

Agreement for Direct Payment of Shareholder Water Charge by Lessee

North Otago Irrigation Company “Shareholder”

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“Lessee”

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AGREEMENT FOR DIRECT PAYMENT OF

SHAREHOLDER WATER CHARGES BY LESSEE

AGREEMENT made this _____ day of _____ 20__

BETWEEN: **NORTH OTAGO IRRIGATION COMPANY LIMITED** (“NOIC”)

AND _____ (“SHAREHOLDER”)

AND _____ (“LESSEE”)

BACKGROUND:

- A. The shareholder has requested NOIC to accept direct payment from the lessee of all water charges payable in respect of the shareholder’s shares detailed in schedule 1 of the agreement and the lessee has agreed to make such payments by direct monthly debit to NOIC during the continuance of the leasing agreement between the shareholder and the lessee (“Lease”) set out in schedule 1.
- B. NOIC has agreed to accept such direct payment from the lessee subject to and upon the terms and conditions set out in this agreement.
- C. In consideration of NOIC agreeing to such arrangement the lessee and the shareholder agree as follows:

AGREEMENT

The lessee agrees with NOIC:

- 1. To pay all required monthly water charges payments due to NOIC by direct debit from the lessee’s bank account commencing from the _____ day of _____ 20__ and continuing during the lease between the shareholder and that the lessee will complete the necessary direct debit payment form in conjunction with signing of this agreement for direct payment to NOIC as agreed.
- 2. To observe and perform all relevant requirements of the encumbrance instrument securing payment of water charges and observance of all NOIC terms and conditions of supply of water (including environmental standards to be met) in respect of the lessee’s property receiving supply of water during the continuance of the lessee’s lease from the shareholder.
- 3. That conditions and requirements for supply of water as are set out in the encumbrance instrument comprising the NOIC standard terms and conditions of supply of water attached as schedule 2 to this agreement and also as NOIC may otherwise require from time to time.
- 4. That the lessee shall be directly responsible to NOIC to observe all such covenants and agreements as are contained in the encumbrance instrument and all other NOIC terms and conditions of supply as may apply from time to time during the continuance of the lease.

The shareholder agrees with NOIC:

5. That the primary responsibility for payment of water charges and observance of the covenants and conditions of the encumbrance instrument and any other statutory or regulatory requirements relating to supply and use of water remains with the shareholder in respect of any default by the lessee in payment of water charges or observance of the covenants and conditions of the encumbrance instrument or otherwise required by NOIC and that the shareholder will facilitate, assist and comply with NOIC requirements that may arise consequent of any default by the lessee.
6. That the shareholder will provide NOIC with a direct debit authority to become operable for payment of water charges to NOIC in the event of lessee default in payment and for substitution for the lessee's direct debit authority effective from end date of lease or otherwise as may be required to ensure timely payment of water charges to NOIC.

Metering Equipment

7. The shareholder and the lessee agree to provide, put in place, and maintain at all times during the lease such metering equipment as NOIC may require to facilitate monitoring of water take and for assessing all water charges payable to NOIC.

SIGNED by NOIC by two directors:

Print Name

Signature

Print Name

Signature

SIGNED by the Shareholder:

Print Name

Signature

In the presence of witness:

Print Name

Signature

Address of Witness

Occupation of Witness

SIGNED by the Lessee:

Print Name

Signature

In the presence of witness:

Print Name

Signature

Address of Witness

Occupation of Witness

SCHEDULE 1

1. Number of shares subject to lease: _____

2. Full name , address and other details of lessee:

Full Name: _____

Address: _____

Telephone: _____

Email: _____

Bank Account number for direct debit: _____

Commencement date of lease/direct lessee payment from: _____

Proposed end date of lease /lessee direct payment: _____

SCHEDULE 2

Encumbrance Instrument