

Terms and Conditions for Rabobank Farm Management Deposits

June 2017



Rabobank

These terms and conditions apply to Rabobank Variable Farm Management Deposits, Short-term Farm Management Deposits and Long-term Farm Management Deposits ('Terms'). We advise that you read all of the terms when deciding whether to acquire or hold Rabobank Farm Management Deposits.

You must be a Primary Producer (with taxable non-primary production income of \$100,000 or less or other amount as amended by legislation from time to time) at the time of making a Farm Management Deposit.

Records

- 1.1 The Applicant, and Owner as applicable, ("the Depositor" or "you") must promptly notify Rabobank of a change to any information held about the Depositor in relation to a Farm Management Deposit ("Deposit").
- 1.2 Account statements, notices, and other communications with you may be sent to you by letter to your nominated postal address, electronically by email to your nominated email address, by notice on our Website or electronically via electronic secure messages.
- 1.3 You may vary your nominated postal or email address by giving notice to Rabobank by contacting the Client Services Unit on 1800 632 113.
- 1.4 Even if we normally provide electronic notices or statements, Rabobank reserves the right to send paper ones instead to your nominated postal address (e.g. if, for any reason, we are not able to provide them electronically or we cancel your election to receive statements or notices electronically because we are unable to deliver emails to your nominated email address).
- 1.5 Service of notices and statements sent by post is taken to be effected, upon the earliest of actual receipt, the day when the addressee would have received the item in the ordinary course of post, or 10 days after posting.
- 1.6 Service of notices and statements sent by facsimile is taken to be effected the time when the machine from which it was sent indicated that it was sent successfully.
- 1.7 Service of notices and statements electronically by email is taken to be received on the day that the email enters the information system of your internet service provider or the host of your email address.

Investment Range

- 2.1 The minimum opening investment is \$1,000.
- 2.2 Investments must be in Australian currency but not in cash.

Confirmation of FMDs

- 3.1 Rabobank will confirm in writing its acceptance of an application and will include details of the date of acceptance, amount invested, interest rate, interest payment frequency and maturity date as applicable.

Authority to Operate

- 4.1 An Authorised Signatory is nominated by, and ceases on receipt of, written instructions delivered to Rabobank by hand, post or electronic means signed by the Depositor. This authority also ceases on death of the Authorised Signatory. However, on receipt of written instructions signed by the Depositor, the Depositor or a properly authorised broker/intermediary may supply to Rabobank a list of persons from time to time, along with their specimen signatures, who will be Authorised Signatories.
- 4.2 An Authorised Signatory may give instructions individually in connection with the Deposit as if they were a Depositor, including:
 - (a) making withdrawals from the Deposit to the Nominated Account;
 - (b) in relation to matured funds to be reinvested in another Deposit or repaid to the Nominated Account;
 - (c) in relation to the reinvestment of Deposit funds into a new Deposit (except that they may not nominate another Authorised Signatory); and
 - (d) in relation to opening a new Deposit with funds from an account held with another financial institution.
- 4.3 The Depositor will be responsible for the Authorised Signatory(ies) receipt of and compliance with the terms and conditions of the Deposit, including the Privacy Consent

Cleared Funds

- 5.1 Proceeds of cheques are not available until cleared. Clearance usually takes three Business Days.

Instructions

- 6.1 Rabobank may act on telephone instructions in certain circumstances.

- 6.2 Rabobank may monitor or record telephone conversations for verification purposes.
- 6.3 Rabobank may act on electronic instructions in relation to transactions on the account. Rabobank will not be responsible to the Depositors for any loss that you suffer as the result of any delay or loss in transit of any message, letter or document, or the delay, mutilation, omission or other error in the transmission of any facsimile, email, telex or other transmitted message or any error in translation or interpretation of technical terms or arising from any ambiguity in instructions from the Depositor(s), Authorised Signatory(ies) or an Intermediary or in connection with any reliance placed by Rabobank in good faith on such messages or as a result of such message not having been properly authorised by the person by whom it is purported to have been sent.
- 6.4 Rabobank may refuse to act on any instructions which it considers may be invalid or unlawful.
- 6.5 Rabobank may refuse to act on any instructions if it is notified if there is a dispute between Depositors.

Interest

- 7.1 Interest on a FMDs is calculated on the basis of the number of days from and including the date of acceptance or interest payment up to but excluding the date of withdrawal or next interest payment. The interest rates for FMDs are variable and are based on the prevailing bank bill swap rates. Interest rates are tiered which means that a different rate may apply to your FMD, depending on the balance of the deposit. The interest rate applicable to your FMD is the variable rate and is set out in the statement of account. The daily variable rate is the annual variable rate divided by 365. Interest on FMDs is paid on the first day of each calendar month in arrears and credited to the Nominated Account. Interest is calculated by applying the daily variable rate to the daily closing principal balance. Interest calculated from the last interest payment date before final withdrawal will be paid on final withdrawal.
- 7.2 Interest on Short-term FMDs is calculated on the basis of the number of days from and including the date of acceptance or interest payment up to but excluding the date of maturity or withdrawal. The interest rates offered for Short-term FMDs can vary and are based on the prevailing bank bill swap rates. Interest rates are tiered, which means that a different rate may apply to your Short-term FMD depending on the balance of the deposit, however for each term, the interest rate remains fixed for that term to maturity. The interest rate that applies to a Short-term FMD is the rate specified in a confirmation and the daily interest rate is the rate specified divided by 365. Interest on Short-term FMDs is calculated by applying the daily variable rate to the daily closing principal balance. Interest on Short-term FMDs is not compounded and is paid on withdrawal or maturity to the Nominated Account.
- 7.3 Interest on Long-term FMDs is calculated on the basis of the number of days from and including the date of acceptance up to but excluding the date of maturity or withdrawal. The interest rates offered for Long-term FMDs can vary and are based on the prevailing bank bill swap rates. Interest rates are tiered, which means that a different rate may apply to your Long-term FMD depending on the balance of the deposit, and the interest frequency selected, however for each term, the interest rate remains fixed for that term to maturity. The interest rate that applies to a Long-term FMD is the rate specified in a confirmation. Interest on a Long-term FMD is paid in arrears quarterly, half-yearly or yearly as chosen by the Depositor from the date of acceptance. It is paid in equal instalments over the chosen term to the Nominated Account.
- 7.4 Information on current interest rates, or past rates and ranges of rates, is available from any Rabobank branch or by calling 1800 632 113 or visit our web site www.rabobank.com
- 7.5 Worked Dollar Example (for illustration only): Long-term FMD of \$10,000 held for 1 year with interest at 5% p.a. will earn \$500 interest.

Withdrawals – Variable FMDs

- 8.1 Any requests for withdrawal of part or all of a Variable FMD may be accepted by telephone if funds are to be repaid to Nominated Account. If funds are to be repaid and transferred to an account other than the Nominated Account, any such Request must be in writing.

Maturity – Term FMDs

- 9.1 Prior to maturity, Rabobank will send a written notice, either by letter to your nominated postal address or electronically by email to your nominated email address, requesting instructions as to whether the Depositor seeks reinvestment in another FMD or repayment of the maturing funds.
- 9.2 After receiving an instruction for repayment, the funds will be repaid to the Nominated Account.
- 9.3 If no such instructions are received prior to maturity, the funds will be reinvested in a new Variable FMD, at the then current rate applicable to Variable FMDs, on the same terms and conditions except to the extent determined by Rabobank and will have the same manner of operation.
- 9.4 If a Depositor wishes to break part or all of a Term FMD prior to maturity, it must provide instructions in writing. A break cost (as determined by us) on the part terminated may be deducted from the interest on the FMD (but not the principal) or otherwise charged. The funds will be repaid to the Nominated Account.
- Break costs represent the future cashflow losses incurred by Rabobank as a result of interest rate differentials that exist between wholesale market rates applicable to the existing term deposit and current wholesale market rates applicable for the remaining period of the term deposit, adjusted to reflect a net present value. Break costs increase in line with increases in the following: interest rates, the amount withdrawn and the market margin and Rabobank's costs of meeting the early withdrawal. Further information is available on request.
- 9.5 Worked Dollar Example (for illustration only): Two year Long-term FMD of \$10,000 with interest at 5% p.a., payable annually, broken after 1 year when interest on a 1 year Long-term FMD, with interest payable annually, is 6% p.a. Break cost payable by the Depositor is \$103.68.
- 9.6 If you reinvest in another Term FMD, you may withdraw or transfer the funds in the new Term FMD without incurring a fee or incurring a reduction in the return at any time during the 7 day grace period after your maturity date of the product or on the following day. If you consent to your Term FMD rolling over at maturity, it may roll over into a Term FMD with a lower interest rate.

Early Withdrawal

- 10.1 When you invest in a Term FMD, you agree to invest a fixed amount for a fixed term at a fixed interest rate. During its term, you must provide us with at least 31 days' notice to withdraw any funds from your Term FMD prior to maturity unless financial hardship applies as defined by Rabobank. On the date of your request for early withdrawal, net accrued interest to date of request, less any break costs, will be paid to your Nominated Account. You will continue to receive interest at the same rate on your principal until the new maturity date at which time the principal and accrued interest for this 31 day period will be paid to your Nominated Account. If you have less than 31 days remaining of the term, the earliest you may access the funds is following maturity unless financial hardship applies as defined by Rabobank.
- 10.2 If you may have a need in the future to immediately withdraw or transfer funds in your Term FMD, other Rabobank deposit products may be more appropriate.

Death of Depositor

- 11.1 Following the death of a Depositor, a Term /variable FMD will be transferred to a call deposit with no break costs incurred.

Statements of Account

- 12.1 Rabobank will send you a statement of account of your variable FMD every month (standard cycle) or after every withdrawal either by letter to your nominated postal address or electronically by email to your nominated email address. Rabobank will issue confirmations of interest payments for Term FMDs. It is important that the Depositor checks these documents and notifies Rabobank immediately of any errors or unauthorised transactions appearing on them. You may request a statement to be issued by telephoning the Client Services Team on 1800 632 113. Rabobank may charge a fee for the issue of a photocopy or copy of a statement. Rabobank is not obliged to provide you with statements of accounts, if after taking reasonable steps to locate you, is unable to do so.
- 12.2 Rabobank does not provide a statement of account of your Term FMD.

Fees and Charges

- 13.1 Rabobank does not levy account service fees on FMDs. Information on Rabobank's standard fees and charges relating to a FMD can be obtained on request, including by contacting Rabobank freecall on 1800 632 113.
- 13.2 Rabobank reserves the right to pass on, deduct or debit any government fees or charges applicable from time to time. As at the date of this document, there are no government or charges. For further details of current government fees or charges, contact Rabobank freecall on 1800 632 113.
- 13.3 Withholding tax on interest may be payable by non-residents at the time the interest is paid to the non-resident. For residents who do not supply a Tax File Number or Australian Business Number, Rabobank will be required to deduct and remit withholding tax at the highest

marginal rate on the interest earned, and on all withdrawals of principal amounts, in respect of your Deposit.

Commission/Brokerage

- 14.1 Commission/brokerage may be paid, and details disclosed regarding the investment, to an intermediary. The rate of commission/brokerage payable is the rate charged by the intermediary. If the intermediary does not specify a rate, then the applicable rate is 0.20% p.a. on the FMD. Commission is deducted from the interest paid by Rabobank on the FMD. Contact your intermediary or Rabobank for details.
- 14.2 Worked Dollar Example (for illustration only): Long-term FMD of \$10,000 held for 1 year with interest at 5% p.a. will earn \$500 interest, \$20 (0.2% x \$10,000) of which is paid to the intermediary as commission and \$480 to the Depositor.

General Information

- 15.1 We will provide to you, if you request it, general descriptive information concerning banking services, including information on:
- (i) the rights and obligations that arise out of the banker and customer relationship;
 - (ii) account opening procedures;
 - (iii) our obligations regarding confidentiality of information;
 - (iv) our complaint handling procedures;
 - (v) cheques and bank cheques;
 - (vi) the importance to you of reading the terms and conditions applying to any banking service provided to you; and
 - (vii) the importance of you informing us promptly when you are in financial difficulty
- 15.2 Rabobank has adopted the Code of Banking Practice as published by the Australian Bankers' Association. If you are an individual or a small business (as defined in the Code of Banking Practice) at the time we provide you with your Farm Management Deposit Account, the provisions of the Code of Banking Practice apply to that Account.

Variation of Terms and Conditions

- 16.1 Rabobank can change the terms and conditions of FMDs at any time by giving notice, either by letter to your nominated postal address, electronically by sending an email to your nominated email address or by notice on our Website, to the affected Depositor. Rabobank will give the Depositor written notice 30 days before introducing or varying a fee or charge (other than a government charge) or changing the method of calculating interest or changing the frequency with which interest is credited or changing the balance ranges within which interest rates apply to a deposit account.
- 16.2 Rabobank will advertise in the media, or provide written notice, either by letter to your nominated postal address, electronically by sending an email to your nominated email address, by notice on our Website, to the affected Depositor, of any other changes to the terms and conditions or to interest rates no later than the day on which the change takes effect.
- 16.3 Rabobank will provide written notice to you, either by letter to your nominated postal address, electronically by sending an email to your nominated email address, by notice on our Website or advertise in the media to notify you of the introduction or variation to a government fee and charge payable directly or indirectly under these terms and conditions unless the introduction or variation to the government charge is advertised by a government, government agency or representative body.
- 16.4 Other than the notification periods relating to the changes described in clause 16.1 above and changes to variable interest rates (which will be notified by advertisement in the media or by written notice, either by letter to your nominated postal address, electronically by sending an email to your nominated email address or by notice on our Website, to the affected Depositor no later than the day on which the change takes effect), we will give you at least 14 days' notice of changes to the terms and conditions (including any changes to minimum balance requirements or restriction on depositing money in, or withdrawing from, an account) by advertisement in the media, or giving written notice, either by letter to your nominated postal address, electronically by sending an email to your nominated email address or by notice on our Website, to the affected Depositor.

Processing of Transactions

- 17.1 Where a transaction date is not a Business Day, the transaction may be processed on the preceding or next Business Day.

Indemnity

- 18.1 The Depositor is responsible to Rabobank for all liabilities incurred in relation to a FMD and releases and indemnifies Rabobank from and against all liabilities, expenses, actions, proceedings and claims howsoever arising, including but not limited to Rabobank in good faith acting on your instructions or purported instructions provided by Electronic Means, except to the extent the liability arises directly from Rabobank's negligence, wilful default or fraud. "Electronic Means" means telephone, telex, facsimile, email or any other electronic means.

Dispute Resolution

19.1 If the Depositor has a query or complaint, they should contact Rabobank either by calling 1300 30 30 33 or by visiting one of Rabobank's branches. If Rabobank fails to resolve the query or complaint, the Depositor will be directed to the Financial Ombudsman Service who can be contacted by telephoning 1300 780 808.

General Conditions

- 20.1 Rabobank may require you and any Authorised Signatories to satisfy Rabobank as to your and their identity.
- 20.2 You agree that Rabobank will not be liable to you or anyone else for any loss or damage that you or anyone else suffer as a result of our refusal to authorise any transaction, where Rabobank has the right to so refuse.
- 20.3 Rabobank is not liable to you for any loss, cost or damage you suffer arising from:
- (a) the conduct or failure of any party Rabobank may use to provide or help to provide any of the services in connection with the FMD; or
 - (b) any act, event or circumstance which is beyond Rabobank's reasonable control, or which does not involve negligence or fraud on its part.

Anti-Money Laundering

- 21.1 You acknowledge that Rabobank may delay, intercept, block or refuse to make a payment if Rabobank believes on reasonable grounds that making a payment may breach any law in Australia or any other country, and Rabobank will not incur any liability if it does so.
- 21.2 You agree, at the opening of an Account and at any time during the lifetime of an Account, to provide to us any documentation and information we request from time to time in order for us to undertake any action to comply with any Applicable Regulation, including on behalf of another member of the Rabobank Group. You also agree to such documentation and information provided to us being disclosed to any other person or body to enable it to be reported and used in compliance with the relevant Applicable Regulation
- 21.3 You declare and undertake to Rabobank that the payment of monies in accordance with your instructions by us will not breach any laws in Australia or any other country.
- 21.4 If you do not provide us with the required information we may be prevented by any Anti-Money Laundering or other laws in Australia or in any other country, from providing you with Rabobank's banking services.

Account Combination

22.1 Rabobank may, in its reasonable discretion and acting in a commercially reasonable manner, combine some or all accounts (including FMDs opened under these Terms) owned by you and held with us or our related entities, at any time and without prior notice to you. Rabobank will, however, inform you promptly after doing so. If Rabobank combines accounts, it will apply some or all credit funds against some or all debt you owe Rabobank. If Rabobank combines all of your accounts, there will be only a single amount either Rabobank will owe you or you owe Rabobank. Combining accounts may result in a cost being debited to an account, such as a break cost if a Term Deposit is combined. Rabobank has no obligation to combine your accounts.

Account Consolidation

23.1 Rabobank may combine two or more existing eligible Deposits at the request of the client. To be eligible for consolidation, the Deposits must, immediately before the consolidation occurs, have:

- (i) held each of the Deposits for at least 12 months and;
- (ii) claimed a tax deduction for that amount of the existing Deposit that has been requested to be consolidated.

If multiple Deposits are consolidated into a new Deposit, you will be entering into a new agreement with Rabobank and a separate FMD Consolidation Form must be completed.

Closure of the Deposit

- 24.1 Rabobank will, at your request either by phone or in writing, close a Deposit that is in credit. You must pay amounts you owe us under the Deposit including any break costs if they apply.
- 24.2 Rabobank has the right to close, or block access to, any account if:
- (i) it is no longer lawfully possible for us to provide an account to you;
 - (ii) we have ceased to offer the relevant deposit product;
 - (iii) we consider that you have committed a material breach of the terms and conditions;
 - (iv) we consider that your account is 'inactive' i.e. you have not made a deposit into, or withdrawal from, the account within the previous 12 months, and the balance is less than \$1,000;
 - (v) we have assessed you as being a recalcitrant account holder (including if you are 'recalcitrant' within the meaning of any

Applicable Regulations);

- (vi) we consider it necessary for security reasons or we reasonably suspect fraudulent use or access to the account;
- (vii) you are involved in or convicted of criminal activity and we, in our reasonable opinion, consider such an involvement or conviction may adversely impact Rabobank's reputation; or
- (viii) we consider it necessary, in our reasonable opinion, in order to protect our legitimate business interests.

If we close an account of yours that is in credit, we will give you reasonable notice and, unless we are prohibited from doing so, pay you the amount of the credit balance. If an account has an overdrawn or debit balance you must pay to us the amount of that debit balance.

Entire Agreement

25.1 These terms and conditions constitute the entire agreement between the parties and sets out a full statement of the contractual rights and liabilities of the parties in relation to any Deposit and no negotiations between them nor any document agreed or signed by them prior to the date of this agreement in relation to the Deposit is of any contractual effect.

Severability

26.1 If any provision of these Terms is prohibited, invalid or unenforceable in any jurisdiction, that provision will, as to that jurisdiction, be ineffective to the extent of the prohibition, invalidity or unenforceability without invalidating the remaining provisions of these Terms or affecting the validity or enforceability of that provision in any other jurisdiction.

Financial Claims Scheme

27.1 You may be entitled to payment under the Federal Government's Financial Claims Scheme. Payments under the Financial Claims Scheme are subject to a limit for each depositor. When considering such a limit as it applies to you, you should take into consideration all accounts which you may hold with Rabobank Australia Limited. 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.

Charge

28.1 You must not create or agree to create a charge or other encumbrance or security interest over your Rabobank Farm Management Deposit as security for an amount payable by you or any other person to Rabobank or to any other person.

Consent to Receive Electronic Communications

- 29.1 You agree that any information (whether by writing or other means) including but not limited to account statements, notices, receipts and other documents, whether or not such information is required by or under these terms and conditions, legislation, a government or regulatory body or any relevant industry rules, codes or standards that apply by:
- Electronic communication to your electronic (email) address or any other electronic address you notify to us from time to time; or
 - Making the information available at our Website for retrieval by you and notifying you by electronic communication to your electronic address (or any other electronic address you notify us from time to time that the information is available for retrieval (and the nature of the information) and providing you with the ability readily to retrieve the information by electronic communication (for example by providing a link to the relevant information on our website).
- 29.2 You acknowledge and agree:
- You will not receive a paper copy of any of the information made available by electronic communication under this clause;
 - You will need to regularly check to see if you have received any electronic communications from Rabobank;
 - You will need to maintain and check your electronic equipment and your electronic address regularly to ensure it is always capable of receiving an electronic communication
 - You may be charged a fee for a paper copy of any information made available by electronic communication under this clause which you request from Rabobank.
 - You will be responsible for printing or saving important information made available by electronic communication under this clause.
- 29.3 You agree that any information sent by electronic communication under this clause will be deemed to have been received by you at the time the relevant electronic communication enters my information system.
- 29.4 You acknowledge that you may at any time by notice to Rabobank terminate your consent to receive information by electronic communication or change your electronic address. If you change your electronic address, you agree that you will immediately notify Rabobank of this change.

Statements to be read by Depositors

Authorised deposit taking institution

Rabobank is the FMD provider issuing this application form and is an authorised deposit taking institution for the purposes of the Banking Act 1959.

Purpose of Farm Management Deposits scheme

The farm management deposits scheme is designed to allow individuals carrying on a primary production business in Australia, with taxable non primary production income, 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.

Note Primary production business and carrying on a primary production business are explained in subsection 995-1 (1) of the 1997 Act.

Tax consequences for 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.

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 1997 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.

- The owner must be an individual who is carrying on a primary production business in Australia when the deposit is made.
- The deposit must be made by only one individual and on behalf of only one individual.
- Rights of the depositor are not, and must not be, transferable to another entity.
- The deposit must not be used as security for any amount owed to the FMD provider or any other entity by the depositor or any other entity.
- 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.
- If the depositor requests in writing, the FMD provider must electronically transfer the deposit, or part of the deposit, to another FMD provider that agrees to accept it as a farm management deposit.
- The FMD provider must not deduct any fees from the principal of a farm management deposit. However, it may charge fees on the deposit.

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) in exceptional circumstances, and the deposit was made before the declaration of exceptional circumstances; or
- (b) 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; or
- (c) because the following circumstances relating to repayment in the event of a natural disaster, exist, namely:
 - (i) Recovery assistance has been provided:

- as a Category C measure, as defined in the Natural Disaster Relief and Recovery Arrangements determined by the Attorney-General on 21 March 2011; and
- in the form of a recovery grant for a primary producer, as described in those Arrangements.
 - (ii) The recovery assistance was first provided during the 12 month period after the farm management deposit was made.
 - (iii) The farm management deposit was repaid after the recovery assistance was first provided.

Additional information

- The minimum deposit threshold is [\$1,000]
- The maximum deposit limit 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 must not be more than the maximum deposit limit.
- 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 taxable non primary production income for the year of income must not exceed [\$100,000]
- If the depositor has provided neither the depositor's tax file number nor the depositor's Australian Business Number, any repayment will be subject to the withholding rate, which is the sum of:
 - the top marginal tax rate for the income year in the year of deposit [currently 45%]; and
 - the Medicare levy [currently 2%].

Statements to be read by Depositors

The terms and conditions in this brochure do not represent all the terms and conditions with regard to Rabobank FMDs, as additional terms and conditions are imposed by the Income Tax Assessment Act 1997.

Definitions

"Applicable Regulations" means all laws, rules, regulations and other legal requirement(s) in force from time to time in Australia and in any jurisdiction worldwide which apply to a member of the Rabobank Group. These include, without limitation, FATCA and anti money laundering legislation.

"Business Day" means a day which is not a Saturday or Sunday, or a public or bank holiday in New South Wales.

"Depositor" means the Applicant who is making the FMD deposit who may or may not necessarily be the "Owner" of the FMD deposit.

"FATCA" means the United States' Foreign Account Tax Compliance Act.

"FMD" means a Farm Management Deposit

"Long-term FMD" means a FMD with a fixed term of between 1 year and 2 years and a fixed interest rate for the term if held to maturity.

"Nominated Account" means the account you have specified in writing to be the account to which interest on all of your FMDs is to be paid, and the account nominated cannot be a FMD account.

"Owner" has the meaning given by section 393 25 of the Income Tax Assessment Act 1997 (Act), and is:

- an individual who carries on in Australia a primary production business otherwise than as a trustee of a trust estate; or
- a partner (not being a company) in a partnership that carries on in Australia a primary production business; or
- a beneficiary (not being a company) who is presently entitled to a share of the income of a trust estate where the trustee carries on in Australia a primary production business.

"Primary production business" has the meaning given by subsection 995-1(1) of the Income Tax Assessment Act 1997.

"Rabobank" means Rabobank Australia Limited ABN 50 001 621 129 AFSL 234 700.

"Rabobank Group" includes Coöperatieve Rabobank U.A. and its related entities.

"Short-term FMD" means a FMD with a fixed term of between 1 month and 11 months and a fixed interest rate for the term if held to maturity.

"Variable FMD" means an FMD that has no fixed term and has a variable.

"Website" means the Rabobank website www.rabobank.com.au