

Distribution Reinvestment Plan

Current as at 30 June 2021

Rural Funds Group | ASX:
RFF

Managed by:



Managing good assets with good people

Thank you for your investment in the Rural Funds Group (RFF).

You may already be aware that RFF pays quarterly distributions. Distributions are paid by Electronic Funds Transfer (EFT) or you can elect to grow the number of units you hold by participating in the RFF Distribution Reinvestment Plan (Plan).

This brochure contains some basic information about the Plan, designed to help you identify the most appropriate option for you. To participate in the Plan, please complete your election electronically, or contact RFF's Registry for an Election Form and return it to the Registry.



What is the 'distribution reinvestment plan' (Plan)?

The Plan allows you to reinvest all or part of any distribution paid on your Units in additional Units, instead of receiving the distribution in cash. New Units are issued to you immediately after the distribution is paid.

Participation in the Plan is optional.

Am I eligible to participate in the Plan?

All Unitholders with a registered address in Australia or New Zealand, and certain Unitholders in Singapore and Hong Kong are eligible to participate. Singapore and Hong Kong Unitholders should refer to the full copy of the Plan for eligibility requirements.

How do I participate in the Plan?

You can make your election electronically through InvestorServe with RFM's Registry. Alternatively, you can contact RFM's Registry for an Election Form, returning it to the Registry.

Do all my Units participate in the Plan?

You have two options:

- **Full Participation**

If you elect 'full participation,' distributions on all your Units are reinvested in new Units. Distributions on any Units you acquire in the future, including under the Plan, are also reinvested in this way.

- **Partial Participation**

If you elect 'partial participation' you nominate the number of your Units which participate in the Plan. Only the distributions paid on those Units that you nominate are reinvested in new Units.

The balance of your Units (**Non-Participating Units**) continue to receive a cash distribution (by way of direct deposit into your nominated bank account).

If you buy more Units (or for any reinvested Units), those Units do not participate in the Plan unless you make a new election, either electronically or by completing and returning an Election Form to RFM's Registry.

If you hold less than the number of Units you have specified, then the distributions on the Units that you actually hold are reinvested.

Can I change my participation level at any time?

Yes, except if the Plan is suspended. You can either vary or terminate your participation in the Plan at any time electronically through InvestorServe or by submitting another Election Form to RFM's Registry.

In order to be valid and effective for a distribution payable on Units in the Plan, you must make your election electronically or submit your Election Form to RFM's Registry by 7pm on the business day following the nominated Record Date.

Is it expensive to participate in the Plan?

There are no fees or associated costs of participating in the Plan.

RFM will continue to pay any administrative costs for acquisitions made under the Plan for so long as it is permitted by law to do so. Any subsequent disposal of Units allotted or transferred under the Plan is at the expense of the Unitholder.

Will further issues of Units automatically participate in the Plan?

Only if you elect 'full participation.'

When does my participation in the Plan begin?

Your participation in the Plan begins on the first Record Date after RFM's Registry receives your properly completed Election Form or election through InvestorServe.

How many Units do I receive?

The number of Units that you receive is calculated by dividing the Eligible Distribution (net the withholding of, or payment of, any tax or other payment or levy) by the Market Price less a discount of 1.5%¹. RFM then issues you as many new Units as possible at that price. Any fractional amounts are rounded down to the nearest whole number of Units with the balance carried forward to future distributions.

¹ Current as at date of the brochure

How is the Market Price calculated?

The Market Price is the weighted average market price of Units sold on the ASX during the 20 consecutive trading days before the Record Date (or as determined by RFM), and if no sales occurred during the relevant period, the price last recorded before the commencement of the relevant period.

How will I know how many Units I have received under the Plan?

After each issue or transfer of Units to you under the Plan, the Registry sends you a statement detailing the change in your unit holding.

Can I sell the Units I receive under the Plan?

Yes, you can sell any of your Participating Units at any time. If you transfer your Participating Units, the Units are treated as Non-Participating Units immediately upon transfer.

If you hold both Participating and Non-Participating Units (that is you elected Partial Participation in the Plan), and you wish to transfer only some of your Units, your Non-Participating Units are reduced first, before your Participating Units, if that is necessary. You can change this outcome by changing your election electronically or by completing and lodging a new Election Form with RFM's Unit Registry.

Can the Plan be changed or terminated?

RFM may vary, suspend, recommence or terminate the Plan at any time at its discretion.

What is the taxation treatment of distributions paid under the Plan?

Generally, distributions that are reinvested under the Plan are assessable to Australian resident Unitholders for income tax purposes to the same extent as any cash distribution. Units allocated under the Plan may be subject to either income tax or capital gains tax when you sell them, depending on your circumstances. RFM takes no responsibility for the taxation liabilities of Participants. Specific taxation advice should be obtained by the Participant from an independent adviser.



A full copy of the Plan can be found on the Rural Funds Management website at: www.ruralfunds.com.au

To participate in the Plan, please complete your election electronically through InvestorServe. Alternatively complete and sign an Election Form and return it to RFM's Registry.

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