

TO: ALL NEWS EDITORS AND JOURNALISTS

THE PURPOSE OF THE AMENDED CO-OPS ACT NO 6 OF 2013.

- a) Strengthen corporate governance;
- b) Accountability and
- c) Transparency

A very important change is to categorise primary co-ops into three categories to curb the high cost of compliance. In this regard primary co-ops are categorised according to size.

- a) Category A: are survivalist to small primary co-ops with a turnover of less than R10m per annum;
- b) Category B: are small to medium co-ops with an annual turnover of R10 m to less than R25 m per annum and
- c) Category C: are medium to large co-ops with a turnover of more than R25 m per annum.

Different accounting, audit and review process will apply to each category.

MEMBERSHIP AT PRIMARY LEVEL

A primary co-op may be incorporated by a minimum of:

- a) Five Natural persons or
- b) Two juristic persons; or
- c) A combination of any five of such persons.

This clarified the uncertainty of juristic membership.

The provision for Secondary and Tertiary co-ops remain the same. The only significant change is that, provision is made for a single National Apex Co-operative.

The co-operative registration fee has been reduced from R215-00 to R125-00 and registration will be done online as from the 1st of September 2019. Name reservation is now compulsory and applicants must have approved reserved name, when registering a co-operative.

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