

# Water Exchange User Guide

June 2019



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The Water Exchange is a service operated by Murray Irrigation to facilitate the sale and purchase of tradeable rights (water allocation and annual transfers of delivery entitlements).

The operation of the Water Exchange is governed by the Murray Irrigation Water Exchange Terms & Conditions, available at [www.murrayirrigation.com.au](http://www.murrayirrigation.com.au).

Persons who are not Murray Irrigation customers may participate in the Water Exchange by submitting a WEX/9 Form.

The Water Exchange is live and available on line twenty four hours per day, 7 days per week through the advertised operating season. The Water Exchange can be accessed through the Murray irrigation website <https://www.murrayirrigation.com.au> and customer's secure water account <http://member.murrayirrigation.com.au/members>.

Any transaction requests via forms will be actioned 8:30am to 5pm each business day that the Water Exchange is advertised as open.

### 1 Selling on the Exchange

To list water allocation or annual delivery entitlements on the Water Exchange a customer can

- log onto their secure customer water account at <http://member.murrayirrigation.com.au> then go to the Water Exchange section and click the "Sell" tab, or
- complete and submit a WEX/2 Form available on Murray Irrigation's website

Upon listing, the volume of any sell offer is immediately transferred from the customers Water Allocation Account to Murray Irrigation's Escrow account.

Once approved and accepted the sell offer is listed on the Water Exchange, for each type of tradeable right, ranked from lowest to highest price and chronologically from oldest to newest for sell offers of the same price.

A seller may alter the price or withdraw a sell offer at any time by either logging into their secure customer water account or by submitting a WEX/5 Form (Alteration) or WEX/6 Form (Withdrawal).

### 2 Buying on the Exchange

To buy water allocation or annual delivery entitlements on the Water Exchange a customer can

- log onto their secure customer water account at <http://member.murrayirrigation.com.au> then go to the Water Exchange section and click the "Buy" tab to purchase a buy order for the volume required from the available water listed on the exchange or alternatively place a buyer bid at a specific price point
- complete and submit a WEX/4 Form available on Murray Irrigation's website

Buy orders from the sell offer listings will automatically be invoiced and payment in full is required within three business days under the terms of the Exchange.

#### 2.1 Buy Bids

If a Buy Bid is placed payment of the full value of the Buy Bid and fee prior to listing the Buy Bid is required \*\*.

Once payment is received the Buy Bid is listed on the Water Exchange, for each type of tradeable right, ranked from highest to lowest and chronologically from oldest to newest for buy bids of the same price.

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The price or volume of a Buy Bid may be altered online through the secure customer water account at any time. Altering either the price or volume will trigger the previous buy bid to be withdrawn and a new buy bid to be established. Subsequently, any increase in the value of the buy bid will need to be paid prior to listing.

Alternatively, a customer may change the price or volume of a Buy Bid by submitting a WEX/6 Form (Withdrawal) and a WEX/4 Form (Buy Bid) for the altered price or volume. Any increase in the value of the buy bid will need to be paid prior to listing.

Upfront payments that have not been used to buy tradeable rights will be refunded upon request by the customer or routinely by the WEX administrator.

## 3 How trading occurs

Transactions on the Water Exchange are conducted in four steps:

1. Sell Offers and Buy Bids are listed;
2. Sell Offers and Buy Bids are matched, or Buy Orders are placed for Sell Offers; and then
3. Transactions are contracted, fees applied, and payments made to complete.
4. Fees and charges, as per the Schedule of Standard Service Charges, available at [www.murrayirrigation.com.au](http://www.murrayirrigation.com.au), are applied and collected at the time of completion of the transaction.

## 4 Automated trading

Murray Irrigation's secure customer portal allows for automated online trading for Water Exchange activity.

Following logging in a customer can buy or sell in one single transaction for the volume or price they want. The system will provide a quote for the given volume and/or price from the listings and offers currently active on the Water Exchange. The customer can then accept the quote and proceed or change the volume and/or price to receive another quote.

Once the quote is accepted and confirmed an invoice will automatically be generated, and payment can be made online.

## 5 Payments

### 5.1 Selling

Within 10 Business Days after all of the listing in a Sell Offer has been fully-sold, Murray Irrigation will pay to the Seller the total amount paid by the Buyers in respect of the Sell Offer, less all applicable fees and any other outstanding debt owed by the Seller to Murray Irrigation.

### 5.2 Buying

Payment in full for Tradeable Rights purchased by placement of a Buy Order or Buy Bid (including applicable fees) must be received by Murray Irrigation no later than three Business Days after the Buy Order or Buy Bid is placed.

If payment is not received by Murray Irrigation on time, Murray Irrigation may take action including debiting a volume of Tradeable Rights from the Buyer's Water Allocation Account or banning the Buyer from the Water Exchange for a period of time determined by Murray Irrigation.

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## 6 Fees

Fees applicable as of 1 July 2019 \*\*\*

**Successful seller listing** ..... **1.5%** (incl. GST) commission on sale price

**Successful purchase** ..... **0.5%** (incl. GST) commission on purchase price

**External annual transfer** (into or out of Murray Irrigation) ..... **\$ 85.00** (incl. GST)

**Internal annual transfer** ..... **\$0.00**

\*\*\* 0.9 % surcharge for amounts over \$200 for payments made by credit card

\*\* Buy Bids for Annual Delivery Entitlements are currently exempt from the upfront payment

## 7 Seller and Buyer beware

*Sell Offers and Buy Bids listed on the Water Exchange are legally binding. If your Sell Offer or Buy Bid is accepted, or if you place a Buy Order, you will be legally bound to sell or purchase the tradeable rights that you have offered for sale, bid to purchase, or ordered to purchase.*

*Monitoring Buy Bids and Sell Offers listed on the Water Exchange is the responsibility of Buyers and Sellers. Murray Irrigation will not be liable for any loss suffered by a Buyer or Seller as a result of a Transaction entered into, alteration of a Buy Bid or Sell Offer, or withdrawal of a Buy Bid or Sell Offer on the Water Exchange.*

*Murray Irrigation's role is solely to operate the Water Exchange and process transactions. Murray Irrigation does not provide any information or advice in relation to transactions and does not affect the price at which transactions are carried out.*

## 8 External Transfers

To transfer water allocation into and out of Murray Irrigation customers need to submit a completed 6E Form, available on [www.murrayirrigation.com.au](http://www.murrayirrigation.com.au) and pay the Murray Irrigation external transfer fee.

Customers also need to provide a WaterNSW Allocation Assignment form with the buyer details completed (*transferring out*) or the seller information completed (*transferring in*). A link to this form is provided on the 6E form. The customer is also responsible to pay the WaterNSW transfer fee to WaterNSW.

Murray Irrigation will then sign the WaterNSW form as the license holder and submit to WaterNSW for approval.

Following approval being received from WaterNSW Murray Irrigation will transfer the water allocation into or out of the customers water allocation account.

Buyers and Sellers who are not Murray Irrigation customers are responsible for obtaining all approvals required by law for external transfers to and from Murray Irrigation's licence and should consult the relevant state authority with regards to trade rules including deadlines to ensure no water allocation remains on their water allocation account at the close of a season.

Any water allocation remaining at the close of a season on buyers and sellers water allocation accounts, who are not Murray Irrigation customers, will be forfeited.

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## 9 Internal Transfers

Murray Irrigation customers may transfer tradeable rights (water allocation and annual transfers of delivery entitlements) between water allocation accounts held within Murray Irrigation.

To transfer tradeable rights internally a customer can

- log onto their secure customer water account at <http://member.murrayirrigation.com.au/> or
- complete and submit a 6I Form available on Murray Irrigation's website

For further information about Murray Irrigation's Water Exchange or Internal or External transfers, please contact Customer Support on T. 1300 138 265 or email [wex@murrayirrigation.com.au](mailto:wex@murrayirrigation.com.au)