

BFS Policy on the Early Redemption of Investments

BFS may approve an Early Redemption request for a valid reason at its sole discretion. However, except in hardship cases, 31 days' notice must be provided by a retail client.

If BFS allows an early redemption, withdrawn funds may receive the interest rate that applies to the BFS Notice of Withdrawal Account since lodgement or subsequent renewal, whichever is the later, on the amount being redeemed.

An Early Redemption Fee may apply to each early redemption allowed by BFS and is listed in the Account and Service Fees Schedule detailed in Part 2 of the applicable offer document or from the BFS website www.bfs.org.au.

Financial Hardship

Funds may only be released to a retail client without requiring 31 days' notice in cases of financial hardship.

Financial hardship is defined as a difficulty in coping with financial commitments due to unforeseen circumstances such as:

- Suffering an illness or injury,
- Unemployment or a reduction in working hours,
- Significant life events such as relationship breakdown or death in the family,
- Moving to a retirement village or a nursing home,
- Sudden unforeseen changes in income or expenditure, or
- Emergency or natural disaster.

Please note that the following examples will NOT be considered financial hardship for the purposes of early redemption and will therefore require 31 days' notice before funds may be redeemed prior to maturity:

- Deposit for purchase of family home or other property,
- Purchase of motor vehicles,
- Family vacations,
- Home renovations,
- Home repairs not a direct result of natural disaster,
- Time-limited investment or business opportunities, or
- Any other purpose not considered by BFS as constituting financial hardship.

All applications for release of funds due to financial hardship must be approved by the CEO and explanations of hardship should be stated on the BFS Request for Early Redemption of Term Investment form.