

NEWSLETTER

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>> Co-Operative Formed to Investigate the Best Way to Lend Money to Members of the Rural Community...

The Agricultural Finance Co-Operative Ltd held its Formation Meeting on 20 January 2006 at the Offices of Jackson Smith in Sydney...

This Co-Operative has been in the planning for some years and developed out of discussions between Mr Bob Yabsley and Peter Jackson of Jackson Smith about how rural people are financed and how very often financiers do not seem to be aware of problems that farmers and others in the rural community face...

The aim, ultimately, is to have an organisation that will lend money to members in the rural community...

It was considered important that the organisation be controlled by the members and for that reason a co-operative was established. In a co-operative, each member has one vote irrespective of how much money is invested. Ultimately, it may not be possible for the financier to be a co-operative because of Federal Government Regulations.

The Agricultural Finance Co-operative Limited will raise money from its members to investigate the legal and financial structure and regulatory requirements that are needed to establish a new organisation.

This organisation will have as its aim and objective, the raising of capital to facilitate lending to members to meet their financial needs on terms and conditions that are more attuned to the needs of those members than is more currently available from mainstream lenders.

It is anticipated that this investigation process will take twelve to eighteen months and will be done with the help of a number of industry experts.

To be a member of the co-operative, a person must be a primary producer (or an officer or an employee of an entity that is a primary producer) or earn no less than fifty percent of his or her income from a rural enterprise.

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>> continued from page 1

It is intended to establish the Co-operative in every state of Australia immediately after the Registry of Co-operatives issues the Certificate of Incorporation.

Each member must take up a minimum share capital at a cost of \$1,000 and thereafter subscribe \$1,000 per year. The money raised from the members will be used to carry out the investigation work.

It is hoped that this very worthwhile project will bring significant benefits to members of the rural community. Anyone seeking more information about the Agricultural Finance Co-operative Ltd should contact Peter Jackson at Jackson Smith on Freecall 1800 687 217 or (02) 9233 5355

>> Professional advice should be sought before applying the information in this newsletter to particular circumstances.

>> We hope that our newsletters are of interest to you. If you wish a particular topic examined, please let us know.

Where to find us >>

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