

THE COMMUNITY CO-OPERATIVE STORE (NURIOOTPA) LIMITED
ABN 80 147 431 373
(‘Co-operative’)

DISCLOSURE STATEMENT

About this document

This Disclosure Statement is issued in accordance with Chapter 2, Part 4, Division 2 of the *Co-operatives National Law (South Australia) Act 2013 (National Law)* and having regard to the rules of the Co-operative (**Rules**).

As a distributing co-operative, the Co-operative is required to take reasonable steps to ensure it has a disclosure statement which contains information necessary to ensure prospective members are adequately informed of the nature and extent of a person’s financial involvement or liability as a member.

Governance

The primary activities of the Co-operative are:

- to provide retail goods and services to members of the Co-operative; and
- to provide commercial infrastructure including, without limitation, business premises for occupation and use by (amongst others) other retailers/service providers, to facilitate competitive choice for members of the Co-operative.

The Rules have the effect of a contract between the Co-operative and each member. By becoming a member, a person becomes bound by and agrees to observe and perform the provisions of the Rules in so far as they apply to that person (add link to new Rules on website once registered).

Financial Reporting

The Co-operative’s Annual and Financial Reports can be found at <https://barossa.coop/governance/>

Further developments subsequent to the Co-operative’s Annual Reporting are announced in a monthly newsletter which members can apply for upon application, or alternatively can be viewed via the Co-operative’s website (<https://barossa.coop/news-2/>).

Directors

The Co-operative is managed by a minimum of 7 directors. A brief biographical entry for each director may be found on the Co-operative’s website (<https://barossa.coop/>)

Three directors may be appointed by the board and the balance of the directors may be appointed by members.

The term of office for a member elected director is three years, with a maximum of three consecutive terms.

The nomination and election process for directors is set out in the Rules. As part of the nomination and election process, the skills and experience of nominees will be assessed against certain qualification criteria as determined from time to time by the Board. The Board will then make a determination as to whether each nominee should or should not be endorsed by the Board.

Membership Qualification and Active Membership Provisions

A person qualifies for membership of the Co-operative if they:

1. are able to use or contribute to the goods and/or services of the Co-operative; and
2. hold a minimum of 1 fully paid ordinary share at a fixed price of \$10.00 each in the Co-operative.

In order to establish active membership of the Co-operative, a member must purchase goods or services from the Co-operative to a minimum value of \$50.00 within any given three year period.

Other classes of shares may be issued with the approval of the members by a special resolution at the fixed price of \$50.00 each.

All members must be active members of the Co-operative.

If a member fails or ceases to be an active member, the board must in accordance with Chapter 2 Part 4 Division 6 of the National Law:

1. declare the membership of the member cancelled; and
2. declare the shares of the member forfeit.

All amounts owing by the former member to the Co-operative become immediately due and payable in full.

Rights and Liabilities attaching to Shares

The following is a summary of the rights and liabilities attaching to shares in the Co-operative. This is a summary only, the full details are set out in the Rules.

1. Shares in the Co-operative each have a nominal value of \$10 which is payable in full on application.
2. The maximum holding of a member (alone or jointly with another) is 20% of the nominal value of all issued shares of the Co-operative.
3. Members of the Co-operative have the right to attend and vote at general meetings. Voting is attached to membership of the Co-operative, not the number

of shares held by any member, accordingly each member has one vote, regardless of the number of shares held. If shares are held jointly, only one of the joint holders may vote as provided by the Rules.

4. A member's shares are forfeited on becoming an inactive member.
5. Members are not personally liable for the debts of the Co-operative. The liability of a member is limited to the amount (if any) unpaid on each share held by the member alone or jointly with another, together with any charges (such as application fees or subscriptions) payable by the member to the Co-operative under the Rules.
6. The Board can make calls for money unpaid on shares subject to conditions in the Rules. The joint holders of a share are jointly and severally liable to pay all calls. Non-payment of a call may result in forfeiture of shares.
7. A member's liability for unpaid amount on their shares passes to their estate on their death.
8. The Co-operative may (but is not required to) repurchase the shares of a member if that member so requests.
9. Shares are transferable subject to the Rules. Any transfer requires the consent of the board and the shares must be transferred to a person who is qualified to be admitted to membership of the Co-operative. The board may refuse to register transfers in certain circumstances.
10. The board may issue securities other than shares, these include debentures and interests in the capital of the Co-operative through co-operative capital units (CCUs).
11. The board may require that each member pays an annual subscription set by the board from time to time.
12. Any part of a surplus arising in any year from the business of the Co-operative, or any part of the reserves of the Co-operative may, at the board's discretion, be distributed as:
 - (a) a rebate to a member based on the business done by that member with the Co-operative; or
 - (b) an issue of bonus shares to a member; or
 - (c) paid to a member by way of a limited dividend,in accordance with the Rules of the Co-operative.

There are no guarantees of surpluses or direct financial benefits flowing from share ownership.

13. The Co-operative may, with the approval of the member, convert any rebate or limited dividend payable to that member into payment for issue of bonus shares or as a loan from the member to the Co-operative.
14. The board of the Co-operative may impose a fine of no more than \$1,000.00 for a contravention of the Rules. Any fine imposed will become a debt payable by the member to the Co-operative.
15. On a winding up of the Co-operative and after meeting liabilities to its creditors, the surplus property of the Co-operative must be distributed among the members in accordance with the Rules and the National Law. If there is a deficiency of assets to meet the Co-operative's liabilities, members are liable to contribute to the deficiency to the extent of any amount unpaid on the shares they hold and any charges payable by them to the co-operative, as required by the Rules.

Disclaimer

This Disclosure Statement has been lodged with the South Australian Registrar of Co-operatives pursuant to section 68 of the National Law. No shares in the Co-operative will be issued on the basis of this Disclosure Statement if it stops being a current Disclosure Statement.

It is not possible for this Disclosure Statement to include all material relevant to the Co-operative's circumstance. Each member should carefully read this Disclosure Statement and the Rules and make his or her own enquiries about the acquisition of shares in the Co-operative. Prospective members are advised to obtain personal professional advice if they feel this is necessary.