

# Policy on Transfer of Shares & Provision for Information

## 1. Scope

If you wish to buy, sell or lease property including shares within ALIL (the Company) you will need to comply with the Company's requirements relating to the transfer of shares and provision of information. **The transfer of shares is subject to all Infrastructure, Environmental & Legal requirements being met. Only upon receipt of all information will Board approval be sought.** The Board may refuse a request to transfer shares where the transfer is not in the best interests of the Company or is not in accordance with any policy determined by the Board.

## 2. Purpose

The Company has determined that it would not be in the best interests of the Company to approve transfers, where material non-compliances with the Water Agreement (WA) or Company policies exist.

## 3. Vendor Environmental Requirements

The Company policy is to require certain information to be provided with any request to transfer shares so that the discharge of nutrients may be managed, including:

- 3.1 A current Farm Environment Plan (FEP) for the property (being no older than 12 months at the date of the proposed transfer). If only part of the property is being sold an FEP will need to be completed (and approved) for each part of the property under separate management or farming system. This can be completed by ALIL.
- 3.2 Where a Year-End OVERSEER nutrient budget has previously been prepared for the property, the vendor or lessor shall provide an updated Year-End OVERSEER nutrient budget in the latest version, representative of nutrient losses for the most recent season prior to transfer of the property to the purchaser. All OVERSEER nutrient budgets are to be prepared by a suitably qualified person, in accordance with the Best Practice Data Input Standards and the ALIL Nutrient Budget Consistency Standards (ALIL can coordinate with the vendors chosen nutrient budget provider to complete this). If only part of the property is being sold an OVERSEER nutrient budget will need to be completed (and approved) for each part of the property under separate management or farming system.
- 3.3 Where the property is transferred mid-season, the vendor or lessor shall provide the purchaser or lessee with the Year-End OVERSEER nutrient budget for the most recent whole season, as well as sufficient land use data until the date of transfer for the purchaser to complete a Year-End nutrient budget for the current season.

- 3.4 The vendor is to provide written confirmation that no land use change or change to the farming system will occur prior to the date of the proposed transfer.
- 3.5 Confirmation that any remedial actions required by the Company have been completed or will be completed by the Shareholder prior to the date of the proposed transfer, or where it is proposed that the purchaser or lessee complete any remedial action, a written acknowledgement from the purchaser or lessee that the purchaser or lessee will complete the remedial action.
- 3.6 Shareholder authorisation to release audit reports, nutrient budgets, Farm Environment Plans, Property Parameter Report and or related information for the property to the purchaser or lessee.

#### **4. Purchaser Environmental Requirements**

- 4.1 A predictive OVERSEER nutrient budget for the property representative of the proposed farming operation must be provided by the purchaser.
- 4.2 Written confirmation that the property will be farmed in accordance with the Property Parameter Report, and/or, Farm Environment Plan, whichever is applicable.
- 4.3 Where the Purchaser wishes to change land use or change farming systems on the property, the Purchaser or Lessee shall obtain prior approval from the Board before a request to transfer shares is submitted to the Board. A Farm Activity Variation Application (FAVA) should be applied for in conjunction with the Share Transfer process. A FAVA form can be requested from the Company or from the ALIL website.

#### **5. Infrastructure**

A review of the vendors water use will be undertaken, in line with the Policy on Overuse of Water. If we determine that modifications to the existing equipment or its operation will be required to irrigate within the Water Agreement for the property, the company will notify both the vendor and any purchaser of the property to be aware of any issues which, if unchanged, will need to be addressed to continue to take water from the Property Offtake (POT).

#### **6. Financial**

A review to confirm that all financial obligations of the Vendor have been met with the Company prior to the transfer of shares.

#### **7. Legal**

Share Transfers will be subject to the receipt of the following:-

- 7.1 A signed Share Transfer Form.
- 7.2 Completed Information Sheet.

- 7.3 Direct Debit Authority for collection of Water Charges (**Board approval of the transfer & signing of the Water Agreement is subject to return of the Direct Debit Authority**).
- 7.4 Copies of all Certificate/s of Title, detailing the purchaser as owner.
- 7.5 A Water Agreement will be prepared upon receipt of the above documents and will be sent to the purchaser for signing (post settlement).

**8. Timing & Review**

The Company strongly encourages shareholders wishing to transfer shares, and purchasers or lessees wishing to take a transfer of shares, to make enquires with the Company. Board meetings are held on a 6-weekly basis.

All information provided will be subject to review by Management, or the Board of ALIL. Approval of the share transfer will be subject to a review of the information provided, in order to confirm that the proposal is in the best interests of the Company.

**9. Checklist**

Vendor to provide an up-to-date FEP	
Vendor to provide a Year End Nutrient Budget	
Purchaser to provide written confirmation that the property will be farmed in accordance with the Property Parameter Report, or FEP, whichever is applicable	
Signed Share Transfer Form	
Completed Information Sheet	
Direct Debit Authority	
Certificate of Titles, detailing the Purchaser as owner	

**10. Sign-Off and Revisions:**

<b>Revision Chronology</b>					
<b>Rev</b>	<b>Revision Status</b>	<b>Date</b>	<b>Preparer</b>	<b>Checked</b>	<b>Approved</b>
1	<i>Completed</i>	10/09/2018	RW	CF	RW
2	<i>Format Update &amp; Review</i>	21/02/2023	CF	SH	RW