

SHORT FORM WATER AGREEMENT

Parties

- (1) Opuha Water Limited, company number 4776799 (*the Company*)
- (2) The person or entity named and described in Schedule 1 (*the Shareholder/Water User*)

Background

- A The Company holds resource consents enabling the Company to deliver water for irrigation during each irrigation season and also delivered to approved users out of season.
- B The Company also owns infrastructure in different areas in South Canterbury that are utilised for the delivery of water to farmers or other entities.
- C The water available to the Company is supplied to farmers or other entities for irrigation and other purposes subject to the Shareholder/Water User holding a required number of Water Shares in the Company and entering into a water supply agreement with the Company.
- D Where the Company owns infrastructure it has on issue infrastructure shares divided into different classes of Infrastructure Shares ("*I Shares*") giving rights to access and use certain specified infrastructure within the scheme area of the Company.
- E It is a requirement that the Shareholder/Water User holds such Water Shares and/or I Shares in the Company, as agreed with the Company as a condition of being entitled to delivery of water to which the Shareholder/Water User is entitled (subject to reliability), and if required to access certain specified infrastructure and that the Shareholder/Water User holds all of those shares, and the water agreement in the same name.

Now the parties agree as follows:

1 Defined Terms

The definitions and other defined terms set out in the Terms shall apply to this agreement as if set out herein in full.

2 Terms of Water Agreement Binding

The parties agree that the terms of the Water Agreement (*the Terms*) as posted on the website of the Company shall be binding as between the Company and the Shareholder/Water User and pursuant to the Terms the Company agrees to supply to the Shareholder/Water User, and the Shareholder/Water User shall be entitled to take (subject to the Terms and reliability on supply of water), the volume of water set out in Schedule 1 for use on a property approved by the Company and within the scheme area at the water charges (and any other applicable charges) as notified to all Shareholders/Water Users of the Company on the website of the Company. That supply of water shall be on the terms and conditions, and subject to the requirements, set out in the Terms as notified from time to time on the website of the Company.

3 I Shares

In the event that the Shareholder/Water User wishes to access and use certain infrastructure within the Scheme Area (as defined in the Terms) to take delivery of water as set out in clause 2 the Shareholder/Water User shall only access and use that infrastructure by holding I Shares as specified by the Company except as otherwise approved by the Board. The use of that infrastructure shall be on the terms and conditions set out in the Terms.

4 **Holding of Shares**

The Shareholder/Water User agrees with the Company that it is a requirement for the supply of water to the Shareholder/Water User that the Shareholder/Water User holds that number and classes of Shares in the Company as set out in Schedule 1 as a precondition to water being available at the volume set out in Schedule 1 which water will be supplied by the Company to the Shareholder/Water User (subject to reliability) and that the said Shares and this agreement being held in the same name. The Shareholder/Water User agrees at all times to comply with this requirement.

5 **Ordering of Water**

Unless otherwise specified in Schedule 1 or the Board of the Company determines otherwise, the water to which the Shareholder/Water User is entitled for each share held in the Company is 0.41336 litres per second of water based on an application rate equivalent to 25mm per hectare per week and with an annual volumetric cap for each irrigation season of 5,625m³ per share. That water is to be delivered as ordered by the Shareholder/Water User in accordance with an ordering system as determined by the Company which can be accessed on the website of the Company. Water charges are based on usage of 80% of the water entitlement with any water allocated to a Shareholder/Water User in excess of 80% of allocated water being subject to additional Water Charges.

6 **Breach**

The Shareholder/Water User acknowledges that a breach of the Terms and/or in making payment of all charges on due date can result in the Shares held by the Shareholder/Water User being surrendered for \$1.00 for each Share after the giving of default notices (and the opportunity for the Shareholder/Water User to remedy any default where applicable) as set out in the Water Agreement between the Shareholder/Water User and the Company and with that Water Agreement being cancelled.

7 **Variation to Terms**

The Company may vary the Terms from time to time by:

- 7.1 giving notice of the altered terms to the Shareholder/Water User; and / or
- 7.2 posting the new Terms on the website of the Company and giving notice of that posting to the Shareholder/Water User.

8 **Effective Date**

- 8.1 This agreement and the Terms shall come into full force and effect or be deemed to be effective on and from the date on which the various amalgamations and transactions contemplated to create one company to issue water shares and infrastructure shares to manage water from the Opuha, Opihi and other contiguous rivers and from the Opuha Dam are completed and implemented.
- 8.2 Once effective, this agreement and the Terms supersede and replace any other agreement between the Shareholder/Water User and the Company relating to the supply of water by the Company to the Shareholder/Water User (including any agreement the Shareholder/Water User may have had with any companies of which the Company is a successor or assignee) provided that any outstanding payments or obligations due by the Shareholder/Water User in respect of any such other agreement must be met by the Shareholder/Water User.
- 8.3 By signing this agreement, the Shareholder/Water User consents to becoming the holder of the shares described in the Schedule to the extent the Shareholder/Water User does not hold such shares as at the date of entering into this agreement.

Signed by **Opuha Water Limited** by:

Signed by **the Shareholder/Water User** by:

Director

Director / Authorised Person

Date

Shareholder/Water User name:

Note:

- *If the Shareholder/Water User is a Company, at least one Director should sign*
- *If the Shareholder/Water User is a Trust, all Trustees should sign*
- *If the Shareholder/Water User is a Partnership, all Partners should sign*
- *If the Shareholder/Water User is a Sole Trader/Individual, that Individual should sign*

SCHEDULE 1

Full name of Shareholder/Water User:

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- *If the Shareholder/Water User is a Company, put in the full name of the entity*
- *If the Shareholder/Water User is a Trust, put in the full names of all Trustees*
- *If the Shareholder/Water User is a Partnership/Sole Trader/Individual, put in full names of all partners/individuals*

Address of Shareholder/Water User:

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Primary contact name:.....

Telephone Number/s:.....

Email Address:.....

Details of Property (including property rapid number):.....

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Total area of Property (ha):

Water Shares to be held:

I Shares to be held (if any)

Flow Rate and Annual Volume (at 100%) of Water to be supplied:

Flow Rate:Annual Volume:

Commencement Date: