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# KDIC Share Sales Policy

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## **Purpose**

Completion of the sales of all shares in Kurow Duntroon Irrigation Company (KDIC) Shareholding for cost efficiency.

## **Scheme Integrity**

Share sales can only occur via application to the KDIC Board. Technical assessment validating hydraulic feasibility is essential to any future share sales, such that additional demand is not at the detriment to existing shareholders allocation.

## **Price of New Shares**

The new share price for purchase after scheme completion will reflect both inflationary increase and debt servicing costs borne by those whom committed to the project at the outset. The intent is to discourage potential shareholders from entry at a later point deemed to be at a discount.(ed.)

## **New Connection**

A new shareholder should expect to be responsible for the costs of connection to the existing infrastructure. It is advisable that development quotation for a potential shareholder should include the costs of accessing and connection with the existing unmodified infrastructure. The Board will consider KDIC making contributions to increased infrastructure requirements when presented with an attractive business case upon application, typically involving multiple potential shareholdings.

## **Purchase Options**

The Board will consider opportunities presented to them which enable income generation from the scheme in the interests of cost efficiency for all shareholders'. Such applications will need to demonstrate compliance with KDIC consent conditions. Any alternative Water Supply arrangement would remain inferior to Shared supply and as such entered into at the risk of the applicant.

Dry shares will no longer be available following the construction of the core infrastructure.

Resale of shares will only be possible with KDIC authorisation (as per the constitution) as hydraulic feasibility must be assured. Trading amongst shareholders can only proceed with the aforementioned prerequisite. KDIC will not be repurchasing shares once sold therefore open market forces will determine price and in no way can a private authorised sale dissolve the obligations of a shareholder under the constitution and water supply agreement.

## **Marketing**

A comprehensive resource is required for ease of promotion in both a proactive and reactionary position. The board has the intent to actively pursue the prudent completion of shareholding by providing a current online accessible resource. Rural Professionals including Banking, Legal, Accountancy and Real Estate will be kept regularly informed of the opportunity existing for their clients.

It is expected that interested potential shareholders will arise from local direct enquiry and a resourcing tool which is current and easily accessed is paramount. Hard copy production of this will be streamlined in an electronic format which can be produced if preferred.

The board intend to pursue those of whom have made previous enquiry as to shareholding or reside within the command area of the scheme as a first priority.

## **Monitoring**

The KDIC board need authorise share sales, as these occur, budgets and marketing resources shall be updated promptly.

The Share Sales Policy shall be reviewed annually by KDIC directors.