



Commonwealth Bank

Media Release

COMMONWEALTH BANK READY TO HELP DROUGHT AFFECTED FARMERS

Sydney, 23 July 2002: The Commonwealth Bank is once again helping farmers in drought affected areas in parts of NSW and other States by working with them in contingency planning.

Mr Steve Morgan, Chief Manager, Agribusiness said, "There are areas of concern, but the majority of farmers are in a sound position to face the current situation, following a series of good years."

"Our immediate focus is on assisting any of our customers who may be suffering financial difficulty as a result of the conditions. We have our specialist agribusiness bankers available to discuss with our farmer customers their overall financial position and to work with them to determine the most appropriate financial actions", he added.

Mr Morgan indicated that, as it has in the past, the Bank will implement its comprehensive special emergency assistance program to help farmers in any areas across the country declared officially drought stricken by Government.

The key features of the Bank's special assistance package include:

- additional carry on finance to meet short term needs, such as purchasing stock feed, agistment, or to re-sow crops once rain is received;
- restructuring of existing loans free of additional related fees or charges;
- providing interest only facilities during the drought;
- extending the terms of facilities;
- waiving of prepayment charges for affected customers wishing to access term deposits ahead of the maturity date.

"Many farmers have taken advantage of the tax beneficial Farm Management Deposit scheme to set aside reserves to face difficult times. Both they and the Bank understand seasonal downturns. The Bank has well-established, strong relationships with primary producers and I can assure all affected farmers that the Commonwealth Bank's support for the rural sector will continue through this drought and beyond", Mr Morgan said.

Farmers interested in assistance should contact their local Commonwealth Bank branch or Agribusiness Specialist.

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