

## TERMS AND CONDITIONS

### **SPECIFIC CONDITIONS**

#### **Overdraft Specific Conditions**

Not Applicable

#### **Bill Facility Specific Conditions**

Not Applicable

#### **Market Rate Facility Specific Conditions**

Not Applicable

#### **Term Loan Facility Specific Conditions**

Not Applicable

#### **Bank Guarantee Facility Specific Conditions**

Not Applicable

#### **NAB Invoice Finance Facility Specific Conditions**

Not Applicable

#### **Farmer's Choice Package Specific Conditions**

Not Applicable

#### **Global Trade Finance Specific Conditions**

Not Applicable

#### **NAB TradeAssist Facility Specific Conditions**

Not Applicable

#### **NAB Business Markets Specific Conditions**

##### **1. ADDITIONAL CONDITIONS PRECEDENT**

The following additional conditions precedent apply in relation to any Drawing:

- (a) The proposed Drawing is allocated to a Business Markets Facility Component by either:
  - (i) you by giving NAB at least 1 Business Day notice in a form acceptable to NAB before the proposed Drawdown Date (which notice will be irrevocable once given); or
  - (ii) NAB in accordance with this Agreement.

- (b) The allocation of Drawings to each Business Markets Facility Component is such that:

- (i) the initial Drawing does not occur before the Commencement Date (if any) or after the Last Date for Drawdown (if any);
- (ii) the Maturity Date for each Drawing always falls on the last day of a Pricing Period;
- (iii) each of the Maturity Date and the last day of a Pricing Period for any Drawing are not later than the Expiry Date for the Facility;
- (iv) the total of all outstanding Drawings does not exceed the Facility Limit;
- (v) the total of all outstanding Drawings allocated to a Business Markets Facility Component does not exceed the corresponding Business Markets Facility Component Limit;
- (vi) the total of all outstanding Drawings allocated to the Fixed Amount, the Flexible Maturity Fixed Amount and the Range Amount are at all times equal to the corresponding Business Markets Facility Component Limit; and
- (vii) the terms of any agreed Drawdown Schedule are met.

##### **2. DRAWING**

- (a) Where the total of all Drawings allocated by you to the Business Markets Facility Components pursuant to clause 1(a) is less than the Facility Limit, NAB will allocate the remaining balance of Drawings that have not been allocated by you to the Floating Amount.
- (b) Unless NAB receives notice from you in accordance with clause 1(a) (i), any Drawing that has been allocated by you to the Fixed Amount, Cap Amount, Flexible Maturity Fixed Amount or Range Amount will automatically be assigned by NAB to the Floating Amount on the day after the Maturity Date for that relevant Drawing.

- (c) Subject to clause 8 (redraw), any amount repaid or prepaid may not be redrawn.

##### **3. REPAYMENT AND PREPAYMENT**

###### **3.1 Repayment**

- (a) You must make such repayments as are required for you to comply with the Amortisation Schedule (if any).
- (b) You must repay to NAB the Facility Amount Owing in full on the Final Repayment Date.

### 3.2 Prepayment

You may prepay all or any part of the Balance Owing:

- (a) to the extent it is subject to a Floating Rate or a Cap Rate provided that you give NAB at least 1 Business Day notice in a form acceptable to NAB; and
- (b) otherwise, if NAB agrees that you may make a prepayment provided that you:
  - (i) give NAB at least 7 days notice in a form acceptable to NAB; and
  - (ii) pay all Economic Costs (if any) and other applicable fees specified in the Details.

### 4. CANCELLATION AND REDUCTION OF LIMITS

- (a) NAB may cancel the Available Facility on the Last Date for Drawdown (if any).
- (b) You may cancel all or any part of the Available Facility (including any undrawn Business Markets Facility Component Limit) at any time.
- (c) The Facility Limit and relevant Business Markets Facility Component Limit(s) automatically reduces:
  - (i) by the amount of any cancellation or reduction; and
  - (ii) on the dates and by the amounts specified in the Amortisation Schedule (if any).

## 5. INTEREST

### 5.1 Pricing Period

- (a) A Pricing Period is a period of 30, 60, 90 or 180 days (or such other period as is agreed by you and NAB), adjusted where necessary so that:
  - (i) the first Pricing Period commences on the First Drawdown Date;
  - (ii) a subsequent Pricing Period commences on the day after the expiry of the preceding Pricing Period;
  - (iii) a Pricing Period must start on a Business Day;
  - (iv) all Drawings under the Facility will have the same Pricing Period;
  - (v) a Pricing Period must not end after the Expiry Date;
  - (vi) all Drawings under the Facility will have the same Pricing Period;
  - (vii) if a Drawing is made during a Pricing Period for an existing Drawing, the first Pricing Period for that Drawing must end on the same day as the Pricing Period for the existing Drawing;

- (viii) when a Pricing Period ends it does not result in the Facility Limit or any Business Markets Facility Component Limit being exceeded at any time; and
- (ix) the terms of any agreed Drawdown Schedule are met.

- (b) For the avoidance of doubt, if a Pricing Period ends on a day that is not followed by a Business Day, NAB may extend that Pricing Period accordingly (except where this would be contrary to clause 5.1(a) (v), in which case NAB may shorten the Pricing Period).

### 5.2 Interest Rate

- (a) A separate Interest Rate applies to each Business Markets Facility Component as follows:
  - (i) In relation to the Fixed Amount and the Flexible Maturity Fixed Amount, the Interest Rate for a Pricing Period is the Fixed Rate.
  - (ii) In relation to the Floating Amount, the Interest Rate for a Pricing Period is the Floating Rate.
  - (iii) In relation to the Cap Amount, the Interest Rate for a Pricing Period is the lower of the Cap Rate and the Floating Rate prevailing on the first day of that Pricing Period.
  - (iv) In relation to the Range Amount, the Interest Rate for a Pricing Period is the Range Rate.
- (b) The Interest Rate used to calculate the interest payable for the Facility in relation to a Pricing Period:
  - (i) will be the weighted average of the Interest Rates applicable to each Business Markets Facility Component Amount for that Pricing Period; and
  - (ii) unless otherwise stated, will be confirmed by NAB in writing generally within 7 Business Days after the start of the Pricing Period.
- (c) Generally, the Interest Rates, as a percentage rate, applicable to the Facility will be set out in the Drawdown Schedule. Where a percentage rate is not set out in the Drawdown Schedule for an applicable Interest Rate or where the percentage rate is stated to be 'indicative only', the Interest Rate will be the rate NAB advises as determined by NAB on or before the day the first Drawing is made under the Facility.
- (d) You can contact NAB before the first Drawing is made under the Facility to ascertain the rate that will apply to the Facility or to the first Pricing Period as the case may be.

- (e) The rate quoted by NAB is only valid for, and only applies to, the Drawing if you make your first Drawing by 4.30p.m. and will lapse if the Drawing is not made by 4.30p.m.
- (f) You can contact NAB to confirm the Interest Rate applying to a Pricing Period.

### 5.3 Payment of Interest

- (a) Interest for each day is calculated by applying the Daily Interest Rate to the Balance Owing at the end of that day (excluding any amount to which a Default Interest Rate applies).
- (b) You must pay accrued interest in respect of:
  - (i) each Pricing Period, on the first Business Day after the expiry of that Pricing Period; and
  - (ii) the last Pricing Period, for the period up to and including the Final Repayment Date, on the Final Repayment Date.

### 6. ECONOMIC COSTS AND ECONOMIC BENEFITS

- (a) If an Economic Event occurs, Economic Costs or Economic Benefits may arise.
- (b) NAB determines the amount of Economic Benefits by determining the net amount of returns and gains obtained by it in connection with the Economic Event including any amount determined by it to have been gained by reason of:
  - (i) changes in the rates applicable to the Facility (all other things being equal); or
  - (ii) the liquidation of deposits or other funds, or the termination or reversing of any swap or option agreement or other agreement or arrangement entered into by NAB (either generally in the course of its business or specifically in connection with this Agreement) to fund or maintain the Facility or to hedge, fix or limit its effective cost of funding in relation to the Facility.

NAB will notify you of the amount of any Economic Benefits that arise, as determined by it in accordance with this clause, and will pay you that amount within 7 Business Days of such notification.

- (c) Economic Costs are calculated and are payable in accordance with the General Conditions.

### 7. OPTION TO EXTEND: FLEXIBLE MATURITY FIXED AMOUNT

- (a) You may extend the Maturity Date for any Drawing that has been allocated to the Flexible Maturity Fixed Amount so that it ends on the Extended Maturity Date by giving NAB written notice at least 2 Business Days before the expiry of the Initial Maturity Date for that Drawing.

- (b) Any Extended Maturity Date for a Drawing under clause 7(a) must:
  - (i) always occur on the last day of a Pricing Period; and
  - (ii) not exceed the Expiry Date for the Facility.

### 8. REDRAW

- (a) You may redraw up to the amount by which the Floating Amount or the Cap Amount is less than the relevant Business Markets Facility Component Limit.
- (b) Each time you redraw or request to redraw, you represent and warrant to NAB:
  - (i) that you are not relying on any statement or representation by NAB (or its employees or agents) relating to the financial or taxation effects of redrawing (you should obtain your own financial or taxation advice); and
  - (ii) nothing has occurred which could adversely affect your ability to repay the Total Amount Owing, as it will exist after the redrawing, in accordance with the terms of this Agreement.

### 9. PREMIUM PAYABLE ON TERMINATION

If the Facility terminates before all instalments are paid, then you must pay NAB the full amount of the Premium (if any) less any instalments paid before such termination.

### 10. SELF MANAGED SUPER FUNDS

The following special conditions apply where NAB agrees to lend to you as a trustee of a self managed superannuation fund regulated by the Superannuation Industry (Supervision) Act 1993 (Cth) ("the Fund") to enable you to acquire a beneficial interest in certain property ("the Property"). Despite anything else in this document or any Transaction Document:

- (a) NAB may not exercise any right of set-off, amalgamation or combination (however described) that it may otherwise have, or purport to have, in relation to the Facility, whether expressly stated in this document, any Transaction Document or otherwise;
- (b) following an Event of Default:
  - (i) NAB may exercise any rights in respect of the Facility Amount Owing, including, but not limited to its right to terminate the Facility and enforce any Security, but, except for the purposes of exercising any power under any Security, NAB may not sue you for the Facility Amount Owing or any part of the Facility Amount Owing; and

- (ii) if the money recovered by NAB under the Security is less than the Facility Amount Owing (the "Shortfall"), NAB may not seek to recover the Shortfall, or any part of it, from you or the Fund, whether by bringing proceedings against you or the Fund, applying to have you or the Fund made bankrupt or wound up or otherwise;
- (c) NAB will discharge the Security over the Property, upon repayment of the Facility Amount Owing regardless of:
  - (i) any other monies that, or that may, remain owing at that time; or
  - (ii) any monies that may become owing in the future,
 to NAB by either you or the Security Provider who granted the Security over the Property; and
- (d) you may not redraw any money you have repaid in respect of the Facility.
- (e) you agree:
  - (i) to pay to NAB any insurance claim proceeds relating to the Property that you receive prior to the Facility Amount Owing being repaid; and
  - (ii) to direct the Security Trustee to pay to NAB any insurance claim proceeds relating to the Property that the Security Trustee receives prior to the Facility Amount Owing being repaid.
- (f) you agree:
  - (i) to pay to NAB any payment you receive, prior to the Facility Amount Owing being repaid, on account of any compulsory acquisition of the Property or purchase of the Property; and
  - (ii) to direct the Security Trustee to pay to NAB any payment the Security Trustee receives, prior to the Facility Amount Owing being repaid, on account of any compulsory acquisition of the Property or purchase of the Property.
- (g) NAB may take out insurance over the Property, for its own benefit, in relation to the Facility. If NAB does this, it will be at your cost. The premiums are payable by you when NAB asks. NAB may debit to any account of yours it decides the amount of the premiums.

## 11. DEFINITIONS

For the purposes of these NAB Business Markets Facility Specific Conditions:

**Available Facility** means, in respect of the Facility at any time, the Facility Limit less the Balance Owing at that time.

**Availability Period** means, in respect of the Facility, the period from the date of this Letter of Offer to the Final Repayment Date.

**Business Markets Facility Component** means each of the Fixed Amount, the Flexible Maturity Fixed Amount, the Floating Amount, the Cap Amount and the Range Amount (if any).

**Business Markets Facility Component Limit** means, in respect of a Business Markets Facility Component, the amount set out in the Drawdown Schedule for the Business Markets Facility Component, as amended from time to time.

**Cap Amount** means that part of the Facility that can be subject to any of the Cap Rate or Floating Rate, depending on their value, as determined in accordance with this Agreement.

**Cap Rate** means, in respect of the Facility, the cap rate specified in the Drawdown Schedule or as otherwise determined in accordance with this Agreement.

**Commencement Date** means, in respect of the Facility, the extended maturity date as set out in the Drawdown Schedule.

**Extended Maturity Date** means, in respect of the Facility, the extended maturity date as set out in the Drawdown Schedule.

**Facility** means a NAB Business Markets Facility — Flexible Rate Loan.

**Fixed Amount** means that part of the Facility that is subject to a Fixed Rate.

**Fixed Rate** means, in respect of the Facility, the fixed rate specified in the Drawdown Schedule or as otherwise determined in accordance with this Agreement.

**Flexible Maturity Fixed Amount** means the part of the Facility that is subject to a Fixed Rate and to which clause 7 (option to extend: flexible maturity fixed amount) applies.

**Floating Amount** means that part of the Facility that is subject to a Floating Rate only.

**Floating Rate** means, in respect of a Pricing Period:

- (a) the rate determined by NAB which is equal to the "bid rate" quoted on the "BBSY" page of the Reuters Monitor System at or about 10.15am Sydney time on the first day of that Pricing Period for bank accepted bills with a tenor which is equal to that Pricing Period (or where the Pricing Period is either 7 or 14 days, a tenor of 30 days) and which starts on that day; or
- (b) if such rate is not available, the rate reasonably determined by NAB to be the appropriate equivalent rate, having regard to the prevailing market,

plus the Liquidity Margin applicable as at the first day of that Pricing Period plus the Customer Margin for the Facility.

**Floor Rate** means, in respect of the Facility, the floor rate specified in the Drawdown Schedule or as otherwise determined in accordance with this Agreement.

**Initial Maturity Date** means, in respect of the Facility, the initial maturity date specified in the Drawdown Schedule.

**Last Date for Drawdown** means, in respect of the Facility, the last date for drawdown specified in the Details.

**Maturity Date** means the date on which a Fixed Rate Period or Range Rate Period is due to expire.

**Premium** means the "Cap/Range Rate Premium" specified in the Details.

**Pricing Period** has the meaning given to it in clause 5.1 (Pricing Period).

**Range Amount** means that part of the Facility that can be subject to any of the Cap Rate, Floor Rate or Floating Rate, depending on their value, as determined in accordance with this Agreement.

**Range Rate** means, in respect of a Pricing Period:

- (a) the Floor Rate, if the Floating Rate prevailing on the first day of that Pricing Period is less than the Floor Rate; or

- (b) the Cap Rate, if the Floating Rate prevailing on the first day of that Pricing Period is greater than the Cap Rate; or
- (c) the Floating Rate, in any other case.

**Range Rate Period** means, in relation to a Drawing that has been allocated to the Range Amount, the period during which the Range Rate applies to that Drawing.

### Property Specific Conditions

Not Applicable

## **GENERAL CONDITIONS**

### **1. FACILITY LIMITS AND OTHER LIMITS**

- (a) You must ensure that the Facility Limit and any other limit applicable to the Facility (such as any Component Limit) is not exceeded at any time, without NAB's prior approval. Any excess may attract default interest and fees and charges, even where the excess is approved.
- (b) If a Facility Limit or any other limit applicable to the Facility is scheduled to change on a day that is not a Business Day, that change will not take effect until the following Business Day unless otherwise stated in the Specific Conditions for that Facility or unless otherwise agreed, and interest, fees and charges will be payable accordingly.

### **2. CONDITIONS ON DRAWINGS (conditions precedent)**

Any obligation on NAB to provide you with anything under a Facility is conditional on:

- (a) you having accepted this Agreement in a manner satisfactory to NAB;
- (b) NAB receiving any valuation it requires (which must be to NAB's satisfaction);
- (c) the results of NAB's inquiries and searches being to NAB's satisfaction;
- (d) NAB receiving each Security, related acknowledgment or acceptance and title documents (all of which must be to NAB's satisfaction);

- (e) you having any insurance NAB requires, that insurance being with an insurer, for an amount, and on terms acceptable to NAB, NAB's interest being noted on the policy and you providing such evidence of that insurance as NAB requires;
- (f) NAB receiving any other document it reasonably requires from you or a Security Provider and those documents being to NAB's satisfaction;
- (g) there being no Event of Default or Potential Event of Default;
- (h) any other conditions precedent applicable to the Facility being met.

### **3. REVIEW**

- (a) NAB may review compliance with the Transaction Documents, your financial position and that of each Security Provider:
  - (i) periodically (at least annually); and
  - (ii) at any time if NAB reasonably believes there is an Event of Default or Potential Event of Default.

A review fee may be payable.

- (b) You must provide NAB, and must ensure that each Security Provider provides NAB, with all information, documents, consents and assistance that NAB requires in connection with a review within the time requested.

### **4. YOUR GENERAL PAYMENT OBLIGATIONS**

#### **4.1 What you must pay**

You must pay to NAB:

- (a) the regular repayments, if any, required in accordance with this Agreement;

- (b) interest, fees, charges and premiums in accordance with this Agreement;
- (c) immediately, any amount by which the Facility Amount Owing is in excess of the Facility Limit;
- (d) the Facility Amount Owing on the Final Repayment Date; and
- (e) any other amounts owing to NAB under this Agreement as set out in this Agreement or otherwise when NAB asks.

#### **4.2 Payments generally to be made in Australian Dollars**

- (a) You must make each payment in the currency in which it is due. Unless otherwise stated, this is Australian Dollars.
- (b) If NAB receives an amount in a currency other than that in which it is due:
  - (i) NAB may convert the amount received into the due currency (and if necessary convert through a third currency) on such day and at such rates as NAB considers appropriate. NAB may deduct NAB's usual Costs in connection with the conversion; and
  - (ii) the relevant payment obligation is satisfied only to the extent of the amount of the due currency obtained from the conversion after deducting conversion Costs.
- (c) If NAB is debiting an amount to an account of yours, and that amount is in a currency other than that of the account, NAB may:
  - (i) convert the amount to be debited into the currency of the relevant account (and if necessary convert through a third currency) on such day and at such rates as NAB considers appropriate; and
  - (ii) debit to that account the amount so converted, plus the costs of conversion.

#### **4.3 Payments to be made in cleared funds**

You must pay all amounts payable by you under this Agreement in immediately available cleared funds.

#### **4.4 No set off or deduction**

- (a) All payments by you must be made in full without any set-off, counterclaim or deduction.
- (b) If you or NAB are, at any time, compelled by law to deduct or withhold any amount (including Taxes), you must indemnify NAB against that amount and pay concurrently to NAB such additional amounts as will result in payment to NAB of the full amount which would have been received if no deduction had been made.

#### **4.5 Payments due on a non-business day**

Subject to the Specific Conditions, if a payment is due on a day that is not a Business Day, that payment may be made on the next Business Day.

#### **4.6 Time for payment**

- (a) If this Agreement does not otherwise state when an amount is payable by you, it is payable on demand.
- (b) For the purposes of making payments under this Agreement, a day ends at 4 pm in the state or territory where the office issuing this Letter of Offer is located.

#### **5. FEES AND OTHER COSTS**

- (a) You must pay NAB all fees, charges and premiums set out, or provided for, in this Agreement (including the Fees Guide).
- (b) You must pay NAB and indemnify NAB for an amount equal to any Costs or Taxes in connection with:
  - (i) the Transaction Documents, the Facilities or any transactions under or in relation to them;
  - (ii) preparing, registering and maintaining any financing statement or financing change statement (each as defined in the PPSA) in relation to a Security, or taking any other action that in NAB's opinion is necessary under clause 14 of this Agreement;
  - (iii) NAB exercising, enforcing or preserving rights, powers or remedies (or considering or attempting to do so) in connection with any Transaction Document, Facility or any transactions under or in relation to them; and
  - (iv) the costs and remuneration of any Receiver appointed by NAB.
- (c) To the extent the following fees are payable in relation to a Facility, they are payable and (where relevant) calculated as set out below:
  - (i) Periodic fees (including Service Fees or Annual Facility Fees) – payable for each period set out in the Details (or if no such period is set out, monthly) and again on the Final Repayment Date. If there are separate Loan Accounts or Bank Guarantees under the Facility, these fees are payable separately for each such Loan Account or Bank Guarantee.
  - (ii) Extension Fees - payable whenever NAB agrees to extend the time within which the Fixed Rate Period for a Facility must start after you accept a quoted fixed Interest Rate and whether or not the quoted rate becomes the actual rate applying to the Facility.
  - (iii) Progressive Drawdown Fees - payable whenever NAB agrees to your request to drawdown part of a Facility Limit (other than the first part) to which Building Conditions apply.

- (iv) Facility Fee – in respect of a Bill Facility, payable at the intervals set out in the Details and calculated as follows:

Facility Fee annual percentage rate  
as set out in the Details x Facility  
Limit / n

where n is the frequency of Facility Fee payments per annum (eg. if the Facility Fee is payable monthly, n = 12). For any part period, the fee is calculated with reference to the number of days in the part period, divided by 365.

- (d) Fees that are payable when an event occurs may be debited when, or after, that event occurs. Periodic fees may be debited at any time during, or after, the period to which they relate.
- (e) Unless otherwise agreed, fees are not charged on a pro-rata basis and, once incurred, charged or paid (as the case may be), are not refundable in whole or in part.
- (f) Anything which you must do under this Agreement must be done at your cost.

## 6. YOUR OBLIGATION TO PAY INTEREST

- (a) Unless otherwise stated in the Specific Conditions, interest charges are payable for each day and are calculated by applying the Daily Interest Rate to the Balance Owing at the end of that day (excluding any amount to which a Default Interest Rate applies).
- (b) The Specific Conditions for a Facility set out when interest charges (if any) are payable.
- (c) Where interest charges are debited to a Loan Account, they will be deemed to be part of the Facility Amount Owing from the date they are debited.

## 7. INTEREST RATES

### 7.1 Variable interest rates

NAB generally publishes information on changes to indicator rates on nab.com.au and/or in the local or national press.

To the extent that a Facility has a variable Interest Rate or Default Interest Rate, you acknowledge that:

- (a) those interest rates include an indicator rate and may include one or more margins;
- (b) the name of the Indicator rate(s) applicable to the Facility are set out in the Details (for example, the Base Indicator Rate); and
- (c) the amount of an indicator rate on any day will be that last published or otherwise advised by NAB.

### 7.2 Fixed interest rates

During a Fixed Rate Period or Pricing Period, the relevant Interest Rate is fixed. If your Facility has a fixed Interest Rate, your initial Fixed Rate Period or Pricing Period is set out in the Details. The Specific Conditions set out any applicable rules about the quotation, setting and acceptance of Fixed Rates.

### 7.3 Indicative Rates

If the Details quote the amount of an indicator rate, Interest Rate, Yield Rate or Default Interest Rate, and:

- (a) state that the rate is "indicative"; or
- (b) indicates that the rate is the current rate,

then the amount quoted is a guide only and may not be the rate that actually applies to the Facility.

## 8. ECONOMIC COSTS

**Warning :** Economic Costs can be high and may increase the amount you owe. You can ask NAB at any time for an estimate of Economic Costs.

### 8.1 When economic costs are payable

- (a) Economic Costs are payable by you whenever an Economic Event occurs in relation to a Facility.
- (b) NAB will determine the amount of any Economic Costs in accordance with this clause, and will notify you accordingly. You must pay NAB the amount of any Economic Costs notified to you when NAB specifies.

### 8.2 Economic events

An Economic Event is taken to have occurred if, at any time while a Yield Rate or an Interest Rate (other than a variable Interest Rate) applies to a Facility, a Facility Component, a Loan Account or a Drawing:

- (a) all or part of that Facility, Facility Component, Loan Account or Drawing is repaid early (even if NAB agrees to the early repayment being made);
- (b) that Facility, Facility Component, Loan Account or Drawing, is re-priced by agreement from one fixed rate to another fixed rate or to another type of rate (such as a variable rate);
- (c) that Facility, Facility Limit or Component Limit is cancelled, reduced or not fully drawn for any reason at any time before the Expiry Date;
- (d) NAB is for any reason no longer obliged to accept, discount or endorse Bills under the Facility or a Bill is cancelled before its Maturity Date; or
- (e) if you are in Default, or the Facility Amount Owing otherwise becomes repayable, and NAB elects to treat it as an Economic Event;

except to the extent that this occurs: