



Credit Union
Co-Operative Society
Limited

Bye-Laws

These Bye-Laws are supplementary
to the provisions of the Act and
amendments thereto.

The Regulations and the Society shall be
guided by the Act, the Regulation and the
Bye-Laws read together.

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1. INTERPRETATION

"In these Bye Laws, unless the context otherwise requires, the Commissioner means the Commissioner of Co-operative Development. The words 'he', 'his', and 'him' shall also mean 'she', 'hers' and 'her'. "The Board" means the Board of Directors. "The Act" means the Co-operative Societies Act, 1971 and any amendments thereto. "The Regulations" mean the Co-operative Societies Regulation 1971. "The Rules" mean the rules as provided for in Bye Law 16(g) of these Bye Laws. Fit and Proper definition: A person who is essentially of good character, competent, honest, financially sound, reputable, reliable and discharges or is likely to discharge his/her responsibilities fairly. Meetings of the Society means any General or any Meeting of the Board or Credit, Supervisory or any other Committee whether in person, virtual or hybrid as indicated on the Notice. A "member in good standing" means a member who has not violated the term of his loan contract neither is he delinquent or inactive. An "inactive member" is a member who did not purchase at least twelve shares for at least twelve months. A "delinquent member" is a member who is in default of payments of money when due."

2. NAME AND REGISTERED ADDRESS

The Society shall be called "PECU Credit Union Co-operative Society Limited". The Registered Address shall be at No. #50, Park Street, Port of Spain or at such other place as from time to time may be decided. In the event of any change of the name or the registered address, notice of such change shall be sent to the Commissioner within thirty (30) days.

3. OBJECTS

The objects of the Society are:

- a. To improve the social and economic conditions of its members by:
 - i. Promoting thrift and savings amongst its members.
 - ii. Providing loans to members for provident and productive development purposes.
 - iii. Engage in bulk buying and selling/distributing of household articles, hardware and software materials, consumer goods and services of various kinds to members.
 - iv. Acquiring real estate and other properties necessary or desirable for the business of the Society and for the benefit of its members.

- v. Providing other services as approved by the members at a general meeting.
- b. To encourage the spirit and practice of self-help and co-operation and to promote the development of co-operative ideas by:
 - i. Educating members in co-operative principles and practices;
 - ii. Affiliating or collaborating with any other co-operative societies or organizations
- c. To do all such lawful things as are incidental or conducive to the attainment of the above objects.

4. MEMBERSHIP

- a. Qualification:
 - i. All persons in the employ of the Port Authority of Trinidad and Tobago Port Contractors Limited and the Port Authority of Trinidad and Tobago shall be eligible for membership;
 - ii. Any other person or group of persons the Board may from time to time approve.
- b. Retention
Members who have suffered loss of qualification in accordance with Bye-Law 4(a) (i) shall continue to be members and they shall enjoy the rights and privileges attendant thereto at the discretion of the Board.
- c. Admission
 - i. Application for membership shall be made in writing to the Secretary on the prescribed form and disposed of by the Board;
 - ii. "All members shall contribute three dollars (\$3.00) per week or thirteen dollars (\$13.00) per month towards the Society's Build Fund."
 - iii. Membership shall commence from the date of approval of the application and on the payment of a non-refundable entrance fee of fifty dollars (\$50.00) dollars for adults and twenty dollars (\$20.00) for children and the purchase of two (2) full shares;
 - iv. A first copy of these Bye-Laws shall be given free of charge to each person admitted to membership. Any additional copy copies required by the member will be supplied at a cost to be determined by the Board.

5. TERMINATION

- i. Membership shall be terminated by death, or proven mental incapacity of a member, or by his resignation or expulsion in accordance with these Bye-Laws;
- ii. A member shall have the right to resign from the Society, provided that he is not indebted to the Society directly or indirectly. He shall give notice of his intention in writing to the Secretary.

Expulsion

If any member violates these Bye-Laws, or acts otherwise in a manner prejudicial to the good repute or interest of the Society, the Board shall;

- a. Convene a special meeting for the purpose; and may take such disciplinary action that it deems necessary by way of suspension or expulsion with a two-third majority vote of members present and voting.
- b. A concise statement in writing of the grounds alleged must be served upon the member and he must also have been given a reasonable opportunity of being heard in his own defense;
- c. An appeal against the adverse finding of the Board may be made by the expelled member within fifteen (15) days of being served notice of such findings. Such appeal shall be made through the Board to the next general meeting, notice of which shall be given to the expelled member. A majority of the members present may ratify or revoke the decision of the Board.
- d. If the appellant is dissatisfied with the decision of the General Meeting, he may proceed in accordance with the provisions of Section 64 of the Act.

Liability

- a. The liability of a member for debts of the Society, shall be limited to his Share Capital;
- b. The liability of a past member for the debts of the Society as they existed at the time when he ceased to be a member, shall continue for a period of two (2) years from the date of his ceasing to be a member (Section 40, 1-2);

- c. The estate of a deceased member shall be liable for a period of two (2) years from the date of his decease for the debts of the Society as existed at the time of his death;

8. CAPITAL

- a. The Capital employed by the Society shall be composed of:
 - i. Shares (an undetermined number of Shares at the value of five dollars (\$5.00) each);
 - ii. Deposits from members;
 - iii. Realized surpluses;
 - iv. Loans;
 - v. Building Fund.
- b. Loans and Deposits, whether from members or non-members shall be subject to the maximum liability fixed by members at a General Meeting and approved by the Commissioner. (Act Section 40, Regulations 15 and 30).

9. SHARES

- a. Value:
Shares shall be valued at five dollars (\$5.00) each, payable in cash or through payroll deductions.
- b. Transfer:
 - i. Shares may be transferred only in writing, from one member to another upon payment of a fee of two dollars (\$2.00) for each transfer. All transfers shall be on the form prescribed by the Board;
 - ii. No transfer of shares shall be valid and effective unless and until such transfer has been registered on the direction of the Board;
 - iii. No transfer of shares shall be registered without the special order of the Board, if the request is being made by a member who is indebted to the Society;
 - iv. All share transactions shall be at par value;
 - v. On the death of a member, the Board may transfer his shares to the person/s nominated by him if qualified to be a member (s) or to the heir or legal representative if so qualified; (Regulation 47: 1, 2, 3, 4);
 - vi. If the whereabouts of any member are not known to the Society and no claim is made within one year from the date of his last

transaction with the Society, the Board may transfer his share or interest, after deducting any sum due to the Society to an Unclaimed Share Account.

10. WITHDRAWALS

A member may withdraw on the demand any portion of his Share Capital not otherwise pledged to the Society, except that the Board may require notice of a period not exceeding three (3) months of his intention to withdraw the whole or any part of the unencumbered sum paid by him to his share account.

11. LIEN

Act Section 34:

- a. The Credit Union shall have a lien on the shares, deposits and dividends of a member for any sum due to the Credit Union by such member for any loan endorsed by him.
- b. For the purpose of enforcing a lien, the Board may transfer to a member, or to a person having the necessary qualifications for membership, the shares, deposits and dividends, the subject of such lien in such manner as it thinks fit; but no such transfer shall be made until notice in writing of the intention to transfer shall have been served on such member and default shall have been made by him in the payment of such money for thirty (30) days after services of such notice. The proceeds of such sale shall be applied towards the payments of such monies and the residue, if any, paid to the defaulting member.

12. DEPOSITS

- a. In order to provide ready Cash, a member may deposit a sum of not less than five dollars (\$5.00) at any one time. Such sum is withdrawable at his wish.
- b. Interest at the rate fixed by the Board will accrue on saving deposits with the Organization on the 30th June and on the 31st December. Interest so accrued will thereafter attract interest as in the case of an actual deposit. No interest shall be paid on fractions of a dollar.

13. STATEMENT OF ACCOUNT

Payments on account of shares, deposits, repayments of loans and interest shall be evidenced by statements which shall show in separate columns, successive payments on any of these accounts. Loans taken or withdrawals of shares or deposits are to be entered therein.

14. NOMINATIONS

Every member of the Society shall in writing, under his hand and attest by two (2) witnesses and delivered to the office of the Society during his lifetime, nominate any person(s) to whom or to whose credit the shares or interest may be in the event of his death be paid or transferred. A member from time to time may revoke or vary such nomination in writing under his hand similarly attested and delivered. All such nominations, revocations or variations shall be recorded in a register of members.

The nominator shall, in respect of every share and deposit account, pay one dollar (\$1.00) for the recording or registering of every nomination after the first revocation or variation;

Payment to Nominee: On receiving satisfactory proof of the death of a nominator, the Board of Directors shall pay to the nominee(s) in the manner so directed by the Nominator, the sum representing the full value of the Shares and the sum held on deposit less than any sum due to the Credit Union subject to paragraph 14(d) stated herein. Entry of such payment shall be made in the proper book and thereupon the value so dealt with shall be extinguished.

"Provided further, the society shall unless prevented by order of a court of competent jurisdiction pay to such nominee or nominees or legal personal representatives as the case may be a sum not exceeding fifty thousand dollars (\$50,000.00) due to the deceased member from the society. All other monies due to the deceased member from the society shall fall into his estate and be subject in all respects to the laws relating to inheritance including the requirements to pay estate duty. (Act 39 (3))."

If a member dies intestate without having made any nomination, the Board shall deal with it as the Administrator General may direct.

15. MEETINGS

a. General Meeting:

The supreme authority of the Society shall be vested in properly constituted General Meetings of members at which every member has the right to attend and vote on all questions.

b. Annual:

"The Annual General Meeting shall be held as early as possible and not later than three months after receipt from the auditor of his report. At least seven (7) days' notice of the meeting shall be given to all members. The notice shall state the time and place of the meeting and the business to be transacted."

c. Special:

A Special General Meeting shall be held at any time on the request of the President, the Board, the Supervisory Committee, the Commissioner or his representative or on receipt by the Secretary of a written requisition signed by not less than one hundred (100) members.

d. Notification:

Notwithstanding any to the contrary contained here-in, notice of any General Meeting shall be deemed to have been given or served upon every member of the Society if notice thereof, is displayed in a conspicuous place in the registered office of the Society for at least seven (7) days prior to the meeting. In addition, notice thereof, shall be published in the daily newspapers during the week prior to such meeting on at least two (2) occasions.

e. Quorum : The quorum for any General Meeting shall be ten percent (10%) of the members or fifty (50) members, whichever is less. No proxies shall be allowed.

If a quorum is not present on the expiration of half an hour after the time fixed for such a meeting, an adjournment shall be taken to a date not less than fourteen (14) days thereafter and members shall be notified accordingly at least five (5) days before the date thereof; such notification to be made in the same way as is provided in the case of a General Meeting. The Decision of the adjourned meeting shall be final irrespective the number of persons present constituting a quorum.

f. Save as provided in Bye-Law 27, decision at General Meetings shall be made by a majority of the votes recorded by members present. Each member shall have but a simple vote whatever his shareholdings, and

there shall be no voting by proxy. A member being a society or body or persons, whether incorporated or not, shall cast a single vote through a duly delegated agent.

g. Powers and Duties

The powers and duties of the Annual General Meeting shall be:

- i. To elect by ballot, a Board of Directors, a Credit Committee and a Supervisory Committee as set out by Bye-Laws 16, 18 and 19. The Board and Committee members can either be re-elected or replaced;
- ii. To elect two (2) substitutes each for the Board, Credit and Supervisory Committees for a period until the next Annual General Meeting. The Substitutes will take office if any seats on the Board and Committees become vacant during the year;
- iii. To consider accounts and reports presented by the Board and Committees for the preceding year together with any comments thereon made by the auditor and/or the Commissioner;
- iv. To approve or disapprove recommendations of the Board for the allocations for surplus from the previous year subject to the Act, the Regulations thereunder and these Bye-Laws;
- v. To approve or to amend the budget for the current financial year;
- vi. To approve or amend any rules made by the Board under the Bye-Law 16 (g);
- vii. To appoint an Auditor for the ensuing term from the panel approved by the Commissioner;
- viii. To deal with any other business duly brought forward

16. BOARD OF DIRECTORS

a. Composition:

The Board of Directors shall consist of twelve (12) Members to serve for a term of three (3) years and to be elected at an Annual General Meeting of the Society, provided that at each General Meeting, four (4) members are outgoing, who can either be re-elected or replaced.

b. Election:

The Board shall at their first meeting to be held within seven (7) days of the date of each Annual Meeting elect from their own members, the Executive Officers of the Society.

c. Executive Officers:

The Executive Officers of the Society shall be a President, Vice President, Secretary, Assistant Secretary and Treasurer.

- d. The President of the Society shall on the request of the Commissioner in writing summon a Special Meeting of the Board at which the Commissioner or his representative shall attend and discuss any matter touching the affairs of the Society.
- e. The Commissioner or his representative shall at all times be entitled to a seat at meetings of the Board and to take part in deliberations thereof, but shall not vote.
- f. Powers and Duties
The Board of Directors shall be entrusted with the general management of the affairs of the Society and shall exercise all powers of the Society, except those reserved to the general meeting of the members and in particular and duties;
 - i. To decide upon application on appeal for membership and suspension or expulsion of members;
 - ii. To appoint the Manager of the Society;
 - iii. To fix salary ranges for jobs in the Society;
 - iv. To determine the rate of interest on savings, deposits, fix deposits and loans, to members;
 - v. To recommend dividends on shareholdings, bonuses or rebates on interest consistent with the provisions of the Act and Regulations;
 - vi. To determine the maximum amount which may be lent to a member, with or without security;
 - vii. To have charge of investments other than loans to members;
 - viii. To fix the amount of the bond of fidelity guarantee required of all financial officers;
 - ix. To appoint an Education Committee and its Chairman in accordance with Bye-Law 20;
 - x. To designate the bank or banks in which funds of the Society shall be deposited;
 - xi. To appoint sub-committees and specify their areas of operations; To take all measures to provide for the management of the affairs of the Society for which no provision is specifically made in these Bye-Laws;
- g. The Board shall have power to make such rules for the conduct of the

affairs of the Society as to them from time to time may seem necessary and as would not be repugnant or contradictory to the Bye-Laws of the Society, and shall cause a book to be kept open at all times for the inspection by members or any person or persons authorized by the Commissioner, containing all such rules. No such rules shall be valid unless ratified at a General Meeting.

17. DUTIES OF EXECUTIVE OFFICERS

- a. The President :
It shall be the duty of the President to summon and preside at all meetings of members and the Board of Directors, countersign all notes and other instructions drawn by the Society and perform such other duties as appertain to his office.
- b. Vice President:
It shall be the duty of the Vice President to perform the duties of the President in the event of the absence or disability of that Officer and such other duties as may be assigned to him by the Board.
- c. Secretary:
The Secretary shall keep records of the meetings of the members of the Board. He/She shall give due notice of all meetings in consultation with the President and in the manner prescribed by the Bye-Laws, shall perform all other duties incidental to his office and such other duties as may be assigned to him by the Board of Directors. In the performance of his duties, he shall be assisted by the Assistant Secretary.
- d. Treasurer:
 - i. He shall ensure that the financial policy of the Society as directed by the Board or Annual General Meeting be effectively pursued by the Society's Administration and act as the Board's financial advisor.
 - ii. He shall have prepared for the consideration of the Board such Budgets and statements as they may require.
 - iii. He shall be a signatory to instruments of the Society, together with other person or persons as the Board may direct from time to time.
- e. Manager:
If the Board employs a Manager, he may perform the duties of Secretary and/or Treasurer of the Society under the directives of the Board:

- i. He shall superintend the day-to-day working of all staff employed by the Society;
- ii. He shall ensure the safe and effective control of all Cash, and to deposit same on a daily basis;
- iii. He shall ensure that all books of account, registers and all relevant documents of the Society be effectively maintained.
- iv. He shall perform all other such duties pertaining to the office of a Manager, and any other as may be assigned to him by the Board of Directors.

18. CREDIT COMMITTEE

- a. Composition:
The Committee shall consist of five (5) members elected by the members at each Annual General Meeting. A Chairman and a Secretary shall be chosen by and from the Committee at their first meeting after each Annual General Meeting. The Secretary shall prepare and keep a full and correct record of all action taken by the Committee.
- b. The Committee shall meet once a week. Additional meetings shall be held from time to time as business may require.
- c. The Committee shall have the general supervision of all applications for loans of members and in doing so, may enquire carefully into the financial position of borrowing members and their endorsers so as to ascertain their ability to repay fully and promptly the obligations assumed by them and ascertain whether the loan promises to be beneficial to the borrower. The Committee shall determine the terms upon which the loan shall be repaid.
- d. When there are pending more loan applications then can be granted with funds available, performance shall be given to application from smaller loans if the credit factors are nearly equal.

19. SUPERVISORY COMMITTEE

- a. Composition:
The Supervisory Committee shall consist of three (3) members, to be elected annually by the members at their Annual General Meeting, none of whom shall be eligible for services on the Board or Credit Committee. A Chairman and a Secretary shall be chosen by and from the Committee at their first meeting after each Annual General Meeting

b. Duties

The Supervisory Committee shall:

- i. Make an examination of the affairs of the Credit Union, including an audit of its books at last semi-annually and if necessary, convene a Special General Meeting and submit its report at such meeting.
 - ii. Make an annual report on its audit and submit same to the Annual General meeting of the Members.
 - iii. By the unanimous vote of all its members, if it deem such action to be necessary to the proper conduct of the Society, suspend any Board or Committee member(s) and convene a Special General Meeting to act on such suspension. The members present at that meeting may, by a majority vote, sustain such suspension and remove such Board or Committee member(s).
 - iv. If it deems such action necessary, call a Special Meeting or the Members to consider any matter which the Committee will submit to the meeting.
 - v. Attest (at least one member) the monthly statement prepared by the Treasurer or Manager of the Society.
- c. The members of the Supervisory Committee shall keep themselves fully informed as to the financial conditions of the Society by examining, at least every six months, the shares and deposits accounts and loans balances, securities, cash and accounts and all applications for loans made during the period under examination, satisfy themselves that for each loan, proper documents are on file and that each application embodies the purpose for which the relative loan was made and the security offered and had the approval of at least three (3) members of the Credit Committee. At least one member on this Committee shall attest the balance sheet required to submitted to the Commissioner.

20. EDUCATION COMMITTEE

a. Composition:

The Board shall at its first meeting after the Annual General Meeting, appoint a Committee of not less than five (5) persons, who may also be members of any other Committee, to be known as the Education Committee. This Committee shall be in charge of publicity and education. The Committee will advise and act in collaboration with the leaders of

discussion groups, assist in the provision and maintenance of library for the use of members of the Society and arrange of the purchase of books and magazines particularly in relation to the Co-operative Movement.

- b. The Committee shall be empowered to co-opt persons to be members who shall take part in all discussions but shall not have the right to vote.
- c. The Committee shall from time to time, submit to the Board a requisition to cover the cost of literature, etc., and be careful to see that the amount allocated is used for the purpose for which it is intended. The use of the books and magazines shall be opened to all members.
- d. The members of the Committee shall meet at least once a month and shall continue to serve until replaced. The Committee shall make arrangements for lectures and discussions during the ensuing half year and use its best endeavours generally to stimulate interest in the cultural activities of the Society. The Committee shall also make every effort to bring about co-operation between this and all other co-operative Societies. The Committee shall submit a report on its activities to the Board half (1/2) yearly.

21. NOMINATION COMMITTEE

- a. The Board shall appoint a Nominating Committee each year comprising of not more than five members.
- b. The Nominating Committee whose duty shall be the selection of members who are FIT and PROPER and are willing to be considered for election to the Board, Supervisory and Credit Committees by the Annual General Meeting.
- c. Nominees to the Board, Supervisory and Credit Committees shall be accepted in accordance with PECU's Nomination policy.
- d. The report having been presented to the General Meeting there shall be no nominations from the floor. Where, however, it is deemed necessary for the proper constitution of the Board and/or Committees, the Chairman shall invite nominations for election to vacant positions.

22. (J) ELIGIBILITY

To be eligible for nomination or election to the Board and Credit or Supervisory Committee members shall:

- Be at least 18 years of age or over
- Be a member in good standing of PECU Credit Union Cooperative Society Limited
- Be a member in good standing of any other credit union in which you are a member
- Should not be an Officer of the Board of Directors, Credit Committee or Supervisory Committee, a General Manager or Internal Auditor of another Credit Union
- Shall not be employed or in receipt of a salary or wage from PECU Credit Union Cooperative Society Limited
- Be of sound mind
- Not be a declared bankrupt or apply for bankruptcy
- Not be convicted of an offence involving dishonesty
- Not be involved in a lawsuit against PECU Credit Union Cooperative Society

22. GENERAL RULES FOR THE BOARD AND COMMITTEES

- a. The Board and Committees shall meet as often as the business of the Society may require but not less than once each month.
- b. A majority of members shall constitute a quorum at any Board or Committee Meeting.
- c. If within half an hour of the time fixed for any Board or Committee Meeting, the members present are insufficient to form a quorum, the meeting shall be adjourned by those present to a fixed date and the members absent shall be notified accordingly. The decision of the adjourned meeting shall be final irrespective of the number of members present.
- d. If any member fails to attend three (3) consecutive meetings of the Board and Committee without tendering a valid and proper excuse to the satisfaction of the Board and Committees, his office shall be declared vacant and the vacancy filled by a substitute as provided in Bye-Law 15 (g) (ii).

- e. Notwithstanding the provisions of Bye-Law 19 (b) (iii) and 22 (e) decisions at the Board or Committee Meetings shall be made by a majority of the members present and voting. Every member shall have one (1) vote only except that the member presiding, in the event of an equality of votes, shall have a casting vote. No Board or Committee member shall be present when any matter is being decided in which he has a direct interest.
- f. No person under the age of eighteen (18) years shall be allowed to serve on the Board, Credit Committee or the Supervisory Committee.
- g. All transactions of the Society with its members and all information with respect to their personal affairs shall be held in the strictest confidence by all members of the Board or Committees of the Society.
- h. In their conduct of the affairs of the Society, the Board and Committee members shall exercise the prudence and diligence of ordinary men/ women of business and acts shall be responsible for any loss sustained though acts contrary to the law, the regulations, the Bye-Laws, and any rules made under Bye-Law 16 (g).
- i. A Board or Committee member shall cease to hold office if he:
 - i. Ceases to be a member of the Society;
 - ii. Applies for bankruptcy, or is declared bankrupt;
 - iii. Becomes of unsound mind;
 - iv. Is employed by the Board and is in receipt of a salary or wage provided that the granting to a member of an honorarium or allowance approved by the Board or by the General Meeting shall not be deemed to disqualify such member from a seat on the Board or Committee as the case may be.
- v Is convicted of any offences involving dishonesty.
- j. Meetings of the Board and Committees shall be called on the order of the Chairman or a majority of his members.
- k. Vacancies occurring on the Board, Credit and Supervisory Committees shall be filled from substitutes elected at the Annual General Meeting.

23 LOANS

- a. The Society may make loans exclusively to its members and solely for a provident or productive purpose. Interest on such loans shall not exceed one percent per month on the unpaid balance.
- b. No loans shall be made except on the written application signed by the member desiring the loan, showing name of applicant, date, amount required, time and method of repayment and the purpose for which the loan is required.
- c. No loan shall be made unless approved by all of the members of the Credit Committee who are present at the meeting at which the application is considered. The Board may however, appoint loan officers from time to time and specify their duties. (Section 37 (4)).
- d. No loan shall be made to a member who is indebted to the Society which results in the member remaining indebted to the Society on the two (2) separate loans, neither of which is secured by a mortgage or charge on property owned by the member.
- e. No loan to an officer of this Society shall exceed the amount of his holding in the Society as represented by shares, deposits and accumulated dividends and interest thereon; nor may any officer endorse for borrowers beyond the amount of his holdings as aforesaid; provided, however, that a loan (or an endorsement) in excess of such holdings may be made (or accepted) if approved by the vote of a two thirds majority of the other members of the Board, Credit and Supervisory Committees.

24 FINANCIAL YEAR

The financial year of the Society shall begin on the first day of April each year and end on the last day of March following.

25. AUDIT OF ACCOUNTS

"Accounts of the society shall be audited within four (4) months of the end of the Financial Year."

26. SEAL

The Seal of the Society shall bear legibly engraved on it the registered name of the Society. It shall not be affixed to any instrument except by order

of the Board, as entered on their minutes, and its due application shall be attested by two (2) members of the Board present at the time. It shall be in the custody of the Secretary.

27. DISTRIBUTION OF SURPLUS

- a. Out of the net surplus of the Society at least ten percent (10%) shall be credited to the Reserve Fund and five percent (5%) to the Education Fund. From the remaining net surplus, the General Meeting shall have power to order the following payments subject to the recommendations of the Board.

Reg. 14 (2 & 3)

- i. A dividend on shares not exceeding the maximum as prescribed in the regulations;
 - ii. A bonus (rebate) on interest paid by members, such bonus shall be applied towards members shares/loans on the date the bonus is declared;
 - iii. Honorarium to Secretary, Treasurer and such other person as the Board may recommend;
 - iv. The balance of the net surplus may be used at the discretion of General Meeting for the constitution of a dividend, equalization fund, special fund, building fund or carried forward to succeeding year.
- b. Dividends shall be credited to members shares.

28. RESERVED FUND

The Reserve Fund shall be indivisible and no member shall be entitled to any specified share thereof. The Reserved Fund may be used in the business of the Society, only with approval of the Commissioner. The Reserve Fund may also be used against bad debts of the Society if approved at a General Meeting and finally approved by the Commissioner.

29. AMENDMENTS

- a. Amendments to these Bye-Laws shall be made by resolution passed at General Meetings by a three-fourths (3/4) majority of the members present and voting at a meeting specially called for the purpose.

- b. Provided however, that a resolution under paragraph (a) above is not favoured by a majority of votes, the same resolution may unaltered, be proposed at a Special General Meeting convened not less than one (1) month and not later than two (2) months after the General Meeting where it was first proposed and at this Special Meeting, the resolution shall be valid and effective if a majority of members present vote in favour of the resolution.
- c. A copy of every resolution passed under paragraphs (a) and (b) above shall be forwarded to the Commissioner together with three (3) copies of the proposed amendment(s).

30. INVESTMENTS

- a. The funds of the Society shall be used for achieving the stated objects.
- b. The Society may also use its funds to hold, purchase, take on lease in its own name, any lands, and may sell, exchange, mortgage, lease or build upon the same, or grant the same, with power to alter and pull-down buildings and again rebuild.
- c. The Society may invest or deposit its funds:
 - i. In any bank approved by the Commissioner; or
 - ii. In any securities issued guaranteed by the Government; or
 - iii. In the shares or on the security of any other Society, provided that no such investment shall be made in the shares of any Society other than one with limited liability; or
 - iv. In any other manner permitted by the Commissioner.

NOTE:

These Bye-Laws are supplementary to the provisions of the Act and amendments thereto. The Regulations and the Society shall be guided by the Act, the Regulation and the Bye-Laws read together.

Commissioner for
Co-operative Development

