

**APPLICATION: WATER ENTITLEMENT MAXIMUM ANNUAL ALLOCATION  
BORROWING ARRANGEMENT**

Return by fax to: 03 5898 3305 or email [wex@murrayirrigation.com.au](mailto:wex@murrayirrigation.com.au)

Customers may increase their Allocation Advance (up to the limit of the announced Allocation Advance percentage of Delivery Entitlements they hold) by one megalitre for each Class C Water Entitlements' (general security) Maximum Annual Allocation they notionally 'borrow' from another customer.

This arrangement requires the Company's consent and this application form is used to apply for the Company's consent.

**1. LENDER DETAILS (TRANSFEROR)**

|                                      |  |
|--------------------------------------|--|
| Name of Transferor:                  |  |
| Water Account No/Landholding Number: |  |

**2. BORROWER DETAILS (TRANSFeree)**

|                                      |  |
|--------------------------------------|--|
| Name of Transferee:                  |  |
| Water Account No/Landholding Number: |  |

**3. MAXIMUM ANNUAL ALLOCATION TO BE BORROWED<sup>#</sup>**

|   |  |
|---|--|
| Number of Water Entitlements to be encumbered (Lender) / volume of maximum annual allocation to be transferred (Borrower) |  |
|---|--|

<sup>#</sup> If the volume of "Maximum Annual Allocation to be Borrowed" exceeds the volume required by the borrower to access the full Allocation Advance potential of the delivery entitlements, the company will adjust the "Maximum Annual Allocation to be Borrowed" figure to reflect the volume required.

This application should be read in conjunction with the Company's *Allocation Advance – Shareholder Briefing* published at [www.murrayirrigation.com.au](http://www.murrayirrigation.com.au). The parties to this application should also read the Company's *WaterWell Fact Sheet* which is also published on the Company's website.

In signing this agreement, the parties agree to the terms and conditions of the Water Entitlement Maximum Annual Allocation Borrowing Arrangement.

This application becomes legally-binding when signed on behalf of the Company. Capitalised terms which are defined in the Entitlements Contract have the same meanings in this application.

**LENDER SIGNATURE**

**Where the Lender is one or more individual:** Signed by the Lender:

**Where the Lender is a company:** Executed by the Lender in accordance with section 127 of the *Corporations Act 2001* (Cth):

|                                    |  |            |  |        |  |
|------------------------------------|--|------------|--|--------|--|
| Applicant 1; or Secretary/Director |  | Signature: |  | Dated: |  |
|------------------------------------|--|------------|--|--------|--|

**BORROWER SIGNATURE**

**Where the Borrower is one or more individuals:** Signed by the Borrower:

**Where the Borrower is a company:** Executed by the Borrower in accordance with section 127 of the *Corporations Act 2001* (Cth):

|                                    |  |            |  |        |  |
|------------------------------------|--|------------|--|--------|--|
| Applicant 1; or Secretary/Director |  | Signature: |  | Dated: |  |
|------------------------------------|--|------------|--|--------|--|

**SIGNED BY THE COMPANY**

Signed for and on behalf of **Murray Irrigation Limited** ABN 23 067 197 933 by its authorised representative:

|                           |  |            |  |        |  |
|---------------------------|--|------------|--|--------|--|
| Authorised representative |  | Signature: |  | Dated: |  |
|---------------------------|--|------------|--|--------|--|

# TERMS AND CONDITIONS OF WATER ENTITLEMENT MAXIMUM ANNUAL ALLOCATION BORROWING ARRANGEMENT

## 1. MAXIMUM ANNUAL ALLOCATION

A Water Entitlements Maximum Annual Allocation for a Water Year is calculated as follows where:

- W means the number of Class C Water Entitlements (general security) held by the Lender
- C means the volume of water allocation the Lender carried over from the previous Water Year
- B means the number of the Lenders Class C Water Entitlements (general security) to be encumbered by the company to enable the borrowed Maximum Annual Allocation to be provided to the borrower

$$W \times 110\% \text{ minus } C = \text{Maximum Annual Allocation}$$

When a borrowing arrangement is consented to by the Company the Maximum Annual Allocation calculation is as follows:

$$W \times 110\% \text{ minus } C \text{ minus } B = \text{Maximum Annual Allocation}$$

## 2. AFFECT ON THE BORROWER

The Borrower's allocation advance will increase (up to the limit of the announced Allocation Advance percentage of delivery entitlements they own) by one Megalitre for each Class C Water Entitlement (general security) Maximum Annual Allocation they notionally 'borrow' from the Lender.

This will be equal to B in clause 1.

Despite anything to the contrary in the Borrower's Entitlements Contract, during the Water Year applicable to this agreement, the Borrower will not be entitled to any Annual Allocation in respect of the number of 'borrowed' Class C Water Entitlements (general security) represented by W in clause 1.

## 3. AFFECT ON THE LENDER

The 'borrowed' Class C Water Entitlements' (general security) Maximum Annual Allocation will be subtracted from the calculation of the Lender's maximum annual allocation.

Despite anything to the contrary in the Lender's Entitlements Contract, during the Water Year applicable to this agreement, the Lender will not be entitled to any Annual Allocation in respect of the number of the Lender's Class C Water Entitlements (general security) that have been 'borrowed' by the Borrower.

## 4. SECURITY OVER 'BORROWED' WATER ENTITLEMENTS

The Lender grants the Company a fixed charge over the Class C Water Entitlements (general security) 'borrowed' by the Borrower as security for due payment of the Charges, including any that are payable, are owing but not currently payable, are contingently payable or owing, or otherwise remain unpaid.

The Company's security interest under this clause 4 will be registered on the Water Entitlements Register and it will expire automatically at the commencement of the subsequent Water Year applicable to this agreement. Before that date, the Lender must not transfer or transform the Class C Water Entitlements (general security) 'borrowed' by the Borrower without the Company's prior approval.

## 5. VARIATION

The Company may, from time to time, where the Company determines that it is reasonably necessary to do so, including in order for the Company to comply with the Company's obligations under a Legal Requirement, without the prior consent of the Borrower or the Lender, vary, amend, supplement or replace the terms and conditions in this application by giving notice to the Borrower and the Lender. The parties agree to be bound by the variation, amendment, supplementation or replacement (whether material, adverse or otherwise).