Village Ownership & Community Water Infrastructure

REVISED HEADS OF AGREEMENT | CONFIDENTIAL — INTERNAL NEGOTIATION DRAFT | 27 OCTOBER 2026

Draft 2.0 — governance and misconduct safeguards. Prepared for review by Matt Williams, Architect, c/o Maravu Taveuni Lodge (Maravu Resort), Main Coast Road, Matei, Taveuni Island, Fiji.

IMPORTANT: This document is a proposed framework, not a signed agreement or legal opinion. Except for any clauses expressly adopted as binding by all properly authorised parties in a signed instrument, no equity, payment, land right or water entitlement is created. Fiji counsel must verify legal capacity, execution formalities, land rights, groundwater law, company law and enforceability before any offer or signature.

01 Parties, authority and independent consent

Proposed parties: (a) Taveuni Water operating company [not yet formed/verified]; (b) promoter/founder and investors as applicable; (c) each participating community through a verified legal vehicle; and (d) each distinct lawful landowning or resource-rights holder where required. A village, its residents, customary landowners and any government administrator are not presumed to be the same legal party.

Before execution, independently verify each entity, ownership and representative authority; record meeting notices, resolutions, voting outcomes, languages used and conflicts. Provide independent advice and a reasonable consultation period. No chief, director, founder or official may bind beneficiaries merely by asserting authority.

02 Protected community benefits — proposed commercial schedule

The parties intend to negotiate four SEPARATE entitlements. None substitutes for another; amounts and beneficiaries remain open until documented in Schedule A and definitive agreements.

Benefit	Preservation mechanism
A. Equity	[__]% fully specified share class/issued shares; beneficial ownership register; no forced sale, cancellation or dilution except under agreed safeguards.
B. Revenue participation	FJ$[__] per unit of metered commercial extraction OR [__]% of defined gross qualifying receipts, as negotiated; payable on a defined calendar, independently auditable, and not contingent on accounting profit.
C. Dividends	Pro rata distributions on equal economic terms with equivalent shares when lawfully declared; no guaranteed dividend or unlawful distribution.
D. Village water systems	Separately enforceable installation, operation, maintenance, quality-testing and replacement

	obligations, backed by a ring-fenced funding mechanism and asset handover terms.

No benefit may be reduced merely because another benefit is provided, a tax or royalty is paid to government, or the company claims that community relations expenditure is equivalent. No unapproved set-off against village entitlements.

03 Founder and management misconduct safeguards

The founder, including Matt Williams if acting as director, controller or shareholder, is subject to the same enforceable rules as any successor. No founder veto over release of community payments, access to records, complaints, audits or enforcement.

Risk	Required contractual control
Founder diverts funds or delays payments	Separate controlled community account; scheduled transfers; dual authorisation; bank reconciliation; late-payment interest/remedies subject to legal advice.
Founder changes profit definition or charges excessive fees	Objective revenue definition; arm's-length related-party rules; independent approval of management fees, loans and supply contracts; audit adjustment rights.
Founder dilutes or removes village equity	Community-class consent and pre-emption; protected share rights in constitution and shareholders' agreement; anti-avoidance and equivalent-value provisions.
Founder withholds information or retaliates	Direct access to independent accountant; protected complaints; no retaliation or suspension of water services due to governance disputes.
Founder sells assets or changes control	Assumption by successor, escrow/settlement of arrears, community consent for specified reserved matters, and security where legally available.
Founder breaches environmental or supply protections	Independent monitoring, immediate response triggers, stop/reduce extraction mechanism and remediation funding.

04 Controls on village representatives and other parties

Community representatives must disclose conflicts, not receive undisclosed commissions, publish beneficiary allocations in accessible form, and submit to independent financial review. Community payments must reach the lawful beneficiary vehicle, not personal accounts. Where representative authority is disputed, disputed distributions may be held by an independent stakeholder pending lawful resolution; essential safe-water services continue.

All parties: no unofficial payments, gifts for approvals, concealed intermediaries, false invoices or retaliation against complainants. Record official applications and decisions. Suspected misconduct is investigated fairly; allegation alone does not justify confiscation of shares or withholding undisputed benefits.

05 Governance and reserved matters

Company board and founder retain day-to-day commercial management subject to fiduciary duties. The community class has information rights, a negotiated board/observer position, and approval rights over narrowly defined reserved matters affecting its protected interests. Community consent is not required for ordinary operational decisions.

Reserved matters: alteration of community share rights; new securities that dilute protected interests; changes to revenue-payment formula or CWIF; disposal of the source or substantially all assets; material related-party arrangements; termination of water-system support; and voluntary winding-up or restructuring designed to defeat protected benefits. Specify thresholds, quorum and deadlock procedures in definitive documents.

06 Community Water Infrastructure Fund (CWIF)

The CWIF is a distinct contractual programme with separate bank/accounting controls, not an optional dividend. Initial capital contribution FJ$[__]; recurring contribution [__] formula; emergency reserve FJ$[__]; asset replacement reserve based on useful lives. No expenditure outside approved water infrastructure purposes without independent and community approval.

For each village, a signed works schedule must state demand, design standard, treatment, pumps, storage, pipelines, connections, capital budget, contingency, ownership, commissioning, operator, service levels, water testing, maintenance and lifecycle replacement. Prioritisation uses published technical and public-health criteria, not personal preference or political affiliation.

If a village system is completed, responsibility transfers only with written acceptance, training, manuals, spare parts, funds and a funded maintenance plan. The company remains responsible for expressly retained obligations. An independent technical reviewer verifies milestones and payment claims.

07 Groundwater and community supply safeguards

Commercial extraction is conditional on demonstrated sustainable yield, water chemistry, dry-season monitoring, environmental clearance and lawful extraction rights. Establish baseline village spring/bore performance, agreed trigger levels and independent testing. Where attributable adverse impacts occur, reduce or suspend extraction, provide emergency safe water and implement funded remedial measures under the agreed protocol.

The agreement does not purport to confer rights in groundwater or land beyond what Fiji law and authorised owners can grant. No claim that customary ownership automatically establishes ownership of groundwater.

08 Regulatory obstruction and investment contingencies

Adopt an approval-led process: (1) written legal/regulatory pathway and authority verification; (2) land and community agreements conditional on lawful approvals; (3) environmental screening and preliminary technical work; (4) exploration drilling only after defined gate; (5) full commercial licence, source and quality validation; (6) production financing and works. No party must make irreversible investments solely to preserve negotiating leverage.

If approvals are delayed: maintain a joint documentary register, give notice, pursue lawful review and adjust dates by written agreement. No party may pay unofficial facilitation fees. A neutral

independent lawyer may coordinate escalation. Delay does not automatically extinguish community equity already validly issued or accrued community payments.

If permits are definitively refused or the project is abandoned before commercial extraction: no unearned future royalty is promised; already accrued amounts, property rights, restoration obligations and specifically funded village works remain enforceable to the extent lawfully agreed. Allocate investigation and abort costs in Schedule B; do not transfer the founder's speculative drilling losses to villages without express agreement.

09 Accounting, verification and remedies

Quarterly plain-language reports to beneficiary communities; annual independently audited company and CWIF accounts; extraction-meter records; related-party transaction register; bank reconciliation; and reasonable access to supporting records by an independent community-appointed auditor subject to confidentiality protections.

Specify objective cure periods, independent expert determination for metering/engineering disputes, mediation, then enforceable Fiji court or agreed arbitration proceedings. Urgent injunctive relief and statutory remedies are preserved. Legal counsel to assess practical enforceability, security, insolvency ranking and whether escrow, bank guarantees or registered rights are available.

No unilateral amendment, waiver or release of protected community benefits. Amendments require written consent of the company, the properly authorised affected beneficiary entity and any class approval required by law. Any conflicted signatory must abstain under the definitive governance rules.

10 Change of control, insolvency and continuity

Any purchaser or successor must expressly assume continuing water-system and community obligations, with advance notice and agreed security for accrued sums where feasible. Share transfer protections, tag-along rights, valuation method and dispute process to be negotiated. The parties acknowledge that a contract alone cannot make unsecured promises immune to insolvency; counsel must identify registrable interests, secured reserves or other legally effective protections.

Essential village drinking-water services must have an emergency operator, maintenance reserve and continuity plan independent of the founder. Specify what happens if the bottled-water company ceases trading or a third-party utility assumes the systems.

11 Definitive documents and conditions precedent

Required before binding commercial commitment: company constitution; shareholders' agreement and protected class terms; verified community ownership/trust instrument; land/access/easement documents; commercial water/extraction licences; community revenue agreement; CWIF deed or service contract; individual village works schedules; monitoring and grievance protocols; anti-bribery and related-party policy; and independent legal opinions where appropriate.

Key conditions: lawful tenure and representation; government consents; feasible sustainable yield and quality; financing; verified installation/maintenance cost plan; and a clear allocation of liability. All percentages, payment floors, valuation, security, deadlines and governing dispute forum remain to be negotiated.

12 Schedule A — commercial terms to be completed

Term	Negotiated entry
Community shareholding / class	[__]% / [ordinary or protected class]
Village allocation / beneficiary entity	[formula, list and evidence]
Revenue-linked payment	[__]% of defined receipts OR FJ$[__]/kL
Payment frequency / audit	[quarterly / annual; method]
CWIF establishment and annual funding	FJ$[__]; formula [__]
Minimum maintenance reserve / operator	FJ$[__]; [entity]
Founder control / reserved-matter threshold	[__]; [__]
Delay, abandonment and exit provisions	[specific amounts and triggers]

13 Status, execution and independent witnesses

This revised document is a confidential negotiating draft. Clauses are not binding unless the final instrument explicitly identifies binding provisions, is approved by each lawful party and is executed with required formalities. Independent Fiji legal review is essential; witnessing alone does not validate a defective authority or an otherwise unenforceable agreement.

FOR THE COMPANY / PROMOTER

Legal name/entity: _____

Signatory and capacity: _____

Authority / resolution reference: _____

Signature: _____ Date: _____

Witness full name: _____

Witness signature: _____

Witness address and occupation: _____

FOR EACH PARTICIPATING VILLAGE / LEGAL ENTITY

Legal name/entity: _____

Signatory and capacity: _____

Authority / resolution reference: _____

Signature: _____ Date: _____

Witness full name: _____

Witness signature: _____

Witness address and occupation: _____

FOR ANY SEPARATE LANDOWNING OR RIGHTS-HOLDING ENTITY

Legal name/entity: _____

Signatory and capacity: _____

Authority / resolution reference: _____

Signature: _____ Date: _____

Witness full name: _____

Witness signature: _____

Witness address and occupation: _____

Prepared by: Matt Williams, Architect
c/o Maravu Taveuni Lodge (Maravu Resort)
Main Coast Road, Matei, Taveuni Island, Fiji