**CO-OPERATIVE SHARE OFFER DOCUMENT [INSERT NAME AND PROJECT]**

[*Instruction: Should be as a title page rather than just the words above*]

*What is this document and how does it interact with the Co-operative Disclosure Statement?*

The Co-operative Share Offer Document is designed to explain to a member the project that requires the raising of share capital. This means that the document is confined to matters that relate to the project, not the Co-operative generally.

This document should provide the general information (or prospective member) requires to then carry out their own investigations as to whether they wish to participate in the project.

The Co-operative Disclosure Statement is different in that it provides a general outline of the business of the Co-operative, if the capital raising for the project is successful, this will be reflected in an amended disclosure statement lodged with the Registrar of Co-operatives in Victoria.

*When will the Co-operative Disclosure Statement need to be updated?*

Section 68 of the CNL requires that a Co-operative has a current disclosure statement registered with the Registrar. A disclosure statement stops being current when:

1. a change occurs in the rights or liabilities attaching to any class of share in the co-operative; or
2. a significant change occurs in the financial position or prospects of the co-operative.

# About this Share Offer Document

This Co-operative Share Offer Document (**CSOD**) is issued by [insert Co-operative name]**,** a Co-operative registered in Victoria on [insert date] in accordance with the Co-operatives National Law (Victoria).

This CSOD should be read in conjunction with the [insert co-op name] Disclosure Statement (**Disclosure Document**) and the Cooperative Rules (**Rules**).

**Offer**

This CSOD contains summary information about the offer to subscribe for Shares in the [insert project name] (**Project**).

Project Shares are to be offered and issued by the Co-operative subject to the terms of this CSOD, the Disclosure Document and the Rules.

**Nature and scope of this CSOD**

This CSOD:

* is not a prospectus, product disclosure statement or other document regulated by the Corporations Act 2001; and
* does not intend to contain all the information that an Investor may require to evaluate the Offer (or would be required if it were a disclosure document required to be prepared under the Corporations Act).

**Investors to conduct their own investigations and analysis**

The information provided in this CSOD:

* is general information only;
* does not take account of your personal objectives, financial situation or needs; and
* is not, and not intended to be, a recommendation by the Co-operative or any other person that you invest in the Offer.

As well as reading the entirety of this CSOD before making a decision to invest. You should:

* conduct your own independent review, investigation and analysis of the Project and the information, contained, or referred to, in this CSOD; and
* obtain your own financial advice tailored to your personal circumstances and needs.

You should invest only if it is an appropriate investment for you and you are comfortable with the risks of the investment.

**Restrictions on distribution of this CSOD**

[*Instruction: Describe the circumstances under which the CSOD is confidential*]

This CSOD is provided to you on a strictly private and confidential basis and is to be used solely by you and your agents, representatives and advisers. It must not be made available to, or discussed with, any other person without the prior written consent of the Co-operative.

**Information not contained in this CSOD**

[*Instruction: Describe whether any person is prohibited from making a representation (by words or actions) concerning the Offer which is not contained in the CSOD*]

No person is authorised to provide any information or to make any representation in connection with the Project or this CSOD which is not contained in this CSOD. Any information or representation which is not contained in this CSOD may not be relied on as having been authorised by the Co-operative, any of its directors, officers, employees, agents, advisers and representatives.

**Liability**

[*Instruction: Describe whether the Co-operative will incur liability arising in respect of the information in the CSOD including as a result of any errors or omissions*]

To the maximum extent permitted by law, the Co-operative, its directors, officers, employees, agents, advisers and representatives shall have no liability arising in respect of the information contained in this CSOD including as a result of:

* any errors or omissions; and
* any statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from the information provided to Investors or their advisers, or for any omissions from that information,

other than liability under Commonwealth or Victorian law that cannot be excluded.

**Speculative investment and liquidity not guaranteed**

[*Instruction: State that the Co-operative does not guarantee investment success in the Offer*]

Neither the Co-operative nor any of its directors, officers, employees, agents, advisers or representatives guarantees the success, repayment of capital or any rate of return on capital or the investment performance of the Project.

**Other jurisdictions**

This CSOD does not constitute an offer of interests or securities in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer.

**Currency**

All amounts expressed in this CSOD are in Australian Dollars and exclusive of GST unless expressly stated otherwise in this CSOD.

**Defined Terms**

Capitalised terms used in this CSOD have the meaning as specified in the document.

In this CSOD references to "we", "our" and "us" refer to the Co-operative and “I” “you” and “your” refer to prospective Investors.

**Updated information**

The information in this CSOD may change from time to time.

We will update this information by publishing changes on our website at [[insert](http://www.organicinvestmentcooperative.com.au.) website name]

**You should check our website for updates before you subscribe for any interest in the Project.** You can obtain a paper copy of any updated information free of charge by contacting us.

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# 1) Key Dates for the Offer

[*Instruction: Insert key dates for project timeline as applicable*]

# 2) An invitation to invest

[*Instruction: Provide an overview of the purpose of the Project (including how much the Co-operative is intending to raise to implement the solar project), the outcome of the project and the expected return to investors*]

**What is [insert name of Co-operative]?**

[*Instruction: What is the Co-operative? What is its vision etc.*]

**What is the purpose of the Project?**

[*Instruction*: *Explain what the Project is seeking to achieve – for example, how much the Co-operative intends to raise to implement the Project, the desired outcome of the Project and the expected return to investors*]

# 3) About this Offer

This section of the CSOD sets out the Terms of Issue for the Project.

**Who can invest in the Project?**

[*Instruction: Describe the type of investors that Co-operative would like to invest in the Offer (professional investors, Co-operative members etc). The procedure for applying for Co-operative Shares and the determination of individual allocations should also be described*.]

**What are the Project Shares?**

[*Instruction****:*** *Describe the nature of Co-operative Shares (including a discussion of the types of shares being issued and other existing classes of shares issued by Co-operative). This also includes how much the shares will cost (this will be governed by the rules)*]

**What is the expected return on the Shares?**

[*Instruction: Using earning projections for the Co-operative project, the expected return on the Co-operative Shares should be tentatively described. Also state when (if applicable) the Co-operative Board will reconsider the target dividend payments on the Co-operative Shares*]

**Will shareholders receive updates on the Project?**

[*Instruction: State that updates should be provided to members and specify how frequently the updates will be provided*]

**When are dividends paid and how often?**

[*Instruction: Specify when returns will be paid to members and the frequency of payment*]

**Can I sell or transfer my Shares?**

[*Instruction*: *Discuss the circumstances in which Shares can be sold or transferred, this will require looking at individual CCo-operative's rules to see what provision is made for this.. Also briefly discuss the procedure by which shares can be sold (eg via the establishment of a ‘Sale Register’)*]

**What is the process to transfer Shares?**

[*Instruction: If applicable, describe the process of transferring Shares. This will depend if the rules of the Co-operative allow for share transfer. Conditions should also be added, for example, specify that all transfers are subject to approval by the Co-operative and canonly be made between members]*

**What happens to the Shares if the property is sold?**

[*Instruction: Outline what will happen to the Project Shares in the unlikely event that the landholder sells*]

**Can Shareholders compel the Co-operative to sell the Project?**

[*Instruction: The Co-operative needs to consider if it wants members to have this option.*

**What happens to Shares in the Project if the Co-operative were to be wound-up?**

[*Instruction: State that the Co-operative's assets would be sold to pay off any liabilities and then any surplus assets would be distributed amongst Shareholders*]

# 4) About [insert project name]

**What is the [insert name] property?**

[*Instruction: Describe the property on which the solar project is situated (e.g. location, area). Explain why this has been chosen (e.g. the selection criteria that the Co-operative has used*]

**How will the Project be managed?**

[*Describe who will oversee and co-ordinate the Project – board of directors, project manager, consultants etc and whether an agreement will govern the management of the project*]

**What will the Project produce for the host property?**

[*Instruction: Describe the nature and quantity of the solar panels intended to be installed on the host property and what the power will be used for*]

**Key terms of the [Power Purchase Agreement or lease]**

[*Instruction:* *Will the relationship between the Co-operative and the host property be governed by a PPA or a lease? Describe the key terms of the relevant PPA/lease including details governing the sale of electricity generated by the solar panels, conditions related to hosting the location of the panels and the terms by which ownership of the panels will transfer from the Co-operative to the roof top host*]

**Key terms of the Equipment Maintenance Agreement**

[*Instruction*: *Solar panels require maintenance to ensure that they continue to operate reliably and efficiently. Describe how much maintenance is likely to be required and the predicted cost. Also outline who will be responsible for the maintenance and access to rooftop.*]

**Key terms of the Warranty Agreement**

[*Instruction: Outline Warranty Agreement. For instance, solar equipment and related infrastructure will come with some form of warranty*]

**Key Terms of the Professional Lability**

[*Instruction: For example, describe key terms of contracts governing the liability of solar installers and maintenance contractors*]

**Key terms of the Administrative Support Contract**

[*Instruction: Back office activities including most accounting and share registry functions will be performed by an external service provider and the relationship with that provider will be governed by contract. Describe the predicted cost*]

**Key terms of the Engineering, Procurement, Procurement and Construction Agreement**

[*Instruction: Describe the terms of the contract/s required to undertake the final design, procurement and construction (installation) of the solar equipment. Describe the predicted cost*]

**What are the other benefits of the Project?**

[*Instruction: Outline benefits of the Project. This can include corporate social responsibility benefits of investing in renewable energy, benefits of renewable energy (reducing emissions and mitigating climate change, and improving energy security via reducing reliance on fossil fuels), bolstering community collaboration, increasing community awareness and acceptance of the viability of solar compared to traditional generation*]

# 5) Key performance indicators for the Project

**What are the key performance indicators for the Project?**

[*Instruction: Describe how the Co-operative intends to measure the success of the project (that is, what indicators are important to the Co-operative). This could include clean energy, financial returns and collective action. Each should be a separate sub-heading*]

# 6) [Insert name of Co-operative]’s model

**What is a Co-operative and why not be a company?**

[*Instruction: Discuss what a Co-operative is and the reasons that a Co-operative model is more suitable than a company model*]

**What is [insert name of Co-operative]’s business model?**

[*Instruction:**Describe how the Co-operative is focused on facilitating the installation of solar panels in the local community*]

**What are [insert name of Co-operative]’s projected cash flows?**

[*Instruction: Describe the amount of assets the Co-operative requires to reach a sustainable growth platform and whether (and by when) this is likely to be achieved. Describe any funding that the Co-operative has and will receive (e.g. from the Moreland Energy Foundation)*]

**What is [insert name of Co-operative]’s projected balance sheet?**

[*Instruction: Tabulate the Co-operative’s assets, liabilities and net assets for the upcoming year*]

**What are the strategic objectives for [insert name of Co-operative]?**

[*Instruction: Include a project timeline, that is, the Co-operatives’ short- and long-term plan for the project. Phases subsections have been included if the Co-operative thinks it will be appropriate*]

**Phase #1** –

**Phase #2** –

# 7) [Insert name of Co-operative] Board

[*Instruction: Brief bio of directors. This would not be required if the Co-operative already has a similar section in its disclosure statement*]

# 8) How to invest

[*Instruction: Disclose where funds have come from so far and how they have been applied to the development of the Project. An example in the 'funds applied' category could be legal expenses*]

**Source & Application of funds**

|  |  |
| --- | --- |
| FUNDS RAISED |  |
| Proceeds from Offer |  |
|  |  |
| FUNDS APPLIED |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  | Total |

**Who is eligible to invest in the Project?**

[*Instruction: Specify who can invest in the Project – professional investors, ’mum and dad’ investors etc. The key element is that the person must be a member of the Co-operative.*]

**What is the minimum & maximum investment?**

[*Instruction: Describe the minimum and maximum investment according to the Co-operative's Rules and the Co-operative’s National Law*]

**How do I apply for Shares in the Project?**

[*Instruction: Describe the procedure that must be followed to apply for Shares in the Project – what documents must be completed? To whom must these be submitted?*]

**When will I have to pay for the Shares in the Project?**

[*Instruction: Describe how and by when shareholders will be notified of the allocation of their investment and must pay for their Share/s*]

**Can I invest on behalf of my company?**

[*Instruction: Specify whether companies can apply for Shares in the Project. If so, then state that the company will become a member of the Co-operative*]

**Will I be able to contact someone if I have a question about my investment?**

[*Instruction: Describe who can be contacted for queries*]

**Is there a cooling off period?**

[*Instruction: Specify whether shareholders can uninvest in the Project after Shares have been purchased*]

**What happens if the Project does not proceed?**

[*Instruction: Describe what will happen to the funds if the Project does not proceed – how long can investors expect these to be returned?*]

**What are the costs related to Project?**

[*Instruction: Provide specific costs that relate to the Project*]

|  |  |
| --- | --- |
| EXPENSES |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
| Total |  |

# 9) Risk factors

[*Instruction: Describe the risks specific to this investment including insolvency, investor interest, changes to the Federal and Victorian Renewable Energy Targets (which may affect the value of the small-scale technology certificate rebate and therefore the net cost of the systems and funds required to be sought from investors), the fact that the Co-operative's are not listed and may be difficult to sell, possibility that the solar system will fail or malfunction, early termination of Power Purchase Agreement, not gaining planning approval (describe planning approval required)*]

# 10) Additional information

**[Instruction: Include a link to a privacy policy if the Co-operative has one]**

**Interest of the Directors of [insert name of Co-operative]**

**Commissions:-**

**Member enquiries & complaints**

# EXPRESSION OF INTEREST FORM

*Expression of Interest (EOI) forms are to be submitted by [insert date]. Describe how EOIs can be submitted (for example, via a website?)*

[*Instruction: This will enable the Co-operative to get an idea of how many people want to get involved financially*]

*At this time [insert name of Co-operative] will supply an Application Form, together with their allocation confirmation, and payment details for acceptance of investment (payable within 7 days), and appropriate identification documents. [Alternatively, can be done at a launch event?]*

First Name:

Surname: (include all names of applicants.)

Second Applicant:

Address:

Town/City:

Postcode:

Mobile:

Email:

I wish to nominate for Project Shares YES/NO

Number of Shares requested:-

Total Investment EOI: (box with AUD $ ………)

**AGREEMENT (BOXES TO TICK)**

* I have downloaded and read the [Co-operative’s](http://www.organicinvestmentcooperative.com.au/files/ORICoop-Membership-Rules.pdf) Rules and [Disclosure Statement](http://www.organicinvestmentcooperative.com.au/files/ORICoop-Disclosure-Statement.pdf)
* I am a current member of [insert name of Co-operative]
* I have read this CSOD
* I understand the Terms & Conditions & Risks of this CSOD

Please send your completed application form to [[insert](mailto:admin@organicinvestmentcooperative.com.au) email address]

Or alternatively via post:- (closing date to be received by [insert date])

[Insert postal address]