

## Lower Mary Interim Board

## FACT SHEET 1: Proposed Corporate Form

**The Lower Mary Interim Board has prepared a business proposal to demonstrate to government how local management of the channel scheme could be achieved. Key points are considered below:**

### **Who will own and manage the scheme if it is transferred?**

The interim board has a preference that the irrigation scheme will be operated as a not-for-profit company limited by shares.

### **Who will own shares or be a voting member?**

The shares/voting membership will be issued to commercial irrigators with water allocations totalling a minimum volume (e.g. 50ML). Shares will align with water entitlements and will not be able to be traded separately. Shares/voting membership issued on this basis will ensure that the scheme remains in the hands of commercial irrigators and continues to fulfil its original purpose of providing water to the agricultural sector.

### **How will the interests of small customers be protected?**

Provision will be made in the Company Constitution and the composition of the board of directors, in order to ensure the interests of small users are protected.

### **What about non-voting customers?**

Non-voting customers will have an opportunity to influence decisions of the Lower Mary irrigation company through membership and participation in the Customer Advisory Committee.

**Further information, please email the interim board at [mary@lmairrigation.com.au](mailto:mary@lmairrigation.com.au)**

### **Who will make the decisions?**

The Company Constitution will be drafted to ensure that the major decisions affecting the company such as the sale of core assets or changes to the company constitution, are only made with the approval of a large percentage of shareholders (for example, 90%). Ordinary decisions will be by simple majority.

### **Will my contract change?**

This is yet to be finalised, but it is presently proposed that all contracts will be transferred from SunWater over to the Lower Mary irrigation company, maintaining current terms and conditions.

### **Will any majority shareholder be able to control the company because they hold the most allocations?**

The Interim Board recommends that the irrigation company consider a limit on voting rights to ensure that the interests of no single irrigator can predominate.

### **How will local management enhance agriculture in the region?**

The current proposal has been generally developed to reflect the fact that the scheme was built to benefit commercial agriculture in the Lower Mary and to ensure that protections are in place to keep ownership of the scheme assets in the hands of commercial agricultural irrigators.



Picture: SunWater's Mary River Barrage – The pipeline across the barrage would be transferred to irrigators under LMA