislation for all required parties. This will include information such as, for an individual, name, residential address and date of birth and for a business entity information such as details of directors and shareholders.

We may, and you consent to us doing so, seek verification of your identification and identification documents from independent sources and/or third party service providers.

We will keep copies of all documents provided by you and will disclose or provide copies of your identification documents to third party bodies as required by law.

We may request, and you must provide, further documentary evidence of your identity as we deem necessary to confirm your identity.

We may request that you produce, and you must provide in person if necessary, the original and/ or certified true copies of all documentary evidence confirming your identity.

In the event that we are unable to properly confirm your identity, we may at our sole discretion, reject your application, suspend the operation of your account, refuse transactions and/or place a freeze on your funds until such time as your identity can be confirmed.

We may request, and you must provide, any other additional information we deem necessary in relation to your identity, personal affairs, business dealings and/or the purpose of your relationship with us. In the event you refuse or fail to provide us with information we have reasonably requested, we may at our sole discretion, reject your application, suspend the operation of your account, refuse transactions and/ or place a freeze on your funds until such time as the information is provided.

You provide us with the following undertakings and indemnify us against any potential losses either you or we suffer arising from any breach by you of such undertakings:

- (a) you will not initiate, engage in or effect a transaction that may be in breach of Australian law or sanctions (or the law or sanctions

of any other country); and

- (b) the underlying activity/product for which Internet Banking is being provided does not breach any Australian law or sanctions (or the law or sanctions of any other country).

More information is available from the Australian Transaction Reports and Analysis Centre (AUSTRAC) 1300 021 037 or our Customer Service Team on 1300 660 115.

3.4 JOINT ACCOUNTS

FMD accounts cannot be opened in joint names.

3.5 AUTHORISING SOMEONE TO ACT ON YOUR ACCOUNT

You may nominate someone else to be an authorised signatory on an account. Please note authorised signatories must be at least twelve years of age.

An authorised signatory is able to use the account in the same way you can, including making withdrawals, transfers and performing other actions that may incur fees, and you agree to be bound by such actions. It is your responsibility to make an authorised signatory aware of the terms and conditions applicable to the account.

As the account holder, you should remember that you are giving someone authority to act on your account and you are liable for all transactions conducted by authorised signatories (including transactions initiated by Internet Banking and Phone Banking) and for any fees or charges arising from an authorised signatory's conduct in relation to your account. You authorise us to provide your account, personal and financial information to authorised signatories. If you wish to alter your authorised signatories, you must notify us in writing.

You consent to us giving an authorised signatory information about your account.

3.6 TAXATION IMPLICATIONS AND PROVIDING A TAX FILE NUMBER

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

3.6.1 Providing us with a Tax File Number (TFN)

When opening an account, you have the option of providing us your TFN or ABN. If you don't, we are required by law to deduct withholding tax from your interest, at the highest marginal rate plus the Medicare Levy and forward it to the Australian Taxation Office.

Providing your Tax File Number or Australian Business Number is NOT compulsory, but is advisable.

If you are entitled to an exemption in relation to this tax you should advise us of your type of exemption and provide any supporting documentation we may require.

What happens if I don't provide my TFN or ABN?

If you choose not to provide us with your TFN or ABN we are required to deduct withholding tax at the highest marginal tax rate – plus the Medicare Levy, when you earn interest income of \$120 or more a year.

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

Section 4 – Accessing and operating an account

4.1 ACCESSING AN ACCOUNT

Rural Bank ONE FMDs can be accessed via the methods stipulated in section 9 of the Accessing Your Accounts Terms and Conditions.

You will be required to register for Internet Banking in order to access your account.

Fixed rate FMDs can only be repaid to the 'nominated account' provided during account opening. Where a 'nominated account' is no longer available to receive repaid funds, your funds will be repaid via a 'not negotiable' corporate cheque (fees may apply) in the exact name of the fixed rate FMD account holder to the residential address last recorded.

4.2 DEPOSITING CHEQUES INTO YOUR ACCOUNT

The proceeds of cheques and other instruments deposited are not available until cleared and paid, which usually takes a minimum of three business days. Third party or endorsed cheques are only accepted at our discretion.

4.3 CHANGING DETAILS ON YOUR ACCOUNT

If you choose to revoke the authority of an authorised signatory, or appoint a new authorised signatory, or change your information supplied in the account 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 sent via secure email from Internet Banking.

You must notify us promptly of any change to your name or address. We are not liable for any loss you suffer as a result of your failure to notify us immediately of a change in your circumstances.

4.4 INACTIVE ACCOUNTS

An FMD cannot become unclaimed money's under the Banking Act 1959 (Cth).

Section 5 – Maturing Rural Bank ONE FMDs

TIP! 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 fixed rate FMD terminates on the maturity date.

We will send you a pre-maturity letter approximately fourteen days before the maturity date of your fixed rate FMD account.

This advice will set out an indicative interest rate that may apply to your fixed rate FMD if you choose to roll all, or part of, your fixed rate FMD for the same investment term, or if your fixed rate FMD is automatically renewed in accordance with section 5. The new interest rate will be based on the prevailing interest rate applying to that fixed rate FMD amount and investment term on the maturity date.

Important Note: The rates and tiers may change prior to your maturity date. You should check the current interest rates and tiers with us on the maturity date.

Following receipt of the pre-maturity letter, you may instruct us, by secure email, that at maturity you want to:

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

If you wish to roll all of your fixed rate FMD over for the same term, you do not need to do anything. If your fixed rate FMD is renewed and the interest rate that is applied is different to the indicative interest rate stated in your pre-maturity letter, you will receive written confirmation from us of your new interest rate and term. Note, if the same term is not available the closest available term will be selected at the discretion of the Bank unless we have received written instructions to the contrary before this date.

If you instruct us to repay funds from your fixed rate FMD account, that request will be processed on the maturity date, thus reducing the balance of your fixed rate FMD account. Funds will be repaid to your 'nominated account' on maturity date.

In the absence of acceptable instructions regarding the maturity of your fixed rate FMD, your fixed rate FMD account will be rolled over into a new fixed rate FMD account for the same term, provided that same term is still available, at our prevailing fixed rate FMD interest rate on the maturity date. If the same term is not available the closest term will be selected at the discretion of the Bank. The interest rate will be determined by the fixed rate FMD balance and invested for the same term as your original fixed rate FMD. You have ten calendar days from the maturity date to either:

- withdraw funds; or
- add funds.

If you withdraw funds within ten calendar days after the maturity date, that request for repayment will be processed on the day of receipt, thus reducing the balance of your fixed rate FMD account. Funds will be repaid to you 'nominated account' on that day. We will apply the

interest rate applying to the particular fixed rate FMD amount and term you have chosen on maturity date (and not necessarily the indicative interest rate advised in the pre-maturity letter), as at the maturity date, to determine the interest payable on the amount repaid.

That interest will be paid to your 'nominated account'.

In the event that you withdraw part of your funds within ten calendar days after the maturity date and the balance is rolled over into a new fixed rate FMD account, the balance of the new fixed rate FMD account will be the reduced balance, and the interest rate applicable to the new fixed rate FMD account (which may be less than the interest rate payable if there was no withdrawal) will apply to the reduced balance, not the balance of your fixed rate FMD account at the maturity date.

If you request a withdrawal of funds either at maturity or within ten calendar days 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 another 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 you add funds to your fixed rate FMD account within ten calendar days after the maturity date, the funds will be credited to your fixed rate FMD account on the day they are received by us, and if you add funds to your account on or before the maturity date, the funds will be credited to your fixed rate FMD on the maturity date or in the event of a fixed rate FMD maturing over a weekend or public holiday, on the next business day. The balance of the new fixed rate FMD account will be the increased balance. The interest rate applicable to the new fixed rate FMD account will apply to the increased balance from the date the additional funds are credited to your account.

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

Section 6 – Closing an account

6.1 CLOSING YOUR VARIABLE RATE FMD ACCOUNTS AND ENDING FIXED RATE FMD ACCOUNTS AT MATURITY

You can close your variable rate FMD by sending us a secure email via Internet Banking.

Your fixed rate FMD terminates on the maturity date. For the options available to you at maturity please refer to section 5.

If your account is not operated in accordance with the account terms and conditions or other operating instructions, it may, at our discretion and acting reasonably, be closed as soon as we become aware of the breach. We will give you notice as soon as possible after closing the account. We may also close the account after giving you notice that is reasonable in all the relevant circumstances. In either case, we will repay the amount of any credit balance to your nominated account (including interest to the date of closure).

6.2 CLOSING OR REPAYMENT FROM A FIXED RATE FMD PRIOR TO MATURITY

If you wish to withdraw or transfer your funds after the grace period, your funds will be available 31 days after we receive your request, or at maturity, whichever occurs sooner.

This does not apply in cases of proven hardship, as defined by us. Your request can be received via a 'secure email' from Internet Banking. Any funds withdrawn after the grace period and prior to maturity will be subject to an interest rate reduction as detailed below. Your funds will be repaid or transferred on the business day after the expiry of the 31 days or the next maturity date, as applicable.

If we agree to any early repayment from a fixed rate FMD, we are entitled to reduce the interest that is paid or payable on your account. If an early repayment is agreed to, we will apply the Interest Earning at Call Deposit interest rate, as at the account opening or reinvestment date, to determine the interest payable on the amount repaid.

Following is an example of how this may work.

Example

John has a \$50,000 Rural Bank ONE fixed rate FMD invested for twelve months (365 days) at 5.00% p.a. 180 days into the term, John requires \$10,000, and we agree to early repayment.

As at the account open date, the interest rate for \$10,000 invested at the Interest Earning At Call Deposit rate was 0.25% p.a.

Therefore John will only receive 0.25% p.a. on the amount he withdrew (\$10,000). This equates to:

Interest earned =

Amount repaid x applicable interest rate / days in the year x days invested

$\$10,000 \times 0.25\% \text{ p.a.} / 365 \text{ days} \times 180 \text{ days} = \12.33

If John had not withdrawn the \$10,000 early, for the same period he would have earned:

interest earned =

Amount repaid x applicable interest rate / days in the year x days invested

$\$10,000 \times 5.00\% \text{ p.a.} / 365 \text{ days} \times 180 \text{ days} = \246.58

Note: Examples are used for illustration purposes only. The final interest reduction depends on the actual Rural Bank ONE fixed rate FMD interest rate and the Interest Earning At Call Deposit account interest rate on the on the account opening/ reinvestment date. So, even if your Rural Bank ONE fixed rate FMD matches the example, the amount by which interest is reduced may be greater. The Interest Earning At Call Deposit rate is available at www.ruralbank.com.au

Section 7 – Transferring your FMD to another financial institution

The funds you leave in your account will continue to earn interest at the rate originally specified or, if the withdrawal results in the balance of your FMD account falling into a lower interest tier, the interest rate that will apply to the amount of the remaining balance of the investment term as set out online www.ruralbankone.com.au or by phoning us on 1300 660 115 during business hours.

Although we may credit interest before the maturity date, you will not be entitled to interest until the maturity date, or if you withdraw all of your funds before the maturity date, the date of that withdrawal.

If you have elected to have interest credited before the maturity date, we may reduce the interest payable where interest has already been paid and we agree to an early withdrawal. We will be entitled to apply an interest reduction by:

- debiting an amount, equal to the amount of any excess interest payments we have credited during the investment term, to your account if your fixed rate FMD is closed prior to maturity; and / or
- reducing your next interest payment, equal to the amount of any excess interest payments we have credited during the investment term, if you withdraw part of your balance prior to maturity.

You can choose to transfer all, or part of, your Rural Bank ONE FMD to another FMD provider by sending us a secure email via Internet Banking.

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 Rural Bank ONE FMD account 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 clause 6.2 for details).

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

Section 8 – Rural Bank ONE Farm Management Deposit Comparison Table & Product Features

The following table provides a summary of Rural Bank ONE Farm Management Deposit products and features including how you can access your Rural Bank ONE Farm Management Deposit account.

RURAL BANK ONE FARM MANAGEMENT DEPOSIT ACCOUNTS		
	Variable Rate FMD	Fixed Rate FMD
AVAILABLE TO	Primary Producers only	Primary Producers only
INTEREST		
Interest Rate	The interest rate applicable to Rural Bank ONE Variable Rate FMD is the 'Rural Bank ONE Variable Rate FMD interest rate'. When checking your current rate, please refer to this rate.	The interest rate is fixed for the chosen term. The rate is determined by the prevailing Rural Bank ONE fixed rate FMD rate we offer on the amount you deposit for the term you require on the day we receive the deposit. This rate is available on request, and will be confirmed in writing following the receipt of your funds. Interest rate reductions will apply where we agree to any request to early withdrawal of funds prior to maturity date (refer clause 6.2 for details). For a fixed rate FMDs established as a result of a rollover, please note the variations that may occur to the interest rate as set out in section 5 of this document.
Calculated daily	✓	✓
Paid	Annually on 1 July	Monthly, quarterly, annually or at maturity ¹
Fixed or Variable	Variable	Fixed
Payment method	Must be credited to another account in your name ²	Must be credited to another account in your name ²
ACCOUNT FEATURES		
Available terms	At call	3, 6, 12, or 24 months (or other terms we may introduce)
Minimum opening balance ³	\$1,000	\$5,000
Minimum operating balance ³	\$1,000	\$5,000
Maximum operating balance	\$800,000 ⁴	\$800,000 ⁴
Minimum additional deposit	\$1,000	x
Statement Frequency	6 monthly	6 monthly
Fees and charges apply	x ⁵	x ⁵
ACCESS FEATURES		
Access features are detailed in section 9 in the Rural Bank ONE Accessing Your Accounts Terms and Conditions. Withdrawals may not be available for up to 31 days or until the next maturity date if sooner. An interest rate reduction may apply. Refer to clause 6.2 for details.		

✓ = Available x = Not available

¹ Interest is paid at different frequencies depending on the term of the Rural Bank ONE fixed rate FMD you select. Please refer to our current interest rate card for details on ruralbankone.com.au

² Interest cannot be reinvested directly to your Rural Bank ONE FMD account.

³ Interest may not be paid on all balances down to the minimum opening and operating balances. You may need to maintain a higher balance to take advantage of a higher interest rate such as an FMD special. Refer to Rural Bank ONE current interest rate card for details.

⁴ An individual can own more than one FMD, and can own FMDs with different FMD providers, but the sum of the balances of all the FMDs of an owner must not be more than \$800,000.

⁵ General fees and charges may apply. These will not be charged to your FMD account but will be payable by you.



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