

**Application for Approval of Member Disclosure and Rules
for a Non Trading Co-operative
Co-operatives Act 1992, Section 17(1) and 18 (1)**

Please read the instructions on the back of the application before completing
PLEASE COMPLETE USING BLOCK LETTERS

PART A

(1) This is a Non Trading Co-operative (Complete Part A, C & D)

(2) I, SUSAN PATRICIA MORRISON of 8 TWYNAM ST KATOOMBA, NSW, 2780

Phone:02 4782 3078 Mobile 0418 292 672 wollemi@exemail.com.au

(3) make application for the approval of member disclosure and rules for a proposed co-operative under the name of:

BLUE MOUNTAINS RENEWABLE ENERGY CO-OPERATIVE LIMITED

(4) This is a new co-operative.

(5) What is the purpose of the co-operative and how will members be involved?

The Co-operative is being established to create decentralised locally owned renewable energy generation, while returning financial benefits to the Blue Mountains community. The Co-operative's intention is to bring affordable renewable energy to the Blue Mountains community and to inform, engage and activate the local community about its energy potential. The Co-operative also aims to be a model for co-operative, inclusive and successful community driven projects.

A need for such a Co-operative was identified by residents of the Blue Mountains in September 2011, when a public forum on renewable energy was organised by Permaculture Blue Mountains, Katoomba Area Climate Action Now and Transition Blue Mountains. While the idea of a community energy project in the Blue Mountains had been talked about previously in these sustainability-oriented groups, the forum provided momentum to move the idea forward.

Soon after, KatoombaCAN members invited community energy expert Nicky Ison, founder of the Community Power Agency (cpagency.org.au), to visit the Blue Mountains and assist in developing the first steps of such a project. Nicky spoke at an information night in late November 2011 about community-owned renewable energy projects in Australia and overseas and outlined their environmental, economic and social benefits.

This was followed by a 'first-steps' workshop on 3 December 2011, attended by approx. two dozen residents who were keen to pursue formation of a group. Four working groups were established - Facilitation, Technology, Community Engagement and Finance - to establish the structure and policies of the Co-operative and to progress the investigation of technology and financing options. A secure internet-based Members Project Space was established on Glasscubes to store all electronic records of the Co-operative and to facilitate discussions.

A core group of up to 15 people has been meeting monthly throughout 2012 and 2013 and the four working groups have met regularly in person, or via Skype, email and online discussions.

People who join the Co-operative as active members are invited to participate in working to achieve the Objects of the Co-operative by taking part in meetings and working groups, assisting with or attending events and other such activities as the Co-operative offers from time to time.

The electronic database currently includes 142 non-member supporters who are sent electronic newsletters and invited to participate in events, surveys and other activities.

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To become a member of the Co-operative, one is required to pay an Entrance Fee as follows:

- (a) Ordinarily, \$20;
- (b) In the case of a person living in a low income household as defined by the Australian Bureau of Statistics, \$10;
- (c) In the case of an entity with an ABN whose main business is located in the Blue Mountains City Council area, \$50;

The Annual subscription fee for members of the Co-operative is as follows:

- (a) Ordinarily, \$20;
- (b) In the case of a person living in a low income household as defined by the Australian Bureau of Statistics, \$10;
- (c) In the case of an entity with an ABN whose main business is located in the Blue Mountains City Council area, \$50;

Active membership of the Co-operative will be demonstrated by subscribing to the Co-operative's electronic newsletter and complying with one or more of the following requirements every year:

- (a) attend a General Meeting; or
- (b) undertake a minimum of 2 hours of volunteer work relevant to the objects of the Co-operative as approved by the Board; or
- (c) attend at least one of the Co-operative's events.

The Co-operative uses a "year" defined as a "financial" year ending on June 30 each year

(6) What will be the main activities of the co-operative?

The primary activities of the Co-operative are:

- (a) owning, operating and maintaining renewable energy generators and associated infrastructure;
- (b) investing, managing and/or participating in programs to benefit the local community;
- (c) generating renewable energy;
- (d) advocating for programs that facilitate local uptake of renewable energy;
- (e) researching, producing and disseminating information and engaging the local community on a regular basis to promote renewable energy generation and energy efficiency; and
- (f) being a model for cooperative, inclusive and successful community driven projects.

The Co-operative has identified three priority technologies for further investigation: slow pyrolysis, solar PV and wind power (west of the Blue Mountains).

(7) The proposed co-operative has attached a copy of its rules for approval.

(8) The person named below has agreed to be responsible for the auditing of the co-operative's accounts:

_____ TO BE ADVISED (Full name of auditor)	_____ (Business name/Company name)

(Business Address)	(Postcode)

The auditors letter of consent is TO BE FORWARDED AS SOON AS AVAILABLE.

(9) The financial year of the co-operative will end on:

30 JUNE each year.

(10) The person named below has agreed to be the secretary of the co-operative

SUSAN PATRICIA MORRISON 8 Twynam St, Katoomba NSW 2780

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(Full name)

(Residential address)

(Postcode)

(11) The number of persons who have indicated their intention to join the co-operative are TEN (10) persons.

(12) If the co-operative has shares what is the cost per member: N/A

(13) Will any of the directors have a conflict of interest or duty within the provisions of Section 234 of the Co-operatives Act 1992? (Please refer to the instruction titled Item 13)?

NO.

(14) Will the co-operative be responsible under any contracts, guarantees and indemnities or have other contingent liabilities that are not disclosed in the financial documents forming part of this application. (Please refer to the instruction titled Item 14)

NO. Note: It is the intention of the Co-operative to become a Trading Co-operative with share capital once a definite project has been identified through pre-feasibility analysis. More detailed financial information will be made available at that time.

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CERTIFICATION:

We the undersigned, certify that this is a copy of the disclosure statement which was presented to the formation meeting on (date) for the purpose of forming a co-operative to be known as:

Blue Mountains Renewable Energy Co-operative Limited

..... Chairperson of Formation Meeting
Signature

..... Secretary of Formation Meeting
Signature

Note: This certification is signed at the Formation meeting which is held after the draft formation documentation which includes the Rules and the Disclosure Statement have been approved by the Registry and returned to the sponsors of the proposed co-operative.

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DISCLAIMER OF LIABILITY

No responsibility as to the contents of: (i) the Disclosure Statement and attachments and annexures that form part of this document; and (ii) the associated Rules which all collectively make up the formation documentation, is to be taken by the Registrar of Co-operatives, the Department of Fair Trading or by any of its servants or agents.

Each prospective member is advised to make any investigations (including the obtaining of professional advice) which that person believes to be necessary to satisfy himself or herself about the contents of this formation documentation or the decision of whether or not to join the proposed co-operative.

It should be clearly known that the Registrar of Co-operatives, the Department of Fair Trading or any of its agents or servants are not engaged in the provision of legal or other professional services to the public, prospective members or co-operatives. If legal or other expert advice is required, the services of a competent professional person should be sought.

Where to lodge your application:

You can lodge this document in person at any of the Department's Fair Trading Centres. For the address of your nearest Fair Trading Centre, please telephone 133 220.

Or you can forward this application directly to the **Registry of Co-operatives, PO Box 22, BATHURST NSW 2795**

If you require additional information or assistance in completing this form please contact the Registry of Co-operatives on 02 63331400 or on our Free Call Number 1800 502 042

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INSTRUCTIONS FOR COMPLETING PART A OF THIS APPLICATION

This document must be completed and accompanied by the rules of your co-operative. Once approved by the Registry this document can be presented at the formation meeting to inform prospective members of the nature and extent of their financial involvement and the activities that the cooperative will be involved in.

Item 1	This application is to be completed if you are forming a trading or non trading co-operative. Please note that for a trading co-operative parts A,B,C,D and E must be completed. For a non trading co-operative you are only required to complete parts A,C and D. If you are unsure of what type of co-operative you should form please refer to the brochure titled 'How to form a co-operative' or contact the Registry for assistance.
Item 2	Please insert your full name, residential address and other contact details.
Item 3	Insert the name of the proposed co-operative including the word 'co-operative' and 'limited' in full. You will be notified by the Registry as to the availability and use of the proposed name.
Item 4	If you have been incorporated as an association or a company and are converting to a co-operative, please contact the Registry, as you may need to provide additional information.
Item 5	Please describe the purpose for forming this co-operative. You will need to provide information about how the need for the group arose and any research that was conducted. If you feel that providing a business plan would better demonstrate this, then it may be attached as an annexure. If attaching this information please provide a brief summary in the space provided. You will also need to show how the members of the co-operative will be involved.
Item 6	Please indicate what the main activities of the co-operative will be.
Item 7	When lodging this application you will need to attach a copy of the rules that the co-operative intends to use.
Item 8	Please attach written evidence of the auditor's consent to appointment as the co-operative's auditor. If you are applying to become a non trading co-operative there is a provision that once registered you may apply for an exemption from auditing requirements. For more information on exemption from this requirement please contact the Registry.
Item 9	Please insert the date on which the financial year will end.
Item 10	Please provide the details of the person who is to be the secretary of the co-operative.
Item 11	Please insert the number of members who propose to join the co-operative. To register a co-operative you <i>must have at least 5 active members</i> . In certain circumstances you may proceed with less than this number but you must have approval from the Registry.
Item 12	If the co-operative intends to have shares please insert the value that is to be held by each member
Item 13	A proposed director of a co-operative who is or becomes in anyway interested in a contract, or proposed contract with the co-operative must declare the nature and extent of that interest to the board of directors. For more information refer to Section 234 of the Co-operatives Act 1992 or contact the Registry for assistance.
Item 14	The applicant should ensure that all contracts or other liabilities which may arise for the co-operative are either disclosed here or in the financial documents attached to this application. Contracts or guarantees and indemnities will include, but are not limited to any contracts formed on behalf of the co-operative before registration. Contingent liabilities will include any possible cost, expense or other liability that may arise in the future. For more information please contact the Registry.

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PART C CASH FLOW BUDGET

For the First Year of Operation: 2013-14
 (draft - full version to be submitted at Formation Meeting)

Annual Cash Flow Projection Y13/14	
Opening Bank Balance	\$0
Grants	\$0
Annual Subscriptions	\$1,500
Voluntary Contributions	\$5,000
Seed Capital	\$0
Share capital	\$0
Commercial revenue	\$0
Bank Interest	\$0
TOTAL RECEIPTS	\$6,500
Materials	\$500
Wages	\$0
Pre feasibility Study	\$0
Rent	\$0
Insurance	\$150
Legal and financial advice	\$3,000
Administration expenses	\$1,000
Sundries	\$450
Audit	\$0
Formation Expenses	\$800
Advertising	\$500
TOTAL PAYMENTS	\$6,500
Closing Bank Balance	\$0

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Please Note

The cashflow budget sheet provided is only an example. You may wish to include additional items appropriate to your proposed co-operative.

In the space provided below please show how you have derived each figure and any assumptions that have been made

ITEM	EXPLANATION
Grants	No grants successfully obtained to date
Annual Subscriptions	Assumes 50 membership subscriptions at \$20p.a. (full) \$10 (concession) and 50 similar entrance fees.
Voluntary Contributions	Assumes 50 voluntary contributions of \$100
Share Capital	Presumes no transition to trading co-op during FY13-14
Commercial Revenue	Assumes no projects get to revenue generation stage
Materials	Estimate of costs of supporting materials awareness raising and pre-project items.
Wages	Assumes no paid staff FY13-14
Pre-feasibility study	Assumes pyrolysis feasibility study postponed
Rent	Assumes continued access to community supplied facilities
Insurance	Assumes minimal insurance requirement until transition to a trading Co-op
Legal & financial advice	Assumes some costs related to initial Co-op formation and in preparation for transition to trading Co-op
Administration expenses	Assumes some costs related to initial Co-op formation and in preparation for transition to trading Co-op.
Audit	Assumes pro-bono audit for first year or application for exemption
Formation Expenses	Assumes some costs related to initial Co-op formation and in preparation for transition to trading Co-op
Advertising	Costs in support of awareness raising and pre-project items

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PART D LIST OF DIRECTORS/CHAIRPERSON/SECRETARY

Name of Proposed Co-operative:

BLUE MOUNTAINS RENEWABLE ENERGY CO-OPERATIVE LIMITED

The following information is a draft. Nominations and election of positions will occur at the Formation meeting and full details will be provided after the Formation Meeting

Surname	Given Names	Date of Birth	Address	Position held on the Board
Howden	Erland	27 Jan 1986	33 Wentworth St Leura NSW 2780	Director
Skeggs	Michael		2 Mount St Leura NSW 2780	Director
Vagg	Cecilia	11 Sept 1986	33 Wentworth St Leura NSW 2780	Director
Morrison	Susan Patricia	23 Feb 1959	8 Twynam St Katoomba NSW 2780	Secretary/ Director
Salter	Celeste Julienne	03 Sept 1966	48 Derain Cres Hazelbrook NSW 2779	Director
Dorrell	Andrew	10 July 1968	35 Explorers Rd Glenbrook NSW 2773	Director
McDevitt	Noni	14 April 1943	11 Hester Road Leura NSW 2780	Director
Favot	Anya	16 Sept 1963		Director

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