

## Farm Management Deposit

# Set aside income for later

Primary producers' income streams aren't easy to control – seasons and market prices are always changing.

With our Fixed and Variable Rate Farm Management Deposit Accounts (FMD), you can set aside pre-tax income from your profitable years and earn interest on it – so your money's available when you most need it.

To be eligible for taxation benefits, you need to hold funds in your FMD for at least 12 months. If you're switching to us from another financial provider, your funds must be transferred electronically.

You can have more than one FMD, up to a combined value of \$800,000 per farmer<sup>1</sup>. You can choose to earn a competitive variable or fixed rate of interest, or a combination of both.

### Who's eligible?

Individual primary producers with a taxable non-farm income of \$100,000 or less over a financial year. Ask your tax adviser if you qualify.

### What's the term?

For fixed rate deposits, you can choose from 1, 2, 3, 6, 12, and 24 month terms.

### What balance is needed?

Fixed rate deposits require a minimum of \$5,000, or a minimum balance of \$1,000 applies to variable rate deposits. The total value of all FMDs held per farmer cannot exceed \$800,000.



### What about interest?

For fixed rate deposits, interest is paid on maturity for 1, 2, 3 and 6 month terms. For 12 and 24 month terms, interest can be paid monthly, quarterly, or annually. Interest on variable rate deposits is paid annually on 1st July.

Interest for all deposits is calculated daily on the closing balance. Interest must be credited to another account held in the account holder's name.

### What about fees?

There are no account or transaction fees on fixed rate or variable rate FMD Accounts.

For more information about FMDs, visit the Department of Agriculture and Water Resources and the Australian Tax Office websites:

<http://www.agriculture.gov.au>

<http://www.ato.gov.au>

## What's good to know about Rural Bank?

We are proudly part of the Bendigo and Adelaide Bank Group, who have set the standard for banking that gives financial power back to our communities.

We bring you seasoned rural expertise combined with the stability and resources of a successful, well-managed financial institution.

All deposits you make with Rural Bank are covered by the Australian Government Financial Claims Scheme<sup>2</sup>.

The money you deposit with us we re-invest back into rural Australia.

### Talk to us today

<b>Online</b>	<a href="http://ruralbank.com.au/fmd">ruralbank.com.au/fmd</a>
<b>In Person</b>	Find your nearest Rural Bank specialist at <a href="http://ruralbank.com.au/locate-us">ruralbank.com.au/locate-us</a>
<b>Phone</b>	Call our Customer Service team on <b>1300 660 115</b>

<sup>1</sup>An individual (including a partner in a partnership or a beneficiary of a trust) can own more than one Farm Management Deposit Account (FMD), and can own Farm Management Deposit Accounts with different FMD providers, but the sum of the balances of all the FMD accounts of an owner claimed as a deduction must not be more than \$800,000.

<sup>2</sup>The Financial Claims Scheme protects depositors through the provision of a guarantee on deposits held in Authorised Deposit-taking Institutions (ADIs) in Australia (up to a cap of \$250,000 which applies per depositor across all deposits with Bendigo and Adelaide Bank Limited bank divisions and brands) and allows quick access to 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.

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