



Southern Rural Water Exchange

Traderoom Trading Rules

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Objectives

To operate the Southern Rural Water Exchange under the Water Partners (Aust) Ltd core objectives and in partnership with Southern Rural Water to meet the water trading needs of the region.

About Water Partners (Aust) Ltd.

Water Partners is a member-owned water broker which commenced in 2012 when fifty foundation members established Waterpool Trading Ltd to provide a market-driven option on a cooperative model. In 2019, members voted to move to a company limited by guarantee and Water Partners (Aust) Ltd commenced trading on 1 July 2019. Water Partners is Australia’s only Not-for-Profit water broker and is governed by a Board.

Over the years new products and trading platforms have been developed to meet our customer's needs including live Traderooms for Allocation, Carryover and Permanent trade. We also have a variety of products including Allocation & Entitlement Leases, Forward Allocation, and water management services.

Water Partners' service area has also grown across Victoria, New South Wales and South Australia with online trading enabling ease of use at any time.

Purpose of Trading Rules

These trading rules of the Southern Rural Water Exchange are formed under the governance of the Board of Directors of Water Partners (Aust) Ltd, to clearly define the processes and rules of trading water entitlement within the Water Partners Traderooms.

1. Glossary of terms

Term	Meaning
Allocation Bank Account (ABA)	The account held in the Victorian Water Register provides available water balances of allocation, usage, trade-in, trade-out and write-offs, applicable Licences and Water Shares. It also lists the Account Holders and any Authorised Agents that may be registered.
Allocation Trade	The transfer of seasonally determined and allocated surface water.
BEE	Prefix to a take and use licence number
Buyer	A registered party who submits an offer (whether that offer is accepted or matched to a Seller) to purchase water Entitlements, Licences, Allocation or for Lease or Forward Allocation.
Cancellation	A direction to Water Partners (Aust) Ltd by either hard copy or electronic means which effectively removes a buy or sell offer from Traderooms.
Form 39	The required form to enact the transfer of water from one ABA to another. The form is identified by a unique six-digit number following the letters ALL.
Form 39B	Authorisation for Water Partners to act as an agent on your instructions.
Ground Management Area (GMA)	An Area underlain by useable groundwater, where some development of the groundwater has occurred or is likely to occur.
Offer	Means an offer communicated by a user to Water Partners via the Southern Rural Water Exchange registered Trader Platform, email, text or a completed offer form to trade water allocation, entitlement, licences or space.
Online Trade Rooms	A system that enables traders to list offers to buy and sell allocation water or entitlement online. These offers can then be accepted by other traders 24/7.
Permanent Trade	When an entitlement or licence holder transfers all or part of their entitlements/licence, to another person on a permanent basis.
Seller	A registered party who submits an offer (whether that offer is accepted or matched to a Buyer) to Sell water Entitlements, Licences, Allocation or for Lease or Forward Allocation.

Take and Use Licence	A section 51 Take and Use licence authorises the holder to take and use water for a specific purpose. The water licence includes the details of where the water can be taken and land where it can be used. Applies to Groundwater and surface water including unregulated.
Temporary Transfer	Where a licence is transferred for a defined term.
Trading Zone	A physical area in which water can be traded or used. Trading Zone rules govern trade between and within these areas.
Unincorporated systems	A river system with no major weirs or structures to assist with supply. Use may be limited by poor water quality or low yield.
Water Allocation	An allocation of water made under the Water Act 1989 with respect to a Water Share from water determined to be available each season.
Water Allocation Transfer	The transfer of water allocation in any given season.
Water Entitlement	A legally recognised entitlement to a volume of water. Can be as water share, Licence, or leased volume.
Water Supply Protection Area (WSPA)	An area declared under the Water Act 1989 to protect groundwater and/or surface water resources in the area.
Winter-fill Licence	A licence which permits taking of water from a waterway only during the winter months (1 July – 31 October)

Traderoom- Allocation.

2. How the Traderoom works.

The Traderoom is a system whereby registered traders lodge offers to buy and sell via authenticated website login. Once an offer is lodged it becomes 'live' and can be accepted by other registered traders resulting in the instant matching of trades.

The Traderoom will list available sell lots in ascending order, and available buy lots in descending order, based on price and using their unique offer number. Traders will outline the ML they wish to buy, or sell, together with the price per ML they are willing to pay or accept. The trader will also have the option of accepting offers on a portion of their offer volume. The prices will be fixed.

If a 'live' offer is accepted, it will be removed from the trading screen and the successful trader will be notified that their offer has been accepted. Traders will be contractually bound to complete a trade once they have accepted an offer.

3. How to participate in the Trade Room

To participate in Water Partners Traderoom, all traders must first register at www.srwexchange.waterpartners.org.au. Once all information has been completed online, an email will be sent advising the trader that they have registered online, and certain evidence of entitlement ownership will be required along with the appropriate authority to act. The email will also advise that registration is pending the receipt of the required information. Once this information has been received

and processed, Water Partners will email login details to the trader including a temporary password which they will be prompted to change at first log-in.

For those traders who are not familiar with the internet, Water Partners will offer to complete the registration over the phone or in person. The necessary evidence of entitlement ownership will still be required, together with the appropriate authority to act.

Traders will need to upload their offers to include all requested information. Once they have approved the offer, it will become 'live', and available for viewing by all potential traders. Only registered traders can accept an offer on the Trade Room. All offers are subject to a feasibility check upon acceptance to ensure the trade is valid.

All steps are put in place to protect the privacy of all traders and Water Partners will ensure trader's identities always remain confidential.

4. Payments

Buyers of allocation water via the Traderoom are required to pay for their water purchase **within 48 hours of offer acceptance**. Buyers are required to pay any invoices before Water Partners' transfer allocation.

Water Partners guarantees payment to successful sellers once funds have been received from the buyer.

5. Schedule of Actions

Action	Timeline
Offers Lodged	Live
Cancellation of Offers Lodged	Live (Only where offer has not been accepted)
Offer Acceptance	Live
Information about trades on the website (www.srwexchange.waterpartners.org.au)	Live
Feasibility checking of accepted offers	Live
Resolution of issues identified in the feasibility check	Daily
Water Partners staff check accounts to confirm payments received from buyers	Daily
Lodgement of Forms 39's to Water Register	Daily upon receipt of buyer's payment.
Payments made to sellers	Paid upon receipt of buyer's payment and successful approval of the trade via Water Partners (Aust) Ltd.'s Auto Lodgement system.
Traders' online offer information is updated to reflect trades successfully matched	Live
Payment by buyers	Within 48 hours of offer acceptance.
Payment to Sellers	Within 7 days of the trade.

Trading Rules

6. Rule 1 – Trader Registration

1. Log on to www.srwexchange.waterpartners.org.au and click on the Register button.
2. Traders will register online and provide the following:
 - a. Contact Name
 - b. Full name(s) of entitlement holder(s)
 - c. Address
 - d. Contact details, including, phone and email.
 - e. Entitlement details - ABA, WAL, WEE, BEE etc.
 - f. Trading Zone
 - g. Water Authority
 - h. Water Partners (Aust) Ltd Membership Number (if already a member)
3. Registration must be completed for each trading entity.
4. Each trader must accept Water Partners' Terms and Conditions before Registration can be completed.
5. An email will be sent to traders confirming registration has been successful but further documentary evidence must be provided to Water Partners before log-in details will be provided. This evidence will include, but may not be limited to:
 - a. Evidence of entitlement ownership such as an up-to-date ABA statement
 - b. Appropriate Authority to act (Form 39b)
 - c. Company extract (if the trading entity is a company and no Authorised Agents are in place.)
 - d. Power of Attorney (if applicable)
 - e. Copy of Record to establish ownership of entitlement or licence
6. Once these documents have been received by Water Partners, Water Partners will email login details to the traders advising Login ID and a temporary password which, when entered will prompt traders to change upon initial log-in.

7. Rule 2 – Submission of offers.

1. Registered traders lodge offers to buy and sell via authenticated website login.
2. Traders are required to agree to Water Partners' trading rules when the offer is lodged on the website.
3. Successfully lodged offers are allocated a unique Offer Number by the system. The offer is in the form SRW25BXX for buyers and SRW25SXX for sellers.
4. The following information must be provided for an offer to be deemed available:
 - a. Allocation Bank Account number
 - b. The price acceptable or payable
 - c. Volume for sale or purchase
 - d. Water Trading Zone
 - e. Nomination of any volume split available for the offer.
 - f. Nominate the number of days that the offer is valid (maximum 28 days)

8. Rule 3 – Offer cancellation and expiry.

1. Traders can cancel their offers by selecting the offer under the 'My Water' tab and clicking 'Cancel Offer'.
2. The Water Partners system will automatically remove cancelled offers from the Traderoom.
3. Traders who successfully cancel an offer will be forwarded a cancellation acknowledgement from Water Partners via email.
4. Offers will automatically expire after 28 days and will be removed from the trading screen.

9. Rule 4 – Offer acceptance and feasibility.

1. Registered traders may accept an offer by clicking the 'Accept Offer' button opposite the relevant offer.
2. Once an offer has been accepted, the trader who has accepted the offer will be asked to complete their trading information to ensure the trade is feasible.
3. Once the information has been completed, a feasibility check will be carried out to confirm the trade is eligible – this will be instantaneous.
4. If there are any feasibility issues, a screen will open immediately to inform the trader of any issues.
5. If feasibility is successful, the accepted offer will be removed from the trading screen.
6. Offer owners and successful traders will be notified by email once feasibility has been approved. This email will include an invoice for the purchaser.
7. Purchasers must pay the full amount of the trade within 48 hours.
8. Purchasers who have taken more than 48 hours to pay will be subject to Water Partners Debtor Policy.

10. Rule 5 – Issue resolution

1. Offers that do not pass feasibility will be referred to traders to resolve and will not be submitted for approval at the Water Register.
2. Water Partners will contact customers and attempt to resolve issues.
3. If issues are resolved, offers must be resubmitted for feasibility checking before lodgement for approval at the Water Register

11. Rule 6 – Lodgment and settlement

1. Buyers will be required to pay the full amount payable for the water, including the Water Partners commission, buyer fee, and Water Authority fee (where applicable).
2. Water Partners will ensure all required documentation has been received before trade applications will be lodged.
3. Water Partners will lodge all trades where payments have been made to the Victorian Water Register Broker Portal for processing.
4. Payments will not be made to sellers until Water Partners has been informed that an application has been approved.
5. Payments to water allocation sellers less Water Partners Seller fees, shall be electronic funds transfer and may take up to 5 days to be paid from the day of approval by the Victorian Water Register.

Please Note: Where the entitlement trade has resulted from an Auction, Payment terms and conditions may vary as per the publicised Auction Terms and Conditions.

Traderoom – Permanent Traderoom

12. How the permanent Trade Room Works

The Traderoom is a system whereby registered traders lodge offers to buy and sell water entitlements via authenticated website login. Once an offer is lodged it becomes 'live' and can be accepted by other registered traders resulting in the instant matching of trades.

The Traderoom will list available sell lots in ascending order, and available buy lots in descending order, based on price using their unique offer number. Traders will outline the ML they wish to buy, or sell, together with the price per ML they are willing to pay or accept. The trader will also have the option of accepting offers on a portion of their offer volume. The prices will be fixed.

Sellers agree that their offer will be exclusively listed with Water Partners for 90 days after which time the exclusivity may be renegotiated by the Seller and Water Partners.

If a 'live' offer is accepted, it will be removed from the trading screen and the successful trader will be notified that their offer has been accepted. Traders (both buyer and seller) will be contractually bound to complete a trade once an offer is accepted.

13. How to participate in the Permanent Trade Room

To participate in Water Partners Traderoom, all traders must first be registered members or traders with Water Partners.

For those traders who are not familiar with the internet, Water Partners (Aust) Ltd will offer to complete the registration over the phone or in person. The necessary evidence of entitlement ownership will still be required.

Traders can choose to upload a buy or sell offer by logging onto the website or by contacting Water Partners directly for assistance.

To list and on-line offer on the permanent Traderoom, go to the www.SRWExchange.org.au website and click Login- then enter you Trader ID (SRW000???) and enter your password.

This will take you to your home screen where you can select the Groundwater folder and see what is available for sale or wanted. If you are happy to accept a current offer, click accept you will be taken through the process. Traders will need to upload their offers to include all requested information.

Your offer will need to be verified before going live to ensure all offers are genuine.

Only registered traders can accept an offer on the Trade Room.

All steps are put in place to protect the privacy of all traders and Water Partners will ensure traders' identities always remain confidential.

Refer to How to Trade – Permanent on our Website.

14. Payments

Buyers of Permanent Entitlement will be required to pay a deposit of 10% of the entitlement value upon acceptance of an offer to Water Partners (Aust) Ltd. The deposit will be held in a specifically dedicated bank Holding account. Payment, to Water Partners (Aust) Ltd, for the balance of the trade will be required once approval, for the trade, has been received from the appropriate Water Authority. This final payment will also be held until Settlement.

Water Partners will process payment to the seller within seven days of Settlement.

15. Schedule of Actions

Action	Timeline
Offers Lodged	Live

Cancellation of Offers Lodged	Live (Only available if offer has not been accepted)
Offer Acceptance	Live
Information about trades on the website (www.srwexchange waterpartners.org.au)	Live
Contracts and Trade Application Forms Completed	Within seven days of the offer match.
Water Partners (Aust) Ltd staff check accounts to confirm deposits received from buyers	Daily
Lodgement of Trade to the Appropriate Water Authority for Approval	Within two working days of receipt of the correctly completed Application Form and Contract.
Payments made to sellers	On Lodgement of Water Share transfer at the Water Register- Settlement.
Traders' online offer information is updated to reflect trades successfully matched	Live
Payment by buyers	10% deposit within 7 Days of Trade match. Balance due 10 days from Invoice.

Please Note: Where the entitlement trade has resulted from an Auction, Payment terms and conditions may vary as per the publicised Auction Terms and Conditions.

Traderoom – Groundwater Traderoom

16. How the permanent Trade Room Works

The Groundwater Traderoom is a system whereby registered traders lodge offers to buy and sell Groundwater Licences and Groundwater allocation via authenticated website login. The Traderoom offers both Permanent trade and Allocation trade of Groundwater where the licence may be transferred for one to five years

Those looking to sell their Groundwater Licences either permanently or temporarily will need to provide their Licence Details (BEE number) and source address to list an offer. The offer will be verified by Water Partners and then it becomes 'live' and can be accepted by other registered traders resulting in the instant matching of trades.

A Groundwater Buyer may or may not have an existing licence, however they must supply an address where the Groundwater will be accessed. The address details will also determine the GMA or zone of the address and assist with purchasing the appropriate licence.

The Traderoom will list available sell lots in ascending order, and available buy lots in descending order, based on price using their unique offer number. Traders will outline the ML they wish to buy, or sell, together with the price per ML they are willing to pay or accept. The trader may also have the option of accepting offers on a portion of their offer volume if a split is in place.

Sellers agree that their offer will be exclusively listed with Water Partners for 90 days after which time the exclusivity may be renegotiated by the Seller and Water Partners.

If a 'live' offer is accepted, it will be matched and moved from the trading screen to the recent trades and the successful trader will be notified that their offer has been accepted. Traders (both buyer and seller) will be contractually bound to complete a trade once an offer is accepted.

All groundwater trades will be subject to assessment and approval by the water authorities.

17. How to participate in the Permanent Trade Room

To participate in Water Partners Traderoom, all traders must first be registered members or traders with Water Partners.

For those traders who are not familiar with the internet, Water Partners (Aust) Ltd will offer to complete the registration over the phone or in person. The necessary evidence of entitlement ownership will still be required.

Traders can choose to upload a buy or sell offer by logging onto the website or by contacting Water Partners directly for assistance.

To list an on-line offer on the permanent Traderoom, go to the www.SRWExchange.org.au website and click Login- then enter you Trader ID (SRW000???) and enter your password.

This will take you to your home screen where you can select the Groundwater folder and see what is available for sale or wanted. If you are happy to accept a current offer, click accept you will be taken through the process. Traders will need to upload their offers to include all requested information.

Your offer will need to be verified before going live to ensure all offers are genuine.

Only registered traders can accept an offer on the Trade Room.

All steps are put in place to protect the privacy of all traders and Water Partners will ensure traders' identities always remain confidential.

Refer to How to Trade – Groundwater on our Website.

18. Payments

Buyers of Groundwater will be required to pay a deposit of 10% of the entitlement value upon acceptance of an offer to Water Partners (Aust) Ltd. The deposit will be held in a specifically dedicated bank Holding account. Payment, to Water Partners (Aust) Ltd, for the balance of the trade will be required once approval for the trade has been received from the appropriate Water Authority. This final payment will also be held until Settlement.

Water Partners will process payment to the seller within seven days of Settlement.

19. Schedule of Actions

Action	Timeline
Offers Lodged	Live
Cancellation of Offers Lodged	Live (Only available if offer has not been accepted)
Offer Acceptance	Live

Information about trades on the website (www.srwexchange waterpartners.org.au)	Live
Contracts and Trade Application Forms Completed	Within seven days of the offer match.
Water Partners (Aust) Ltd staff check accounts to confirm deposits received from buyers	Daily
Lodgement of Trade to the Appropriate Water Authority for Approval	Within two working days of receipt of the correctly completed Application Form and Contract.
Payments made to sellers	On Lodgement of Water Share transfer at the Water Register- Settlement.
Traders' online offer information is updated to reflect trades successfully matched	Live
Payment by buyers	10% deposit within 7 Days of Trade match. Balance due 10 days from Invoice.

Please Note: Where the entitlement trade has resulted from an Auction, Payment terms and conditions may vary as per the publicised Auction Terms and Conditions.