



WILLUNGA BASIN WATER COMPANY PTY LTD

A.C.N.: 081 133 619

("WBWC")

and

GRAHAM THOMAS ROWLEY

PO Box 276, MCLAREN VALE

South Australia 5171

("The Consumer")

A.B.N.: 77 691 634 984

AGREEMENT

AGREEMENT made the 7th day of OCTOBER 2010

BETWEEN:

WILLUNGA BASIN WATER COMPANY PTY LTD ACN: 081 133 619
of PO Box 53, MCLAREN VALE in South Australia (*WBWC*);

and


GRAHAM THOMAS ROWLEY ABN: 77 691 634 984
of PO Box 276, MCLAREN VALE in South Australia (*the consumer*);

AGREEMENT

1. Definitions

In this agreement, unless the contrary intention appears, the following words have the following meaning:

- 1.1 **access year** means the year in which the reclaimed water supply commences being the year specified in Schedule 1 of this agreement;
- 1.2 **consumer** means the person referred to on the front page of this agreement as the consumer;
- 1.3 **consumer's infrastructure** means any pumps, filtration systems, outlets, piping, sprinklers, or irrigation system used or installed by the consumer to convey reclaimed water on the land. It also includes any variations to the consumer's infrastructure;
- 1.4 **EPA** means the Environment Protection Authority established under the Environment Protection Act 1993;
- 1.5 **flow rate allocation** means the rate of flow of water allocated to the consumer and set out in Schedule 1 to this agreement;
- 1.6 **Health Commission approval** means the approval of the use of the treated water from South Australian Health Commission dated 24th April 1998 and includes any amendment of it;

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Date:	07/10/2010

- 1.7 ***Irrigation Management Plan*** means the document dated 30th July 1998 prepared by Hydroplan Pty Ltd entitled Willunga Basin Water Company Irrigation Management Plan and includes any amendment to it;
- 1.8 ***Maximum flow rate*** means the maximum instantaneous flow rate at which the water quota will be supplied by WBWC as set out in Schedule 1.
- 1.9 ***Maximum Hours of irrigation per day*** means the maximum hours per calendar day that the consumer is to receive reclaimed water from the WBWC pipeline system.
- 1.10 ***month*** means calendar month;
- 1.11 ***SA Water*** means South Australian Water Corporation;
- 1.12 ***term*** means the term of this agreement and includes any period of renewal of it;
- 1.13 ***the boundary access point*** means the point on the boundary of the land to which WBWC must supply reclaimed water and from which the consumer is responsible for any reclaimed water supplied by WBWC;
- 1.14 ***the land*** means the land owned by the consumer and to which reclaimed water is to be supplied under this agreement as set out in Schedule 1;
- 1.15 ***the outlet*** means the devices including a water meter constructed and installed upon the land for the purpose of delivering and measuring the water supply from the WBWC pipeline system to the consumer on the land;
- 1.16 ***the WBWC pipeline system*** means any infrastructure constructed by WBWC for the treatment and distribution of the treated water and including but not limited to the pipeline and associated pumping facilities (but not including on farm consumer infrastructure);
- 1.17 ***treated water licence*** means the licence granted by SA Water to WBWC in a deed dated 15th January 1998 and includes any amendment of it;

- 1.18 **reclaimed water** means water (including treated water, recycled water or any other water) provided by SA Water and/or the City Of Onkaparinga to WBWC under Licence or Agreement
- 1.19 **treatment plant** means the Christies Beach Waste Water Treatment Plant and/or other Waste Water Treatment Plants;
- 1.20 **water quota** means the annual amount of reclaimed water which it is to be supplied by WBWC under this agreement and specifically set out in Schedule 1 to this agreement;
- 1.21 **WBWC** means Willunga Basin Water Company Pty Ltd A.C.N. 081 133 619 and includes its employees and contractors;
- 1.22 **Willunga Basin area** means the area defined in paragraph 1.1 of the Irrigation Management Plan.

2. **Interpretation**

In this agreement, unless an alternative meaning is clearly intended:

- 2.1 the singular includes the plural and the other way around;
- 2.2 each gender includes all other genders;
- 2.3 headings do not affect the interpretation;
- 2.4 if a provision of this agreement would, but for this clause, be unenforceable:
- 2.4.1 the provision must be read down to the extent necessary to avoid that result; and
- 2.4.2 if the provision cannot be read down to that extent, it must be severed without affecting the validity and enforceability of the remainder of this agreement.

3. Background to this Agreement

- 3.1 SA Water has granted to WBWC under the treated water licence a right to use reclaimed water produced from the treatment plant.
- 3.2 WBWC has available an amount of reclaimed water which is surplus to its current requirements.
- 3.3 WBWC has built a WBWC pipeline system which enables reclaimed water to be supplied by WBWC to the consumer.
- 3.4 The consumer has requested WBWC to provide reclaimed water to the consumer from the access date upon the terms as set out in this agreement. WBWC has agreed to do so upon the terms set out in this agreement.
- 3.5 The consumer must only use the reclaimed water pursuant to the terms and conditions of approval granted by the South Australian Health Commission and the EPA for drip irrigation of agricultural and horticultural crops and for no other purpose.

4. Duration of Agreement

- 4.1 This agreement commences on the date of this agreement and continues until the 27th June 2038 unless cancelled at an earlier date as provided in this agreement.
- 4.2 There is no right of renewal of this agreement.

5. Agreement to Supply Water

WBWC agrees with the consumer that from the access year, WBWC will use its best endeavours to supply reclaimed water to the boundary access point on the land. The basis upon which WBWC supplies the reclaimed water is set out in this agreement.

6. Pricing Structure for Supply of Reclaimed Water

- 6.1 The consumer must pay the annual fees set out in Schedule 1 to cover costs for access from the outlet to the WBWC pipeline.
- 6.2 WBWC and the consumer agree that the water quota for the consumer for the land is the amount of megalitres set out in Schedule 1 at the maximum flow rate set out in Schedule 1.
- 6.3 The consumer must pay WBWC for the water quota at the initial rate as set out in Schedule 1 and as amended from time to time
- 6.4 If the consumer uses up two thirds of the water quota then the consumer pays:
- 6.4.1 for two thirds of the water quota at the rate as set out in Schedule 1 irrespective of how much has been used; and
- 6.4.2 for one third of the water quota at the default rate as set out in Schedule 1.
- 6.5 Once the consumer uses over two thirds of the water quota, then the consumer must pay:
- 6.5.1 Water Quota rate, as set out in Schedule 1, for water used; and
- 6.5.2 Default Rate, as set out in Schedule 1, for the balance of the water quota.
- 6.6 The consumer must pay WBWC for the price of reclaimed water under the water quota:
- 6.6.1 on or before the 31st July in each year for the water used between the 1st April and the 30th June;
- 6.6.2 on or before the 31st October in each year for the water used between the 1st July and the 30th September;

- 6.6.3 on or before the 31st January in each year for the water used between the 1st October and the 31st December of the previous calendar year.
- 6.6.4 on or before 30th April in each year for the water used between the 1st January and the 31st March in that year.
- 6.7 The consumer must not, without the prior written consent of WBWC, exceed the maximum flow rate or exceed the water quota.
- 6.8 If the consumer uses reclaimed water in excess of the water quota, the consumer must pay WBWC a penalty amount per kilolitre, as set out in Schedule 1, or such rate as amended by WBWC, for the amount of reclaimed water used in excess of the water quota by the consumer.
- 6.9 The amount of the excess water is calculated as at the 30th June in each year.
- 6.10 The consumer must pay for the excess water used within 14 days of receipt of the final notice from WBWC.
- 6.11 The price per kilolitre for reclaimed water may be varied by WBWC each year for the following year's supply of water as follows:
 - 6.11.1 on the 30th June 2011, 2012, 2013 and 2014 in accordance with annual movements in the Consumer Price Index All Groups (Adelaide) March Quarter index
 - 6.11.2 on the 31st March 2015 by increasing the then current price by 5.5 cents per kilolitre;
 - 6.11.3 on the 30th June 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 in accordance with annual movement in the Consumer Price Index All Groups (Adelaide) March Quarter index;
 - 6.11.4 on the 31st March 2025 by increasing the then current price by 5.5 cents per kilolitre;

- 6.11.5 on the 30th June 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037 and 2038 in accordance with annual movement in the Consumer Price Index All Groups (Adelaide) March Quarter index;
- 6.11.6 the pricing structure of clauses 6.11.1 to 6.11.5 inclusive may be increased in the event that WBWC costs exceed the specified levels in these clauses. However such variation shall not result in a profit margin higher than that achieved in other comparable water supply businesses.
- 6.12 If the Consumer Price Index All Groups (Adelaide) ceases to be published, then WBWC and the consumer agree to engage an actuary to calculate as near as possible what would have been the movement in the index. WBWC and the consumer must equally pay for the actuary's costs.
- 6.13 The consumer accepts the readings of the outlet as conclusive evidence of the quantity of excess water supplied to the consumer on the land unless the consumer supplies clear proof of error to the satisfaction of WBWC.
- 6.14 The price of any supply under this agreement which is a taxable supply under the A New Tax System (Goods and Services Tax) Act 1999 ("the Act") is increased by the rate of the Goods and Services Tax.
- 6.15 The resulting price is a GST inclusive price which is then payable by the consumer to WBWC at the same time as payment is due under this agreement for the relevant taxable supply.
- 6.16 WBWC must provide a tax invoice in accordance with the Act for each taxable supply at the same time as requesting payment for the relevant supply.

6.17 If an adjustment event (as defined in the Act) occurs then WBWC must provide the adjustment note to the consumer within 7 days of the adjustment event.

7. Interest

7.1 The consumer must pay interest on any amount outstanding to WBWC for longer than 7 days at 2% above the overdraft rate charged by WBWC's bank on overdraft accounts of \$100,000.00. This clause applies irrespective of whether or not WBWC in fact has an overdraft.

7.2 Interest is calculated from the day that the amount is due until it is paid by the consumer.

8. Basis of Supply of Treated Water

8.1 The consumer and WBWC agree that:

8.1.1 WBWC is responsible for the construction, installation, repair and maintenance of the WBWC pipeline system up to the boundary access point;

8.1.2 the consumer must obtain the prior written approval of WBWC to the existing or proposed design, construction and installation of the water outlet and the consumer's infrastructure. The consumer must comply with reasonable requests for information by WBWC about the consumer's infrastructure;

8.1.3 the consumer must repair, maintain and if necessary replace the consumer's infrastructure to a good quality standard or as otherwise reasonably directed by WBWC and otherwise to comply with any of the requirements of EPA, the Irrigation Management Plan or the Health Commission approval;

- 8.1.4 the outlet is installed at the cost of WBWC and is always owned by WBWC but the cost of repairs and maintenance of the outlet by WBWC must be paid by the consumer. WBWC must pay for the cost of replacement of the outlet occasioned through normal wear and tear. The consumer must pay for the cost of replacement of the outlet where required for any other reason;
- 8.1.5 the consumer must keep the outlet properly protected from damage and must not tamper with the outlet, the outlet flow meter or the data logger;
- 8.1.6 WBWC may enter upon the land at all reasonable times for the purpose of installing, repairing, removing or replacing the outlet and for reading the outlet;
- 8.1.7 WBWC may enter the land at all times to enable WBWC to comply with WBWC's obligations under the treated water licence, the Irrigation Management Plan and the Health Department approval;
- 8.1.8 the consumer allows WBWC to enter the land for the purposes of an emergency relating to the reticulated water system or the consumer's infrastructure;
- 8.1.9 the consumer shall not store reclaimed water without the prior written approval of WBWC and any relevant regulatory authority;
- 8.1.10 the consumer shall not cross-connect reclaimed water to any other sources of water without the prior written approval of WBWC and any relevant regulatory authority ;
should approval be granted the consumer must, on demand, deliver to WBWC a copy of any backflow prevention device inspection certificates;

- 8.1.11 the consumer must not allow the reclaimed water to discharge into streams or aquifers;
- 8.1.12 the consumer must comply with the relevant Australian Standards by painting the consumer's above ground infrastructure with the appropriate colour warning of the use of reclaimed water.
- 8.1.13 the consumer must erect identification signs at entrances and at each corner of the land painted in accordance with the relevant Australian Standard and marked "Warning Reclaimed Water - Do Not Drink!";
- 8.1.14 the consumer must have and properly maintain facilities for filter back wash management;
- 8.1.15 the consumer must abide by the reasonable direction of WBWC in the practice manual issued by WBWC. WBWC has the right to alter the practice manual to accommodate advances in technology and improved ways of supplying the water.

9. Right to Suspend Water Supply

WBWC may wholly or partially suspend, interrupt, reduce or terminate the supply of reclaimed water, and may refuse to restore that supply:

- 9.1 if the consumer is in breach of this agreement;
- 9.2 for routine maintenance of the reticulated water supply system;
- 9.3 if WBWC is required to do so by any government agency (including SA Water and the EPA) that has authority to impose such a requirement on WBWC or the consumer;
- 9.4 for emergency repairs or maintenance (including urgent corrective action to avoid mechanical or process breakdown) of the reticulated water supply system; or

9.5 if in WBWC's reasonable opinion, maintenance of that supply would:

9.5.1 expose WBWC or SA Water or any other government agency to any risk of loss or damage;

9.5.2 place WBWC in breach of a law in force in South Australia or treated water licence; or

9.5.3 give rise to a material risk of harm, loss or injury to any person or property.

10. **Warranties, Indemnities and Disclaimers**

10.1 WBWC gives no warranty that WBWC will be able to supply the water quota or any reclaimed water during the term of this agreement.

10.2 The consumer releases WBWC from any obligation to provide any of the water quota if either or both of the following things occur:

10.2.1 SA Water reduces the volume of reclaimed water available to WBWC;

10.2.2 if due to circumstances beyond the reasonable control of WBWC, WBWC does not have sufficient reclaimed water to provide all or part of the water quota to the consumer.

10.3 Under the treated water licence WBWC has an obligation to comply with all laws in force in South Australia in respect of the use of the reclaimed water including, but not limited to:

10.3.1 any licence, approval or consent obtained by SA Water under the Environment Protection Act 1993 in respect of the discharge of reclaimed water to land or water other than marine waters;

10.3.2 complying with any approval or consent required in respect of the design, construction, operation or maintenance of the WBWC infrastructure as defined in the treated water licence; and

- 10.3.3 any law, regulation or by-law dealing with the supply of the reclaimed water to the consumer.
- 10.4 Under the Treated Water Licence WBWC is under an obligation to ensure that the consumer complies with all laws in force in South Australia in respect of the consumer's use of the reclaimed water. If the consumer does not comply WBWC is obliged under the treated water licence to suspend the supply of the reclaimed water to the consumer until the consumer does comply with the relevant law.
- 10.5 The consumer agrees that to enable WBWC to comply with its obligations under the Treated Water Licence, the consumer must:
- 10.5.1 comply with any law, regulation or by-law dealing with the supply of the reclaimed water to the consumer; and
- 10.5.2 immediately allow WBWC to suspend the supply of reclaimed water to the consumer if the consumer is not complying with the relevant law;
- 10.5.3 release WBWC from any claim for any loss caused to the consumer as a result of WBWC having to suspend the supply of reclaimed water to the consumer;
- 10.5.4 comply with any request made by WBWC which is necessary for WBWC to fulfill its obligations under Clause 5.2 of the Treated Water Licence¹;
- 10.5.5 comply with any request made by WBWC which is necessary for WBWC to fulfill its obligations under Clause 5.5 of the Treated Water Licence².

¹ Clause 5.2 requires WBWC to fulfill SA Water's obligation to obtain EPA approval for and implement any irrigation management plan or contingency plan in relation to the discharge of reclaimed water to land or non marine waters.

² Clause 5.5 relates to monitoring obligations placed on WBWC by SA Water.

10.6 The consumer acknowledges that WBWC has certain obligations under the Treated Water Licence to allow SA Water to monitor the performance of WBWC under the treated water licence and to allow EPA to monitor the operation of the Irrigation Management Plan. To assist WBWC in complying with its obligation under the Treated Water Licence and the Irrigation Management Plan, the consumer agrees to do anything reasonably necessary that will assist WBWC to comply with the Treated Water Licence and the Irrigation Management Plan. Without limiting the generality of this obligation, the consumer must allow WBWC and SA Water at any time to:

10.6.1 inspect the consumer's infrastructure and outlet upon the consumer's land; and

10.6.2 take water samples from water contained in the consumer's infrastructure;

10.6.3 test the soil which has been irrigated by the use of the reclaimed water.

10.7 Although every care will be taken by WBWC and SA Water, the consumer releases WBWC and SA Water from any damage caused by WBWC or SA Water or both of them in performing the tasks specified in clause 10.6.

10.8 The consumer acknowledges that under the Treated Water Licence, SA Water may wholly or partly suspend the supply of reclaimed water, and may refuse to restore that supply to WBWC:

10.8.1 if WBWC is in breach of the Treated Water Licence;

10.8.2 for routine maintenance of SA Water infrastructure;

10.8.3 if SA Water is required to do so by any government agency that has authority to issue such requirements to SA Water;

- 10.8.4 for emergency repairs or maintenance (including urgent corrective action to avoid mechanical or process breakdowns); or
- 10.8.5 if in SA Water's reasonable opinion, maintenance of that supply would:
- (a) expose SA Water or any other government agency to the risk of loss or damage;
 - (b) place SA Water in breach of a law in force in South Australia; or give rise to a material risk of harm, loss or injury to any person or property.
- 10.9 The consumer agrees that if SA Water suspends the supply of reclaimed water to WBWC for any one or more of the above reasons, then WBWC may cease supply of reclaimed water to the consumer immediately and is under no obligation to restore that supply until SA Water restores the supply of reclaimed water to WBWC sufficient to enable WBWC to supply the consumer.
- 10.10 The consumer releases WBWC and SA Water from any claim that the consumer may have against either or both of them for any loss suffered by the consumer as a result of WBWC being unable to continue to supply reclaimed water to the consumer.
- 10.11 The consumer acknowledges that SA Water and WBWC have certain rights set out in the Treated Water Licence for the cancellation of the Treated Water Licence. If, as a result of the cancellation of the Treated Water Licence, WBWC can no longer supply reclaimed water to the consumer, then WBWC may by written notice immediately cancel this agreement.

- 10.12 The consumer acknowledges and agrees that WBWC:
- 10.12.1 has not made any representation or warranty to the consumer as to the fitness of the reclaimed water for any particular purpose;
 - 10.12.2 has not made any representation or warranty to the consumer as to the quality of the reclaimed water;
 - 10.12.3 is under no obligation to supply water to the consumer from any source other than reclaimed water from the water treatment plant;
 - 10.12.4 has not made any representation or warranty as to the water pressure of the supply of the reclaimed water;
 - 10.12.5 may supply reclaimed water which has an intermittent supply.
- 10.13 The consumer agrees that the consumer uses the reclaimed water at the consumer's own risk.
- 10.14 The consumer acknowledges and agrees that:
- 10.14.1 the Health Commission approval only allows drip irrigation and not aerial (sprinkler) irrigation;
 - 10.14.2 any person operating the consumer's irrigation system and consumer's infrastructure must:
 - (a) wash their hands with soap before eating, drinking or smoking and at the end of a working day;
 - (b) not eat, drink or smoke whilst working with reclaimed water;
 - (c) use suitable protective equipment for the task undertaken using reclaimed water;
 - (d) not drink reclaimed water;
 - (e) avoid high exposure to and inhalation of spray from reclaimed water;
 - (f) avoid unprotected contact with the reclaimed water.

- 10.15 The consumer releases WBWC from any claim which the consumer might otherwise have against WBWC for any losses as a result of using the reclaimed water in breach of clause 10.14.
- 10.16 The consumer releases WBWC from any claim that the consumer may have for any loss in relation to the quality or the use or the pressure or reliability of supply of the reclaimed water.
- 10.17. The consumer indemnifies WBWC against any loss and legal costs and disbursements incurred by WBWC arising as a result of:
- 10.17.1. failure by the consumer to comply with this agreement;
 - 10.17.2. failure by the consumer to comply with the releases set out in this agreement;
 - 10.17.3. any breach of law by the consumer;
 - 10.17.4. any claim by any person relating to any exposure to or use of the reclaimed water by the consumer.
- 10.18. Any releases and indemnities given by the consumer survive the end or cancellation of this agreement and the term of the treated water licence.

11. **Transfer**

- 11.1. WBWC may transfer its rights under this agreement without the prior written consent of the consumer.
- 11.2. The consumer may transfer the consumer's rights and obligations under this agreement with the prior written consent of WBWC.
- 11.3. WBWC must not unreasonably withhold its consent.
- 11.4. If consent is granted, the consumer must pay the reasonable administration costs of WBWC relating to the transfer of the agreement.

12. Guarantee

12.1. On demand, the consumer must deliver to WBWC:

12.1.1. a bank guarantee for the amounts to be paid in years 2 to 6 set out in Items 7.2 to 7.6 of the Schedule

12.2. The bank guarantee is to be in a form which is acceptable to the solicitors for WBWC.

12.3. The consumer must pay for the costs of provision of the bank guarantee.

13. Insurance

13.1. The consumer must at the consumer's expense have the following policies of insurance:

13.1.1. public liability insurance for a minimum of \$10 million or such other larger amount as WBWC may specify;

13.1.2. insurance against damage to the consumer's infrastructure by fire, storm, earthquake and similar risks;

13.1.3. workers' compensation insurance in respect of any workers employed on the land by the consumer.

13.2. The consumer must in respect of each policy of insurance:

13.2.1. on demand deliver to WBWC the policy of such insurance; and

13.2.2. on demand produce to WBWC the certificate of currency of such insurance.

13.3. The consumer must not do anything which may cause any of those insurance policies to become ineffective or cause the respective premiums to be increased.

13.4. If the consumer does not take out and maintain insurance in accordance with this clause, WBWC may (but is not obliged to) pay the premium for that insurance.

The consumer must, on demand, reimburse WBWC for the premium payable on that insurance.

- 13.5. The consumer must in respect of the public liability insurance:
- 13.5.1. ensure that the interest of WBWC is noted on the insurance policy so that the policy provides indemnity to WBWC; and
 - 13.5.2. the policy provides for the payment of the insured amount for any one event and not for the aggregate of claims under the policy.

14. Dispute Resolution

- 14.1. If a dispute arises under this agreement the following procedure must be followed:
- 14.1.1. if WBWC and the consumer are unable to resolve the dispute within 28 days, they must promptly refer the dispute:
 - 14.1.1.1. in the case of WBWC, to the chairperson of WBWC; and
 - 14.1.1.2. in the case of the consumer to the managing director of the consumer or the senior partner of the consumer.
- 14.2. The persons referred to in the previous sub-clause must meet to resolve the dispute and must be sufficiently authorised to resolve the dispute without detailed reference to any other person.
- 14.3. If those persons cannot resolve the dispute within 28 days of its reference to them, either party may, by notice refer the dispute to arbitration.
- 14.4. If the parties are unable to agree on the identity of an arbitrator within 14 days of the reference of a dispute to arbitration, the parties must request the president at the time being of the Institute of Arbitrators to appoint an arbitrator.
- 14.5. Subject to this agreement, dispute resolution (including by arbitration) must be undertaken in accordance with the following criteria:
- 14.5.1. for a dispute in respect of price, taking into consideration:
 - 14.5.1.1. the terms upon which the reclaimed water has previously been provided under this agreement;

- 14.5.1.2. the market value of the reclaimed water having regard to the price and availability of similar water provided for similar uses;
- 14.5.1.3. the alternative means available to WBWC for the disposal of the reclaimed water and the comparative costs and benefits to WBWC of those means;
- 14.5.1.4. any other matter relevant to the circumstances of the particular application;
- 14.5.2. for a dispute in respect of the volume of reclaimed water required by the consumer, taking into consideration:
 - 14.5.2.1. the volume of reclaimed water actually used to date by the consumer compared with the amount available;
 - 14.5.2.2. the protection of the consumer's present and reasonable future requirements;
 - 14.5.2.3. the obligations of either party under any law regulating trade practices or competition; and
 - 14.5.2.4. the availability of reclaimed water to WBWC from SA Water under the treated water licence agreement;
 - 14.5.2.5. and any other matter relevant to the circumstances of a particular application.
- 14.6. WBWC and the consumer must each pay half of the costs of any arbitration unless the arbitrator determines otherwise.
- 14.7. A party is not required to engage in dispute resolution in accordance with this clause in a case of genuine urgency requiring immediate relief or remedy.

15. Cancellation

- 15.1. WBWC may cancel this agreement immediately by written notice to the consumer if:
- 15.1.1. the consumer enters into any form of insolvency administration;
 - 15.1.2. WBWC has given the consumer a written notice of a breach of the consumer's obligations under this agreement and the consumer has not rectified the breach within 14 days of that notice being given;
 - 15.1.3. any amount due by the consumer to WBWC is at least 14 days in arrears;
 - 15.1.4. the Treated Water Licence has been cancelled by WBWC or SA Water or both;
 - 15.1.5. WBWC is for any reason unable to supply treated water to the consumer in accordance with the terms of this agreement;
 - 15.1.6. the consumer commits a breach of this agreement which cannot be rectified.
- 15.2. The consumer may cancel this agreement by a written notice to WBWC:
- 15.2.1. if the consumer has given a written notice to WBWC of a breach of WBWC's obligations under this agreement and WBWC has not rectified that breach within 14 days of that notice being given;
 - 15.2.2. if WBWC commits a breach of this agreement that cannot be rectified.

16. Consequences of Cancellation of Agreement

- 16.1. If this agreement is cancelled then:
- 16.1.1. WBWC may enter upon the land and remove the outlet and seal the entry pipe from the WBWC pipeline system;
 - 16.1.2. WBWC must read the outlet and send a final account to the consumer for excess water (if any) which must be paid in accordance with the terms of this agreement;

16.1.3. the rights and remedies of both WBWC and the consumer for any breach of this agreement prior to the cancellation of this agreement survive the cancellation of this agreement.

17. General Clauses

17.1. A notice required under this agreement must be in writing and may be given or made by:

17.1.1. leaving the notice at the address of the relevant party stated in this agreement;

17.1.2. leaving the notice at the last known place of residence or business of the recipient of the notice;

17.1.3. posting the notice in a prepaid envelope to the recipient at the address of the recipient given in this agreement. Any notice served by post is deemed to have been served at noon on the second business day after the day in which the envelope containing the notice was posted;

17.1.4. by sending the notice by facsimile transmission to a facsimile number for the recipient. In this case the notice is deemed to have been received upon the receipt by the sender of the message on the sender's facsimile machine confirming that the facsimile transmission has been completed; or

17.1.5. by electronic mail to the electronic mail address of the recipient. In this case the notice is deemed to have been received upon receipt by the sender of the message on the sender's computer confirming that the electronic mail transmission has been completed.

17.2. Where there is more than one person constituting the party to whom the notice is to be given or made, service on one of them is sufficient service on all of them.

17.3. Any such method of service is valid even if:

17.3.1. the person intended to receive the notice is dead or bankrupt; or

17.3.2. if the person receiving the demand is a corporation, that corporation is in liquidation, provisional liquidation, receivership, voluntary administration or in the process of such a step.

17.4. Either party may notify the other party by written notice of a change of address at which notices may be served upon the other party.

17.5. This agreement may only be varied by written agreement of both WBWC and the consumer expressed to vary the terms of this agreement.

17.6. A waiver of any provision of this agreement must be in writing. The failure of WBWC or the consumer or a delay of the exercise of a power or right by either of them does not operate as a waiver of that power or right.

17.7. The exercise of a power or right does not preclude if future exercise or the exercise of any other power or right.

17.8. This agreement must be construed in accordance with the laws applicable in South Australia.

17.9. WBWC and the consumer submit to the non exclusive jurisdiction of the courts exercising jurisdiction within South Australia.

18. Costs

18.1. The consumer must pay for the costs of preparation of this agreement.

EXECUTED as an Agreement.

THE COMMON SEAL of)
WILLUNGA BASIN WATER)
COMPANY PTY LTD was placed on this)
agreement in the presence of:



.....
Director

.....
Director/Secretary

SIGNED by:)
)

x *G. Thomas Rowley*
.....
Graham Thomas Rowley

Colin Rayment
.....
Signature of Witness (independent)

Colin Rayment
.....
Name of Witness

8386 1050
.....
Contact Phone Number

SCHEDULE 1

1. Access Year (Clause 1.1)

2010

2. Water Quota (Clause 1.20, Clause 6.2)

5 megalitres

3. Flow Rate Allocation (Clause 1.5)

2.38 kilolitres per hour

4. Maximum Flow Rate (Clause 1.8)

The reclaimed water quota must not be drawn at a rate which exceeds 2.38 kilolitres per hour on an instantaneous basis.

5. Maximum hours of irrigation per day (Clause 1.9)

18 hours

6. The Land (Clause 1.14)

Description:

Barytes Road, McLaren Vale in South Australia
Lots 20 & 21, Section of 103, Hundred of Willunga
Certificate of Title: Volume 5206 Folio 804 & 805

7. Annual Access Fees (Clause 6.1)

On the signing of this agreement, \$1100.00 per megalitre of water quota, followed by five (5) annual instalment payments of \$1100.00 per megalitre payable on or before the 31st of July of each year commencing as from: 31st July, 2011.

8. Rates

8.1 Water Quota Rate (Clause 6.3, Clause 6.4.1, Clause 6.5.1)

\$0.75 per kilolitre

8.2 Default Rate (Clause 6.4.2, Clause 6.5.2)

\$0.25 per kilolitre

8.3 Penalty Rate (Clause 6.8)

\$2.00 per kilolitre