

INFORMATION PAPER FOR INVESTMENT-LINKED MIGRATION INVESTORS IN SOUTH AUSTRALIA

This document has been prepared for the purpose of providing information, and is available, only to those persons applying for a designated investment under Investment Linked migration, administered by the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs. It is to be used solely in conjunction with Investment Linked Migration applications and neither SAFA nor the State of South Australia have authorised its use for any other purpose.

The Bonds as designated investments are only available in accordance with, and to those who meet, the requirements of the Department of Immigration and Multicultural and Indigenous Affairs for Investment Linked Migration.

No person is authorised in connection with this information paper to give any information or to make any representation other than those contained in this information paper and, if given or made, such information or representation must not be relied upon as having been authorised by SAFA or the State of South Australia.

Law may restrict the distribution of this document in jurisdictions outside of Australia. Persons who obtain this document in jurisdictions outside of Australia should seek advice on and observe such restrictions.

SOUTH AUSTRALIAN GOVERNMENT FINANCING AUTHORITY BONDS

A DESIGNATED INVESTMENT FOR INVESTMENT-LINKED MIGRATION

INFORMATION FOR APPLICANTS

What is SAFA?

SAFA is the abbreviation for the South Australian Government Financing Authority. One of SAFA's main functions is to act as the central funding provider for South Australia's Government and semi-government authorities.

Funds raised by SAFA assist with the financing of a wide range of worthwhile activities and projects within South Australia such as housing, transport, education, health, arts and recreation.

An investment in SAFA supports a variety of Government services for all South Australians.

What is the purpose of South Australian Government Financing Authority Bonds?

SAFA has designed this investment to meet the requirements of a 'Designated Investment' under the Investment-Linked visa sub-classes of the Business Skills program administered by the Commonwealth Department of Immigration and Multicultural and Indigenous Affairs.

These Bonds have been specified by the Minister for Immigration and Multicultural and Indigenous Affairs as a Designated Investment for the purpose of the Investment-linked Migration program.

What are South Australian Government Financing Authority Bonds?

The Bonds take the form of inscribed stock. This means that your name will be 'inscribed' in SAFA's central stock (or securities) register as the holder of specific Bonds.

These arrangements eliminate the need to issue a security to you that needs to be kept in a safe place to avoid theft, loss etc. Instead, a (non-negotiable) Bond Certificate of Inscription will be issued to confirm your ownership of the Bonds and other details of your investment.

Are South Australian Government Financing Authority Bonds secure?

Yes. Payment of interest and repayment of principal on the Bonds is unconditionally guaranteed by the Government of South Australia.

What are the Investment Amounts?

The investment amount choices have been determined by the Department of Immigration and Multicultural and Indigenous Affairs, details of which are contained in its form 1031 – "Making a Designated Investment"

The investment amounts are A\$750,000; A\$1 million; A\$1.5 million; or A\$2 million.

Are there any fees?

SAFA charges no up-front investment fees or ongoing management or account keeping fees. The amount you invest is the amount you earn interest on, and is returned to you at the maturity of your investment.

How do I obtain details of the terms and interest rates available?

The term of the investment is limited to not less than 4 years. SAFA will set the maturity date as the 15th day of the month falling 4 years after your investment date.

Interest rates will be updated by SAFA regularly and are displayed on our website www.safa.sa.gov.au or you may obtain an indication of interest rates available from SAFA on +61 (8) 8226 9471. A firm interest rate will be given to you on the day you wish to invest and will not vary for the life of your investment.

How is Interest and Principal paid?

You can have your principal and interest payments credited directly to an Australian Bank, Building Society or Credit Union or alternatively, made by cheque posted to you. If you do not have Australian banking arrangements at the time you invest, these details may be provided later to SAFA's Bond Registry. Please be aware that we will require these details before the first interest payment (after 6 months of investing)

Interest accrues on your investment from the day it is received by SAFA until the maturity date.

Interest is paid on the 15th of the month, 6 months after your investment is made and every six months until the maturity date.

(Example: If you invest on the 20th of September then your first interest will be paid on 15th April for 6 months and 25 days and the subsequent interest payments will be on the 15th October, and 15th April until the maturity date.)

If the day on which interest is to be paid is not a business day interest will be paid on the next business day but without any adjustment to the calculation of interest. Similarly if the maturity date is not a business day the relevant interest and principal payments will be made on the next business day and without any adjustment to the calculation of interest.

What do I need to know about Interest Withholding Tax?

The Australian Taxation Office has advised that income earned in Australia by a non-resident is subject to 10 per cent withholding tax, which will be deducted automatically by SAFA from interest earned on your investment.

What do I need to know about Tax File Numbers?

Once you are resident in Australia, Tax File Number ('TFN') legislation applies to you and authorises investment bodies to record TFN's or exemption details provided by their investors. It is not compulsory for investors to quote their TFN, however tax will be taken from those interest payments for which a TFN or exemption has not been quoted, at the highest marginal tax rate.

For joint investments, if there are more than two holders, TFN details of at least two holders are required. Details of those who have TFN's should be quoted in preference to those who claim exemption. In the case of two investors only, both must quote TFN's.

Collection of TFN information is authorised and its use and disclosure is strictly regulated by the tax laws and the Privacy Act.

This taxation information is not intended as advice, and we suggest you contact the Australian Taxation Office in Australia for information about TFN's, exemptions and your taxation liabilities, or obtain advice from competent advisers in Australia.

Change of details

Once you are a resident in Australia you will need to advise our Registry of your address in Australia, your banking details, (and also your Tax File Number if you choose to do so).

A change of details form can be obtained by email request to safa.mail@saugov.sa.gov.au. The form should be completed and signed by the original applicant/s and forwarded to our Registry to arrive at least 15 days prior to a coupon or maturity payment.

What are the conditions for transfer or redemption?

The Minister for Immigration and Multicultural and Indigenous Affairs has set a requirement of this Designated Investment that it cannot be transferred to another holder nor sold back to SAFA prior to its maturity.

How do I Invest?

You may discuss a proposed investment with SAFA at any time.

When you have decided to invest and if you wish to obtain a firm interest rate, you should follow these steps to make your Designated Investment in South Australian Government Financing Authority Bonds.

1. Call SAFA on +61 (8) 8226 9471 and speak to SAFA's contact officer for Investment Linked Migration designated capital investments who will agree with you a maturity date and firm interest rate for you to invest that day. **Please Note:** The interest rate quoted will be firm only during the day it is provided, and then may be subject to review.
2. Complete the attached South Australian Government Financing Authority Bonds Application Form. If you are unable to contact us to obtain a firm rate, you may leave the "Maturity Date" and "Interest Rate" sections of the form blank, and we will apply a rate and date when your funds are received.
3. Facsimile or scan and email to SAFA on the same day: -
 - your completed Bond Application Form; and
 - your completed DIAC Form 1031, and
 - your letter from DIAC, instructing you to make a Designated Investment.
4. Send to SAFA's Bond Registry:-
 - your completed original Bond Application Form; and
 - your completed original DIAC Form 1031
 - a copy of your letter from DIAC, instructing you to make a Designated Investment.

Registry Address:

For regular post:

SAFA Registry
Link Market Services
Locked Bag A14
Sydney South
NSW 1235
AUSTRALIA

For courier/registered/recorded delivery post:

SAFA Registry
Link Market Services
Level 12 World Square
680 George Street
Sydney NSW 2002
AUSTRALIA

5. Arrange for your investment amount to be deposited in Australian Dollars to SAFA's Bank Account. If you are transferring funds from outside Australia, please arrange with your bank to transfer funds

by telegraphic transfer, giving the applicant's name as the reference. Please advise SAFA by email from which Bank SAFA are expecting to receive funds.

If you already have your funds in an Australian Bank account, please ask your bank for a Bank Cheque for the amount that you are investing. This cheque should then be paid into SAFA's Bank Account using the nearest Westpac Bank Branch. The BSB and account number can be found below. If it is not possible to use your name as a reference then you may use a 6 digit code which we suggest should be your date of birth. If you are using this method it is essential that you provide the 6 digit date of birth on the Application Form.

The SAFA bank account details are:-

Bank: Westpac, Adelaide Branch
1 King William Street, ADELAIDE SA 5000

Account Name: SAFA Operating Account

Branch Number: 035 502

Account Number: 200264

SWIFT Code: WPACAU2SADE

6. We will send you an email when we have received your funds and also advise our Registry.
7. When our Registry have received your original forms they will record your investment at which time a Certificate Of Inscription will be produced and sent to your nominated address (normally you should receive this Certificate within ten business days). The Form 1031 will be signed and scanned through to DIAC. Processing the bond and advice to DIAC can take up to 10 business days.
8. DIAC will contact you directly with the outcome of your investment.

Who can I call with further questions?

For questions on South Australian Government Financing Authority Bonds, call:-

Nigel HARVEY

SAFA

Telephone: +61 (8) 8226 9471

Facsimile: +61 (8) 8226 9478

Safa.mail@saugov.sa.gov.au

For questions on Business Skills Migration, call:-

Department of Immigration and Multicultural and Indigenous Affairs

Telephone: 131 881

DIAC central office: +61 (2) 6264 1111

For questions on migrating to South Australia, call:-

Sherrie Gaskin

Manager, Business Migration

Immigration SA

Gaskin.Sherrie@saugov.sa.gov.au

Telephone: +61 (8) 8204 9241

SOUTH AUSTRALIAN GOVERNMENT FINANCING AUTHORITY BONDS TERMS AND CONDITIONS

1. ISSUER

The South Australian Government Financing Authority (SAFA) is the issuer of South Australian Government Financing Authority Bonds ("Bonds"). Bonds will be issued as inscribed stock.

2. ISSUE PRICE

At Par (A\$100)

3. GUARANTEE

All payments to be made in respect of the Bonds and in accordance with these conditions are unconditionally guaranteed by the Government of South Australia.

4. SUBSCRIPTION TERMS

Application amounts must be A\$750,000, A\$1.0 million, A\$1.5 million or A\$2 million, consistent with regulations issued by the Department of Immigration and Multicultural and Indigenous Affairs for the Investment-linked Migration sub-class of the Business Skills Migration class.

Each subscription must be paid in full when the application is made together with the provision of such other information as SAFA may require to satisfy itself that there has been compliance with the terms and conditions hereof, otherwise applications will not be accepted. SAFA reserves the right to reject any application for the issue of Bonds in whole or in part and any unapplied subscription moneys will be refunded. No interest will accrue on such refunded amounts.

Maturity Dates and Interest Rates:

The Maturity Dates and Interest Rates applicable to Bonds at any given time shall be those Dates and Rates specified by SAFA at that time.

Interest accrues on your investment from the day it is received by SAFA or its inscribed stock Registry Office until its' maturity date.

5. APPLICATIONS

Applications may only be made by individuals either solely or jointly in accordance with the requirements of the Department of Immigration and Multicultural and Indigenous Affairs for Investment Linked Migration.

Funds must be provided in Australian Dollars for one of the application amounts and deposited to SAFA's nominated bank account no later than 4 pm Adelaide time on the day a signed application form is provided by facsimile to SAFA.

The original application form and Department of Immigration and Multicultural and Indigenous Affairs Form 1031 must be received by the Registry within 10 business days of the funds investment.

6. SIGNING OF APPLICATION

Individuals:

Applications must be signed personally by each applicant.

7. LODGEMENT OF APPLICATIONS

Applications must be lodged directly with SAFA.

8. ISSUE OF BOND CERTIFICATES

Bonds will be issued in the form of Inscribed Stock. A SAFA Bonds Certificate of Inscription will be forwarded to applicants as soon as practicable after their application has been accepted and payment received. The Certificate of Inscription is not a negotiable instrument.

9. PAYMENT OF INTEREST AND REPAYMENT OF PRINCIPAL

Interest:

Interest payments will be made half yearly every 6 months, commencing from the month in which payment for the bonds are received, on the 15th day of those months. All interest payments will be made as they fall due to the holder of the Bonds as recorded in the Inscribed Stock Register 7 days prior to the relevant payment date.

Principal:

The principal of the Bonds will be repaid at par (A\$100) at maturity.

Method of Payment:

Payments of interest and principal will be made by direct credit to a Bank, Building Society or Credit Union account in Australia, or by cheque posted to the Bondholder's registered address, in accordance with the instructions in the application form.

Applications to change payment instructions must be received at least 15 days prior to a payment date.

Any principal or interest payment falling due on a non-business day will be made the following business day but without any adjustment to the calculation of interest.

10. NON-TRANSFERABLE

These Bonds are non-transferable and non-redeemable except by operation of law or under other conditions acceptable to the Minister for Immigration and Multicultural and Indigenous Affairs.

11. INTEREST WITHHOLDING TAX

Interest payable to non-resident stock holders will have withholding tax deducted at the rate and in accordance with the Commonwealth of Australia Income Tax Assessment Act 1936 ("Tax Act").

12. OVERSEAS RESIDENTS/TAX FILE NUMBERS

For resident stock holders, if no Tax File Number or exemption is supplied, SAFA will deduct tax directly from interest payments at the rate and in accordance with the Tax Act.

13. REGISTRY FACILITIES

The central Inscribed Stock Registry will be administered in Sydney by Link Market Services.

14. GOVERNING LAW

Bonds are governed by the laws of the State of South Australia.

**SOUTH AUSTRALIAN GOVERNMENT FINANCING AUTHORITY BONDS
APPLICATION FORM**

In accordance with the South Australian Government Financing Authority Bonds Terms and Conditions I/We apply for Inscribed Stock as shown hereunder and I/We undertake to pay in full for the amount of Inscribed Stock.

BLOCK LETTERS PLEASE				
TITLE	FULL GIVEN NAME (S)	SURNAME	DATE OF BIRTH dd/mm/yy	TAX FILE NUMBER
.....	-----	-----	--- / --- / ---	--- / --- / ---
.....	-----	-----	--- / --- / ---	--- / --- / ---
.....	-----	-----	--- / --- / ---	--- / --- / ---
ADDRESS*				
STATE		POSTCODE		
TELEPHONE NO.(S)		EMAIL ADDRESS		

* Please advise your Australian address to the Registry at your earliest convenience.

AMOUNT(S) APPLIED FOR (\$Aust. ONLY)	MATURITY DATE (AS ADVISED BY SAFA)	INTEREST RATE (%p.a.)
<input type="checkbox"/> A\$750,000 <input type="checkbox"/> A\$1,500,000 <input type="checkbox"/> A\$1,000,000 <input type="checkbox"/> A\$2,000,000 <p align="center">Please tick one</p>	/ / %

Please pay Principal and interest by credit to the following Australian Bank, Building Society or Credit Union*

Bank/Building Society/Credit Union:

Branch Address, Street:	State:
Suburb:	Postcode:
Account Name:	
Account Number:	BSB (Only if known)

In the absence of an Australian Bank Account, please pay by cheque to the above address
Please tick if applicable, and advise your Australian Bank Account details to the Registry at your earliest convenience.

Signature of Applicant(s)

----- / / ----- / /

----- / / ----- / /

REGISTRY USE ONLY

	Date
FUNDS RECEIVED	/ /
ORIGINAL APPLICATION AND FORM 1031 RECEIVED	/ /

	Date
FORM 1031 SENT TO DIAC	/ /
CERTIFICATE SENT TO STOCKHOLDER	/ /

REGISTRY USE ONLY

Stockholder No.	Series ID	N/R	N/A		IV		TFN
			Capt	Scan	Capt	Scan	