

# Form 1 Heads of Agreement

F261 v1

This is an approved form authorised by the Queensland Rural and Industry Development Authority (QRIDA) pursuant to section 90 of the *Farm Business Debt Mediation Act 2017* (Qld) (the Act).

**Not for distribution to the public.  
Mediator to prepare or supervise preparation.  
Parties to mediation to execute.  
Send a copy to QRIDA.**

This form under section 26 of the Act, is to state the main points of agreement being:

An agreement dated \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Between

(hereinafter referred to as "the farmer")

And

(hereinafter referred to as "the mortgagee")

The Heads of Agreement signed by the parties to a mediation binds each of the parties while the Agreement is in effect.

The terms of this agreement have been reached due to a mediation conference under the Act between the parties. As such, details of the agreement are confidential under the terms of the mediation agreement. Details are not to be disclosed except for the purposes of obtaining financial or legal advice.

**Whereas:**

- A. The mortgagee provided the facilities as defined in the Enforcement Action Notice S14 dated the \_\_\_\_ / \_\_\_\_ / \_\_\_\_.
- B. The mortgagee holds the securities and mortgages as set out in the Enforcement Action Notice S14 to secure the repayment of the facilities.
- C. The parties have participated in mediation under the Act.
- D. As a result of the mediation conference, the parties have agreed to the matters set out in this document.
- E. (whatever else is decided).

## AGREEMENT

### 1. Acknowledgment

(In here you write what the farmers have acknowledged ie; the debt owing to the mortgagee and the securities that the bank hold to secure debt)



**2. Undertakings**

**2.1** The farmer will: (This is what the farmer has agreed to do)

**2.2** The mortgagee will: (This is what the mortgagee has agreed to)

**3. Costs**

In accordance with section 39 of the Act each party will pay:

- a. the party’s own costs for the mediation; and
- b. half of the mediator’s fees and costs for mediation.

**4. Statutory cooling off period**

**4.1** This agreement is subject to a cooling-off period.

**or**

The parties have agreed to waive the cooling-off period.

**4.2** The cooling-off period starts from the date the parties enter into this Agreement and ends:

a. at 5pm on \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**or**

b. 10 business days after the parties entered into this Agreement.

**4.3** If the parties have agreed to waive the cooling-off period or agreed to a cooling-off period shorter than ten business days, the farmer acknowledges he/she has had reasonable opportunity to seek legal advice about the Agreement, including the waiving or shortening of the cooling-off period.

**4.4** During the cooling-off period, the farmer may revoke this Agreement at any time by serving the mortgagee with a Revoking Heads of Agreement Notice S29 signed by the farmer, the farmer’s lawyer or the farmer’s authorised agent.

**4.5** If the farmer serves a Revoking Heads of Agreement Notice S29 to the mortgagee during the cooling-off period, this Agreement will have no effect.

**4.6** If the farmer revokes this Agreement during the cooling-off period:

- a. a party to this Agreement has a right to claim reasonable compensation for a benefit received by the other party before the Agreement was revoked;
- b. the mortgagee has no right to claim compensation merely because the farmer revoked the Agreement; and
- c. the revocation of the Agreement does not affect any other right or remedy available to a party arising from the farm business debt or the farm mortgage.

**If revoking this agreement, the farmer must complete a Revoking Heads of Agreement Notice S29**

**5. Varying Heads of Agreement**

The parties may, at any time, agree in writing to vary this Agreement and any contract, mortgage or other document entered into by the parties to give effect to this Agreement, provided that the farmer has reasonable opportunity to seek legal advice about varying this agreement.

Farmer’s name \_\_\_\_\_

Farmer’s signature \_\_\_\_\_

Witnessed by \_\_\_\_\_

Farmer’s name \_\_\_\_\_

Farmer’s signature \_\_\_\_\_

Witnessed by \_\_\_\_\_

Mortgagee execution \_\_\_\_\_

Witnessed by \_\_\_\_\_

**The Heads of Agreement has effect when the signed document or a signed copy of the document is given to the mediator within ten business days after the end of the mediation meeting**

**Date of mediation meeting:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**Date Heads of Agreement received by the mediator:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**Mediator Name** \_\_\_\_\_

**Signature** \_\_\_\_\_