**Set out below is a step by step guide to establishment for use in relation to NSW co-ops.  We haven’t prepared a similar guide for other States but we expect they will be substantively the same.**

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| **Step** | **Description** | **Required documentation** |
| 1. | **Prepare draft rules**  The first step is to draft the rules of the co-operative. Draft rules are available on the NSW OFT website. | **Co-operative rules**  The following links contain the NSW OFT model rules:         [Distributing co-operative](https://www.fairtrading.nsw.gov.au/__data/assets/rtf_file/0007/370294/Model_rules_for_distributing_cooperatives.rtf)         [Non-distributing co-operative (with share capital)](https://www.fairtrading.nsw.gov.au/__data/assets/rtf_file/0008/370295/Model_rules_for_non-distributing_co-operatives_with_share_capital.rtf)         [Non-distributing co-operative (without share capital)](https://www.fairtrading.nsw.gov.au/__data/assets/rtf_file/0009/370296/Model_rules_for_non-distributing_co-operatives_without_share_capital.rtf) |
| 2. | **Prepare draft disclosure statement**  Distributing co-operatives *must* prepare a disclosure statement for potential members.  Non-distributing co-operatives *are not required* to prepare a disclosure statement except in limited circumstances where the operations of the proposed co-operative may result in a significant financial risk to members. | **Disclosure statement**  The NSW OFT publish an example disclosure statement for formation, available [[here](https://www.fairtrading.nsw.gov.au/__data/assets/pdf_file/0016/370510/Disclosure-statement-for-formation.pdf)]. |
| 3. | **Name the co-operative**  The name of a co-operative must include either:  (a)   the word ‘Co-operative’; or  (b)   the abbreviation ‘Co-op’ or ‘Coop’,  and must end with the word ‘Limited’ or ‘Ltd’. | N/A |
| 4. | **Registrar approval**  Submit the draft rules and any disclosure statements to the NSW OFT. | **Application for approval**  The NSW OFT application form to approve co-operative rules and formation disclosure statement is available [[here](https://www.fairtrading.nsw.gov.au/__data/assets/pdf_file/0006/367710/C1_Application_Cooperative_Rules_Formation_Disclosure.pdf)]. |
| 5. | **Formation meeting**  A meeting of at least 5 potential members must be held. Among other things, the members will sign:  (a)   the application form to register a co-operative; and  (b)   an application for membership.  Both of these documents should be prepared before the meeting.  A full list of what must be done at the formation meeting is available [[here](https://www.fairtrading.nsw.gov.au/associations-and-co-operatives/co-operatives/starting-a-co-operative)]. | **Application to register a co-operative**  The NSW OFT application form to register a co-operative is available [[here](https://www.fairtrading.nsw.gov.au/__data/assets/pdf_file/0010/367714/C4_Application_to_Register_Cooperative_New.pdf)].  **Application for membership**  The NSW OFT does not provide a template membership application.  (Perhaps we could include an NRF example) |
| 6. | **Apply to register the co-operative**  The following must be submitted to the NSW OFT in order to register the co-operative:  (a)   completed Application to register a co-operative;  (b)   two copies of the rules signed by the chairperson and secretary of the formation meeting certifying that they were approved at the formation meeting;  (c)   copy of the disclosure statement, if any, signed by the chairperson and secretary of the formation meeting certifying that it was presented at the formation meeting; and  (d)   the relevant application fee. | |