

## Cooperative Resident Title Shares - update

At the GM July 2015, an agreement was made to look into this idea suggested by Nigel Hill for Coop Res Title Shares - CRTS (where the occupancy rights to a structure would be an intrinsic part of the share), and a budget was allocated for research. To start with, we thought it would be possible to have both residential and non-residential shares under this scheme. Then it seemed that we couldn't have NRMs, as only one kind of share is technically allowed in coops. This is why the decision was made to get feedback from members before going any further and spending any more money.

As the decision to research this was a GM decision, it needed to go back to the whole membership (rather than a few members making a decision). Hence the letter to NRMs asking for feedback, and the forum.

A good response came from NRMs: 20 replies, all opposing the idea. Obviously the NRMs are still passionate about Bundagen, and even though they

are not living here, they still want to be involved in any major decision concerning the land and the coop.

The forum was well attended with about 30 members (incl 3 NRMs). Everyone had a chance to express their views and opinions. **It was consensus that the idea of CRTS wouldn't have a chance of approval if it meant the NRMs would lose their shares and the right of vote.**

There will be another forum, all day, on 9<sup>th</sup> July, where every member is welcome.

Meanwhile, information is being collated on various ideas that were suggested during the recent forum.

Furthermore, Nigel Hill has now advised us that there could be a way to include the NRMs in the CRTS scheme, as the legislation does allow different classes of shares provided that by doing this, the co-operative complies with the co-operative principles.

More to come on all this at the forum.

Phil

### Report on forum 28/5/17, from *Carole, Maitoumbi and Dorin*

**THE FORUM\* REACHES CONSENSUS:** there is no support for the idea of Co-operative Resident Title shares for Bundagen where NRMs lose their right to vote and/or lose their shares

*\*Note this was a forum and not a formal community meeting. Any decisions were in the form of advice to the coordinators to guide future actions. Non Resident Members (NRMs) Carole Kostanich, Maitoumbi (Rebekah Zammit-Ross) and Dorin Hart attended along with about a third of the current resident members. The general tone of the forum was friendly and the discussion very heartfelt. Thanks to Marijo for facilitating.*

20 of the current 47 NRMs had sent letters to Bundagen; all letters opposed any changes to the coop that would deprive them of their vote & existing shares. Resident members at the forum felt the same way.

Phil, legal liaison coord, and the coordinators explained that this was the initial part of a process, set in motion by a GM in 2015, allocating up to \$15,000 and instructing them to follow through and seek legal advice from Solicitor Nigel Hill as to legal options for Bundagen to protect the land and community from further litigation.

Nigel Hill, who had acted for Bundagen in the arbitration case, had pointed out various weaknesses in our legal structure. Several have already been addressed but there remains the need to clarify the rights and responsibilities of residents. Having been paid \$3,500 so far, Nigel came up with some ideas (over one year later) one of which was changing the Bundagen share

structure to CRTs and its apparent consequences. This is why NRMs were contacted by the coordinators as it affected us directly.

A circle then followed where each participant spoke individually and without interruptions or discussion. Great support was expressed for NRMs and the role they had played and hopefully will continue to play in the future. Consensus was quickly reached that the new system of shares suggested by Nigel Hill was not acceptable.

#### Where to now?

The coordinators now have to continue with the process of seeking legal options for Bundagen's future. The rest of the forum was therefore thrown open to requests for information, ideas and suggestions as to how best to protect Bundagen and its members against litigation.

Considerable discussion occurred around the need for combined building and public liability insurance of individuals' houses as well as compliance with building regulations. There was general support for getting a second legal opinion, in particular from a Coffs Harbour solicitor, Angus Smyth, who has extensive working knowledge of Cooperative and Fair Trading.

The coordinators will continue seeking more information and have already pursued the possibility of mobile home park insurance contracts being a useful model. All participants saw the need for a further forum, probably in July, to keep up the momentum on these issues.

*NOTE: The feedback received from NRMs is available from the Secretary.*