

# Practice Update

## Regional Investment Corporation

The Australian Government established the Regional Investment Corporation (RIC) to deliver Commonwealth farm business concessionary loans and national water infrastructure loans.

The RIC offer two types of farm business loans to farm businesses – drought loans and farm investment loans.

### Drought Loans

- **Eligibility**

You can apply for this loan if you are in need of financial help, in an eligible area of Australia, and your business is financially viable in the long term.

- **Purpose**

The purpose of this loan is to assist you to prepare your farm business for drought; or manage through or recover from the effects of drought.

Use this loan to refinance your debt; pay for operating expenses or capital; access new debt for operating expenses and capital.

- **Loan terms**

**Amount:** Up to \$2 million      **Term:** 10 years  
**Early settlement:** No fee      **Apply:** Anytime  
**Interest rate:** 3.11% variable rate  
**Application fee:** No fee      **Redraw:** N/A  
**Extra repayments:** No fee  
**Repayment structure:** 2 years interest free, 3 years interest only and 5 years principal and interest.

To check your eligibility and for loan information, please refer to the RIC website  
<https://www.ric.gov.au/farmers/drought>

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### Farm Investment Loans

- **Eligibility**

You can apply for this loan if you are an owner of an Australian farm business who needs financial help; who solely or mainly sell products into supply chains that are interstate or outside Australia, or plan to in the future.

To check your eligibility and for loan information, please refer to the RIC website

<https://www.ric.gov.au/farmers/farm-investment#eligibility>

Please read this update and contact this office if you have any queries

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- **Purpose**

The purpose of this loan is to strengthen your farm business; to assist you to take steps to access markets interstate or outside Australia; or prepare for or manage through or recover from drought.

Use this loan to refinance your debt; enhance your productivity; pay for operational expenses or capital or fund drought related activities.

- **Loan terms**

**Amount:** Up to \$2 million      **Term:** 10 years  
**Early settlement:** No fee      **Apply:** Anytime  
**Interest rate:** 3.11% variable rate  
**Application fee:** No fee      **Redraw:** N/A  
**Extra repayments:** No fee  
**Repayment structure:** 5 years interest only, 5 years principal and interest.

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### How to Apply

To apply for either loans you can complete a form on a computer or print it and fill it in by hand.

Contact RMS Accountants if you require assistance completing the application or the cashflow budget.

Check the information you will need to provide. The more information you can provide, the faster they can assess your application.

Talk to your commercial lender to let them know that you plan to apply for a RIC loan.

Submit your application by email to [loans@service.RIC.gov.au](mailto:loans@service.RIC.gov.au) or post the application to Regional Investment Corporation, PO Box 796, BENDIGO VIC 3552.

Please don't self-assess. Call the RIC on 1800 875 675 to discuss your circumstances. Their loan assessment team understands Australian agribusiness.

For further information visit <https://www.ric.gov.au/>

