

MANAGERS REPORT

ALFALFA HOUSE

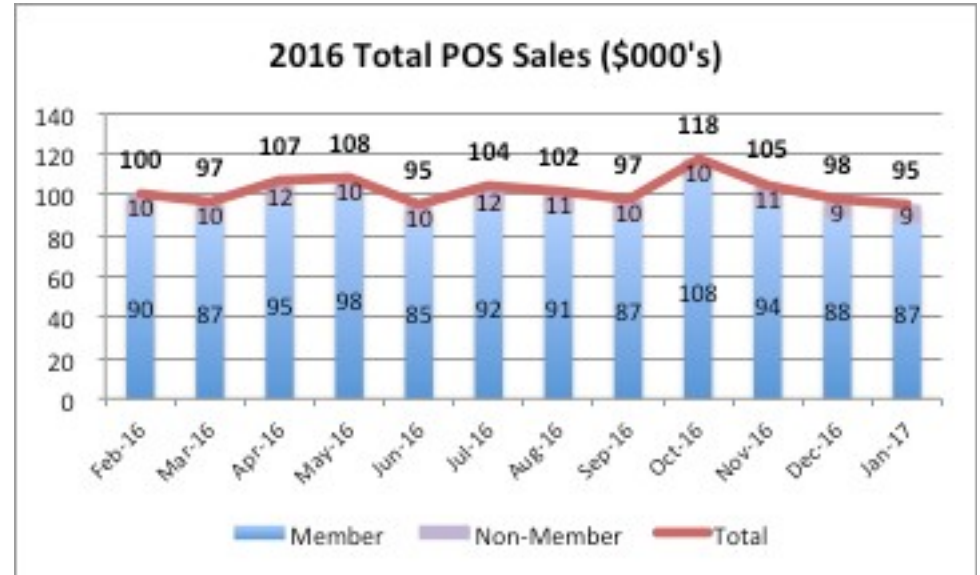
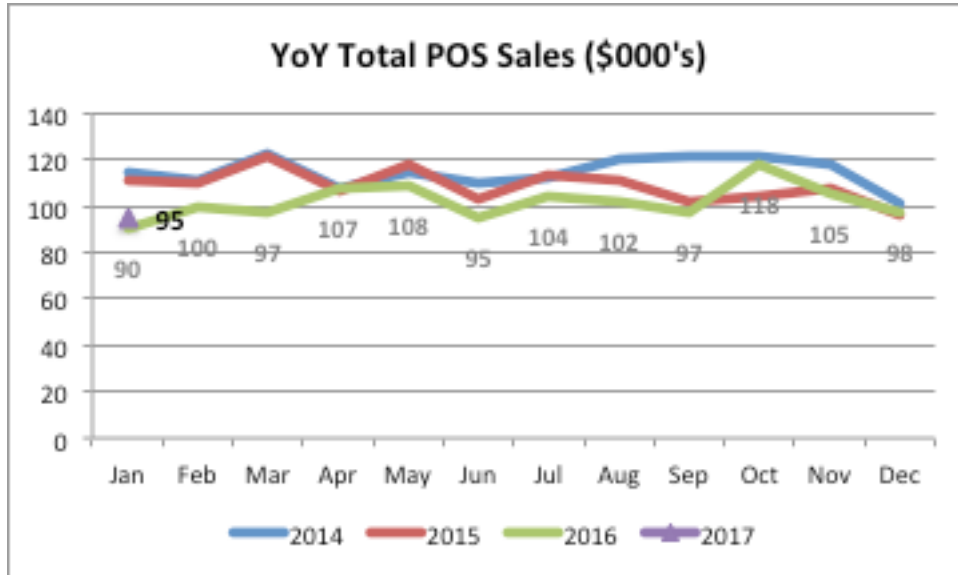
JANUARY 2017

24 February 2017

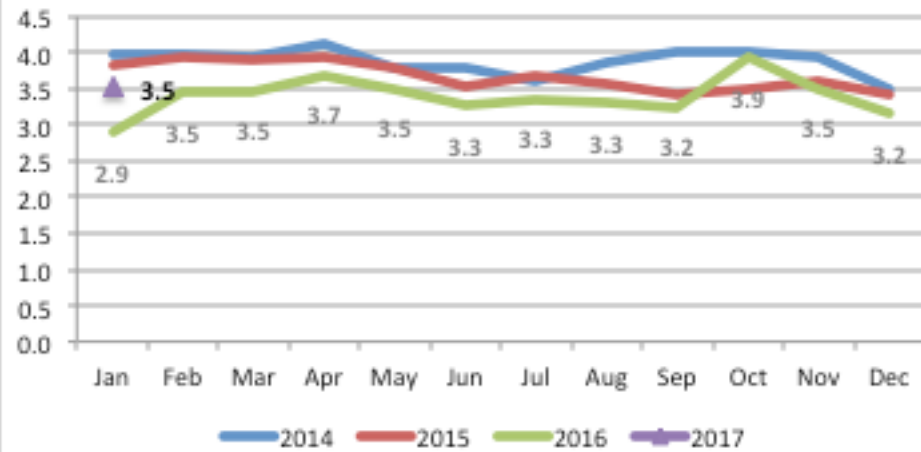
Sales according to POS

Highlights:

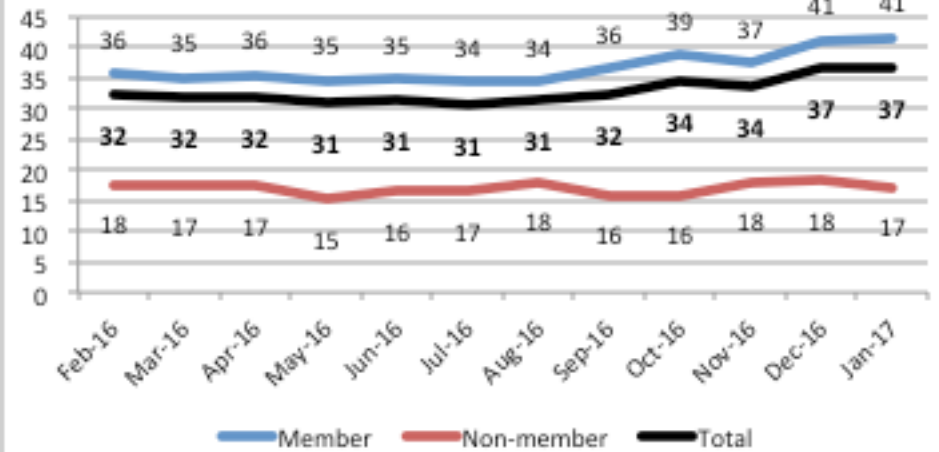
- Total POS sales have increased in Jan17 as compared to same period in 2016.
- The average spend per transaction has sustained its increase from Dec-16.
- Average number of 'member' transactions has increased in Jan-17.
- The implementation of the Annual Subscription Fee in Jan-17 is responsible for the increase in POS sales.
- We continue to have a significant problem with sales, which must be the main focus going forward.



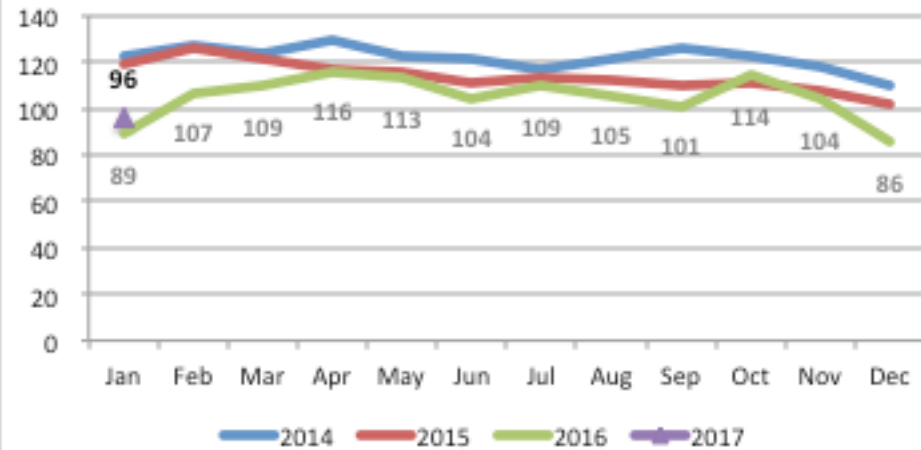
Average Daily POS Sales (\$000's)



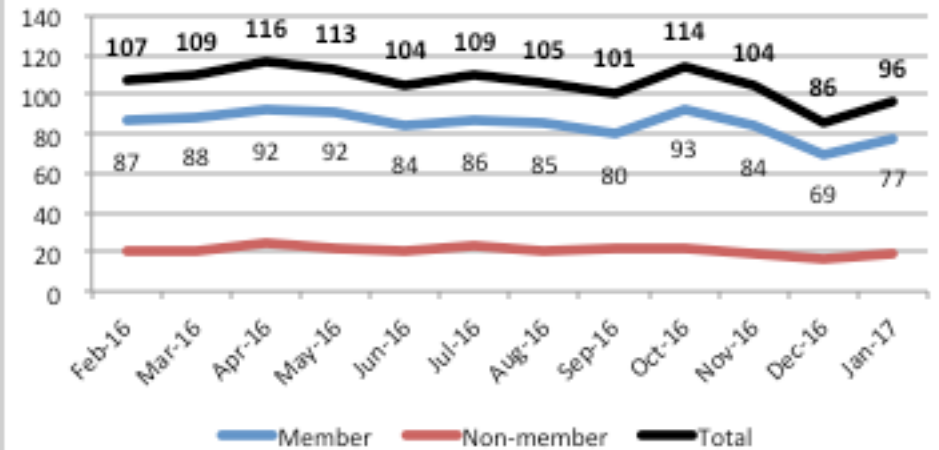
Average Sales (\$) per transaction



YoY Average No. of transactions



Average Number of transactions (per day)



PRODUCE

	<u>REVENUE</u>	<u>PERCENTAGE OF SALES</u>	<u>GROSS PROFIT MARGIN</u>	<u>LOSS</u>	<u>STOCK</u>
JAN 2017	\$33,573.78	36.3 %	35.1 %		\$272.90
DEC 2016	\$30,113.67	31.3 %	41.7 %		\$454.32
NOV 2016	\$32,871.00	32.1 %		36.4%	\$370.67
OCT 2016	\$37,025.64	32.4 %	33.7%		\$288.59
SEP 2016	\$30,715.14	31.3 %	41.9%		\$485.72
AUG 2016	\$32 322.58	32.0 %	33.7%		\$485.72
JULY 2016	\$31 729.39	30.3 %	36.3%		\$442.20
JUNE 2016	\$29 907.06	30.7 %	37.5%		\$288.59
<i>JAN 2016</i>	<i>\$32,857.63</i>	<i>32.6 %</i>	<i>30.9%</i>		<i>\$466.26</i>

GROCERIES

	<u>REVENUE</u>	<u>PERCENTAGE OF SALES</u>	<u>GROSS PROFIT MARGIN</u>	<u>LOSS</u>	<u>STOCK</u>
JAN 2016	\$58,999.18	58%	42.8%		\$247.03
DEC 2016	\$66,142.05	68 %	44.8%		\$249.29
NOV 2016	\$69,470.88	66 %		49.3%	\$93.84
OCT 2016	\$77,271.27	67.6 %	42.4%		\$98.85
SEP 2016	\$66 313.88	68.3 %	49.3%		\$159.05
AUG 2016	\$69 152.29	68.4 %	34.1%		\$103.19
JULY 2016	\$71 732.77	69.3 %	40.7%		\$144.87
JUNE 2016	\$66 212.88	68.0 %	45.5%		\$189.59
<i>JAN 2016</i>	<i>\$67,981.79</i>	<i>66.0%</i>	<i>48.7%</i>		<i>\$170.85</i>

MEMBERSHIP

Month	Current	New	Cancelled	Net Change +/-
Jan-17	3,919	56	(19)	37
Dec-16	3,882	34	(97)	(63)
Nov-16	3,887*	58	(92)	(34)
Oct-16	3,953*	48	(44)	4
Sep-16	3,937*	66	(83)	(17)

Note: (*) prior month membership numbers were run at the time of report production, therefore not a true reflection of current members as at the end of the reporting month period.

Please minute the following **new** numbers:

11998 11999 12001 12002 12003 12004 12005 12006 12008 12009 12010 12011 12012 12013 12014 12015 12016 12017 12018 12020
12021 12022 12023 12024 12025 12026 12027 12028 12029 12030 12031 12032 12033 12034 12035 12036 12037 12039 12040 12041
12042 12043 12044 12045 12046 12047 12048 12049 12050 12051 12052 12053 12054 12055 12056 12057

Please minute the following **cancelled** numbers:

2985 3061 3201 3426 6826 8000 9027 9067 9363 9866 10015 10065 10259 10299 10318 10322 10325 10331 10337

Annual Subscription Fee (2017)

Flag in POS	Price Billed	Jan		Feb		Total ID	Total \$
		ID	\$	ID	\$		
YES	\$ 18.18	353	\$ 6,417.54	188	\$ 3,417.84	541	\$ 9,835.38
	\$ 13.64	1	\$ 13.64			1	\$ 13.64
	\$ 16.36	14	\$ 229.07	1	\$ 16.36	15	\$ 245.43
	\$ 15.54			1	\$ 15.54	1	\$ 15.54
YES Total		368	\$ 6,660.24	190	\$ 3,449.75	558	\$ 10,109.99
NO	\$ 18.18	19	\$ 345.42	13	\$ 236.34	32	\$ 581.76
	\$ 9.09	1	\$ 9.09			1	\$ 9.09
NO Total		20	\$ 354.51	13	\$ 236.34	33	\$ 590.85
Grand Total		388	\$ 7,014.75	203	\$ 3,686.09	591	\$ 10,700.84

- We have had a positive start to the ASF implementation with 591 members paying their 2017 subscriptions as at 27 Feb.
- We should note that of these 388 in January, 56 of them are *new* members.
- Staff have some cleaning up to perform with processing the ASF transactions incorrectly
 - o 33 not flagged correctly in POS
 - o 18 not charged the correct fee of \$18.18 (excludes GST)
- We should now start to remind the membership of the upcoming deadline of 14 April, at which point their membership discount will cease if they do not pay the ASF.
- I have only performed 1 managers discretion discussion, the member is a regular shopper, is on a Disability Support Pension and has agreed to volunteer for 3 hours to receive the ASF for 2017.
 - o This member did suggest we should consider a concession price for people in their situation.

STAFFING

We held our monthly staffs meeting on 23 February; this meeting was focused on reviewing the Shop Coordinators Handbook (SCH), annual leave and potential staff changes.

- We had close to a full turnout for this meeting with apologies from Rosie Paijmans.
- Staffs were very engaged and we thoroughly discussed the SHC, will some agreed changes to be made, we did not have enough time to fully review this document. We will finalise this review at the next staff meeting.
- I advised staff that I would be preparing a staffing proposal to MC and requested them to advise me of their full year leave plans, so I could take this into account for staff holiday cover.

Staff Changes – current/future:

- A formal proposal with changes to the staff changes/structure is currently being devised, there are a number of moving parts and considerations to discuss 'in camera'.

VOLUNTEERS

Month	Hours	Volunteers	Average (hrs)	Comments
Jan-17	332	62	5.3	
Dec-16	269	46	5.9	
Nov-16	382	68	5.6	
Oct-16	337	61	5.5	
Sep-16	312	51	6.1	

Volunteers (hrs)	Jan-17	Dec-16	Nov-16	Oct-16	Sep-16
Permanent	134	117	172	174	205
Reg/Casual/XD	198	152	210	163	107
Total	332	269	382	337	312

Volunteers (hc)	Jan-17	Dec-16	Nov-16	Oct-16	Sep-16
Permanent	17	18	21	23	24
Reg/Casual/XD	45	28	47	38	27
Total	62	46	68	61	51

WORKPLACE HEALTH AND SAFETY

- No new staff injuries to be reported.
- Lindsay and I met with her caseworker on 15 Feb. Lindsay's recovery is progressing and she can now lift up to 10kg, but not repetitively.
- I will be working with Vanessa Cullen from Forward Thinking Design, to review the WHS assessment and devise a plan to action the priorities in this report over the coming year. This report will include a cost estimate required to perform each action item, this will be tabled for discussion at a future MC meeting. We will also review any other items which need to be added to this report.



PrivateEdge for Associations

Policy Wording



Contents

About AIG	P 3
Section 1 - Management Liability	P 6
Section 2 - Corporate Liability	P 10
Section 3 - Employment Practices Liability	P 16
Section 4 - Crime Protection	P 18
Section 5 - Superannuation Trustees Liability	Not Insured
Section 6 - Statutory Liability	P 24
General Terms and Conditions	P 25
Appendix I - BusinessGuard Advisory Panel Contacts	P 40



About AIG

This insurance is issued by
AIG Australia Limited
ABN 93 004 727 753 AFSL 381686

About the policy

Your policy is made up of this document, the Schedule and any Endorsements and they should all be read as one document. Your policy is a legal contract between you and us.

If you think that any details contained in these documents are not correct or if you need to change anything, you should ask your insurance intermediary to tell us.

You are only insured for those policy Sections that are shown as 'Yes' under 'Section Insured' in the Schedule.

There are specific conditions, specific exclusions and specific definitions that only apply to a specific policy Section. In addition, there are general conditions, general exclusions, general claims conditions and general definitions that are part of this policy and apply to each policy Section.

Copyright

The content of this policy, including but not limited to the text and images herein, and their arrangement, is the copyright property of AIG. All rights reserved. AIG hereby authorises you to copy and display the content herein, but only in connection with AIG business. Any copy you make must include this copyright notice. Limited quotations from the content are permitted if properly attributed to AIG; however, except as set forth above, you may not copy or display for redistribution to third parties any portion of the content of this policy without the prior written permission of AIG. No modifications of the content may be made. Nothing contained herein shall be construed as conferring by implication or otherwise any license or right under any patent, trademark, copyright (except as expressly provided above), or other proprietary rights of AIG or of any third party.

Important Notice

Claims-made and Notified Insurance

This policy contains coverage on a *claims-made and notified* basis. This means that this policy only covers Claims (as defined) first made against you during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. This policy does not provide cover for any

Claims made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those Claims being made against you.

Section 40(3) of the *Insurance Contracts Act 1984* provides that where you gave notice in writing to the insurer of facts that might give rise to a Claim against you as soon as was reasonably practicable after you became aware of those facts but during the Policy Period, the insurer cannot refuse to pay a Claim which arises out of those facts, when made, because it was made after the Policy Period had expired.

This policy does not cover Claims arising out of, based upon or attributable to any:

- (a) facts alleged or the same or related acts, errors or omissions alleged or contained in any Claim which has or should have been notified or in any circumstances of which notice has or should have been given under any policy of which this policy is a renewal or replacement or which it may succeed in time; or
- (b) any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication as of the Continuity Date (as defined), or alleging or deriving from the same or essentially the same facts as alleged in such actions.

Your Duty of Disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

Subject to the Non-Avoidance Provision in this Policy:

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed. PrivateEdge Policy for Associations | Page #3 of 40



Privacy Notice

This notice sets out how AIG Australia Limited (AIG) collects, uses and discloses personal information about:

- you, if an individual; and
- other individuals you provide information about.

Further information about our Privacy Policy is available at www.aig.com.au or by contacting us at australia.privacy.manager@aig.com or on 1300 030 886.

How we collect your personal information

AIG usually collects personal information from you or your agents.

AIG may also collect personal information from:

- Our agents and service providers;
- other insurers;
- people who are involved in a claim or assist us in investigating or processing claims, including third parties claiming under your policy, witnesses and medical practitioners;
- third parties who may be arranging insurance cover for a group that you are a part of;
- providers of marketing lists and industry databases; and
- publically available sources.

Why we collect your personal information

AIG collects information necessary to:

- underwrite and administer your insurance cover;
- maintain and improve customer service; and
- advise you of our and other products and services that may interest you.

You have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in AIG declining cover, cancelling your insurance

cover or reducing the level of cover, or declining claims.

To whom we disclose your personal information

In the course of underwriting and administering your policy we may disclose your information to:

- entities to which AIG is related, reinsurers, contractors or third party providers providing services related to the administration of your policy;
- banks and financial institutions for policy payments;
- assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- other entities to enable them to offer their products or services to you; and
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

AIG is likely to disclose information to some of these entities located overseas, including in the following countries: United States of America, United Kingdom, Singapore, Malaysia, the Philippines, India, Hong Kong, New Zealand as well as any country in which you have a claim and such other countries as may be notified in our Privacy Policy from time to time.

You may request not to receive direct marketing communications from AIG.

Access to your personal information

Our Privacy Policy contains information about how you may access and seek correction of personal information we hold about you. In summary, you may gain access to your personal information by submitting a written request to AIG.

In some circumstances permitted under the Privacy Act 1988, AIG may not permit access to your personal information. Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful.



Complaints

Our Privacy Policy also contains information about how you may complain about a breach of the applicable privacy principles and how we will deal with such a complaint.

Consent

If applicable, your application includes a consent that you and any other individuals you provide information about consent to the collection, use and disclosure of personal information as set out in this notice.

Dispute Resolution Process

We are committed to handling any complaints about our products or services efficiently and fairly.

If you have a complaint:

- contact your insurance intermediary and they may raise it with us;
- if your complaint is not satisfactorily resolved you may request that your matter be reviewed by management by writing to:
The Compliance Manager
AIG
Level 12, 717 Bourke Street
Docklands Vic 3008
- if you are still unhappy, you may request that the matter be reviewed by our internal Dispute Resolution Committee. We will respond to you with the Committee's findings within 15 business days.
- If you are not satisfied with the finding of the Committee, you may be able to take your matter to the insurance industry's independent dispute resolution body. This external dispute resolution body can make decisions with which we are obliged to comply.

General Insurance Code of Practice

We are a signatory to the General Insurance Code of Practice. This aims to raise the standards of practice and service in the insurance industry, improve the way that claims and complaints are handled and help people better understand how general insurance works. Information brochures on the Code are available upon request.



Policy Section 1 - Management Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

COVERS

1. **Individuals**

The **Insurer** shall pay the **Loss** of each **Office Bearer** arising from **Management Liability**, except to the extent that the **Office Bearer** has been indemnified by the **Association** for such **Loss**.

2. **Outside Entity Directors**

The **Insurer** shall pay the **Loss** of each **Outside Entity Director** arising from **Management Liability**, except to the extent that the **Outside Entity Director** has been indemnified for such **Loss**.

3. **Association Reimbursement**

The **Insurer** shall reimburse or pay on behalf of an **Association** any **Loss** for which it has indemnified an **Office Bearer** arising from **Management Liability**.

4. **Reinstatement Limit**

If the Schedule specifies an 'Aggregate Limit of Liability' for all policy Sections, the **Insurer** shall pay a separate **Reinstatement Limit** on behalf of each of the **Policyholder's Board Directors** for any **Loss** that is not indemnified by the **Association** when the original **Limit of Liability** has been exhausted. Cover shall only apply to **Loss** that is not a related **Claim** or circumstance as specified in General Terms and Conditions Claims Condition 3 'Related Claims and Circumstances'.

EXTENSIONS

1. **Assets and Liberty Costs**

The **Insurer** shall pay:

- (i) any **Bail Bond and Civil Bond Premium**;
- (ii) **Prosecution Costs**; and
- (iii) the reasonable fees, costs and expenses incurred by any **Insured Person** arising from any **Asset and Liberty Proceeding**.

2. **Insured Person Statutory Liability**

The **Insurer** shall pay up, to an aggregate amount of \$250,000, the **Statutory Liability** of any **Insured Person**. This Extension shall not apply if Policy Section 6 - Statutory Liability is shown as 'Yes' under 'Section Insured' in the Schedule.

3. **Investigations**

The **Insurer** shall pay the **Investigation Costs** of each **Insured Person** arising from an **Investigation**.

4. **Occupational Health & Safety**

The **Insurer** shall pay the **Defence Costs** and **Investigation Costs** of any **Insured Person** arising from an **Occupational Health and Safety Incident**.

5. **Public Relations Expenses**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, for reasonable fees, costs and expenses of **Public Relations Consultants** to provide **Public Relations Services** in connection with a covered **Claim**, **Critical Regulatory Event** or **Investigation**, where such **Public Relations Expenses** are not otherwise specifically covered elsewhere in this policy.



Extensions (continued)

6. **Extradition Proceedings**

The **Insurer** shall pay:

- (i) the reasonable fees, costs and expenses incurred by any **Insured Person** arising from any extradition proceeding; and
- (ii) up to an aggregate amount of \$100,000, for the reasonable fees, costs and expenses incurred by any **Insured Person** for each of (a) and (b) below:
 - (a) an accredited counsellor or tax advisor retained by an **Insured Person** approved by the **Insurer**, in extradition proceedings brought against such **Insured Person**; or
 - (b) **Public Relations Consultants** to provide **Public Relations Services** in extradition proceedings.

7. **Run-off for Retired Insured Persons**

The **Insurer** will provide:

- (i) an unlimited **Discovery Period** for any **Office Bearer**; or
- (ii) a **Discovery Period** of twelve years for any **Superannuation Trustee**;

who retires or resigns prior to or during the **Policy Period**, other than by reason of a **Transaction**, and provided that:

- (a) the cover purchased under this policy is not renewed or replaced; or
- (b) where the cover purchased under this policy is renewed or replaced, such renewal or replacement policy does not provide an extended discovery provision of at least six (6) years for such person.

8. **Superannuation Schemes**

With respect to Policy Section 1 - Management Liability only, Definition 23 'Office Bearer' is extended to include any fiduciary capacity held by an **Office Bearer** acting for or on behalf of the **Association** in the operation, administration or sponsorship of any superannuation, profit sharing or **Employee** benefits programme whose activities are not controlled by **Superannuation Trustees**. No cover shall apply for any **Superannuation Trustee Liability**.

9. **Access to Complimentary Legal Advice**

The **Insurer** has arranged for the **BusinessGuard Advisory Panel** to provide at no extra charge confidential legal advice of up to one hour per enquiry deriving from the same or related facts, to any **Insured Person** during the **Policy Period** with respect to:

- (i) employment law;
- (ii) occupational health and safety law; and
- (iii) general commercial law;

concerning the duties and obligations of a director or officer under the relevant laws of the Australian state or Territory in which the **BusinessGuard Advisory Panel** contact is located.

The above Extensions shall only apply to a **Superannuation Trustee** where Policy Section 5 - Superannuation Liability is shown as 'Yes' under 'Section Insured' in the Schedule.



EXCLUSIONS

The **Insurer** shall not be liable for **Loss** under Policy Section 1 - Management Liability:

1. Bodily Injury and Property Damage

for **Bodily Injury and/or Property Damage**. This exclusion shall not apply to:

- (i) any **Claim** for emotional distress with respect to **Employment Practices Liability, Third Party Liability** or defamation; or
- (ii) Policy Section 1 – Management Liability Extension 2 ‘Insured Person Statutory Liability’.
- (iii) Policy Section 1 - Management Liability Extension 4 ‘Occupational Health & Safety’ and General Terms & Conditions Extension 2 ‘Regulatory Crisis Response’.

2. Conduct

arising out of, based upon or attributable to:

- (i) any conduct or contravention in respect of which a liability is the subject of a prohibition in section 199B(1) of the *Corporations Act 2001* (Commonwealth); or
- (ii) the committing of any deliberately dishonest or deliberately fraudulent act,

in the event that any of the above is established by final adjudication by a judicial or arbitral tribunal or any formal written admission by the **Insured Person**.

For the purposes of determining the applicability of this Exclusion, the conduct of any **Insured** shall not be imputed to any other **Insured Person**.

With respect to Policy Section 1 – Management Liability Extension 2 ‘Insured Person Statutory Liability’ only, the **Insurer** shall not be liable for any **Statutory Liability**:

3. Deliberate or Intentional Conduct

for a deliberate, intentional or reckless act or omission.



DEFINITIONS

In Policy Section 1 - Management Liability the following words in **bold** shall have the definitions that follow:

1. Asset and Liberty Proceeding

any proceeding brought against any **Insured Person** by any **Official Body** seeking:

- (i) confiscation, assumption of ownership and control, suspension or freezing of rights of ownership of real property or personal assets of an **Insured Person**;
- (ii) a charge over real property or personal assets of such **Insured Person**;
- (iii) a temporary or permanent prohibition on such **Insured Person** from holding the office of or performing the function of a director or officer;
- (iv) a restriction of such **Insured Person's** liberty to a specified domestic residence or an official detention;
- (v) deportation of an **Insured Person** following revocation of otherwise proper, current and valid immigration status for any reason other than such **Insured Person's** conviction of a crime.

2. Bail Bond and Civil Bond Premium

the reasonable premium (but not collateral) for any bond or other financial instrument to guarantee an **Office Bearer's** contingent obligation for a specified amount required by a court hearing a **Claim**.

3. Board Director

a director of the board of the **Policyholder**.

4. Management Liability

- (i) any liability arising from any actual or alleged act, error or omission of any **Office Bearer** or arising solely because of any person's status as a **Office Bearer**;
- (ii) **Employment Practices Liability** or **Third Party Liability** of any **Office Bearer**; or
- (iii) with respect to Policy Section 1 – Management Liability Cover 3 'Company Reimbursement' any liability arising from any **Investigation, Occupational Health and Safety Incident** or extradition proceedings.

Management Liability also means with respect to shareholder derivative actions only, any **liability** arising from any proposed act, error or omission.

5. Prosecution Costs

reasonable fees, costs and expenses incurred, with the **Insurer's** prior written consent, by an **Insured Person**, to bring legal proceedings for a declaration and/or an injunction in connection with any **Asset and Liberty Proceedings**.

6. Reinstatement Limit

\$1,000,000 per **Policyholder Board Director**. The total aggregate amount payable for **Reinstatement Limits** for all **Policyholder Board Directors** shall be equivalent to the **Limit of Liability** specified in the Schedule for Policy Section 1 – Management Liability or \$5,000,000, whichever is the lesser.



Policy Section 2 - Corporate Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

COVER

1. **Corporate Liability**

The **Insurer** shall pay the **Loss** of any **Association** arising from **Corporate Liability**.

2. **Membership Liability**

The **Insurer** shall pay the **Loss** of any **Insured** arising from **Membership Liability**.

3. **Professional Liability**

The **Insurer** shall pay any **Damages** and **Defence Costs** arising from **Professional Liability**.

4. **Accidental Death**

The **Insurer** will pay up to an aggregate amount of \$100,000 for each **Insured Executive** and \$500,000 in the aggregate to the **Policyholder** in the event of the **Accidental Death** of an **Insured Executive** during the **Policy Period**.

EXTENSIONS

1. **Pollution Condition Defence Costs**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Defence Costs** of any **Association** arising from a **Pollution Condition**.

2. **Occupational Health & Safety**

The **Insurer** shall pay, up to an aggregate amount of \$500,000 for both (i) and (ii) below:

- (i) **Defence Costs** of any **Association**; and
- (ii) the reasonable fees, costs and expenses incurred by or on behalf of any **Association** with the **Insurer's** prior written consent for the principal purpose of preparing for, responding to, or attending an **Investigation**;

arising from an **Occupational Health & Safety Incident**.

3. **Breach of Contract**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Defence Costs** of any **Company** arising from any **Claim** regarding an alleged breach by any **Association** of any express (written or oral) contract or agreement.

4. **Liability to Third Party Entities due to Employee Dishonesty or Fraud**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Defence Costs** of any **Association** arising from any **Claim** made against such **Association** by a third party entity, where:

- (i) such **Claim** is in connection with any direct financial loss sustained by such third party; and
- (ii) such direct financial loss directly arises in connection with any dishonest or fraudulent act committed by any **Employee** of such **Association** acting in collusion with any director, officer, governor, trustee or **Employee** of such third party, with the intent to obtain improper personal financial gain for such **Employee** or other person, to the deprivation of the third party entity.



Extensions (continued)

5. **Identity Fraud**

If any party other than an **Insured Person** enters into any agreement with any third party entity fraudulently representing themselves as any **Association**, then the **Insurer** shall pay, up to an aggregate amount of \$100,000, any reasonable fees, costs and expenses incurred by such **Association** in establishing that such fraudulent misrepresentation has occurred, should the third party entity seek to enforce such agreement against such **Association**.

6. **Crisis Event**

The **Insurer** shall pay, up to an aggregate amount of \$50,000, the **Insured Entity's** reasonable fees, costs and expenses of **Public Relations Consultants** to mitigate the adverse effect or potential adverse effect on an **Insured Entity's** reputation with respect to a **Crisis Event**.

7. **Disappearance of Insured Executive**

If an **Insured Executive** disappears during the **Policy Period** and after 12 months it is reasonable for the **Insurer** to believe that the **Insured Executive** has suffered an **Accidental Death**, the **Insurer** will pay to the **Policyholder** the benefit specified under Policy Section 2 – Corporate Liability Cover 2 'Accidental Death', subject to receiving a signed undertaking from the **Policyholder** that any such benefit shall be refunded if it is later demonstrated that the **Insured Executive** did not in fact suffer **Accidental Death**.

8. **Superannuation Schemes**

The **Insurer** shall pay, up to an aggregate amount of \$250,000, the **Loss** of any **Association** resulting from any **Claim** in connection with any act, error or omission in connection with the operation, administration or sponsorship of any superannuation, profit sharing or **Employee** benefits programme whose activities are not controlled by **Superannuation Trustees**. No cover under this Extension shall apply to any **Superannuation Trustee Liability**.

9. **Taxation Audit and Tax Status Costs**

The **Insurer** shall pay as **Defence Costs**, up to an aggregate amount of \$50,000, any **Tax Audit Costs** and **Tax Status Costs**, if the **Policyholder** retains a qualified accountant or registered tax agent to manage its tax affairs. **Tax Audit Costs** shall not be subject to a **Retention**.

10. **Access to Complimentary Legal Advice**

The **Insurer** has arranged for the **BusinessGuard Advisory Panel** to provide at no extra charge confidential legal advice of up to one hour per enquiry deriving from the same or related facts to any **Association** during the **Policy Period** with respect to:

- (i) employment law;
- (ii) occupational health and safety law; and
- (iii) general commercial law;

concerning corporate liability under the relevant laws of the Australian State or Territory in which the **BusinessGuard Advisory Panel** contact is located.

EXCLUSIONS

The **Insurer** shall not be liable for **Loss** under Policy Section 2 - Corporate Liability:

1. **Anti-competitive Practices**

in connection with any **Claim** made for any actual or alleged violation of any law, whether statutory, regulatory or common law, with respect to any of the following activities: anti-trust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships.



Exclusions (continued)

2. **Benefits**

arising out of, based upon or attributable to any law or obligation pursuant to any workers' compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, superannuation benefits or any similar law or obligation whatsoever. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Extension 8 'Superannuation Schemes'.

3. **Bodily Injury and Property Damage**

- (i) for **Bodily Injury and/or Property Damage**. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Extension 2 'Occupational Health & Safety', General Terms & Conditions Extension 2 'Regulatory Crisis Response' or defamation; or
- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, arising out of, based upon or attributable to **Bodily Injury and/or Property Damage**, unless arising from an actual or alleged failure to achieve the legally required standard of care, diligence and expertise in performing **Professional Services**.

4. **Conduct**

- (i) arising out of, based upon or attributable to:
 - (a) the gaining of profit or advantage to which the **Association** was not legally entitled; or
 - (b) the committing of any deliberately dishonest or deliberately fraudulent act,in the event that any of the above is established by final adjudication by a judicial or arbitral tribunal or any formal written admission by the **Association**.
- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, arising out of, based upon or attributable to any:
 - (a) intentional act by an **Insured**; or
 - (b) act which a court, official tribunal or arbitrator finds, or which an **Insured** admits, to be a criminal, dishonest or fraudulent act; provided, however, that this exclusion shall not apply to liability for fraudulent or dishonest conduct of any **Office Bearer** within the meaning of **Professional Liability**.

5. **Contract**

- (i) arising out of, based upon or attributable to any liability of any **Association** under any contract or agreement. This exclusion shall not apply to:
 - (a) any **Association** liability that would have attached in the absence of such contract; and
 - (b) Policy Section 2 – Corporate Liability Extension 3 'Breach of Contract'; or
- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' only, arising out of, based upon or attributable to any:
 - (a) liability assumed or accepted by an **Insured** under any contract or agreement, except to the extent such liability would have attached to the **Insured** in the absence of such contract or agreement; or
 - (b) guarantee or warranty.

6. **Employment Practices Liability**

any **Claim** arising out of, based upon or attributable to **Employment Practices Liability** or **Third Party Liability**.

7. **Intellectual Property Rights**

- (i) in connection with any **Claim** made for any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual property rights; or



Exclusions (continued)

- (ii) in respect of Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability only, arising out of, based upon or attributable to the breach of licences concerning, infringement or misappropriation of patents or **Trade Secrets**.

8. **Pollution**

arising out of, based upon or attributable to a **Pollution Condition**. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Extension 1 ‘Pollution Condition Defence Costs’.

9. **Professional Services**

in connection with any **Claim** made for rendering or failure to render any service or advice to a customer or client of the **Insured**. This Exclusion shall not apply to Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability’.

10. **Specified Accidental Death**

the **Insurer** shall not be liable for the **Accidental Death** of an **Insured Executive** which arises out of the **Insured Executive**:

- (i) engaging in any aerial activity, except as a passenger (and not as a pilot or crewmember) in any aircraft licensed to carry passengers;
- (ii) committing suicide, or a criminal or illegal act;
- (iii) being pregnant, or giving birth or having a miscarriage;
- (iv) having Acquired Immune Deficiency Syndrome (A.I.D.S.) disease or Human Immunodeficiency Virus (H.I.V.) infection;
- (v) training for or participating as a professional in any sport;
- (vi) racing in or on any motor powered device;
- (vii) being in control of any motor powered device whilst having a blood alcohol level over the prescribed legal limit or being under the influence of any other drug, unless it was prescribed by a legally qualified medical practitioner;
- (viii) being exposed to radioactive materials in any form whatsoever whether occurring naturally or otherwise; or
- (ix) being in any way involved, directly or indirectly, in war or any consequence of war (whether declared or not), invasion, civil war or act of terrorism.

DEFINITIONS

In Policy Section 2 - Corporate Liability the following words in **bold** shall have the definitions that follow:

1. **Accidental Death**

death resulting from:

- (i) an accident caused by sudden, violent, external and visible means and occurring solely and directly and independently of any other cause including any pre-existing physical or congenital condition; or
- (ii) exposure to the elements.

Accidental Death does not include death as a result of a sickness or disease.

2. **Breach of Duty**

any actual or alleged breach of duty, negligent act, error, misstatement, breach of confidentiality or omission in the performance or failure to perform **Professional Services**.

3. **Corporate Liability**

any liability arising from any actual or alleged act, error or omission of an **Association**, except with respect to any **Employment Practices Liability** or **Third Party Liability** or **Membership Liability**.



Definitions (continued)

4. Crisis Event

any of the following unforeseen events occurring during the **Policy Period** where, in the reasonable opinion of the chief executive officer of the **Policyholder**, the event has the potential to make a material impact on the consolidated annual revenues or the reputation of the **Association** if left unmanaged:

- (i) the sudden, unexpected death or disability of any director or officer;
- (ii) the criminal conviction of any director or officer;
- (iii) loss of a major customer, contract or credit facility;
- (iv) **Employee** workplace violence;
- (v) the first apparent unauthorised intrusion into any **Association's** computer facilities;
- (vi) a recall or boycott of any product;
- (vii) a man-made disaster; or
- (viii) any criminal or fraud investigation.

Crisis Event does not include an event that affects the **Association's** industry in general; rather than the **Association**, specifically.

5. Damages

any amount which the **Insured** is legally liability to pay to a **Third Party** resulting from a **Claim** made against an **Insured** in respect of awards or damages or for settlements, subject to the limitations of **Loss**.

6. Infringement

An infringement of any intellectual property right of any **Third Party**, other than patents and **Trade Secrets**.

7. Insured Executive

any natural person who is, at the time of his or her **Accidental Death**:

- (i) aged between 18 years and 70 years; and
- (ii) a validly appointed member of the board, or director, of the **Policyholder**.

Insured Executive does not include a natural person who during the **Policy Period**:

- (a) resigns or is dismissed from the board of the **Policyholder**; or
- (b) attains the age of 70 years.

8. Member

a member as defined in the **Policyholder's** governing articles or rules and includes any past, present or prospective members of the **Policyholder**.

9. Membership Liability

any liability arising from a **Claim** made against any **Association** or **Office Bearer** by a **Member** of the **Association** based upon any actual or alleged act, error or omission of an **Association** in connection with membership promotion, membership rights or the termination or suspension of membership, including, but not limited to, any harassment or discrimination.

10. Misleading or Deceptive Conduct

any actual or alleged misleading or deceptive conduct at law or under the *Corporations Act 2001* (Cth), *Australian Securities and Investments Commission Act 2001* (Cth), *Trade Practices Act 1974* (Cth) or any similar provisions in the States' Fair Trading Acts.



Definitions (continued)

11. Professional Liability

liability for **Damages** arising from:

- (i) any **Breach of Duty** or **Misleading or Deceptive Conduct** of the **Insured**;
- (ii) any **Infringement**;
- (iii) defamation committed by an **Insured**; or
- (iv) any fraudulent or dishonest conduct of any **Office Bearer**;
 - (a) not condoned, expressly or implicitly, by the **Association**; and
 - (b) that results in a liability to the **Association**;

provided, however, that no cover is provided to the person committing the fraudulent or dishonest conduct;

provided also that (i), (ii), (iii) or (iv) first takes place on or after the **Retroactive Date** and is solely in the performance of or failure to perform **Professional Services**.

12. Professional Services

the following professional services provided by the **Organisation**:

- (i) advocacy and promotion of the **Organisation's** objectives and area of focus or interest, including publication or information in any media type;
- (ii) registration, training and accreditation of members;
- (iii) publication or professional or technical standards;
- (iv) acting as an insurance intermediary for the purpose of distributing personal lines, general and life insurance products to **Members**;
- (v) events for **Members** and others that promote the **Organisation's** area of focus or interest; or
- (vi) fundraising activities.

Professional Services does not mean:

- (a) the provision of a disciplinary function for members;
- (b) the provision of financial or investment advice;
- (c) medical treatment, care or advice, counselling or healthcare; or
- (d) professional consultancy services for a fee, commission or other remuneration.

13. Tax Audit Costs

reasonable and necessary fees, costs and expenses of a qualified accountant or registered tax agent incurred by or on behalf of the **Insured** with the **Insurer's** prior written consent arising from an Australian Taxation Office audit of the **Policyholder**.

14. Tax Status Costs

reasonable and necessary fees, costs and expenses incurred by or on behalf of the **Insured** with the **Insurer's** prior written consent to exercise any right of review or available remedy in connection with an Australian Taxation Office audit concerning the **Policyholder's** concessional tax status.

15. Trade Secret

information that derives independent economic value, actual or potential, from not being generally known and not being readily ascertainable through proper means by other persons who can obtain economic advantage from its disclosure or use.



Policy Section 3 - Employment Practices Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

COVERS

1. **Employment Practices Liability**

The **Insurer** shall pay the **Loss** of each **Association** arising from **Employment Practices Liability**.

2. **Third Party Liability**

The **Insurer** shall pay, the **Loss** of each **Association** arising from any harassment of or discrimination against any natural person third party who is not an **Employee**.

EXTENSIONS

1. **Access to Complimentary Legal Advice**

The **Insurer** has arranged for the **BusinessGuard Advisory Panel** to provide at no extra charge confidential legal advice of up to one hour per enquiry deriving from the same or related facts to any **Association** during the **Policy Period** with respect to employment law under the relevant laws of the Australian State or Territory in which the **BusinessGuard Advisory Panel** contact is located.

2. **Insured Person Employment Practices Liability**

The **Insurer** shall pay the **Loss** of each **Insured Person** arising from **Employment Practices Liability**. This Extension shall not apply if Policy Section 1 – Management Liability is shown as ‘Yes’ under ‘Section Insured’ in the Schedule.

EXCLUSIONS

The **Insurer** shall not be liable for **Loss** under Policy Section 3 – Employment Practices Liability:

1. **Anti-competitive Practices**

in connection with any **Claim** made for any actual or alleged violation of any law, whether statutory, regulatory or common law, with respect to any of the following activities: anti-trust, business competition, unfair trade practices or tortious interference in another’s business or contractual relationships.

2. **Benefits**

arising out of, based upon or attributable to any law or obligation pursuant to any workers’ compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits, superannuation benefits or any similar law or obligation whatsoever.

3. **Bodily Injury and Property Damage**

for **Bodily Injury and/or Property Damage**. This exclusion shall not apply to any **Claim** for emotional distress with respect to **Employment Practices Liability, Third Party Liability** or defamation.

4. **Conduct**

arising out of, based upon or attributable to:

(i) the gaining of profit or advantage to which the **Association** was not legally entitled; or

(ii) the committing of any deliberately dishonest or deliberately fraudulent act, in the event that any of the above is established by final adjudication by a judicial or arbitral tribunal or any formal written admission by the **Association**.



Exclusions (continued)

- 5. *Intellectual Property Rights***
in connection with any **Claim** made for any actual or alleged plagiarism, misappropriation, infringement or violation of copyright, patent, trademark, trade secret or any other intellectual property rights.
- 6. *Pollution***
arising out of, based upon or attributable to a **Pollution Condition**.
- 7. *Professional Services***
in connection with any **Claim** made for rendering or failure to render any service or advice to a customer or client of the **Insured**.



Policy Section 4 - Crime Protection

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

COVER

1. ***Employee Fraud or Dishonesty***

The **Insurer** shall pay the **Insured Entity** for **Direct Financial Loss** resulting from any acts of fraud or dishonesty committed by any **Employee** (acting alone or in collusion with others) with the principal intent to cause the **Insured Entity** to sustain such **Direct Financial Loss** or to obtain a personal financial gain.

2. ***Third Party Crime***

The **Insurer** shall pay the **Insured Entity** for **Direct Financial Loss** resulting from any **Theft** or **Fraudulent Act** committed by any **Third Party**.

3. ***Electronic and Computer Crime***

The **Insurer** shall pay the **Insured** for **Loss** resulting from any **Electronic and Computer Crime** committed by a **Third Party**.

4. ***Destruction and Damage of Money or Negotiable Instruments***

The **Insurer** shall pay the **Direct Financial Loss** of any **Insured Entity** directly resulting from the physical loss of or damage to or actual destruction or disappearance of any **Insured Entity's Money** or **Negotiable Instruments** including damage to or actual destruction of safes or vaults. If such loss or damage is caused by fire, storm or natural disaster, then maximum amount payable for such loss is \$100,000 in the aggregate payable as part of the **Limit of Liability**.

5. ***Care, Custody and Control***

The **Insurer** shall pay the direct financial loss of any **Third Party** or other organisation, provided the **Insured Entity**:

- (i) has in its care, custody or control the **Money, Negotiable Instruments** or other property belonging to that **Third Party** or other organisation; and
- (ii) is liable to that **Third Party** or other organisation for such direct financial loss.

6. ***Shareholders***

The **Insurer** shall pay the **Direct Financial Loss** of any **Insured Entity** resulting from **Theft** or **Fraudulent Acts** of any person who owns or controls any of the **Insured Entity's** issued share capital. If such person owns or controls more than 5% of the **Insured Entity's** issued share capital, then the **Insurer's** liability for **Direct Financial Loss** shall be reduced by:

- (i) any amount owed to such person by the **Insured Entity**; and
- (ii) the financial value of such person's share in the **Insured Entity** as determined by an independent valuation of such share as at the date such **Theft** or **Fraudulent Act** is first **Discovered**.

EXTENSIONS

1. ***Legal Fees***

The **Insurer** shall pay, up to an aggregate amount of \$50,000, the **Insured Entity's** reasonable legal fees costs and expenses incurred in the defence of any written demand, claim, suit or legal proceeding, which the **Insured Entity** subsequently establishes results directly from a covered or potentially covered **Direct Financial Loss**.



Extensions (continued)

2. **Reconstitution Costs**

The **Insurer** shall pay, up to an aggregate amount of \$50,000, the **Insured Entity's** reasonable fees, costs and expenses incurred in rewriting or amending the **Insured Entity's** software programs or systems where such rewriting or amending is necessary to correct the programs or systems following a covered **Direct Financial Loss**.

3. **Investigative Specialist Fees**

The **Insurer** shall pay, up to an aggregate amount of \$100,000, the **Insured Entity's** reasonable fees, costs and expenses incurred in retaining a fraud investigator, pre-approved by the **Insurer** in writing, to investigate, prove and report a covered or potentially covered **Direct Financial Loss**. The investigative specialist must not have a conflict of interest concerning such retainer.

No **Retention** shall apply to Extensions 1, 2 and 3 above and amounts are payable in addition to the **Limit of Liability**.

EXCLUSIONS

The **Insurer** shall not be liable under Policy Section 4 – Crime Protection for:

1. **Agent Acts**

any act, error or omission of any independent contractor (other than an **Employee**), broker, merchant, external solicitor or external accountant, or other similar agent or representative. This exclusion shall not apply to any organisation to which the **Insured Entity** has outsourced any normal administrative function under a written contract of engagement with such organisation.

2. **Benefits**

salaries, commissions, fees and bonuses, promotions, awards, profit sharing, superannuation or other employee benefits paid by the **Insured Entity** where earned in the normal course of employment.

3. **Confidential Information**

loss of or damage to proprietary information, intellectual property, trade secrets, confidential processing methods, or other confidential information of any kind.

4. **Direct Financial Loss Sustained After Knowledge**

Direct Financial Loss sustained after any **Responsible Person** of an **Insured Entity** first becomes aware that:

- (i) any **Theft** or **Fraudulent Act** has been committed by a **Third Party** or any person who owns or controls more than 5% of the **Insured Entity's** issued share capital;
- (ii) an **Employee** has committed a dishonest or fraudulent act during the term of his or her employment with any **Insured Entity**; or
- (iii) an **Employee** has previously committed a dishonest or fraudulent act prior to employment with any **Insured Entity**, provided the act or acts involved **Money, Negotiable Instruments** or other property valued at \$10,000 or more.

5. **Fire**

Direct Financial Loss or damage caused by fire, other than loss of or damage to **Money, Negotiable Instruments**, safes or vaults covered under Policy Section 4 – Crime Protection Cover 3 'Destruction and Damage of Money or Negotiable Instruments'.



Exclusions (continued)

6. **Forcible and Violent Theft**

Direct Financial Loss occurring following forcible or violent entry to any premises occupied by an **Insured Entity** by any **Third Party**, where such **Third Party** is acting alone and not in collusion with any **Employee**; other than where covered under Policy Section 4 – Crime Protection Cover 3 ‘Destruction and Damage of Money or Negotiable Instruments’.

7. **Premises Damage**

damage or destruction to any premises or building.

8. **Profit, Loss or Inventory Computation**

Direct Financial Loss which can only be proved solely by:

- (i) a profit and loss computation or comparison; or
- (ii) a comparison of inventory records with an actual physical count.

9. **Voluntary Exchange or Purchase**

Direct Financial Loss arising out of the voluntary giving or surrendering (whether or not such giving and surrendering is induced by deception) of **Money, Negotiable Instruments** or other property in any exchange or purchase, unless the **Insured Entity** has taken reasonable steps to prevent such **Direct Financial Loss**.

DEFINITIONS

In Policy Section 4 - Crime Protection the following words in **bold** shall have the definitions that follow:

1. **Cheque Forgery**

- (i) the **Forgery** or **Fraudulent Alteration** of any cheque or similar written promise by the **Insured** to pay a veritable sum representing money drawn upon the **Insured's** account at any bank at which the **Insured** maintains a current or savings account;
- (ii) the **Fraudulent Alteration** of, on or in any cheque or draft:
 - (a) drawn upon by any bank; or
 - (b) drawn upon by any corporation upon itself;
- (iii) the **Fraudulent Alteration** of, on or in any cheque or written order or direction to pay a veritable sum representing money drawn by any public body upon itself, or any warrant drawn by any public body which the **Insured** shall receive at any of its premises in payment or purported payment for:
 - (a) tangible property sold and delivered; or
 - (b) services rendered.

2. **Computer**

means any computer, data processing equipment, media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or storage device, microchip, integrated circuit, real-time clock system, or similar device or any computer software, firmware or microcode. **Computer** shall also include its components available to its users, including but not limited to memory, bandwidth, processor time, use of communication facilities and any other computer-connected equipment.

3. **Computer Fraud**

means the theft of the **Insured's** assets under the direct or indirect control of a **Computer** by manipulation of computer hardware or software programmes or systems by any **Third Party** who is not authorised by the **Insured** to access that **Computer**.



Definitions (continued)

4. Corporate Card Fraud

the fraudulent use of any corporate credit, debit or charge card issued to the **Insured** or any **Employee** for business purposes where such card is **Forged** or is the subject of **Fraudulent Alteration** provided that the **Insured** or **Employee** has complied fully with the provisions, conditions and other terms under which the card was issued and provided the **Insured** is legally liable for such **Direct Financial Loss**.

5. Counterfeit or Counterfeiting

the imitation of an authentic negotiable instrument such that the **Insured** is deceived on the basis of the quality of the imitation to believe that the said item is the authentic original negotiable instrument. Fictitious instruments which merely contain fraudulent misrepresentations of fact and are genuinely signed or endorsed are not **Counterfeit**.

6. Direct Financial Loss

direct financial loss sustained by any **Insured Entity**.

7. Discovered

knowledge of any act, omission or event which could reasonably be seen to give rise to a **Direct Financial Loss** by any of the **Insured Entity's Responsible Persons**.

8. Electronic and Computer Crime

means any one of the following:

- (i) **Computer Fraud**; or
- (ii) **Funds Transfer Fraud**.

9. Fraudulent Act

- (i) **Cheque Forgery**;
- (ii) **Corporate Card Fraud**; or
- (iii) **Imitation Fraud**.

10. Fraudulent Alteration

a material alteration to an instrument for a fraudulent purpose, unless altered by the person who was authorised to prepare or sign the instrument.

11. Forgery or Forged

the signing or endorsing of the name of a genuine person or a copy of the said person's signature without authority and with intent to deceive. A signature may be hand-written or mechanically or electronically produced or reproduced. It does not include the signing in whole or in part of one's own name, with or without authority, in any capacity, for any purpose.

12. Funds Transfer Fraud

means the theft of the **Insured's** funds from an account maintained by the **Insured** at a financial institution (from which the **Insured** or a person or organisation authorised by the **Insured** may request the transfer, payment or delivery of funds), following fraudulent electronic, telegraphic, tested facsimile, tested telex, telephone or written instructions to debit such account and to transfer, pay or deliver funds from such account and which instructions purport to have come from the **Insured** or a person or organisation authorised by the **Insured** to issue such instructions, but which are fraudulently transmitted, issued, or are **Forged** or have been the subject of **Fraudulent Alteration** by any **Third Party**.



Definitions (continued)

13. Imitation Fraud

- (i) the **Forgery** or **Fraudulent Alteration** of any **Money** or **Negotiable Instruments** or instruction; or
- (ii) the **Counterfeiting** of any **Money** or **Negotiable Instruments**, upon which the **Insured** has acted or relied.

14. Money

currency, coins, bank notes and bullion, cheques, travellers' cheques, registered cheques, postal orders and money orders.

15. Negotiable Instruments

all securities, instruments or contracts, including any note, stock, bond, debenture, evidence of indebtedness, share or other equity or debt security, representing either money or property, but does not include **Money**.

16. Property

physical property, excluding the building and its fixtures and fittings, **Money** and **Negotiable Instruments**.

17. Responsible Person

any **Employee** acting in a directorial, managerial or supervisory capacity other than any person who has committed any acts of fraud or dishonesty.

18. Theft

the unlawful taking of the **Insured's Money**, **Negotiable Instruments** or **Property** occurring:

- (i) within the premises; or
- (ii) within the interior of any banking premises or similar recognised place of safe deposit; or
- (iii) while in transit and in the care, custody and control of an **Employee** or director, supervisor of the board or partner of the **Insured** following the actual or threatened use of force or violence; or
- (iv) while in the care, custody and control of any security company or armoured motor vehicle company, duly authorised by the **Insured** to retain such care, custody and control and provided that the **Insurer** shall only be liable for the amount that is in excess of the amount of any other valid and collectible insurance or indemnity, contractual or otherwise, available to the security company or armoured motor vehicle company.



GENERAL PROVISIONS

1. ***Use of Investigative Specialist***

In reporting and investigating **Direct Financial Loss** in accordance with Policy Section 4 – Crime Protection Extension 3, the investigative specialist shall also advise as to when and how the **Insured Entity's** controls were or may have been breached and summarise recommendations which may prevent future similar **Direct Financial Loss**. The **Insurer** has the right to attend the initial meeting between the **Insured Entity** and the investigative specialist. There shall be no cover for the costs and expenses of an investigative specialist unless the investigative specialist is pre-approved by the **Insurer** in writing.

2. ***Basis of Valuation***

In no event shall the **Insurer** be liable for more than:

- (i) the actual market value of **Negotiable Instruments, Money** or precious metals at the close of business on the day the **Direct Financial Loss** was first **Discovered** (determined by the value published in the Australian Financial Review in Australia or equivalent local daily financial newspaper), or the actual cost of replacing the **Negotiable Instruments, Money** or precious metals, whichever is less;
- (ii) the actual cash value of other property (not referred to in (i) above) at the close of business on the day the **Direct Financial Loss** was first **Discovered**, or the actual cost of replacing the property with property of like quality or value, whichever is less;
- (iii) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the **Insured Entities** in order to reproduce books of account or other records; or
- (iv) the cost of labour for the actual transcription or copying of electronic data furnished by the **Insured Entities** in order to reproduce such electronic data.



Policy Section 6 - Statutory Liability

In consideration of the payment of the premium or agreement to pay the premium, the **Insurer** and the **Policyholder** agree as follows:

COVER

1. Insured Person Statutory Liability

The **Insurer** shall pay the **Statutory Liability** of any **Insured Person** arising from:

- (i) **Management Liability**, where Policy Section 1 - Management Liability is positively marked 'Yes' under 'Section Insured' in the Schedule; and
- (ii) **Superannuation Trustees Liability**, where Policy Section 5 - Superannuation Trustees Liability is positively marked 'Yes' under 'Section Insured' in the Schedule.

2. Insured Entity Statutory Liability

The **Insurer** shall pay the **Statutory Liability** of any **Insured Entity** arising from:

- (i) **Corporate Liability**, where Policy Section 2 - Corporate Liability is positively marked 'Yes' under 'Section Insured' in the Schedule;
- (ii) **Employment Practices Liability**, where Policy Section 3 - Employment Practices Liability is positively marked 'Yes' under 'Section Insured' in the Schedule; and
- (iii) **Superannuation Trustees Liability**, where Policy Section 5 - Superannuation Trustees Liability is positively marked 'Yes' under 'Section Insured' in the Schedule.

EXCLUSIONS

The **Insurer** shall not be liable for any **Statutory Liability** under Policy Section 6 – Statutory Liability:

1. Deliberate or Intentional Conduct

for a deliberate, intentional or reckless act or omission.

With respect to Policy Section 6 – Statutory Liability Cover 2 'Insured Entity Statutory Liability' only, the **Insurer** shall not be liable for any **Statutory Liability**:

2. Anti-Competitive Practices

for any violation of any law or regulation with respect to any of the following activities: anti-trust, business competition, unfair trade practices or tortious interference in another's business or contractual relationships.

3. Corporations Act

for any violation of Sections 182, 183, 601FD, 601FE or 601JD of the *Corporations Act 2001* (Cth).

4. ERISA

with respect to any **Plan**, fund or programme subject to regulation under Title 1 of the *Employee Retirement Income Security Act of 1974* (USA), as amended, or any part thereof, or meets the requirements for qualification under Section 401 of the *Internal Revenue Code of 1986* (USA), as amended.

5. Professional Services

in connection with any **Claim** made for rendering or failure to render any professional service or advice to a customer or client of the **Insured**.

6. Tax

for any violation of any law or regulation with respect to tax, rate, duty, levy, charge, fee or any other revenue charge or impost.

7. Traffic

for any violation of any law or regulation with respect to vehicular, air or marine traffic.



General Terms and Conditions

In consideration of the payment of the premium the **Insurer** and the **Policyholder** agree as follows.

EXTENSIONS

1. **Court Attendance**

The **Insurer** shall pay the following rates per day for each day on which attendance in a court by an **Insured Person** is required in connection with any covered **Claim**, up to an aggregate amount of \$100,000:

- (i) for any director or officer; **Outside Entity Director**; or any **Employee**; of an **Insured Entity** acting in a managerial or supervisory capacity: \$300
- (ii) any other **Insured Person** not referred to in (i) above: \$150

2. **Regulatory Crisis Response**

In addition to **Defence Costs** and **Investigation Costs**, the **Insurer** will pay, up to an aggregate amount of \$100,000, for the reasonable fees, costs and expenses incurred by or on behalf of any **Insured** in retaining legal advisers for the principal purpose of responding to a **Critical Regulatory Event**.

3. **Discovery Period**

The **Policyholder** shall be entitled to a **Discovery Period** either:

- (i) automatically of 60 days if this policy is not renewed or replaced with a similar policy; or
- (ii) (a) 12 months at 100% of the full annual premium in effect at the expiry of the **Policy Period**; or
(b) 24 months at 150% of the full annual premium in effect at the expiry of the **Policy Period**

subject to the **Policyholder** making a request for such **Discovery Period** in writing prior to the expiry of the **Policy Period** and paying the additional premium required, no later than 30 days after the expiry of the **Discovery Period**. If a 12 or 24 month **Discovery Period** is purchased under paragraphs (a) or (b) above, the **Discovery Period** in respect of Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability’ shall remain 60 days.

A **Discovery Period** is non-cancellable and shall not apply if a **Transaction** occurs. However, upon written request of the **Policyholder**, the **Insurer** may quote a run-off **Discovery Period**. In considering such request, the **Insurer** shall be entitled to fully underwrite the exposure and to extend such offer on whatever terms, conditions and limitations that the **Insurer** reasonably deems appropriate.

4. **Emergency Costs**

If the **Insurer’s** written consent cannot be obtained within a reasonable time before **Defence Costs** are incurred with respect to any **Claim**, or costs are incurred with respect to a **Crisis Loss**, then the **Insurer** shall allow retrospective approval for such costs up to, in the aggregate, ten percent (10%) of the **Limit of Liability** of the applicable coverage Section.

5. **Legal Expenses Policy**

Where any **Insured** holds a **Legal Expenses Policy** at the same time as this policy, which provides cover which is the same as any cover provided under this policy, such that the **Insured** is covered for legal expenses under both this policy and the **Legal Expenses Policy**, then the **Insurer** shall pay such legal expenses on a primary basis on the condition that prior to such payment, the **Insured** has notified its **Legal Expenses Policy** insurer in writing of its request for cover with respect to such legal expenses, and provides written evidence to the **Insurer** of such notification.



Extensions (continued)

6. **New Subsidiary**

If the **Policyholder** during the **Policy Period** creates any entity or obtains **Control** of any entity either directly or indirectly through one or more other entities then the term **Subsidiary** shall be extended to include that entity automatically, unless at the time of the **Policyholder** obtaining such **Control**, such entity:

- (i) is incorporated or domiciled in the United States of America;
- (ii) has and continues to have any of its **Securities** listed on any securities exchange or market; or
- (iii) is situated in a country in which an **Association** does not already hold a **Subsidiary**.

EXCLUSIONS

The **Insurer** shall not be liable under any Policy Section for:

1. **Prior Claims and Circumstances, Notifications**

- (i) **Loss** arising out of, based upon or attributable to:
 - (a) facts alleged or the same or related acts, errors or omissions alleged or contained in any **Claim** which has or should have been notified or in any circumstances of which notice has or should have been given under any policy of which this policy is a renewal or replacement or which it may succeed in time; or
 - (b) any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication as of the **Continuity Date**, or alleging or deriving from the same or essentially the same facts as alleged in such actions.
- (ii) **Direct Financial Loss**:
 - (a) arising out of, based upon or attributable to any fact, matter, circumstance or occurrence which has been notified to any insurer under any other policy of insurance effected prior to the inception date of this policy; or
 - (b) of which the **Insured Entity** or its **Responsible Persons** were aware prior to the inception date of this policy; or
 - (c) occurring prior to the date upon which a **Subsidiary** became a covered **Subsidiary**.

DEFINITIONS

In this policy the following words in **bold** shall under all Policy Sections have the definitions that follow:

1. **Association**

the **Policyholder** or any **Subsidiary**.

2. **Bodily Injury and/or Property Damage**

bodily injury, sickness, disease, death or emotional distress of any natural person; or damage to, destruction, impairment or loss of use of any property.

3. **BusinessGuard Advisory Panel**

the solicitors appointed from time to time by the **Insurer**, as currently listed in Appendix I.

4. **Claim**

- (i)
 - (a) a written demand;
 - (b) a civil, regulatory, mediation, administrative or arbitration proceeding, including a counter-claim, seeking compensation or other legal remedy;
 - (c) a criminal proceeding;
for a specified act, error or omission;
- (ii) an **Investigation** or **Critical Regulatory Event**;



Definitions (continued)

- (iii) an extradition proceeding; or
- (iv) an **Asset and Liberty Proceeding**; or
- (v) in respect of Policy Section 2 – Corporate Liability Extension 9 ‘Taxation Disputes’ only, written notification of an Australian Taxation Office audit of the **Policyholder**.

5. **Continuity date**

the applicable date specified as such in the Schedule.

6. **Control**

the securing of the affairs of an entity by means of:

- (i) controlling the composition of the board of directors of such entity;
- (ii) controlling more than half of the shareholder or equity voting power of such entity; or
- (iii) holding more than half of the issued share or equity capital of such entity.

7. **Critical Regulatory Event**

- (i) a raid on, or on-site visit to, any **Association** which first takes place during the **Policy Period** by any regulator that involves the production, review, copying or confiscation of files or interviews of any **Insured Person**;
- (ii) a public announcement relating to the foregoing.

8. **Defence Costs**

- (i) reasonable fees, costs and expenses incurred by or on behalf of an **Insured** either as emergency costs under General Terms & Conditions Extension 4 ‘Emergency Costs’, or with the **Insurer’s** prior written consent, after a **Claim** is made in the investigation, defence, settlement or appeal of such **Claim**; or
- (ii) reasonable fees, costs and expenses of accredited experts retained through defence counsel to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in respect of a **Claim** specified in (i) above.

9. **Discovery Period**

a period immediately following expiry of the **Policy Period** during which written notice may be given to the **Insurer** of:

- (i) any **Direct Financial Loss Discovered** during such period of time in connection with any act committed prior to the end of the **Policy Period**, provided any applicable additional premium required by the **Insurer** is paid within 30 days of expiry of the **Policy Period**;
- (ii) a **Claim** first made during such period or the **Policy Period**;
 - (a) with respect to an act, error or omission occurring prior to the expiry of the **Policy Period**; or
 - (b) in the case of an **Investigation**, extradition proceedings or **Asset & Liberty Proceedings**, matters which occurred prior to the expiry of the **Policy Period**.

10. **Employee**

- (i) any natural person full-time, part-time, seasonal or temporary worker of any **Association** who works under a contract of service with the **Association**, or who is undertaking work experience, whom such **Association** has the right to govern and direct in the performance of such services, and whom the **Association** compensates by way of salary, wages and/or commissions;
- (ii) any natural person independent contractor or any natural person seconded to the **Association**, if such individual is under the direction and supervision of the **Association** and the **Association** provides indemnification to such individual in the same manner as is provided to the **Employees** referred to in (i) above;
- (iii) any volunteer under the direction and supervision of the **Association**; or



Definitions (continued)

- (iv) with respect to Policy Section 4 - Crime Protection only:
 - (a) any natural person employed by an organisation to which the **Association** outsources any normal administrative function under a written contract of engagement with such organisation; or
 - (b) any **Superannuation Trustee**.

11. Employment Practices Liability

any liability arising from any actual or alleged act, error or omission with respect to:

- (i) any employment of any past, present or future **Employee** or **Insured Person** of any **Association**; or
- (ii) any prospective employment of any person.

12. Employment-Related Benefits

- (i) perquisites and fringe benefits;
- (ii) payments due under any employee benefit plan or superannuation scheme;
- (iii) stock or share options or any other right to purchase, acquire or sell stock or shares of any **Association**; or
- (iv) incentive or deferred compensation.

13. Insured

any **Insured Entity** and/or **Insured Person**.

14. Insured Entity

any **Association** or **Plan**.

15. Insured Person

Office Bearer or natural person **Superannuation Trustee**.

16. Insurer

AIG Australia Limited ABN 93 004 727 753 AFSL 381686.

17. Investigation

any hearing, examination, investigation or inquiry by an **Official Body** into the affairs of an **Insured Entity** or **Outside Entity**, or an **Insured Person** of such entity, once an **Insured Person** receives written documentation during the **Policy Period**:

- (i) requiring them to attend before or produce documents to, or answer questions by or attend interviews with, the **Official Body**; or
- (ii) identifying them as a target in writing by an investigating **Official Body** as a target of the hearing, examination, investigation or inquiry.

An **Investigation** shall be deemed to be first made when the **Insured Person** is first so required or so identified.

18. Investigation Costs

the reasonable fees, costs and expenses incurred by or on behalf of an **Insured Person** with the **Insurer's** prior written consent for the principal purpose of preparing for, responding to, or attending an **Investigation**. However, **Investigation Costs** shall not include the remuneration of any **Insured Person**, cost of their time or costs or overheads of any **Association**.

19. Legal Expenses Policy

any policy solely or primarily providing cover for legal expenses.

20. Limit of Liability

the sums specified in the Policy Schedule.



Definitions (continued)

21. Loss

- (i) any amount which the **Insured** is legally liable to pay resulting from a **Claim** made against an **Insured**, including **Defence Costs**, **Investigation Costs** and all other costs and expenses payable under this policy, awards of damages (including punitive and exemplary damages), awards of costs or settlements (including claimant's legal costs and expenses), pre- and post-judgment interest on a covered judgment or award, and the multiplied portion of multiple damages. **Loss** includes any amount covered under any Extension applicable to the Insurance Cover purchased; or
- (ii) in respect of **Professional Liability** only, **Damages** and **Defence Costs**.

Loss shall not include:

- (a) any fines and penalties except to the extent covered under Policy Section 1 Extension 2 'Insured Person Statutory Liability' or Policy Section 6 – Statutory Liability;
- (b) taxes;
- (c) remuneration, cost of the time of any **Insured Person**, or costs or overheads of any **Insured Entity**, except with respect to General Terms & Conditions Extension 1 'Court Attendance'; or
- (d) amounts which are uninsurable under the applicable law of the **Claim**.

Additionally, with respect to any **Claim** in connection with **Employment Practices Liability** or **Third Party Liability** only, **Loss** shall not include:

- (a) compensation payable in respect of contractual or statutory notice periods;
- (b) amounts payable in respect of a specified contractual obligation, except to the extent such obligation would have attached in the absence of such contract;
- (c) **Employment-Related Benefits**;
- (d) any liability or costs incurred by any **Insured** to modify any building or property in order to make the building or property more accessible or accommodating to a disabled person;
- (e) any liability or costs incurred in connection with any educational, sensitivity or other corporate programme, policy or seminar relating to an **Employment Practice Liability** or **Third Party Liability Claim** or the costs of reinstatement of any **Employee**.

Further, with respect to **Professional Liability** only, **Loss** shall not include:

- (a) non-compensatory damages, including punitive, multiple, exemplary or liquidated damages;
- (b) restitutionary relief; or
- (c) the costs and expenses of complying with any order for, grant of or agreement to provide injunctive or other non-monetary relief.

22. Occupational Health & Safety Incident

any actual or alleged breach of an occupational health and safety law or regulation, including a law or regulation dealing with industrial or workplace deaths.

23. Office Bearer

any natural person who was, is or during the **Policy Period** becomes:

- (i) a director, officer or committee member of any **Association**, but not an external auditor or insolvency office-holder of any **Association**;
- (ii) an **Employee** of any **Association**;
- (iii) a shadow director or de facto director; or
- (iv) an **Outside Entity Director**;

but only when and to the extent that such **Office Bearer** is acting for and on behalf of the **Association** in any of the capacities referred to in (i) to (iv) above.



Definitions (continued)

Office Bearer is extended to include:

- (a) the spouse or domestic partner (including same sex relationship civil partnerships, if applicable); and
- (b) the administrator, heirs, legal representatives, or executor of a deceased, incompetent insolvent or bankrupt estate;

of the **Office Bearer** referred to in (i) to (iv) above with respect to the acts, errors or omissions of such **Office Bearer**.

24. **Official Body**

any regulator, disciplinary body, criminal authority, government body, government agency, official trade body, or any other person or body having legal authority to conduct an **Investigation**.

25. **Outside Entity**

any entity, including any not for profit entity, but other than an entity that:

- (i) is a **Subsidiary**;
 - (ii) is incorporated or domiciled in the United States of America;
 - (iii) is a bank, clearing house, credit institution, undertaking for collective investment in securities, investment firm, investment advisor/manager, investment fund or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar entity; or
 - (iv) has its **Securities** listed on any **Securities** exchange;
- unless listed by endorsement to this policy as an **Outside Entity**.

26. **Outside Entity Director**

a natural person who did or does, or during the **Policy Period** begins to serve, at the specific request of any **Association** as a director, officer, trustee (other than as a **Superannuation Trustee**), governor or equivalent of an **Outside Entity**.

27. **Plan**

- (i) any past, present or future employee benefit or welfare benefit plan; or
 - (ii) any past or present superannuation plan;
- established, administered or sponsored by the **Association** for the sole benefit of its **Employees**;

Plan also includes:

- (a) any superannuation, employee benefit or welfare benefit plan merged, transferred or terminated prior to or during the **Policy Period**; or
- (b) any superannuation, employee benefit or welfare benefit plan created or acquired by the **Policyholder** during the **Policy Period**.

28. **Policyholder**

the association specified in the Schedule.

29. **Policy Period**

the period from the inception date to the expiry date specified in the Schedule.

30. **Pollutant**

any solid, liquid, gaseous, biological, radiological or thermal irritant, toxic or hazardous substance, or contaminant, including, but not limited to, asbestos, lead, smoke, vapour, dust, fibres, mould, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste.

31. **Pollution Condition**

any actual, alleged or threatened discharge, dispersal, release or escape of a **Pollutant**; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise **Pollutants**, nuclear material or nuclear waste.



Definitions (continued)

32. Public Relations Consultants

public relations consultants retained by the **Insured** with the **Insurer's** prior written consent.

33. Public Relations Expenses

the fees charged by **Public Relations Consultants** for **Public Relations Services**.

34. Public Relations Services

services provided by the **Public Relations Consultants** to an **Insured Person** directly to mitigate the adverse effect or potential adverse effect on an **Insured Person's** reputation.

35. Retention

the sum specified in the Schedule.

36. Security

any security representing debt of or equity interests in any **Association**.

37. Senior Counsel

a senior lawyer to be mutually agreed upon by the parties, or in the absence of agreement, to be appointed by the head of the bar association/law society (or equivalent organisation) in the jurisdiction in which the **Loss** was incurred.

38. Statute

any Act, regulation or other legislative instrument enacted under the laws of the Commonwealth of Australia, any Australian State or Australian Territory or New Zealand.

39. Statutory Liability

any fine or pecuniary penalty pursuant to any **Statute** which an **Insured** is legally liable to pay resulting from a **Claim** made against the **Insured**.

Statutory Liability shall not include:

- (i) any amounts representing damages or compensation;
- (ii) any compliance, remedial, reparation or restitution costs;
- (iii) any amount which the **Insurer** is prohibited from paying by law.

40. Subsidiary

any entity which the **Policyholder Controls** either directly or indirectly through one or more other entities on or before the inception date of this policy.

Cover for any **Subsidiary** or any **Insured Persons** of such **Subsidiary** shall only apply for **Fraudulent Acts**, or acts, errors or omissions committed or occurring whilst such entity is or was a **Subsidiary**.

41. Superannuation Trustee

- (i) any natural person who was, now is or shall be:
 - (a) a superannuation trustee, committee member or administrator of the **Plan** or constructive trustee of the **Plan**;
 - (b) a director or officer or **Employee** of an **Association, Plan** or corporate superannuation trustee company established to act as a superannuation trustee of the **Plan**, but not an external auditor or insolvency office-holder; or
- (ii) any corporate superannuation trustee company established to act as a superannuation trustee or administrator of the **Plan**;

but solely while acting in the capacity as a superannuation trustee or administrator of any **Plan**.

Superannuation Trustee also includes any natural person who was, is or during the **Policy Period** becomes responsible for internal dispute resolution procedures of a **Plan**.



Definitions (continued)

42. Superannuation Trustee Liability

any liability arising from any actual or alleged act, error or omission with respect to any **Plan**; or arising solely because of any person's status as a **Superannuation Trustee**.

43. Third Party

any natural person other than:

- (i) an **Office Bearer**;
- (ii) any person who owns or controls any of the **Insured's Entity's** issued share capital;
- (iii) someone who is acting in collusion with any **Employee**; or
- (iv) any natural person providing services under any contract for services, written or implied, with any **Insured**.

44. Third Party Liability

any liability arising from any actual or alleged act, error or omission with respect to any harassment of or discrimination against any natural person third party who is not and has not been an **Employee**.

45. Transaction

any one of the following events:

- (i) the **Policyholder** consolidates with or merges into or sells all or substantially all of its assets to any other person or entity or group of persons and/or entities acting in concert; or
- (ii) any person or entity, or persons or entities acting in concert (other than a **Subsidiary** or **Subsidiaries**) acquires **Control** of the **Policyholder**; or
- (iii) any **Association** lists its **Securities** on any exchange or market.

CLAIMS

The following Provisions apply to all policy Sections:

1. **Notification of Claims and Circumstances, and Direct Financial Loss**

The Covers provided under this policy are granted solely with respect to any **Claim, Direct Financial Loss**, or other event covered in the Extensions that is notified to the **Insurer** as soon as practicable after the **Policyholder's** Finance Director, Risk Manager or General Counsel (or equivalent position) first becomes aware of such **Claim, Direct Financial Loss** or other event covered in the Extensions, but in all situations no later than:

- (i) during the Policy Period or Discovery Period; or
- (ii) within 60 days after the end of the Policy Period or Discovery Period as long as notice is given to the Insurer within 60 days after such Claim was first made against the Insured or such Direct Financial Loss is first Discovered by the Insured Entity.

Any **Insured** may, during the **Policy Period** or **Discovery Period**, notify the **Insurer** of any circumstance reasonably expected to give rise to a **Claim**. The notice must include the reasons for anticipating that **Claim** and full relevant particulars as to dates, acts and the potential **Insured** and claimant concerned.

If the **Insured Entity** notifies a **Direct Financial Loss** to the **Insurer** the **Insured Entity** must provide to the **Insurer** as soon as practicable but no later than 6 months after such loss is first **Discovered**:

- (a) affirmative proof of **Direct Financial Loss**; and
- (b) all requested information and documents and co-operation in all matters pertaining to **Direct Financial Loss**.

Direct Financial Loss Discovered by an **Insured Entity** or any **Responsible Person** of such **Insured Entity** shall constitute knowledge possessed and **Direct Financial Loss Discovered** by all **Insured Entities**.



Claims (continued)

All notifications relating to **Claims** or circumstances, or **Direct Financial Loss** must be in writing, referencing the Policy Number and addressed to:

Financial Lines Claims Manager
AIG
Level 19, Citigroup Centre, 2 Park Street, Sydney NSW 2000 Australia
or by facsimile to +612 9240 1722
or by email to finclaims@aig.com

2. **Notice of Accidental Death**

The **Policyholder** must give written notice of an **Accidental Death** under Policy Section 2 – Corporate Liability, including proof of identity and supporting medical evidence in the form required by the **Insurer**, within 30 days of the **Accidental Death** of an **Insured Executive** or as soon thereafter as is reasonably possible.

3. **Related Claims and Circumstances**

If a **Claim** or circumstance is notified under this policy, then any subsequent **Claim**, alleging, arising out of, based upon or attributable to the facts or acts, errors or omissions alleged in that **Claim** or described in that circumstance, shall be deemed to have first been made at the same time as that **Claim** was first made or circumstance notified, and notified to the **Insurer** on the date the notices were first provided.

Any **Claim** arising out of, based upon or attributable to any **Claim** or series of **Claims** arising out of, based upon or attributable to continuous, repeated or related acts, errors or omissions, whether or not committed by more than one **Insured** and whether directed to or affecting one or more person or entity, shall be considered a single **Claim** for the purposes of this policy.

4. **Related Direct Financial Loss**

For the purpose of the **Limit of Liability** and applying the **Retention**, any **Direct Financial Loss** resulting from any single act, single omission, or single event, or series of related or continuous acts, omissions or events shall be considered a single **Direct Financial Loss**.

5. **Defence and Settlement**

The **Insured** shall have the obligation to defend and contest any **Claim** made against them. The **Insurer** shall be entitled to participate fully in the defence and in the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer**. In the event of any **Claim**, each **Insured** shall take reasonable steps to reduce or diminish any **Loss**.

Notwithstanding the foregoing, the **Insured** shall have the right to tender the defence of the **Claim** to the **Insurer**, which right shall be exercised in writing solely by the **Policyholder** on behalf of all **Insureds**. This right shall terminate if not exercised within 30 days of the date the **Claim** is first made against an **Insured**. The **Insurer** shall confirm the assumption of the defence of such **Claim** to the **Policyholder** in writing. Pending such acceptance by the **Insurer**, the **Insureds** shall take no action, or fail to take any required action, that prejudices the rights of any **Insured** or **Insurer** with respect to such **Claim**. The **Insurer** shall be obligated to assume the defence of such **Claim** provided the **Insureds** have complied with the foregoing. The **Insurer** shall have no obligation to continue to defend such **Claim** once the **Limit of Liability** has been exhausted.

In respect of Policy Section 2 – Corporate Liability Cover 3 ‘Professional Liability’ only, the **Insurer** does not assume any duty to defend, and the **Insured** shall defend and contest any **Claim** made against them unless the **Insurer**, in its sole and absolute discretion, elects in writing to take over and conduct the defence and settlement of any **Claim**. If the **Insurer** does not so elect, it shall be entitled, but not required, to participate fully in such defence and the negotiation of any settlement that involves or appears reasonably likely to involve the **Insurer**. The **Insurer** has the right at any time after notification of a **Claim** to make a payment to the **Insured** of the unpaid balance of the **Limit of Liability**, and upon making such payment, all obligations of the **Insurer** to the **Insured** under this policy, including, if any, those relating to defence, shall cease.



Claims (continued)

The **Insurer** consents to the appointment of any **BusinessGuard Advisory Panel** member firm to act on behalf of the **Insured** in respect of any **Claim** defended in accordance with this policy.

All **Insureds** shall at their own cost, render all reasonable assistance to and cooperate with the **Insurer** in the investigation, defence, settlement or appeal of a **Claim** or circumstance, and provide the **Insurer** with all relevant information pertaining to any **Claim** or circumstance, as the **Insurer** may reasonably require. The **Insurer** will accept as necessary the retention of separate legal representation to the extent required by a material conflict of interest between any **Insureds**.

If a **Claim** is made against an **Insured Person** by the **Association** or **Outside Entity**, the **Insurer** shall have no duty or obligation to communicate with any other **Insured Person** or the **Association** in relation to that **Claim**.

The applicable **Insured** or **Policyholder** shall reimburse the **Insurer** for any payments which are ultimately determined not to be covered by this policy.

6. **Consent**

Only those settlements, judgments, and costs and expenses which have been consented to by the **Insurer** (which shall not be unreasonably delayed or withheld) shall be payable as **Loss** under this policy.

Where there is a dispute between the **Insured** and the **Insurer** as to whether a **Claim** should be settled or should continue to be defended, within 30 days after notice of such dispute, the **Insurer**, at its expense, shall refer the matter to a **Senior Counsel** who shall determine whether, on the balance of probabilities, the **Insured** is likely to succeed in defending the **Claim** to final resolution or whether the **Claim** should be settled.

If the **Senior Counsel** determines that the **Claim** should be settled, the **Insured** may elect to continue the defence of that **Claim** without the **Insurer's** prior written consent provided that the **Insurer's** liability for all **Loss** arising from that **Claim** shall not exceed the amount for which that **Claim** could have been settled plus the **Defence Costs** incurred to the date such determination was provided in writing to the **Insured**.

The **Senior Counsel** shall determine the amount for which that **Claim** could have been settled at the **Insurer's** expense, taking into account the economics of the matter, the damages and costs which are likely to be recovered by the plaintiff, the likely costs of defence and the prospects of the **Insured** successfully defending the action.

7. **Allocation**

The **Insurer** will be liable only for **Loss** to the extent it arises from a covered **Claim**. If a **Claim** involves both covered and uncovered matters or persons under this policy, then the **Insured Entity** or **Insured Person**, and the **Insurer** shall use commercially reasonable efforts to determine a fair and equitable allocation of **Loss** covered under this policy, on the basis of established judicial allocation principles which take into account the legal and financial exposures, and the relative benefits obtained by the relevant parties.

If the **Insurer** and the **Insured Entity** or **Insured Person** cannot agree on allocation in accordance with this clause within 14 days of any allocation issue first notified in writing to the **Insured** by the **Insurer**, then they agree to refer the determination to a **Senior Counsel**, whose decision shall be final and binding on all parties. The **Senior Counsel** is to determine the fair and equitable allocation as an expert, not as an arbitrator. The relevant **Insured** and the **Insurer** shall be entitled to make written submissions to **Senior Counsel**. The **Senior Counsel** is to take account of the parties' submissions, but the **Senior Counsel** is not to be fettered by such submissions and is to determine the fair and equitable allocation in accordance with his or her own judgment and opinion. The **Senior Counsel's** expenses in providing such determination will be paid by the **Insurer** and any such payments will not erode the **Limit of Liability**.



Claims (continued)

8. **Advance Payment of Costs**

Where the **Insurer** has not assumed the defence of a **Claim** in accordance with General Terms & Conditions Claims Condition 5 'Defence and Settlement' and with the exception of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability', the **Insurer** shall advance all **Defence Costs** and all other costs and expenses payable under this policy, within 21 days after sufficiently detailed invoices for those costs are received and accepted for payment by the **Insurer**.

The **Insurer** may not refuse to advance **Defence Costs** or other costs and expenses payable under this policy by reason only that the **Insurer** considers that conduct specified in the 'Conduct' Exclusion in Policy Sections 1, 2, 3, 5 or 6 has occurred, until such time as the condition to that Exclusion is satisfied.

9. **Subrogation**

In the event of any payment under this policy, the **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds'** rights of recovery, contribution and indemnity and the **Insured** will provide all reasonable assistance and will do nothing to prejudice such rights. The **Insurer** will not exercise its rights of subrogation against an **Insured Person** in connection with a **Claim**, unless it can establish that the 'Conduct' Exclusion in Policy Sections 1, 2, 3, 5 or 6, applies to that **Claim** and that **Insured Person**. With respect to General Terms & Conditions Extension 5 'Legal Expenses Policy', the **Insurer** shall be entitled to the relevant **Insured's** rights of recovery under the **Legal Expenses Policy** against the **Legal Expenses Policy** insurer immediately upon any payment under this policy, and such **Insureds** shall provide and execute all documentation requested by the **Insurer**.

10. **Continuity**

Notwithstanding the "*Prior Claims and Circumstances, Notifications*" Exclusion, cover is provided under this policy for any **Claim**, or circumstance, which could or should have been notified under any earlier policy, provided always:

- (i) the **Claim**, or circumstance, could and should have been notified after the **Continuity Date**; and
- (ii) the **Claim** shall be dealt with in accordance with all terms, conditions, exclusions and limitations of the policy under which the **Claim**, or circumstance, could and should have been notified but only where such earlier policy affords no broader cover in respect of the **Claim** than the provisions of the policy; and
- (iii) if the **Insurer** is the insurer on risk for the policy in (ii) above, the **Insured** agrees to claim on this policy only and to make no claim on such earlier policy.

11. **Taxation Costs**

In respect of Policy Section 2 – Corporate Liability Extension 9 'Taxation Disputes', the **Policyholder** must provide, or instruct its qualified or registered tax agent to provide the **Insurer** with all documentation requested by the **Insurer** in connection with an Australia Taxation Office audit of the **Policyholder**.



LIMIT & RETENTION

1. *Limit of Liability*

If the Schedule specifies an 'Aggregate Limit of Liability', the total amount payable by the **Insurer** under all policy Sections shall not exceed this amount, other than with respect to Policy Section 1 – Management Liability Cover 4 'Reinstatement Limit'.

If the Schedule specifies a 'Limit of Liability' or 'Sub-Limit' for each policy Section shown as 'Yes' under 'Section Insured' in the Schedule, a separate aggregate **Limit of Liability** shall apply to each policy Section. Each such **Limit of Liability** is the aggregate limit of the **Insurer's** liability with respect to all **Loss** arising under such policy Section, other than with respect to Policy Section 1 – Management Liability Cover 4 'Reinstatement Limit'.

Policy Section 1 – Management Liability Cover 4 'Reinstatement Limit' applies excess of the **Limit of Liability** for Policy Section 1 – Management Liability for any **Claim** that is not a related **Claim** or circumstance as specified in General Terms & Conditions Claims Condition 3 'Related Claims and Circumstances'.

The **Insurer** shall have no further liability in excess of all such limits, irrespective of the number of **Insureds** or amount of any **Loss** or **Direct Financial Loss**, including with respect to any **Claim** as specified in General Terms & Conditions Claims Condition 3 'Related Claims and Circumstances' or General Terms & Conditions Claims Condition 4 'Related Direct Financial Loss'.

Policy Extensions only apply to **Loss** or **Direct Financial Loss** under each policy Section shown as 'Yes' under 'Section Insured' in the Schedule. Any amount specified in the policy or the Schedule for any Insurance Cover or Extension is the most the **Insurer** will pay in the aggregate under this policy:

- (i) as **Loss** under such Insurance Cover or Extension; or
- (ii) regarding any single **Direct Financial Loss** under such Insurance Cover or Extension.

2. *Retention*

No **Retention** shall be borne by an **Insured Person**. To the extent that an **Insured Person** has been indemnified by the **Association**, the **Insurer** shall only reimburse or pay on behalf of the **Association** the amount which is in excess of any applicable **Retention** shown on the Schedule. In respect of Policy Section 4 – Crime Protection, the **Insurer** shall only pay the amount of **Direct Financial Loss** which is in excess of any applicable **Retention** shown on the Schedule.

A single **Retention** shall apply to all:

- (i) **Loss** arising from any **Claim** as specified in General Terms & Conditions Claims Condition 3 'Related Claims and Circumstances'; or
- (ii) **Direct Financial Loss** as specified in General Terms & Conditions Claims Condition 4 'Related Direct Financial Loss'.

Where a **Retention** applies, if any **Insured Entity** is legally permitted or required to indemnify an **Insured Person** but fails to do so within 30 days, then the **Insurer** shall advance to such **Insured Person** all **Loss** within the **Retention** which will be repaid by the **Association** to the **Insurer** as soon as reasonably practicable.

Retention waiver: Where a **Retention** is payable with respect to any **Claim** under any Insurance Cover purchased under this policy, the **Insurer** shall waive payment of such **Retention**, or shall refund any **Retention** monies paid, where, with respect to such **Claim**, there is:

- (i) final adjudication by a judicial or arbitral tribunal of no liability in favour of all **Insureds** against whom such **Claim** is made; or
- (ii) a complete and final settlement exonerating all **Insureds** from liability;

and which does not impose the payment of any monies or any other obligations on any such **Insured**.



GENERAL PROVISIONS

1. **Terms and Conditions of Each Section**

Unless otherwise stated:

- (i) the definitions, terms, conditions and exclusions set out in the General Terms and Conditions apply to all Sections; and
- (ii) the definitions, terms, conditions and exclusions of Policy Section 1 - Management Liability, Policy Section 2 - Corporate Liability, Policy Section 3 - Employment Practices Liability, Policy Section 4 - Crime Protection, Policy Section 5 - Superannuation Trustees Liability and Policy Section 6 – Statutory Liability apply only to each respective Section.

In the case of inconsistency or conflict, Policy Section 1 - Management Liability, Policy Section 2 - Corporate Liability, Policy Section 3 - Employment Practices Liability, Policy Section 4 - Crime Protection, Policy Section 5 - Superannuation Trustees Liability and Policy Section 6 – Statutory Liability override the General Terms and Conditions.

Coverage is only available for any Section shown as 'Yes' under 'Section Insured' in the Schedule.

2. **Non-Avoidance**

Except in respect of Policy Section 4 - Crime Protection:

- (i) this policy is not avoidable or rescindable in whole or in part with respect to any **Insured Person**, and the **Insurer** shall have no other remedy, with respect to any pre-inception misrepresentation or pre-inception non-disclosure by any **Insured Person** in connection with this policy; and
- (ii) if the **Insurer** has a right to reduce its liability under Section 28(3) of the *Insurance Contracts Act 1984* (Commonwealth) for any fraudulent misrepresentation or fraudulent non-disclosure of a matter or fact established by final adjudication of a judicial or arbitral tribunal, or any formal written admission by or on behalf of any **Insured Person**, the **Insurer** will only exercise such right against that **Insured Person**.

3. **Cancellation**

The **Policyholder** may cancel this policy by providing written notice to the **Insurer** in which case the **Insurer** shall retain the pro-rata proportion of the premium plus 20% of that pro-rata proportion. The **Insurer** may cancel this policy as and in the manner permitted by law and shall be entitled to retain the pro-rata proportion of the premium. Cancellation of this policy does not extinguish any cover available under Policy Section 1 – Management Liability Extension 7 'Run-off for Retired Insured Persons'.

4. **Severable Nature of the Policy**

Except in respect of Policy Section 2 – Corporate Liability Cover 3 'Professional Liability' and Policy Section 4 - Crime Protection, this policy is a severable policy covering each **Insured** for their own individual interest.

With respect to the 'Conduct' Exclusion in Policy Sections 1, 2, 3, 5 or 6, and the contents of any proposal form or declaration submitted, or statements, warranties and representations made to the **Insurer** in connection with this policy, or any policy of which this policy is a renewal or replacement:

- (i) with respect to any **Insured Person**: no statements made by or on behalf of an **Insured Person**, or information or knowledge possessed by an **Insured Person**; nor any act, error or omission of an **Insured Person**, shall be imputed to any other **Insured Person**, for the purpose of determining whether any **Insured Person** is covered under this policy;
- (ii) with respect to any **Insured Entity**: only the statements and knowledge of any Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or Chief Legal Officer/General Counsel of the **Policyholder**, or any person who signed the declaration or proposal form in connection with this policy or any policy of which this policy is a renewal or replacement; will be imputed to all **Insured Entities**.



General Provisions (continued)

5. **Other Insurance and Indemnification**

This policy shall always apply excess over any other valid and collectible insurance available to the **Insured** (including without limitation any policy specified in an endorsement to this policy), except with respect General Terms & Conditions Extension 5 'Legal Expenses Policy'.

With respect to **Outside Entities**, insurance provided by this policy applies excess over (i) any indemnification provided by an **Outside Entity**, and (ii) any other collectible insurance issued to an **Outside Entity** for the benefit of its directors, officers, or employees (including without limitation any **Outside Entity** insurance policy specified to the **Insurer**).

6. **Changes in Risk**

The **Insurer** shall not be liable for **Loss** or **Direct Financial Loss** arising out of, based upon or attributable to any:

- (i) act, error or omission committed or allegedly committed; or
- (ii) a matter which is the subject of an **Investigation**, extradition proceeding or **Asset and Liberty Proceeding**, occurring or arising;

after the effective date of a **Transaction**.

Cover shall only apply to an **Insured** for any covered acts, errors or omissions occurring after that date on which such **Insured** became a covered **Insured**. Cover for any **Plan** that was transferred, spun-off or terminated prior to or during the **Policy Period** shall only apply to covered acts, errors or omissions occurring prior to the date such **Plan** was transferred, spun-off or terminated.

7. **Individual Terminations**

Cover under Policy Section 2 - Corporate Liability Cover 2 'Accidental Death' and Extension 7 'Disappearance of Insured Executive' will immediately terminate during the **Policy Period** in the event that the **Insured Executive**:

- (i) resigns or is dismissed from the board of the **Policyholder**; or
- (ii) attains the age of 70 years.

8. **Notice and Authority**

The **Policyholder** shall act on behalf of its **Subsidiaries** and each and every **Insured** with respect to the giving of notice of any **Claim** or **Direct Financial Loss**, the payment of premiums and the receiving of any return premiums that may become due under this policy, the receipt and acceptance of any endorsements issued to form a part of this policy and the exercising or declining of any right to a **Discovery Period**.

9. **Assignment**

This policy nor any right hereunder may be assigned without the prior written consent of the **Insurer**.

10. **Governing Law**

Any interpretation of this policy or issue relating to its construction, validity or operation shall be determined by the laws of the Commonwealth of Australia and the Australian State or Territory in which the policy is issued. Except as otherwise provided herein, the parties will submit to the exclusive jurisdiction of the Australian courts.



General Provisions (continued)

11. *Headings and Titles and Other References*

The descriptions in the headings and titles of this policy are solely for reference and convenience and do not lend any meaning to this policy. Words and expressions in the singular shall include the plural and vice versa. In this policy, words in **bold** typeface shall have special meaning and are defined. Words that are not specifically defined in this policy have the meaning normally attributed to them. References to legislation shall include any subsequent amendments or re-enactments thereof and the equivalent legislation in other jurisdictions. All references to titles and positions shall mean the equivalent in other jurisdictions. A reference herein to “this policy” shall mean a reference only to those Insurance Covers stated herein which are shown on the schedule as purchased.

12. *Confidentiality*

The **Insureds** shall make all reasonable efforts not to disclose the existence of this policy to any person except to professional advisers or as required by law or court order and shall only state within the **Association’s** annual report that the **Association** has agreed, or otherwise, to pay a premium for this policy but shall not publish the nature of the liability covered by this policy, the name of the **Insurer**, the **Limit of Liability** or the premium paid for this policy.

- end -



Appendix I – BusinessGuard Advisory Panel Contacts

NSW

Gilchrist Connell

<http://www.gclegal.com.au>

Stephen Connell (02) 8240 8001

HWL Ebsworth

<http://hwlebsworth.com.au>

Jonathan Tapp (02) 9334 8850

Lander & Rogers

<http://www.landern.com.au>

Mark Williams (02) 9233 5092

Lee & Lyons

<http://www.leeandlyons.com.au>

David Lee (02) 8273 8000

Sparke Helmore

<http://www.sparke.com.au>

John Coorey (02) 9260 2461

Wotton & Kearney

<http://www.wottonkearney.com.au>

Andrew Moore (02) 9236 9511

QLD

Carter Newell

<http://www.carternewell.com>

Mark Brookes (07) 3000 8301

Minter Ellison

<http://www.minterellison.com>

Ken Horsley (07) 3119 6481

Sparke Helmore (via NSW)

<http://www.sparke.com.au>

John Coorey (02) 9260 2461

Barry Nilsson Lawyers

<http://www.bnlaw.com.au>

Robert Samut (07) 3231 6326

SA

Gilchrist Connell

<http://www.gclegal.com.au>

Kevin Gilchrist (08) 8215 7000

VIC/TAS

HWL Ebsworth

<http://hwlebsworth.com.au>

Rick Horsley (03) 8633 7593

Lander & Rogers

<http://www.landern.com.au>

Michael Landvogt (03) 9672 9111

Wotton & Kearney

<http://www.wottonkearney.com.au>

Cain Jackson (03) 9604 7901

Minter Ellison

<http://www.minterellison.com>

Ken Horsley (03) 8608 2701

WA

Clyde & Co

<http://www.clydeco.com>

Jenny Thornton (08) 6145 1701

HWL Ebsworth

<http://hwlebsworth.com.au>

Andrew Davidson (08) 9420 1523

Head Office

Sydney

Level 19, 2 Park Street Sydney NSW 2000
GPO Box 9933 Sydney NSW 2001

Melbourne

GPO Box 9933 Melbourne VIC 3001

Brisbane

GPO Box 9933 Brisbane QLD 4001

Perth

GPO Box 9933 Perth WA 6848

Australia wide

T 1300 030 886

F 1300 634 940

International

T +61 3 9522 4000

F +61 3 9522 4645

www.aig.com.au



Bring on tomorrow

Marketing Working Group (MWG)

Date: 23 February 2017

Attendance: Suzie Hollott, Celine Masa, Junaid Seifried, Edyta Floras, Maurice Cabrera

Summary

- Suzie presented the Marketing Strategy to the group
- Each member of the team gave an introduction of themselves and their skill sets
 - Junaid Seifried - digital marketing plan
 - Edyta Floras - Wordpress/website experience and SEO
- Maurice presented an update in regards to the current state at AH
 - Groceries – the need for a P&L and inventory system
 - Need to restart workshops
 - We have returned to profitability, mainly from the ASF
 - We need to focus on increasing sales, send out a newsletter and install new signage

Actions

- **Celine** will convene the MWG
- **Junaid** will take responsibility to co-ordinate the AH newsletter, will mock up a template and then request inputs from the relevant people. **Maurice** will assist him with whom to contact as well as provide login details for MailChimp.
- **Edyta** will research SEO to assist with our social media, newsletter and facebook postings. **Maurice** will provide her with our Google Analytics Data and login.
- **Suzie** will provide contact detail of signage to **Maurice** and he will arrange install of signage.
- **Maurice** will send Social Media contacts to Celine as well as an Events/Workshops contact to lead this effort.
- **Maurice** to contact a vollie designer/sign writer to assist with our street blackboard, welcome to country in office, new labels for the shop.

- **Street Library** – is currently being painted by Robert Pulie (member), I spent \$43.67 on paint for the library and it should be installed for 1st week of March.

JANUARY NUMBERS / Dashboard

We recorded \$89.7K in sales (vs. \$99.2K last year vs. \$111.7K the year before).

We show a net profit of around \$723 for the month. Note that: (i) we booked \$7K in annual subscription fees; (ii) purchasing remains low for the month at \$50K (compared to \$57K in the year before and an average of about \$60K a month for the current fiscal year); (iii) we, again, booked very little in IT expense (\$375); and (iv) we logged a debit in Annual Leave Movements of \$2,100. So, in actuality, we are looking at maybe a \$5K loss on the month.

Maurice's overall take is that we have successfully reduced expenses from last year but we now have to work on the revenue side.

We are continuing to put off paying certain creditors: (i) \$2.4K for Simon's annual leave payout - being paid out on a \$1K/mo plan; and (ii) \$3.4K in PAYG withholding.

Sales Variance (POS v. bank) at -\$210 for the month, -\$3,490 for the current year to date. The majority of this balance is July, August and September. This is shown as a lump sum in September. The bookkeeper is going to give us a break down of the variance by month, and then Maurice will look at the monthly numbers.

Maurice will work with a volunteer (Bill Garvis) to create a process for resolving these variances. This process would be implemented by the staff at the till at close.

In addition, by March 31, 2017, we have to spend the \$15,000 grant from Jenny Leong's office. Maurice and Katherine met with Jenny Leong. We have spent \$7.8K of this money. We will need to spend the remaining \$7.2K. In essence, this remainder is borrowed money which we must repay (by spending it on our projects) by March 31st. Maurice has sent a proposal to restructure the grant and seek an extension until June.

Shop Update - January was good enough to keep ourselves out of trouble. We have less people shopping with us but the amount of individual shops has increased.

We looked at the Parental Leave Policy. Any unpaid parental leave period does not count towards the long service period in the Long Service Leave. Ask Victoria to look at the policy and, possibly, update the policy to reflect recent changes in legislation.

FORENSIC ACCOUNTING (CONT'D)

Maurice will get together with Sax to delve further into the historical data (April 2014 - September 2016).

From November: We continue to work with RGL Forensics in order to sort out the \$20K loss we recognized in 2016. Recently (with the help of Katherine Lustig's partner, Sax) we were able to access our historical financial data on MYOB (July 2013 - May 2014). This has been forwarded to RGL Forensics; and they have put together our monthly balance sheets (July 2013 to Present) which shows the Clearing Account - Cash line item. It is here for your perusal - <https://drive.google.com/open?id=0B2CzrZkqx6HpQjZtVlhaQ29xb2QzaURFZzlhdxNoR0JwWU1v>

At this time, RGL Forensics does not see any easily discernable pattern in this data which would reflect theft. The balance in the Clearing Account - Cash fluctuates in a manner which seems unrelated to staffing. We have asked Sax for additional help retrieving data from our historical financial data. When we get that information, Maurice is going to take a closer look at the daily revenues to see if we can get some clarification with respect to the movements in the Clearing Account.

We still need to pursue variances in the recent past; Maurice/Julia have done some good work on November's numbers which may prove helpful for July - October. Maurice will look at July - October over the holidays. Maurice has seen a lot continuing issues with the POS reporting and closing out of the tills. We continue to see issues with the doubling up of a day's sales (a mistake at the till). Maurice is addressing these issues with procedures for staff on till handling.

INSOLVENCY ALARM

We discussed when we should be concerned about immediate insolvency. We all recognize the formal position that it is the point at which we would be unable to pay our debts as they come due. We looked at the current balance sheet, and we estimated that our current buffer is about \$60K. This figure is based upon the Current Assets less Liabilities; taking into account the \$7.5K grant money we owe back; basing inventory value at cost; estimating that inventory is at around the same value as at June 30.

CASH FLOW BUDGET/FORECAST

Maurice still feels comfortable with his fortnightly budgeting at the moment. We do have some big one-off expenses coming up: insurance (\$4.4K in Feb, and \$3K in Mar), other spends under the grant. Maurice is now budgeting about \$13K a week on stock purchases going forward.

STAFFING

We are going to require additional staff hours in the very near future. We have been running on skeletal rosters since Simon's resignation, and this has been a serious stress on staff. In the

past, we were running two shop coordinators all day (Monday - Thursday); recently, we had been running with one and half shop coordinators all day. If we go back to where we were, we will face an additional cost of about \$500 a fortnight. While some of our expense savings may cover this additional cost, we need to increase revenue.

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 January 2017 to 31 January 2017

	31 Jan 17	31 Jan 16	31 Jan 15
Income			
Fundraising Income	-	-	591
Sales - Ex GST	79,270	85,892	94,126
Sales - GST	10,640	13,150	17,689
Sales variance - POS to bank	(210)	-	-
Till Variance - Cash	-	126	(695)
Vouchers Claimed	-	-	(46)
Total Income	89,700	99,168	111,664
Less Cost of Sales			
Freight In	-	-	120
Fruit & Vegetables	22,326	22,999	22,020
Groceries	27,857	34,041	33,656
Total Cost of Sales	50,183	57,040	55,795
Gross Profit	39,517	42,128	55,869
Plus Other Income			
Annual Subscription Fees	7,015	-	-
Interest Income	108	76	138
Paid Parental Leave Received	-	5,256	-
Total Other Income	7,122	5,332	138
Less Operating Expenses			
Administration Expenses			
Bank Fees	594	4	39
Bookkeeping Fees	1,600	3,000	3,000
Computer & IT Maintenance	375	975	840
Computer Expenses	420	-	-
Depreciation	816	803	979
EFTPOS Fees	-	801	686
Equip. Repairs & Maintenance	40	-	410
Licences	-	133	-
Pest Management	298	-	291
Room Hire	24	415	80
Shop & Office Equip < \$1000	115	138	318
Shop Refurbishment	-	-	856
Software [62830]	-	-	64
Staff Amenities	178	-	-
Stationery & Office Supplies	92	-	-
Storage Fees	-	168	-
Subscriptions	-	170	65
Travel Expenses	-	23	-
Total Administration Expenses	4,552	6,630	7,628
Communication Expenses			

Profit & Loss

	31 Jan 17	31 Jan 16	31 Jan 15
Internet	64	64	64
Telephone Expenses	60	65	80
Total Communication Expenses	124	128	144
Employment Expenses			
Annual Leave - Movements	2,170	(3,024)	540
Paid Parental Leave Expense	-	2,628	-
Superannuation Expense	2,836	1,937	2,174
Wages & Salaries Expenses	29,900	30,334	23,385
Total Employment Expenses	34,905	31,876	26,099
Facility Expenses			
Cleaning Expenses	769	2,350	1,836
Electricity Expenses	2,148	-	-
Recycling Fees	-	200	400
Rent	3,313	3,259	5,524
Rubbish Removal	104	275	141
Total Facility Expenses	6,335	6,084	7,901
Insurance Expenses			
Business Insurance	-	4,030	5,045
Total Insurance Expenses	-	4,030	5,045
Total Operating Expenses	45,916	48,749	46,817
Net Profit	723	(1,289)	9,190

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 July 2016 to 31 January 2017

	31 Jan 17	31 Jan 16	31 Jan 15
Income			
Cash Sales Deposited to bank	433	-	-
Daily Balance Sheet Variance	-	-	1,821
Debit/Credit Card Sales Deposited to bank	-	-	-
Fundraising Income	-	1,879	10,591
Sales - Ex GST	608,143	618,678	682,035
Sales - GST	88,758	107,966	117,328
Sales variance - POS to bank	(3,490)	-	-
Till Variance - Cash	-	(433)	(9,326)
Vouchers Claimed	-	-	10
Total Income	693,845	728,091	802,459
Less Cost of Sales			
Freight In	-	-	120
Fruit & Vegetables	149,936	143,444	153,472
Groceries	266,600	310,883	365,541
Less: Closing Inventory	-	-	(58,710)
Opening Inventory	-	-	58,710
Total Cost of Sales	416,536	454,326	519,133
Gross Profit	277,308	273,765	283,326
Plus Other Income			
Annual Subscription Fees	7,015	-	-
Donations	4,183	-	-
Interest Income	455	656	1,235
Paid Parental Leave Received	-	5,256	-
Total Other Income	11,652	5,912	1,235
Less Operating Expenses			
Administration Expenses			
Accounting & Audit Fees	800	-	-
Advertising & Marketing	1,733	-	-
Bank Fees	3,253	4	430
Bookkeeping Fees	13,744	21,000	21,000
Catering Expenses	-	-	90
Computer & IT Maintenance	1,790	6,225	6,846
Computer Expenses	970	-	-
Depreciation	5,660	5,818	5,375
EFTPOS Fees	2,508	5,625	4,970
Equip. Repairs & Maintenance	2,617	2,104	1,468
Fines and Penalties	124	104	-
Licences	117	560	176
Pest Management	887	291	836
Postage [62850]	-	88	156

Profit & Loss

	31 Jan 17	31 Jan 16	31 Jan 15
Printing	136	250	140
Recruitment Fees	110	220	-
Room Hire	650	1,138	1,739
Shop & Office Equip < \$1000	1,609	1,041	1,935
Shop Refurbishment	-	-	4,936
Software [62830]	85	458	445
Staff Amenities	178	-	-
Staff Amenities [62820]	-	-	12
Stationery & Office Supplies	609	728	1,918
Storage Fees	-	314	-
Subscriptions	837	2,115	1,200
Travel Expenses	27	179	19
Website Hosting	-	-	133
Total Administration Expenses	38,445	48,259	53,824
Communication Expenses			
Internet	509	445	445
Telephone Expenses	404	1,120	486
Total Communication Expenses	913	1,565	932
Employment Expenses			
Annual Leave - Movements	(3,132)	(3,241)	1,139
Contractor Expenses	-	837	817
Long Service Leave Expense	2,561	-	(5,244)
Paid Parental Leave Expense	-	2,628	-
Superannuation Expense	15,979	16,583	16,456
Wages & Salaries Expenses	178,304	185,935	178,737
Total Employment Expenses	193,713	202,741	191,904
Facility Expenses			
Cleaning Expenses	10,060	13,368	7,269
Electricity Expenses	3,827	4,189	1,569
Recycling Fees	-	1,115	1,105
Rent	20,138	21,314	21,848
Rubbish Removal	863	1,359	741
Shop Inspection	150	80	268
Water Expenses	-	-	286
Water Usage	346	288	160
Total Facility Expenses	35,383	41,714	33,247
Insurance Expenses			
Business Insurance	1,072	9,456	6,032
Workers Comp Insurance	3,835	948	4,506
Total Insurance Expenses	4,907	10,405	10,538
Total Operating Expenses	273,360	304,684	290,444
Operating Profit	15,600	(25,008)	(5,883)
Non-operating Expenses			
Other Non-operating Expenses			
Suspense	-	394	-

Profit & Loss

	31 Jan 17	31 Jan 16	31 Jan 15
Total Other Non-operating Expenses	-	394	-
Total Non-operating Expenses	-	394	-
Net Profit	15,600	(25,402)	(5,883)

Balance Sheet

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE As at 31 January 2017

31 Jan 2017 31 Jan 2016 31 Jan 2015

Assets

Current Assets

	31 Jan 2017	31 Jan 2016	31 Jan 2015
Bank Accounts			
Bank Account - Community - 249	489	28,583	38,072
Bank Account - Expenses - 250	39,595	3,790	6,665
Community Access	6,097	-	-
Total Bank Accounts	46,180	32,373	44,737
Inventory			
Inventory	71,228	67,221	58,710
Total Inventory	71,228	67,221	58,710
Other Current Assets			
Bond on rental property	3,585	-	-
TFN Withholding Credits	-	354	354
Total Other Current Assets	3,585	354	354
Till Box			
Float Till Drawer	300	300	300
Front Till Change box	351	466	466
Total Till Box	651	766	766
Undeposited Funds			
Electronic Clearing Account	-	(210)	-
Undeposited - Cash	549	21,167	18,060
Undeposited - Debit/Credit Card Funds	4,520	10,871	8,229
Total Undeposited Funds	5,069	31,829	26,289
Total Current Assets	126,714	132,542	130,856
Non-current Assets			
Containers & Scoops	4,225	4,972	5,848
Fixtures & Fittings	8,001	9,704	12,221
Improvements	9,779	11,967	14,148
Shop & Office Equipment	18,658	18,114	22,516
Software	1,305	1,740	2,319
Total Non-current Assets	41,968	46,497	57,052
Total Assets	168,681	179,039	187,908

Liabilities

Current Liabilities

	31 Jan 2017	31 Jan 2016	31 Jan 2015
ATO Liabilities			
GST	(1,980)	(1,754)	(901)
ICA - ATO	-	9,054	2,232
PAYG Withholding Payable	7,190	1	1
Total ATO Liabilities	5,210	7,301	1,332

Balance Sheet

	31 Jan 2017	31 Jan 2016	31 Jan 2015
Employment Liabilities			
Annual Leave Provision	12,823	14,762	21,825
Long Service Leave Provision	6,159	9,710	-
Superannuation Payable	2,836	9,101	2,174
Wages Payable - Payroll	-	-	-
Total Employment Liabilities	21,818	33,573	23,999
Payables			
Trade Creditors	31,623	29,159	31,474
Total Payables	31,623	29,159	31,474
Total Current Liabilities	58,651	70,033	56,804
Total Liabilities	58,651	70,033	56,804
Net Assets	110,030	109,005	131,104
Equity			
Current Year Earnings	15,600	(25,402)	(5,883)
Retained Earnings	94,429	134,407	136,987
Total Equity	110,030	109,005	131,104

Alfa House

Strategic Plan 2017

Vision TBA

Mission TBA

Our **Ideal Operations** would involve:

Sustained Financial viability	Making healthy, tasty food accessible to as many people as possible	Providing support for, and sharing knowledge with, organisations that embody similar values and aspirations	A diverse membership that reflects our community that are active in the daily shop operations	Members being engaged in activities beyond the shop eg: activities and events	A practical demonstration of the feasibility of ethical food consumption	A well-thought-out shop flow and design that provides a superior and efficient shopping experience for our members and a quality working environment.
-------------------------------	---	---	---	---	--	---

We have identified the **Obstacles** to achieving this as:

Our poorly defined vision, mission and values	Lack of resources and time	Not offering a competitive enough shopping experience that serves our members and the wider community	Our limited and monotonous community event calendar	The perception of difficulty, high prices and lack of presence within the community and marketplace	Limited and poorly used space to offer an optimal shopping experience and facilitate better member and community engagement	Ineffective enthusing and utilisation of members in volunteering and other activities
Members' lack of time and money which impact the financial viability of the shop			The absence of a process for engaging members		Non-profitable trading which hinders us from sustaining ourselves and funding growth	

To overcome the identified Obstacles, we have set our

Strategic Directions as working towards:

Financial stability through increased sales, by	Strengthening the Alfalfa House community, by	Ensuring our Objects are reflected in Alfalfa House operations, by
A - Providing a great shopping experience	D - Hosting events that facilitate belonging amongst our members	A - Following good governance practices
B - Offering competitive pricing whilst maintaining profitable trading	E - Attracting and retaining members	B - Operating ethically and sustainably
C - Finding a long term solution for our space	F - Engaging and retaining our members as volunteers	C- Promoting our values

Strategic Direction 1 – Achieve sustained Financial stability, by ...

Strategy A – Increase sales, provide competitive pricing and maintain profitable trading.

Objectives:

1. Develop and adopt an annual sales and expense budget.
2. Develop and implement a 3 month rolling promotional plan for the shop.
3. Pricing strategy is developed and implemented.
4. Non-revenue generating floorspace is identified and converted to revenue generating space.
5. A category and supplier review is conducted annually.

Strategy B - providing a great shopping experience

Objectives:

1. Alternative point of sale options are investigated.
2. Staff are supported and trained to provide excellent customer service.
3. The shop window and environment look inviting and engaging.
4. A plan is in place to ensure that the shopping experience we offer meets the needs of our community
5. The in-store shopping experience is accessible for new and returning shoppers.
6. The viability of online shopping is investigated.
7. The viability of delivery is investigated.
8. A comprehensive survey of members is undertaken at least once every four years.

Strategy C - finding a long-term solution for our space

Objectives:

1. Opportunities for using the garden space for storage are explored.
2. Opportunities for increasing the proportion of the premises dedicated to sales are explored.
3. Options for alternative and/or additional new premises are explored.

Strategic Direction 2 - Strengthening the Alfalfa House community, by...

Strategy D - hosting activities and events that facilitate community and belonging amongst our members

Objectives:

1. We hold at least two activities/events per month on average (To be included as part of the Managers report).
2. Find out what type of events/activities members want as part of the 4 year timed members survey.
3. Our members are empowered to be a powerful force for change in their own community.
4. Our members are empowered to develop and propose events, in collaboration with staff and MC.
5. Our AGM is a fun event that people want to attend.

Strategy E - engaging and retaining our members as volunteers

Objectives:

1. A volunteer engagement plan is adopted as part of the annual plan.
2. A paid volunteer coordinator is engaged and the role maintained.
3. A list of volunteer opportunities, including in-shop and externally based tasks, is centrally coordinated with the roster, published on the website and regularly updated.
4. 5% of members volunteer each month.
5. 20% of volunteers volunteer 8 hours / month or more (permanent extra-discount)
6. Volunteers feel appreciated for the work they have done.
7. Volunteer shift records are electronic.

Strategy F - attracting and retaining members

Objectives:

1. A new website is launched with content updated monthly.
2. A marketing strategy is prepared and adopted as part of the annual plan.
3. Alfalfa House is regularly promoted to the wider community.
4. The monthly e-newsletter is a quality publication read by more than 25% of members.
5. Our members feel welcome and included by the Alfalfa House community.
6. Ensure shopping at Alfalfa House is affordable.
7. Understand why members stop shopping at Alfalfa House.
8. Understand why people in the local community do not become members.

Strategic Direction 3 - Ensuring our Objects are reflected in Alfalfa House operations, by

Strategy G - operating ethically and sustainably

Objectives:

1. Staff and volunteers are treated with respect.
2. Priorities are set for our purchasing principles and communicated to relevant staff
3. Endeavour to seek there is no plastic packaging on any product sold to members.
4. Not more than 90% of purchased by Alfalfa House arrive in petrochemical-based plastic.
5. **Not more than 5% of items sold involve the purchase of virgin packaging.**
6. Alfalfa House is known as a role model for minimising waste in the local community.
7. Alfalfa House focuses to being an energy efficient business.

Strategy H - following good governance practices

Objectives:

1. Vision and mission statements are defined and adopted
2. All policies and procedures are up to date and additional policies are created where necessary.
3. Operational guidelines for staff and volunteers are created and implemented.
4. Annual events are held between staff and MC.
5. Review the Alfalfa House rules biannually.

Strategy I - promoting our values

Objectives:

1. Our vision and mission statements are included on social media sites.
2. Our vision and mission statements are included in the annual marketing plan.
3. At least 70% of residents in the local community are aware of the values for which Alfalfa House stands.
4. Cooperative understanding is communicated to 100% of membership.
5. Fosters ethical and sustainable consumption to improve their household sustainability.

Alfalfa House Annual Plan

DRAFT

We have set our Strategic Directions as:

A. Financial stability, by ...
Objectives
Strategy A offering competitive pricing v
Lossleading is used to increase sales.
80% of products are priced competitively with other stores
A financial plan is adopted.
An annual budget is adopted.
Operational costs are reduced by 2%.
Nonrevenue generating floorspace is identified and converted to revenue generating space.

1.A category and supplier review is con

Strategy B providing a great shopping e
A plan is in place to ensure that the shopping experience we offer meets the needs of our community
A thorough survey of members is undertaken at least once every four years.

The instore shopping experience is accessible for new and returning shoppers.

The viability of online shopping and delivery is determined

Alternative point of sale options are determined

Strategy C finding a longterm solution fo

Opportunities for increasing the proportion of the premises dedicated to sales to xx% are explored.

Opportunities for using the garden space for storage are explored.

Opportunities for shifting the office to alternative premises are explored.

Options for alternative and/or additional new premises are explored.

2. Strengthening the Alfalfa House comm

Objectives

Strategy D hosting events that facilitate

Our members are aware of and understand Alfalfa House's values

Our members are empowered to be a powerful force for change in their own community

Our members are empowered to create events, in collaboration with staff and MC.

The definition of "event" is reviewed.

Our AGM is a fun event that people want to attend.

We hold at least two events per month on average.

Strategy E engaging and retaining our m

A volunteer engagement plan is adopted.

A paid volunteer coordinator is engaged.

A list of volunteer opportunities, including in shop and externally based tasks, is centrally coordinated, published on the website and regularly updated.

30% of members volunteer each month.

5% of volunteers volunteer 8 hours / month or more (permanent extradiscount)

Volunteers feel appreciated for the work they have done.

Volunteer shift records are electronic.

Strategy F attracting and retaining mem

A marketing strategy is prepared and adopted

Our members feel welcome and included by the Alfalfa House community.

The enewsletter is a quality publication read by more than 25% of members.

A new website is launched.

AH is regularly promoted to the wider community

Understand why members stop shopping at Alfalfa House

Understand why people in the local community do not become members.

Ensure shopping at AH is affordable.

3. Ensuring our Objects are reflected in A Objectives

Strategy G operating ethically and

Priorities are set for our purchasing principles and communicated to relevant staff

There is no plastic packaging on any product sold to members.

Not more than 90% of purchased by Alfalfa House arrive in petrochemicalbased plastic.

Not more than 5% of items sold involve the purchase of virgin packaging.

At least 80% of all groceries are made in Australia, with at least 80% of those products made from local ingredients only.

AH is known as a model for minimising waste in the business industry.

Strategy H following good governance pr

Vision and mission statements are defined and adopted

All policies and procedures are up to date

Operational guidelines for staff and volunteers are created

Annual joint events are held between staff and MC

Strategy I promoting our values

Our vision and mission statements are included on all social media sites.

Our vision and mission statements are included in a marketing plan.

At least 70% of residents in the local community are aware of the values for

which Alfalfa House stands.

Cooperative understanding is instilled within 100% of membership.

AH is known as a model for minimising waste in the business industry.

80% of members agree that AH assists them to significantly improve their household sustainability.

1 to 30 June 2017

Actions	Date	Responsibili
Whilst maintaining profitable trading		
1. At least two members, including one stock coordinator, are trained in pricing strategies. 2. Marketing Working Group and staff collaborate to produce a plan for utilising loss leading.	November 2016	Marketing WG and Manager
1. Determine and compare prices 2. Ensure prices are similar to similar stores (eg. Dr Earth and Naked) 3. Conduct snapshot sample analysis of our performance with twenty products (minimum) at least twice per year	July 2017	Affordability and Marketing WG, and Manager
	June 2016 and annually.	Finance Working
	June 2016 and annually.	Finance Working
	June 2018	Finance Working
1. Extract product sales from Filemaker from past 18 months minimum, analyse and provide recommendations.	December 2016	Affordability Working Group, Manager
2. Research buyer behaviour and forecasts (?) for the organic industry. 3. Remove nonrevenue generating products from floor as per recommendations. 4. Dedicate floorspace in the shop according to recommendations from research.		
Experience		
1. Ensure that the primary concerns of the local community and exmembers are responded to, where they meet our Objects 2. Review member survey 2013 and UTS survey 2015 to determine member concerns that may point to dissatisfaction and reasons for leaving (Governance, May 2016) 3. At least six times per times per year, utilise social media for oneoff survey questions that assist us to understand how to create a better shopping experience.	July 2016 and ongoing	Governance Working Group and Marketing WG
4. Reinstate the suggestion box for members and comments are fed back to MC, Manager and other relevant parties on a monthly basis.		
1. Undertake a members' survey 2. Review results of the survey and address as necessary	June 2017	MC and Manager

1. Training and supporting volunteers to assist shoppers 2. Staff and volunteers are easily identifiable eg aprons or name tags with logo. 3. Establish a protocol to ensure all shoppers are greeted upon entering the store.	July 2016	MC and Manager
1. Research and advise on online shopping opportunities. 2. Research and advise on opportunities for home delivery. 3. Explore how online shopping fits with Alfalfa House values.	August 2016	MC (Jonny)
	July 2020	

our space

1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings.	June 2017	Premises Solutions Working Group
1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings.	June 2017	Premises Solutions Working Group
1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings.	June 2018	Premises Solutions Working Group
1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff. 3. Survey membership. 4. Prepare draft costings.	June 2020	Premises Solutions Working Group

unity, by...

Actions	Date	Responsibili
belonging amongst our members		
	June 2017 and ongoing	Governance WG, MC, Manager
	December 2017 and ongoing	
1. We use social media and enews to advise members of the availability of our space. 2. Advise suppliers that our space can be used for workshops	December 2016 and ongoing	Community Outreach
1. Ask members what type of events they would like to attend, both in person and remotely. 2. Results of the survey are used to determine the planning of future events.	September 2016	Community Outreach
A social event is held immediately after the AGM with food provided.	November 2016 and ongoing annually.	Community Outreach, Manager, and MC / £150
	June 2018	

Members as volunteers		
	September 2016	Volunteer Engagement
	May 2016	Staff Liaison Working Group, Volunteer Engagement Working
1. Working group volunteer opportunities are defined. 2. Website page for volunteering created	June 2016 and ongoing	Working Groups, Manager
1. In collaboration with shop staff and working groups, volunteer callouts occur at least once per month with a range of tasks available. 2. New volunteers are matched up with existing volunteers to ensure support and training is provided. 3. The volunteer induction process is revised to respond to member needs and documented to ensure any staff member or volunteer can run it.	June 2016 and ongoing	Manager and Volunteer Engagement Working Group
1. All new volunteers are contacted after their first shift to ask about their experience, offer assistance and inspire their return for another shift. 2. Members are assisted to find appropriate volunteer opportunities	October 2016	Manager and Volunteer Engagement Working Group
1. Volunteers are named and thanked as a group in email and/or in newsletter. 2. Include in the member survey a question about appreciation for members who have volunteered.	June 2017	Manager
	June 2018	
Marketing		
1. The front window displays are used to promote our values and increase our sales. 2. The viability of using the space in front of the shop for sales and promotion is explored. 3. A person is posted at the door and/or in shop to greet, offer tastings, answer questions and the like for 14 hours minimum per week. 4. The marketing strategy includes measurable outcomes including increased average spend per week. 5. A report is prepared against the marketing strategy measurable outcomes at least every six months. 6. Ensure that we offer and promote additional benefits as compared with large chain stores such as	October 2016	Marketing Working Group
1. Devise a welcome email to be sent one week after a member joins, advising of AH vision,	June 2017	Marketing WG, Manager

<p>mission, how to shop, how they can volunteer, MC and points of contact, etc.</p> <ol style="list-style-type: none"> 2. Produce a howtoshop flyer and/or sign 3. Ensure all events are advertised on our own social media sites. 4. Explore Meetup and other tools for reaching a wider audience for our events. 5. Put out at least three social media posts per week, 52 weeks per year. 		
<ol style="list-style-type: none"> 1. Content about MC is included. 2. At least one article about sustainable living or the sustainability of our products is included. 3. Appearance is redesigned and/or approved by the Marketing Working Group 4. Newsletter includes at least one engaging story about a product we sell. 5. The newsletter's focus is on what we offer our members (rather than the reverse). 6. New opportunities for participation in the AH community (including volunteering) 	December 2016	Manager, Marketing Working Group, all working groups, MC
	December 2016	IT and Marketing
<ol style="list-style-type: none"> 1. At least three open days are held each year, promoted to the local and wider communities, targeting a specific audience as determined by the relevant working group. 2. Free tastings are offered on at least two of the open days. 3. Contact local media sources to promote Alfalfa 	Ongoing	Community Outreach, Marketing Working Groups
<ol style="list-style-type: none"> 1. Review previous member surveys for information on why members may have stopped shopping at Alfalfa House 2. Identify all former members whose membership lapsed in the past two years and contact twenty by telephone and all others by email as many as possible by email to conduct a simple survey (< 5 questions) on why their 	August 2016	Manager, Community Outreach and Volunteer Engagement Working Groups
Determine what people in the local community want from a grocery store by conducting an inperson	June 2016	Community Outreach
<ol style="list-style-type: none"> 1. Highlight where prices are lower than popular competitors. 2. Continue to offer and promote monthly price 	October 2016	Affordability Working Group
those at similar stores.		
Alfalfa House practices, by...		
	Date	Responsibili
<ol style="list-style-type: none"> 1. Incorporate questions to establish members' priorities into a survey. 2. Prioritise the ethical and sustainability principles for purchasing to assist staff in selecting products for sale (eg to determine if local Australian is more or less important than lack of packaging). 	June 2017	Sustainability Working Group, MC and Manager

1. Stock coordinators advise suppliers of this objective.	June 2021	Sustainability Working
1. Stock coordinators advise suppliers of this objective.	June 2021	Sustainability Working
	June 2019	Sustainability Working
	June 2020	Sustainability Working Group and Manager
	June 2020	Sustainability Working

practices

1. Write the Vision and Mission Statements for adoption by MC (Governance Working Group) 2. Consult with membership about vision and mission statements prior to finalising. 3. Utilise in marketing / share with Marketing WG 4. Feedback to all WGs and staff, put at top of each brief 5. Add to website and all social media	Mar-17	Governance Working Group and Members' Council
	July 2020	Governance Working Group
	December 2017	Governance Working Group, Staff Liaison Working
1. Share a meal between MC and staff, paid for by Alfalfa House or MC. 2. Hold a joint facilitated orientation, planning and networking event between MC and staff within two months of the AGM being held. 3. Seek grant for facilitated orientation event. 4. Hold a retreat between MC and staff if time and resources permit.	Annually	MC, Staff Liaison Working Group and Manager / \$300, \$1000 (to seek grant)

	August 2016	Governance and Communication Working
	August 2016	Governance and Marketing Working Group
1. Define extent of "local community" on a map.	June 2017	Marketing Working Group, Community

<ol style="list-style-type: none"> 2. Hold minimum three open days per year 3. Conduct at least one leaflet drop 4. Contact Inner West Courier and other local media sources to promote Alfalfa House and its values. 5. Promote the values of AH to members and non members through all events. 		Group and Manager
<ol style="list-style-type: none"> 1. Ensure language used in communications consistently reminds members than they are owners in a cooperative. 2. Print tshirts that say “I own a grocery store” and make available to members. 3. Hold one member event about cooperative 	December 2017	MC and Manager
	June 2020	Sustainability Working
<ol style="list-style-type: none"> 1. Post at least fortnightly on social media about sustainable practices supported by Alfalfa House and/or actions members can take at home to be more sustainable. 	June 2017	Manager, Sustainability Working
<ol style="list-style-type: none"> 2. Ensure all workshops and other events highlight an aspect of sustainability. 3. Sustainability information about products is attached to at least four products at any given time, changed at least once every two months. 		Group

KPIs	Current Status
Number of members trained. Loss leading plan produced. Number of loss	Not yet complete
	Not yet complete
Financial plan adopted by MC.	Not yet complete
Annual budget adopted by MC.	Not yet complete
	Not yet complete
% items in the shop are revenue generating	Not yet complete
Plan developed.	Not yet complete
Number of member surveys completed % members who complete survey	Not yet complete

% of members who respond positively in a brief survey	Not yet complete
Reports prepared and tabled with MC.	Not yet complete
	Not yet complete
Report tabled to MC.	Not yet complete
Report tabled to MC.	In progress
Report tabled to MC.	Not yet complete
Report tabled to MC.	Not yet complete

KPIs	Current Status
% members in a survey who can list one or more values accurately	Not yet complete
	Not yet complete
Number of AH events being run by members as volunteers	Not yet complete
	Not yet complete
	Completed 2016
	In Progress

	Not yet complete
	Completed December 2016
	In progress
	4 hours per month average volunteer stint ? Approx 60 volunteers per month What percentage of our members volunteer per month?
	No. volunteers on permanent XD.
% of volunteers surveyed who say they feel they their work was	In progress
	Not yet complete
A marketing strategy has been adopted.	1. In Progress 2/3. Not yet complete
Number of posts on social media	Not yet complete

<p>% of new members who receive a welcome email. % members surveyed who report feeling welcome / included in the AH</p>	
<p>80% of members are satisfied with the quality and usefulness of information in the newsletter. % members who open the newsletter</p>	
	Not yet complete
<p>Number of new members who join on an open day (compared to average on the same day) Number of</p>	In progress
	Not yet complete
<p>A survey has been conducted.</p>	Not yet complete
	Not yet complete
KPIs	Current Status
<p>Guiding document written</p>	Not yet complete

	Not yet complete
	Not yet complete
	Not yet complete
	Not yet complete
Number of media messages about	Not yet complete
<ul style="list-style-type: none"> ● Vision and mission statements adopted. ● Vision and mission statements appear on WG briefs, 	In progress
Policies and procedures are adopted and available to all	In progress
Guideline created.	Not yet complete
Number of events held and percentage of MC and staff attending.	In progress
	Not yet complete
% of residents aware as determined by a	Not yet complete

% members surveyed who can correctly identify the purpose of a cooperative.	
Number of media messages about	
% of members surveyed who agree with the statement	Not yet complete

Alfalfa House Annual Plan to 30 June 2017

DRAFT

We have set our Strategic Directions as:

1. Ensuring our Objects are reflected in Alfalfa House practices, by...

Objectives	Actions	Date
Strategy A following good governance practices		
Vision and mission statements are defined and adopted	<ol style="list-style-type: none"> 1. Write the Vision and Mission Statements for adoption by MC (Governance Working Group) 2. Consult with membership about vision and mission statements prior to finalising. 3. Utilise in marketing / share with Marketing WG 4. Feedback to all WGs and staff, put at top of each brief 5. Add to website and all social media 	Mar-17
All policies and procedures are up to date		July 2020
Operational guidelines for staff and volunteers are created		December 2017
Annual joint events are held between staff and MC	<ol style="list-style-type: none"> 1. Share a meal between MC and staff, paid for by Alfalfa House or MC. 2. Hold a joint facilitated orientation, planning and networking event between MC and staff within two months of the AGM being held. 3. Seek grant for facilitated orientation event. 4. Hold a retreat between MC and staff if time and resources permit. 	Annually
Strategy B operating ethically and sustainably		

Priorities are set for our purchasing principles and communicated to relevant staff	1. Incorporate questions to establish members' priorities into a survey. 2. Prioritise the ethical and sustainability principles for purchasing to assist staff in selecting products for sale (eg to determine if local Australian is more or less important than lack of packaging).	June 2017
There is no plastic packaging on any product sold to members.	1. Stock coordinators advise suppliers of this objective.	June 2021
Not more than 90% of purchased by Alfalfa House arrive in petrochemicalbased plastic.	1. Stock coordinators advise suppliers of this objective.	June 2021
Not more than 5% of items sold involve the purchase of virgin packaging.		June 2019
At least 80% of all groceries are made in Australia, with at least 80% of those products made from local ingredients only.		June 2020
AH is known as a model for minimising waste in the business industry.		June 2020
Strategy C promoting our values		
Our vision and mission statements are included on all social media sites.		August 2016
Our vision and mission statements are included in a marketing plan.		August 2016
At least 70% of residents in the local community are aware of the values for	1. Define extent of "local community" on a map.	June 2017

which Alfalfa House stands.	<ol style="list-style-type: none"> 2. Hold minimum three open days per year 3. Conduct at least one leaflet drop 4. Contact Inner West Courier and other local media sources to promote Alfalfa House and its values. 5. Promote the values of AH to members and nonmembers through all events. 	
Cooperative understanding is instilled within 100% of membership.	<ol style="list-style-type: none"> 1. Ensure language used in communications consistently reminds members that they are owners in a cooperative. 2. Print t-shirts that say "I own a grocery store" and make available to members. 3. Hold one member event about cooperative principles. 	December 2017
AH is known as a model for minimising waste in the business industry.		June 2020
80% of members agree that AH assists them to significantly improve their household sustainability.	<ol style="list-style-type: none"> 1. Post at least fortnightly on social media about sustainable practices supported by Alfalfa House and/or actions members can take at home to be more sustainable. 	June 2017
	<ol style="list-style-type: none"> 2. Ensure all workshops and other events highlight an aspect of sustainability. 3. Sustainability information about products is attached to at least four products at any given time, changed at least once every two months. 	

2. Strengthening the Alfalfa House community, by...

Objectives	Actions	Date
Strategy D hosting events that facilitate belonging amongst our members		
Our members are aware of and understand Alfalfa House's values		June 2017 and ongoing

Our members are empowered to be a powerful force for change in their own community		December 2017 and ongoing
Our members are empowered to create events, in collaboration with staff and MC.	<ol style="list-style-type: none"> 1. We use social media and enews to advise members of the availability of our space. 2. Advise suppliers that our space can be used for workshops. 	December 2016 and ongoing
The definition of "event" is reviewed.	<ol style="list-style-type: none"> 1. Ask members what type of events they would like to attend, both in person and remotely. 2. Results of the survey are used to determine the planning of future events. 	September 2016
Our AGM is a fun event that people want to attend.	A social event is held immediately after the AGM with food provided.	November 2016 and ongoing annually.
We hold at least two events per month on average.		June 2018

Strategy E engaging and retaining our members as volunteers

A volunteer engagement plan is adopted.		September 2016
A paid volunteer coordinator is engaged.		May 2016
A list of volunteer opportunities, including inshop and externally based tasks, is centrally coordinated, published on the website and regularly updated.	<ol style="list-style-type: none"> 1. Working group volunteer opportunities are defined. 2. Website page for volunteering created 	June 2016 and ongoing

30% of members volunteer each month.	<ol style="list-style-type: none"> 1. In collaboration with shop staff and working groups, volunteer callouts occur at least once per month with a range of tasks available. 2. New volunteers are matched up with existing volunteers to ensure support and training is provided. 3. The volunteer induction process is revised to respond to member needs and documented to ensure any staff member or volunteer can run it. 	June 2016 and ongoing
5% of volunteers volunteer 8 hours / month or more (permanent extradiscount)	<ol style="list-style-type: none"> 1. All new volunteers are contacted after their first shift to ask about their experience, offer assistance and inspire their return for another shift. 2. Members are assisted to find appropriate volunteer opportunities 	October 2016
Volunteers feel appreciated for the work they have done.	<ol style="list-style-type: none"> 1. Volunteers are named and thanked as a group in email and/or in newsletter. 2. Include in the member survey a question about sense of 	June 2017
	appreciation for members who have volunteered.	
Volunteer shift records are electronic.		June 2018

Strategy F attracting and retaining members

<p>A marketing strategy is prepared and adopted</p>	<ol style="list-style-type: none"> 1. The front window displays are used to promote our values and increase our sales. 2. The viability of using the space in front of the shop for sales and promotion is explored. 3. A person is posted at the door and/or in shop to greet, offer tastings, answer questions and the like for 14 hours minimum per week. 4. The marketing strategy includes measurable outcomes including increased average spend per week. 5. A report is prepared against the marketing strategy measurable outcomes at least every six months. 6. Ensure that we offer and promote additional benefits as compared with large chain stores such as Coles and Woolies 	<p>October 2016</p>
<p>Our members feel welcome and included by the Alfalfa House community.</p>	<ol style="list-style-type: none"> 1. Devise a welcome email to be sent one week after a member joins, advising of AH vision, 	<p>June 2017</p>
	<ol style="list-style-type: none"> mission, how to shop, how they can volunteer, MC and points of contact, etc. 2. Produce a howtoshop flyer and/or sign 3. Ensure all events are advertised on our own social media sites. 4. Explore Meetup and other tools for reaching a wider audience for our events. 5. Put out at least three social media posts per week, 52 weeks per year. 	

<p>The newsletter is a quality publication read by more than 25% of members.</p>	<ol style="list-style-type: none"> 1. Content about MC is included. 2. At least one article about sustainable living or the sustainability of our products is included. 3. Appearance is redesigned and/or approved by the Marketing Working Group 4. Newsletter includes at least one engaging story about a product we sell. 5. The newsletter's focus is on what we offer our members (rather than the reverse). 6. New opportunities for participation in the AH community (including volunteering) 	<p>December 2016</p>
<p>A new website is launched.</p>		<p>December 2016</p>
<p>AH is regularly promoted to the wider community</p>	<ol style="list-style-type: none"> 1. At least three open days are held each year, promoted to the local and wider communities, targeting a specific audience as determined by the relevant working group. 2. Free tastings are offered on at least two of the open days. 3. Contact local media sources to promote Alfalfa House and its values. 	<p>Ongoing</p>
<p>Understand why members stop shopping at Alfalfa House</p>	<ol style="list-style-type: none"> 1. Review previous member surveys for information on why members may have stopped shopping at Alfalfa House 2. Identify all former members whose membership lapsed in the past two years and contact twenty by telephone and all others by email as many as possible by email to conduct a simple survey (< 5 questions) on why their membership lapsed. 3. Review responses, analyse data and report back to MC. 	<p>August 2016</p>
<p>Understand why people in the local community do not become members.</p>	<p>Determine what people in the local community want from a grocery store by conducting an inperson survey.</p>	<p>June 2016</p>

Ensure shopping at AH is affordable.	<ol style="list-style-type: none"> 1. Highlight where prices are lower than popular competitors. 2. Continue to offer and promote monthly price drops. 3. Work to ensure prices are match 	October 2016
	those at similar stores.	

3. Financial stability, by ...

Objectives	Actions	Date
------------	---------	------

Strategy G finding a longterm solution for our space

Opportunities for increasing the proportion of the premises dedicated to sales to xx% are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings. 	June 2017
Opportunities for using the garden space for storage are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings. 	June 2017
Opportunities for shifting the office to alternative premises are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings. 	June 2018
Options for alternative and/or additional new premises are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff. 3. Survey membership. 4. Prepare draft costings. 	June 2020

Strategy H offering competitive pricing whilst maintaining profitable trading

Lossleading is used to increase sales.	<ol style="list-style-type: none"> 1. At least two members, including one stock coordinator, are trained in pricing strategies. 2. Marketing Working Group and staff collaborate to produce a plan for utilising loss leading. 	November 2016
--	--	---------------

80% of products are priced competitively with other stores	<ol style="list-style-type: none"> 1. Determine and compare prices 2. Ensure prices are similar to similar stores (eg. Dr Earth and Naked) 3. Conduct snapshot sample analysis of our performance with twenty products (minimum) at least twice per year 	July 2017
A financial plan is adopted.		June 2016 and annually.
An annual budget is adopted.		June 2016 and annually.
Operational costs are reduced by 2%.		June 2018
Nonrevenue generating floorspace is identified and converted to revenue generating space.	<ol style="list-style-type: none"> 1. Extract product sales from Filemaker from past 18 months minimum, analyse and provide recommendations. 	December 2016
	<ol style="list-style-type: none"> 2. Research buyer behaviour and forecasts (?) for the organic industry. 3. Remove nonrevenue generating products from floor as per recommendations. 4. Dedicate floorspace in the shop according to recommendations from research. 	
Strategy I providing a great shopping experience		

<p>A plan is in place to ensure that the shopping experience we offer meets the needs of our community</p>	<ol style="list-style-type: none"> 1. Ensure that the primary concerns of the local community and exmembers are responded to, where they meet our Objects 2. Review member survey 2013 and UTS survey 2015 to determine member concerns that may point to dissatisfaction and reasons for leaving (Governance, May 2016) 3. At least six times per times per year, utilise social media for oneoff survey questions that assist us to understand how to create a better shopping experience. 4. Reinstate the suggestion box for members and other shoppers to provide immediate instore feedback, and ensure that 	<p>July 2016 and ongoing</p>
	<p>comments are fed back to MC, Manager and other relevant parties on a monthly basis.</p>	
<p>A thorough survey of members is undertaken at least once every four years.</p>	<ol style="list-style-type: none"> 1. Undertake a members' survey 2. Review results of the survey and address as necessary 	<p>June 2017</p>
<p>The instore shopping experience is accessible for new and returning shoppers.</p>	<ol style="list-style-type: none"> 1. Training and supporting volunteers to assist shoppers 2. Staff and volunteers are easily identifiable eg aprons or name tags with logo. 3. Establish a protocol to ensure all shoppers are greeted upon entering the store. 	<p>July 2016</p>
<p>The viability of online shopping and delivery is determined</p>	<ol style="list-style-type: none"> 1. Research and advise on online shopping opportunities. 2. Research and advise on opportunities for home delivery. 3. Explore how online shopping fits with Alfalfa House values. 4. Discuss report recommendations with staff. 5. Report to MC. 	<p>August 2016</p>

Alternative point of sale options are determined		July 2020
--	--	-----------

Responsibility / \$	KPIs	Current Status
Governance Working Group and Members' Council	<ul style="list-style-type: none"> • Vision and mission statements adopted. • Vision and mission statements appear on WG briefs, website and social media. 	Vision and mission sent to the MC from the Marketing working group for review.
Governance Working Group	Policies and procedures are adopted and available to all members.	
Governance Working Group, Staff Liaison Working Group and Manager	Guideline created.	
MC, Staff Liaison Working Group and Manager / \$300, \$1000 (to seek grant)	Number of events held and percentage of MC and staff attending.	

Sustainability Working Group, MC and Manager	Guiding document written	
Sustainability Working Group and Manager		
Sustainability Working Group and Manager		
Sustainability Working Group and Manager		
Sustainability Working Group and Manager		
Sustainability Working Group and Manager	Number of media messages about low AH waste.	
Governance and Communications Working Groups		
Governance and Marketing Working Groups		
Marketing Working Group, Community Outreach Working	% of residents aware as determined by a survey.	

Group and Manager		
MC and Manager	% members surveyed who can correctly identify the purpose of a cooperative.	
Sustainability Working Group and Manager	Number of media messages about low AH waste.	
Manager, Sustainability Working Group	% of members surveyed who agree with the statement.	

Responsibility	KPIs	Current Status
Governance WG, MC, Manager	% members in a survey who can list one or more values accurately	

Community Outreach	Number of AH events being run by members as volunteers.	
Community Outreach		
Community Outreach, Manager and MC / \$150		
Volunteer Engagement Working Group		
Staff Liaison Working Group, Volunteer Engagement Working Group, Manager		
Working Groups, Manager		

<p>Manager and Volunteer Engagement Working Group</p>		<p>4 hours per month average volunteer stint ? Approx 60 volunteers per month What percentage of our members volunteer per month?</p>
<p>Manager and Volunteer Engagement Working Group</p>		<p>No. volunteers on permanent XD.</p>
<p>Manager</p>	<p>% of volunteers surveyed who say they feel their work was appreciated.</p>	

Marketing Working Group	A marketing strategy has been adopted.	
Marketing WG, Manager	Number of posts on social media per week.	
	% of new members who receive a welcome email. % members surveyed who report feeling welcome / included in the AH community	

<p>Manager, Marketing Working Group, all working groups, MC</p>	<p>80% of members are satisfied with the quality and usefulness of information in the enewsletter. % members who open the newsletter</p>	
<p>IT and Marketing Working Groups</p>		
<p>Community Outreach, Marketing Working Groups</p>	<p>Number of new members who join on an open day (compared to average on the same day) Number of member discounts given to non members on an open day.</p>	
<p>Manager, Community Outreach and Volunteer Engagement Working Groups</p>		
<p>Community Outreach</p>	<p>A survey has been conducted.</p>	

Affordability Working Group		

Responsibility	KPIs	Current Status
Premises Solutions Working Group	Report tabled to MC.	
Premises Solutions Working Group	Report tabled to MC.	
Premises Solutions Working Group	Report tabled to MC.	
Premises Solutions Working Group	Report tabled to MC.	
Marketing WG and Manager	Number of members trained. Loss leading plan produced. Number of loss leaders tried.	

Affordability and Marketing WG, and Manager		
Finance Working Group and MC	Financial plan adopted by MC.	
Finance Working Group and MC	Annual budget adopted by MC.	
Finance Working Group and MC and manager		
Affordability Working Group, Manager	% items in the shop are revenue generating	

Governance Working Group and Marketing WG	Plan developed.	
MC and Manager	Number of member surveys completed % members who complete survey	
MC and Manager	% of members who respond positively in a brief survey	
MC (Jonny)	Reports prepared and tabled with MC.	

--	--	--

Alfalfa House Annual Plan to 30 June 2020

DRAFT

We have set our Strategic Directions as:

A. Financial stability, by ...

Objectives	Actions	Date	Responsibility	KPIs	Current Status
Strategy A offering competitive pricing whilst maintaining profitable trading					
1. Develop and adopt an annual sales and expense budget	A financial including Balance Sheet, P & L is adopted.	May 2017 and annually.	Marketing WG, Finance Working Group and MC	Financial plan adopted by MC.	Not yet complete
2. Develop and implement a 3 month rolling promotional plan for the shop.	Develop trade marketing plan.	Apr-17	Manager	Present to MC monthly with results and next actions	
3. Pricing strategy. May include lost leading to increased sales.	Pricing strategy developed. 1. Determine and compare prices 2. Ensure prices are similar to similar stores (eg. Dr Earth and Naked) 3. Conduct snapshot sample analysis of our performance with twenty products (minimum) at least twice per year	Jun-17	Catherine & Renata	Plan submitted for discussion; 80% of products are priced competitively with other stores to be checked on a monthly cycle (say 5 a month)	Not yet complete
4. Nonrevenue generating floorspace is identified and converted to revenue generating space.	1. Extract product sales from Filemaker from past 18 months minimum, analyse and provide recommendations.	December 2016	Affordability Working Group, Manager	% items in the shop are revenue generating	Not yet complete
5. A category and supplier review is conducted annually.	1. Research buyer behaviour and forecasts (?) for the organic industry. 2. Remove nonrevenue generating products from floor as per recommendations. 3. Dedicate floorspace in the shop according to recommendations from research.	Ongoing	Manager	Report as part of the managers monthly report. 2. Include strategy as part of the annual plan.	

Strategy B providing a great shopping experience

1. Alternative point of sale options are determined	Alternate options to Filemaker explored	May-17	Manager	Proposal preneted	Not yet complete
2. Staff and instore volunteers are supported and trained to provide excellent customer service.	Training program developed to have a cohesive plan that customers are engaged provide provide excellent customer service.	Jul-17	Volunteer co-ordinator and Manager	Training immenetd in August 2017	Not started
3. The shop window and environment look inviting and engaging.	Develop a window theme plan. Merchandising co-ordinator to be appointed as part of the team - <i>A current team member with flair or a volunteer who can do this.</i>	Apr-17	Manager, MWG, Merchandise Co-ordinator (volunteer)	Improved sales	Not started

4. A plan is in place to ensure that the shopping experience we offer meets the needs of our community	<ol style="list-style-type: none"> 1. Ensure that the primary concerns of the local community and ex members are responded to, where they meet our Objects 2. Review member survey 2013 and UTS survey 2015 to determine member concerns that may point to dissatisfaction and reasons for leaving (Governance, May 2016) 3. At least six times per times per year, utilise social media for one off survey questions that assist us to understand how to create a better shopping experience. 4. Reinstate the suggestion box for members and other shoppers to provide immediate instore feedback, and ensure tha tcomments are fed back to MC, Manager and other relevant parties on a monthly basis. Manager puts these commenst as part of the monthly report. 	July 2017 and ongoing	Governance Working Group and Marketing WG, Manager.	Plan developed. Feedback in Managers monthly report.	Not yet complete
5. The instore shopping experience is accessible for new and returning shoppers.	<ol style="list-style-type: none"> 1. Training and supporting volunteers to assist shoppers 2. Staff and volunteers are easily identifiable eg aprons or name tags with logo. 3. Establish a protocol to ensure all shoppers are greeted upon entering the store. 	July 2017 and ongoing	MC and Manager	% of members who respond positively in a brief survey	Not yet complete
6. The viability of online shopping is determined	<ol style="list-style-type: none"> 1. Research and advise on online shopping opportunities. 2. Research staffing this opportunity. 5. Report to MC. 	Aug-17	Manager, MWG, Merchadise Co-ordicator (volunteer)	Reports prepared and tabled with MC.	Not yet complete
7. The viability of delivery is determined.	<ol style="list-style-type: none"> 1. Research and advise on opportunities for home delivery. 2. Research staffing this opportunity. 5. Report to MC. 	Aug-17	TBC		
8.A comprehensive survey of members is undertaken at least once every four years.	<ol style="list-style-type: none"> 1. Develop questionnaire on line. 2. Review 	Sep-17	Outreach & Communicatiions	Draft to MC for input - August 2017; Send out Sept 2017; Interpret the results and issue report November 2017	

Strategy C finding a longterm solution for our space					
1. Opportunities for using the garden space for storage are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings. 	June 2017	Premises Solutions Working Group	Report tabled to MC.	In progress
2. Opportunities for increasing the proportion of the premises dedicated to sales are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff and members. 3. Prepare draft costings. 	June 2017	Premises Solutions Working Group	Report tabled to MC.	Not yet complete
3 Options for alternative and/or additional new premises are explored.	<ol style="list-style-type: none"> 1. Prepare recommendations with clear justifications. 2. Discuss practicalities of options with staff. 3. Survey membership. 4. Prepare draft costings. 	June 2020	Premises Solutions Working Group	Report tabled to MC.	Not yet complete

2. Strengthening the Alfalfa House community, by...

Objectives	Actions	Date	Responsibility	KPIs	Current Status
Strategy D hosting events that facilitate belonging amongst our members					
1. We hold at least two events per month on average.	Part of monthly promotional planner.	Jun-17	Manager, MWG	Events planned and occurring.	In Progress
2. Find out what type of events/activities members want as part of the 4 year timed members survey.	Incorporate as part of the survey	Sep-17	Outreach & Communications	Draft to MC for input - August 2017; Send out Sept 2017; Interpret the results and issue report November 2017	
3. Our members are empowered to be a powerful force for change in their own community		December 2017 and ongoing			Not yet complete
4. Our members are empowered to develop and propose events, in collaboration with staff and MC.	1. We use social media and emails to advise members of the availability of our space. 2. Advise suppliers that our space can be used for workshops.	Ongoing	Community Outreach	Number of AH events being run by members as volunteers.	Not yet complete
5. Our AGM is a fun event that people want to attend.	A social event is held immediately after the AGM with food provided.	November 2016 and ongoing annually.	Community Outreach, Manager and MC / \$150		Completed 2016
Strategy E engaging and retaining our members as volunteers					
1. A volunteer engagement plan is adopted as part of the annual plan.		May-17	Volunteer Engagement Working Group		Not yet complete
2. A paid volunteer coordinator is engaged and the role maintained.	The staff member is appointed.	2017	Staff Liaison Working Group, Volunteer Engagement Working Group, Manager	Retain the position.	In progress
3. A list of volunteer opportunities, including inshop and externally based tasks, is centrally coordinated, published on the website and regularly updated.	1. Working group volunteer opportunities are defined. 2. Website page for volunteering created		Working Groups, Manager	Part of new website.	In progress
4. 5% of members volunteer each month.	1. In collaboration with shop staff and working groups, volunteer callouts occur at least once per month with a range of tasks available. 2. New volunteers are matched up with existing volunteers to ensure support and training is provided. 3. The volunteer induction process is revised to respond to member needs and documented to ensure any staff member or volunteer can run it.	Ongoing	Manager and Volunteer Engagement Working Group	Equates to approx 200 people per month.	
5. 20% of volunteers volunteer 8 hours / month or more (permanent extra discount)	1. All new volunteers are contacted after their first shift to ask about their experience, offer assistance and inspire their return for another shift. 2. Members are assisted to find appropriate volunteer opportunities	Ongoing	Manager and Volunteer Engagement Working Group	Equates to approx 20 people per month.	No. volunteers on permanent XD.

6. Volunteers feel appreciated for the work they have done.	1. Volunteers are named and thanked as a group in email and/or in newsletter. 2. Include in the member survey a question about sense of appreciation for members who have volunteered.	June 2017	Manager	% of volunteers surveyed who say they feel they appreciated their work was appreciated.	In progress
7. Volunteer shift records are electronic.		Jun-18			Not yet complete
Strategy F attracting and retaining members					
1. A new website is launched with content updated monthly.		December 2016	IT and Marketing Working Groups		Not yet complete
2. A marketing strategy is prepared and adopted as part of the annual plan.	Strategic direction for the co-op is set. Key activities set.	May 2017 and annually		A marketing strategy has been adopted.	
3. AH is regularly promoted to the wider community	1. At least three open days are held each year, promoted to the local and wider communities, targeting a specific audience as determined by the relevant working group. 2. Free tastings are offered on at least two of the open days. 3. Contact local media sources to promote Alfalfa House and its values, mission, how to shop, how they can volunteer, MC and points of contact, etc. 2.	Ongoing	Community Outreach, Marketing Working Groups	Number of new members who join on an open day (compared to average on the same day) Number of member discounts given to non members on an open day.	In progress
4. The newsletter is a quality publication read by more than 25% of members.	Newsletter to include 1. Produce ie: Whats in season, whats new, new grower etc 2. At least one article about sustainable living or the sustainability of our products is included. 4. Newsletter includes at least one engaging story about a product we sell. 5. The newsletter's focus is on what we offer our members (rather than the reverse). 6. New opportunities for participation in the AH community (including volunteering) 7. MC contribution.	Apr-17	Manager, Marketing Working Group, all working groups, MC	80% of members are satisfied with the quality and usefulness of information in the e newsletter. % members who open the newsletter	
5. Our members feel welcome and included by the Alfalfa House community.	1. Devise a welcome email to be sent one week after a member joins, advising of AH vision, mission. 2. Produce a howto shop flyer and/or sign 3. Ensure all events are advertised on our own social media sites. 4. Explore Meetup and other tools for reaching a wider audience for our events. 5. Put out at least three social media posts per week, 52 weeks per year.	June 2017	Marketing WG, Manager	Number of posts on social media per week.	Not yet complete
6. Ensure shopping at AH is affordable.	Part of the pricing strategy				Not yet complete
7. Understand why members stop shopping at Alfalfa House	1. Review previous member surveys for information on why members may have stopped shopping at Alfalfa House 2. Identify all former members whose membership lapsed in the past two years and contact twenty by telephone and all others by email as many as possible by email to conduct a simple survey (< 5 questions) on why their membership lapsed. 3. Review responses, analyse data and report back to MC.	2017	Manager, Community Outreach and Volunteer Engagement Working Groups		Not yet complete

8. Understand why people in the local community do not become members.	Determine what people in the local community want from a grocery store by conducting an inperson survey.		Community Outreach	A survey has been conducted.	Not yet complete
---	--	--	--------------------	------------------------------	------------------

3. Ensuring our Objects are reflected in Alfalfa House practices, by...

Objectives		Date	Responsibility	KPIs	Current Status
Strategy G operating ethically and sustainably					
1. Staff and volunteers are treated with respect.					
2. Priorities are set for our purchasing principles and communicated to relevant staff	1. Incorporate questions to establish members' priorities into a survey. 2. Prioritise the ethical and sustainability principles for purchasing to assist staff in selecting products for sale (eg to determine if local Australian is more or less important than lack of packaging).	June 2017	Sustainability Working Group, MC and Manager	Guiding document written	Not yet complete
3. Endeavour to seek there is no plastic packaging on any product sold to members	1. Stock coordinators advise suppliers of this objective.	June 2021	Sustainability Working Group and Manager		Not yet complete
4. Not more than 90% of purchased by Alfalfa House arrive in petrochemical-based plastic	1. Stock coordinators advise suppliers of this objective.	June 2021	Sustainability Working Group and Manager		Not yet complete
5. Not more than 5% of items sold involve the purchase of virgin packaging		June 2019	Sustainability Working Group and Manager		Not yet complete
6. Alfalfa House is known as a role model for minimising waste in the local community		June 2020	Sustainability Working Group and Manager	Number of media messages about low AH waste.	Not yet complete
7. Alfalfa House focuses to being an energy efficient business.		June 2020	Sustainability Working Group and Manager		Not yet complete

Strategy H following good governance practices

1. Vision and mission statements are defined and adopted	1. Write the Vision and Mission Statements for adoption by MC (Governance Working Group) 2. Consult with membership about vision and mission statements prior to finalising. 3. Utilise in marketing / share with Marketing WG 4. Feedback to all WGs and staff, put at top of each brief 5. Add to website and all social media	Mar-17	Governance Working Group and Members' Council	<ul style="list-style-type: none"> ● Vision and mission statements adopted. ● Vision and mission statements appear on WG briefs, website and social media. 	In progress
2. All policies and procedures are up to date		July 2020	Governance Working Group	Policies and procedures are adopted and available to all members.	In progress
3. Operational guidelines for staff and volunteers are created		December 2017	Governance Working Group, Staff Liaison Working Group and Manager	Guideline created.	Not yet complete
4. Annual joint events are held between staff and MC	1. Share a meal between MC and staff, paid for by Alfalfa House or MC. 2. Hold a joint facilitated orientation, planning and networking event between MC and staff within two months of the AGM being held. 3. Seek grant for facilitated orientation event. 4. Hold a retreat between MC and staff if time and resources permit.	Annually	MC, Staff Liaison Working Group and Manager / \$300, \$1000 (to seek grant)	Number of events held and percentage of MC and staff attending.	In progress

5. Review the Alfalfa House rules biannually.		Bi Anually - November	Governamnce working group, MC Manager		
Strategy I promoting our values					
1. Our vision and mission statements are included on all social media sites.		Aug-17	Governance and Communications Working Groups, Manager		
2. Our vision and mission statements are included in a marketing plan.		May-17	Governance and Marketing Working Groups		Not yet complete
3. At least 70% of residents in the local community are aware of the values which Alfalfa House stands.	1. Define extent of "local community" on a map. 2. Hold minimum three open days per year 3. Conduct at least one leaflet drop 4. Contact Inner West Courier and other local media sources to promote Alfalfa House and its values. 5. Promote the values of AH to members and nonmembers through all events.	June 2017	Marketing Working Group, Community Outreach Working Group and Manager	% of residents aware as determined by a survey.	Not yet complete
4. Cooperative understanding is instilled within 100% of membership.	1. Ensure language used in communications consistently reminds members than they are owners in a cooperative. 2. Print tshirts that say "I own a grocery store" and make available to members. 3. Hold one member event about cooperative principles.	December 2017	MC and Manager	% members surveyed who can correctly identify the purpose of a cooperative.	
5. Fosters ethical and sustainable consumption to improve their household sustainability.	1. Post at least fortnightly on social media about sustainable practices supported by Alfalfa House and/or actions members can take at home to be more sustainable. 2. Ensure all workshops and other events highlight an aspect of sustainability. 3. Sustainability information about products is attached to at least four products at any given time, changed at least once every two months.	June 2017	Manager, Sustainability Working Group	% of members surveyed who agree with the statement.	Not yet complete