

GOOLAWAH CO-OPERATIVE

NON-DISTRIBUTING CO-OPERATIVE WITH SHARE CAPITAL

AN OVERVIEW

The aim of this document is to provide members and prospective members with an understanding of co-operatives, an overview of Goolawah Co-operative and how it meets its obligations under the Law.

CO-OPERATIVE VALUES AND PRINCIPLES are common to co-operatives globally.

Co-operative principles



Co-operative values



Based on these principles and values, members can contribute to the running of the Co-operative by taking on roles from time to time such as director, secretary, committee member, work team member, chairperson, minute taker, and attend General Meetings and working bees as available.

COMMUNICATION

Website

Goolawah Co-operative Living and Land Sharing. The Rules, By-laws and Code of Conduct are available on the public website <https://goolawah.org/>.

The members' section of the website is password protected. It is recommended that all members subscribe to the website to keep informed and engaged with the Co-operative's activities and news. The contents include policies & procedures, meeting minutes, DA information, forms, fire, flood and land management information and much more.

Social Media

The Co-operative has several Signal groups. Goolawah Phone Tree and Goolawah Emergency are recommended. All other groups are interest, hamlet or project based. Facebook pages include Goolawah Buy Sell Swap and Community Forum and Goolawah Co-operative.

OBJECTIVES (Rule 5)

Acquire and share rural land for the purpose of low-cost residential housing.

Provide a setting where rural re-settlement in hamlets and village clusters can evolve.

Preserve and protect flora and fauna on land acquired.

Promote the development of a community of artists, musicians, artisans, and craftspeople.

Promote the principles and methods of permaculture and self-sufficiency.

POLICIES AND PROCEDURES

The Co-operative has policies and procedures to provide a road map for day-to-day operations, to ensure compliance with laws and regulations, and to give guidance for decision-making. The Board is responsible for implementing policies and procedures and needs member support in preparing, adopting, monitoring and reviewing them on a needs basis. There are policies and procedures for Membership, Finance, Machinery, Grievances, Guests, Duties Roles Responsibilities - Directors & Office Holders, General Meetings, and a Delegation Manual for Directors and Office Holders.

RULES and BY-LAWS (Rules 7 to 9)

A co-operative's rules are its constitution, which govern its operations and relationship with members. The legislation provides for many aspects of a co-operative to be defined in the rules. If rules conflict with legislation, the legislation prevails.

Registration and regulation of co-operatives is the responsibility of NSW Fair Trading. In NSW co-operatives are governed primarily by the Co-operatives National Law (CNL), Co-operatives National Regulations (CNR) and Co-operatives (New South Wales) Regulation 2020 (Local Regulations).

The rules of a co-operative have the effect of a contract between the co-operative and each member, the co-operative and each director, and the secretary of the co-operative and each member.

By-laws

It is important to understand the by-laws and how they might affect the way you live. There are by-laws related to the environment, behaviour, development, and governance. By-laws are part of the rules. Therefore, any breach of a by-law is an infringement of the rules.

MEMBERSHIP (Rules 10 to 13)

A member of Goolawah Co-operative is someone admitted by the Co-operative under its rules.

A person is qualified to become a member if there are reasonable grounds to believe the person will be an active member and the person is eligible under the rules.

Primary activity

The primary activity of the Co-operative is the acquisition and maintenance of land to accommodate low-cost rural housing for members.

Active membership

A member shall pay by the due date all accounts for annual subscriptions, levies, fees, fines, and charges provided for in the rules and by-laws to establish active membership of the Co-operative. A member who is not active is not entitled to vote and must, eventually, have their membership cancelled.

Register of members

A co-operative must maintain a register of its members, that contains information specified in the CNL. Members have the right to inspect this register and obtain copies of entries free of charge.

SHARES (Rules 14 to 19)

The capital of the co-operative was raised by the issue of Site Shares (nominal value \$7000) and supplemented later by Infrastructure Shares (nominal value \$6000).

MEMBERS LIABILITY (Rules 20 to 22)

Fees, levies and subscriptions

Co-operative rules require members to pay a joining fee, regular levies and subscriptions.

Joining Fee is \$10,000 and is non-refundable to members leaving the co-operative.

Membership Levy per Site Share is currently set at \$800 per year.

Sinking Fund Levy per Site Share is currently set at \$1450 per year.

Work Levy per Site Share is currently set at \$300 per year. Approved Work Claims may be applied at a rate of \$15 per hour to the Work Levy.

Rights and liabilities of members

Members can only exercise their rights once their name appears in the register of members, and they have paid for their membership and acquired a share or interest as required by the rules.

The right to vote attaches to membership not shareholding. Members are entitled to one vote irrespective of the number of shares they may hold. Joint members have one vote between them.

Members are liable to the Co-operative for amounts due and unpaid on shares held by the member and any charges payable under the rules.

A member may also have liabilities in relation to any business they conduct with the Co-operative, and any fines imposed by the Co-operative.

Fines

The Co-operative can fine a member for breaching its rules, with each maximum fine set at \$110.

A member must be given written notice stating the reason for imposing the fine, and a reasonable opportunity to appeal the case to the Board in person or in writing.

DISPUTE RESOLUTION, EXPULSION, MEMBERSHIP CANCELLATION (RULES 23 to 29)

Disputes between members, the Co-operative or the Board must be dealt with in accordance with the dispute resolution procedures contained in the rules and the Grievance Policy & Procedure.

A member may be expelled from the Co-operative by special resolution if the member has seriously or repetitively failed to discharge member obligations, prevented or hindered the Co-operative in carrying out its primary activity, brought the Co-operative into disrepute, or acted contrary to Co-operative principles and caused the Co-operative harm.

The Board must give an inactive member at least 28 days' notice of their intention to cancel the membership.

BOARD OF DIRECTORS, SECRETARY AND EMPLOYEES (Rules 33 to 41)

The Board is collectively responsible for day-to-day running of the Co-operative, and is obligated to effectively perform its duties and responsibilities, by adhering to good governance principles.

The Board of seven directors is elected by members at the Annual General Meeting held in August, along with several committee and co-ordinator positions. In managing the business of the Co-operative the Board may exercise all powers that are not required to be exercised by members at a General Meeting.

Once elected the Board allocates portfolios and elects a Secretary who performs all the functions and duties required by the CNL, Regulations and the rules.

VOTING, RESOLUTIONS, MAKING DECISIONS, GENERAL and BOARD MEETINGS (Rules 34 to 56)

General Meetings are held on the second Saturday of February, April, June, August, October and December. A Special General Meeting may be called at any time with 14 days' notice.

Decisions are made by members passing either an ordinary or special resolution with 2/3 majority vote at a General Meeting. Closed proxy voting is permitted.

A special resolution with 21 days' notice is required for altering the rules of the Co-operative, and any other matter that the Co-operative determines in a General Meeting or required by the Law or Regulations.

An ordinary resolution with 21 days' notice is required for altering the By-Laws, Code of Conduct, Policies, Annual Budgets, and any other matter that the Co-operative determines in a General Meeting.

Board meetings are held as often as necessary to properly conduct the business of the Co-operative and must be held at least every three months.

ADMINISTRATIVE MATTERS (Rules 57 to 63)

The financial year of the Co-operative ends on 30 June.

This section of the rules includes information on accounts, banking, auditors, provision for loss and loans by members to the Co-operative.

ACCOUNTING and FINANCIAL REPORTING FOR SMALL CO-OPERATIVES (Rules 64 to 69)

The Co-operative's Annual General Meeting must be provided with a financial report, containing an income and expenditure statement, balance sheet, and statements of changes in equity and cash flow.

The financial statements must present a true and fair view of the Co-operative's financial position, including comparative figures for the previous financial year, and a statement of significant accounting policies.

Annual Budgets estimate the necessary and reasonable expenditure for the financial year, pursuant to requirements of the CNL and Finance Policy, and prepared for approval at the June General Meeting.

The Administration Budget (operational) includes expenses such as insurance, rates, repairs of common property, road and land care maintenance, administration and services supplied. Income is derived from Membership and Work Levies.

The Infrastructure Budget consists of two parts: a Sinking Fund and Projects. Income for the Infrastructure Budget is derived from the Sinking Fund, Nevertire Road Stage 2 Levies and Infrastructure Shares subscription.

WINDING UP (Rule 70)

The winding up of the Co-operative shall be in accordance with CNL Part 4.5.