



Questions & Answers

What is a Cooperative?

A cooperative business, also known as a co-op, is a type of business organisation that is both owned and managed by its members. Members use the services and products of the cooperative; members are on the board. A cooperative is different from other types of organisations because it is formed and operated for the benefit of its members.

What will The Coota District Co-op be like?

The Coota District Co-op will be very much like Target. It will stock similar merchandise and it will employ a retail experienced manager and local staff. The Coota District Co-op will stock quality affordable goods. It will be overseen by a board of directors.

It is your Co-op!

The Coota District Co-op has been setup with the local community in mind. Our community consists of a wide range of ages, income groups and special interest groups. The Board wants to ensure that everyone can apply to be a member and investment options will be available to all.



Becoming a Co-op Member

Initial Membership - \$30.00 will make you a member (\$20 membership and one \$10 membership share) You don't have to live in Cootamundra to be a member. Membership will entitle you to a 5% discount on all your purchases! Your annual membership renewal to be \$20. In addition, if you are 18 years of age or over you will have one vote towards the election of board members and one vote towards any other issue that the board will put to the members for resolution.



Becoming a Co-op Shareholder

Shares – As you are a member, you will be able to invest in the “The Coota District Co-op Ltd”. The cost of a share unit is \$10.00. You don’t have to buy shares if you become a member.

Why do we need to sell shares?

A co-operative must have capital to commence operation. The start-up costs of any business are significant. The stock alone will cost around \$500,000. There are other costs that need to be covered ranging from registration through to back-office equipment such as Point of Sale (POS), computers, stock handling pallet jacks and cardboard binding unit.

The minimum initial amount “The Coota District Co-op Ltd” needs to raise is \$750,000 but the more that is raised the more viable the business will be. If the money is not raised The Coota District Co-op Ltd will not go ahead. The Board will inform members if the situation arises.

How many shares can I buy?

Under the International Rules of Co-operatives, the maximum number of shares any one member can own is 20% of the total allocated shares (ie 200,000 shares. 20% is 40000 shares).

Can I buy shares for my children?

Yes, but to own shares children must be members.

Membership and Shares

The membership fee and member shares may not be reimbursed in full if the co-op doesn’t go ahead. That money will cover items including fees, printing costs, professional services and promotion. However, there may be some money that could be given back to members.

Investor share monies are held in trust. If the co-op does not proceed, they will be reimbursed in full. It will be a Board decision if we proceed. The Board needs a minimum of \$750,00 to proceed.

The Board will communicate all relevant decisions to the members.

Come on Cootamundra let’s support this great Community initiative!

If you have any questions, please call Leigh Bowden 0405 381 038