



## **BY-LAWS OF**

THE COMMUNITY FIRST CO-OPERATIVE CREDIT UNION LIMITED  
(Hereafter referred to as "The Society")

### **I INTERPRETATION**

1. In these By-Laws, unless the context otherwise requires, expressions defined in the Act or the Regulations shall have the meaning so defined, and words importing the singular shall include the plural and vice-versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate.

In these By-Laws:

"Act" means the Co-operative Societies Act, No. 9 of 2010 and includes any amendments thereto;

"Regulations", means the Co-operative Societies Regulations 2013, No. 12

"By-Laws" means the registered By-Laws made by the Society in exercise of any power conferred by the Act, and includes a registered amendment of the By-Laws.

"Supervisor" means the Supervisor of Co-operatives appointed under Section 5 (1) of the Act.

"Board" means the Board of Directors duly elected by the general membership in accordance with section 53 of the Act.

"Member" means a registered member of the society in accordance with section 26 of the Act.

### **II NAME**

2. The name of the Society shall be Community First Co-operative Credit Union Limited.

### **III REGISTERED ADDRESS**

3. The registered address of the Society shall be Old Parham Road, St. John's, Antigua or at such other place as may from time to time be determined by the Society, and notified to the Supervisor within seven (7) days.

#### **IV GEOGRAPHICAL AREA OF OPERATIONS**

4. The area of operations of the Society shall be the State of Antigua & Barbuda or as subsequently amended in writing by the Supervisor on receipt of an application from the Society.

#### **V OBJECTIVES**

5. The objectives of the Society shall be:
  - (a) to promote habits of thrift among its members by providing ways and means whereby savings can be effected and whereby shares in the Society can be acquired;
  - (b) to educate its members in the Co-operative principles and methods, in family financial management and in the efficient management of its affairs;
  - (c) to create out of the savings of its members and other business of the Society a source of credit available to its members, on reasonable terms and conditions for provident and productive purposes;
  - (d) to manage the resources made available by the members in an efficient and transparent manner in keeping with the internationally accepted standards, PEARLS prudential best practices and monitoring indicators;
  - (e) to acquire by purchase, lease, exchange or donate and to hold any moveable or immovable property for the carrying out of the objects of the society, to build upon any land so acquired and to improve, develop, mortgage, lease, transfer, assign or otherwise deal with such property;
  - (f) to undertake all other acts and things as are incidental or conducive to or consequential upon the attainment of the above objects.

#### **VI CAPITAL FUNDS AND LIABILITY**

6. The capital and funds of the Society shall be raised by means of:
  - (a) the savings of its members received as payments or subscriptions on shares;
  - (b) entrance fees, other fees and charges, fines, interest on loans and investments, and other contributions received from members and others.
7. Each share of the Society shall be of the par value of five dollars (\$5.00) and the maximum number of shares, which may be held by each member, shall be subject to the provision of the Act, the Regulations and these By-Laws.

8. Subject to the provisions of the Act, Regulations and By-Laws, deposits may be received from members or non-members at such rates and on such terms and conditions as the Board may from time to time determine.
9. Subject to as hereinafter provided, the Board may, without sanction of a general meeting, borrow or raise money from any source in any manner the Board thinks fit, provided that this sum does not exceed the maximum liability ceiling set by the previous Annual General Meeting.
10. The members in general meeting shall, in accordance with the provisions of the Act and Regulations, from time to time fix the maximum amount which it may at any one time owe in respect of deposits and loans.
11. The funds of the Society may be applied to the following purposes only, namely:
  - (a) the expenses of Management
  - (b) loans to its members for provident or productive purposes; and
  - (c) any other purpose authorised by the Act, Regulations and these By-Laws.
12. The liability of a member to make contributions to the assets of the Society in case of liquidation shall be limited to his/her shares.

## **VII MEMBERSHIP (Age, Residence, Nationality and Common Bond)**

13. Membership shall be open to a resident of Antigua and Barbuda or a citizen of Antigua and Barbuda or any other Caricom member state who:
  - (a) has attained the age of eighteen (18) years and over
  - (b) is not an undischarged bankrupt
  - (c) shall not be of unsound mind
  - (d) any other registered Co-operative Society
14. Any person who has the necessary qualifications and who is desirous of becoming a member shall apply to the Society. The application shall state residence, occupation and shall contain such information as the Board may from time to time decide.

### **Joint Membership**

15. (1) Persons who have the necessary qualifications for membership and are desirous of becoming joint members may apply in writing to the Secretary. The application shall state the residence and occupation of each person, whether the

tenancy will be joint tenancy or a tenancy in common and shall contain such other information as the Board from time to time decide.

(2) An application of a joint membership to withdraw from the Society or to vary the composition of the joint membership must be signed by all the persons comprising the joint membership.

16. (1) The approval of application for membership shall be undertaken by the Board of Directors or any person(s) authorised by the Board of Directors.

(2) Every applicant for membership shall pay such entrance (membership) fee not exceeding five dollars (\$5.00).

(3) The applicant, upon acceptance and the payment of at least forty (40) common shares shall be enrolled as a member and shall be entitled to any of the rights or privileges of membership.

17. A person ceases to be a member of the Society:

(a) on death;

(b) if he/she applies for bankruptcy or is declared a bankrupt;

(c) on ceasing to hold at least forty (40) common shares in the Society;

(d) on the withdrawal or transfer of all his/her shares;

(e) on the compulsory acquisition of his/her shares pursuant to Section 119 of the Act;

(f) on expulsion from the Society as provided in sections 31 and 32 of the Act; or

(g) if, subject as hereinafter provided, he ceases to be qualified in accordance with By-Law 13.

18. No member shall resign while he/she is a borrower, an endorser (co-maker), or a guarantor on any loan due the Society.

A member is considered dormant or inactive when the member has made no transaction to his/her share or deposit account during a twelve-month period.

19. (1) Any member who

(a) fails to pay any contribution or debt due to the Society,

(b) is convicted of a criminal offence involving dishonesty, or

(c) in the opinion of the Board acts in any way detrimental to the interests of the Society, may have his/her membership terminated by at least two-thirds ( $\frac{2}{3}$ ) vote of the directors present at a meeting called for the purpose.

- (2) Notwithstanding the above membership may be terminated by a vote of at least two-thirds ( $\frac{2}{3}$ ) of the members present at a general meeting on a charge communicated to the member in writing at least ten (10) days before the meeting.
20. A member whose membership has been terminated may appeal the termination pursuant to Section 31 of the Act.
21. Subject to Section 34 of the Act, after payment of any amount due to the Society or of any contingent liability to the Society, all amounts held to the credit of members who withdraw or whose membership has been terminated, together with any interest accrued on those amounts, shall be paid to them, but only as funds are available and within one year after withdrawal or termination.
22. The Society shall keep a Register of its members in accordance with Section 28 (2) of the Act.

### **VIII SHARES - PERMANENT**

23. Subject to the provision of Section 96 of the Act, contributions shall be payable in such amounts as the member is able on any day in which the Society is open for business provided that in no case shall a contribution of less than two hundred dollars (\$200.00) be paid.
24. There shall be at least one (1) class of shares held by the Society, namely: Common Shares which shall be:
- (i) issued at the par value of \$5.00 and purchased by the member;
  - (ii) considered as the equity capital of the society;
  - (iii) not withdrawable on demand;
  - (iv) redeemable if the account is closed, in accordance with Section 33 of the Regulations;
  - (v) a minimum of forty(40) shares held per member at entry;
  - (vi) unlimited in number;
  - (vii) restricted to a maximum of 20% of the total share capital held by any one (1) member; and
  - (viii) eligible for dividend payment in the form of cash or surplus shares.
25. Common Shares may be transferred in accordance with Sections 101-104 of the Act and by written instrument in such form as may be prescribed, but no transfer shall be registered until such transfer fee as the Board may from time to time fix, not exceeding twenty dollars (\$20.00) with a minimum of five dollars (\$5.00) per transfer, has been paid. Such transfer shall carry credits with it.
26. Except with the written approval of the Board, no member may sell or transfer any share if it will reduce his/her shareholding to less than his/her liability to the Society as borrower, co-maker or guarantor.

27. (1) No common share shall be sold or transferred during the first twelve (12) months of membership nor so long as there is any sum owing to the Society in respect of any money borrowed from the Society, or of any deposit, payment of which has been demanded, except with the permission of the Board.

(2) The Society shall have a lien on the shares, deposits, dividend, bonus or any amount standing to the credit of a member for any sum due to the Society from the said member or for any loan endorsed by him/her and may apply any sum standing to the credit of the member towards payment of any such debt.

(3) Where an amount to be paid to a member for dividends and/or bonus is equal to or less than ten dollars (\$10.00), the amount shall be credited to the member's common shares. (Dividends will be paid on common shares).

## **IX SAVINGS AND DEPOSITS**

28. Ordinary deposits of not more than twenty-five thousand dollars (EC \$25,000) in any one (1) transaction may be accepted from any member, without an accepted declaration of the source of funds.

29. Notwithstanding By-Law 28 above, the Society shall scrutinize all savings and deposits as required by Anti-Money Laundering Prevention Legislation, and may require a subsequent written declaration of the source of funds where it deems necessary.

30. Deposits may be received in the name of a minor or in trust for a minor who is a child or ward of a member, in such way or manner as the Board may determine.

31. Deposits received in the name of a minor shall be held for the exclusive right and benefit of the minor and free from the control or lien of all other persons, and shall be paid together with interest thereon to the person in whose name the account shall have been issued. The receipt or acquaintance of the minor shall be valid and sufficient release and discharge to the Society for the deposit or any part thereof.

32. Deposits will earn interest from the first month following such deposits, provided that amounts paid in on the first day of any month shall earn interest from that day.

33. (1) Notwithstanding By-Law 28, term deposits may be accepted from a member or non-member for a term not exceeding five (5) years and upon such terms and conditions as are set out in Section 123 of the Act and Regulations 36.

(2) Term Deposits exceeding five (5) years must be approved by the Supervisor.

(3) Subject as hereinafter provided the amount on any deposit may be withdrawn on any day on which the Society is open for business provided that the Directors shall have the right at any time to require a member to give thirty (30) days notice in writing or in any given emergency such additional notice as the Directors may fix, of his/her intention to do so.

34. The rate of interest payable on ordinary or term deposits shall be fixed from time to time by the Board.

#### **X. PASSBOOKS, RECEIPTS AND DISBURSEMENTS**

35. (1) Money paid in or out on account of shares, deposits, loans, interest, entrance fees, fines or transfer fees shall be evidenced by an appropriate voucher or receipt. Each voucher or receipt shall identify the person receiving or paying out, on behalf of the Society, the money represented thereby.

(2) When passbooks are used, the member's permanent official record for all transactions shall be the entries in the passbook. Every entry in the passbook shall be initialed by the person receiving or paying out the money represented thereby. A statement of account which will itemise all transactions must be issued to each member at least quarterly.

(3) In the absence of the passbook or statement of account, the member's permanent official record for transactions shall be an online receipt, an ATM receipt, or a computer generated receipt initialed by the person receiving or paying out the money represented thereby.

(4) If a passbook is lost or stolen, immediate notice must be given to the General Manager or Treasurer of the Board of Directors. An application form must be completed for the issuance of a duplicate book; the cost of which shall be borne by the member.

36. No member may withdraw any pledged savings below the amount of his/her total liability to the Society as borrower, co-maker or guarantor without the approval of the Board.

## **XI MEETINGS OF MEMBERS**

37. The Supreme authority of the Society shall be vested in the general meeting of members at which every member has a right to attend and vote on all matters concerning the business of the Society.
38. (1) Meetings of members shall be convened and held in accordance with Sections 38-50 of the Act.
- (2) At least ten (10) days notice of any general meeting, annual, or special meeting shall be given in accordance with the Act before any such meetings are held.
- (3) General Meetings shall be held from time to time at the discretion of and at a place determined by the Board.
39. (1) The Annual General Meeting of members shall be held within three (3) months after the end of the financial year unless authorised by the Supervisor upon a written request by the Board to convene the meeting at a date no later than six (6) months after the end of the financial year.
- (2) The functions of the Annual General Meeting shall be to:
- (a) confirm the minutes of the previous Annual General Meeting and of any intervening Special General Meeting;
  - (b) receive, consider and if approved, adopt the annual report of the Board for the immediate preceding year's work of the society;
  - (c) receive, consider and if approved, adopt the financial statements presented by the Board for the preceding year, together with comparative statements for the year preceding it;
  - (d) consider the report of the Auditor;
  - (e) receive, consider and if approved adopt the financial statements and the auditor's report or, if accounts are not approved, to cause the directors to forthwith notify the auditor of any error or misstatement;
  - (f) receive, consider and if approved, adopt the reports for the year ended of the Credit Committee and Supervisory and Compliance Committee and any other committee appointed by the general meeting;
  - (g) allocate the surplus from the preceding year, subject to the Act and the Regulations made thereunder;



- (h) authorize the maximum liability for borrowing by the Board on behalf of the Society:
  - (i) amend, modify or amplify, if necessary, the By-Laws of the Society provided that due notice as hereunder provided shall have been given in accordance to the Act;
  - (j) elect Directors, Credit Committee and Supervisory and Compliance Committee Members for the ensuing year;
  - (k) appoint auditors for the ensuing year;
  - (l) hear and decide upon any complaints brought by members aggrieved by a decision of the Board, provided that notice of such complaint to be brought before the meeting has been given to the Secretary in writing within thirty (30) days from the date the notice of the decision was received; and
  - (m) transact any other general business of the Society.
40. (1) A Special General Meeting of members may be convened at any time by the Board, and on receipt of a demand stating the object of the proposed meeting, signed by at least twenty-five (25) of the members or fifteen percent (15%) whichever is the less, it shall be the duty of the Board to convene such meeting within twenty (20) days of the receipt of the request. The purpose of the Special General Meeting shall be set forth in the notice and only such business as is described in the notice shall be dealt with at such meeting.
- (2) Notwithstanding By-Law 40(1) the Board shall at the request of the Supervisory and Compliance Committee and pursuant to Section 43(1-3) of the Act, convene a Special General Meeting of members.
- (3) If the Board fails to convene a meeting within the stipulated time from the receipt of a demand or a request as aforesaid, the Supervisory and Compliance Committee will have the right to convene the meeting by notice within:
- (a) twenty (20) days after the expiry of the period of twenty (20) days, in accordance with Section 43(3) and 63 of the Act and Regulations 62(f) and 62(g) where, the meeting is demanded by the members; or
  - (b) seven (7) days after the expiry of the period of fourteen (14) days where the meeting is requested by the Supervisory and Compliance Committee.
- (4) The notice must contain the object of the proposed meeting and a statement to the effect that the meeting is convened on the failure of the Board to convene the

meeting demanded. Any cost incurred by the convening of the meeting shall be borne by the Society.

(5) The Supervisor may at any time call a special meeting for the purpose of enabling members to secure any information regarding the affairs of the Society that they are entitled to receive and to deal with any matters affecting the Society.

41. (1) At least ten (10) days notice of any General Meeting shall be given in any of the following ways namely:
- (a) by a notice published in not less than two (2) issues of any newspaper circulated in Antigua & Barbuda and by posting the notice in a place that is prominent and accessible to members; or by sending notice by mail to members at the address in the register of members or through any medium of communication which in the opinion of the Board is prominent and accessible to members.
- (2) The accidental omission to give notice to/or the non-receipt of a notice by any member shall not invalidate the meeting.
42. The President of the Board or in his/her absence the Vice President of the Board or in the absence of both, any other Director of the Board elected by a majority of those present shall preside at the Annual or Special General Meeting.
43. Minutes of the meetings shall be entered or recorded in the Minutes Book and signed by the Secretary and when confirmed signed by the Chairman and shall contain:-
- (a) the number and names of the members present at the meeting and the name of the President or the person who presided at the meeting
- (b) the date and the times the meeting commenced and ended
- (c) the total number of members on the date on which the meeting was held
- (d) all the resolutions passed or decisions made at the meeting. There shall be detailed resolutions for policies and contractual matters and the resolution should indicate the voting i.e. Those for, against, and abstentions.
44. No partisan political, sectarian or racial discussion shall be raised or resolution proposed, either at any Committee or General Meeting of the Society.

## **XII QUORUM**

45. The following percentages of a Society's membership shall form a quorum for the purposes of the Annual, or Special General Meeting:
- (1) A quorum at an Annual or Special General Meeting shall be:-
- (a) where the society consists of less than 500 members, one-third( $\frac{1}{3}$ ) of the members or thirty (30) whichever is less;

- (b) where the society consist of 501-5000 members, one-fifth ( $\frac{1}{5}$ ) of the members or seventy-five (75) whichever is less;
- (c) where the society consists of over 5000 members, one tenth ( $\frac{1}{10}$ ) of the members or two hundred (200) whichever is less.

Provided that when any meeting is summoned by the Supervisor, any member present at such meeting shall be deemed to form a quorum.

(2) Where a quorum is not present thirty minutes after the time affixed for the commencement of any Annual or Special General Meeting, the members present may adjourn the meeting to a time and place to be determined by the Board but not later than thirty days after the date of the adjourned meeting and shall not transact any other business, or

(a) the Supervisor or his/her representative may direct that the meeting proceed if he/she is satisfied that the meeting was convened in accordance with the Act and that the members present were properly notified and constitute at least seventy five percent of the amount required for a quorum.

(3) If at the adjourned meeting, there is no quorum, the members present constitute a quorum and may proceed with the meeting.

- 46. Subject to the Act, the Regulations and these By-Laws, for the purpose of making decisions concerning the business of the Society, a majority of the members present and casting votes at a meeting shall decide all questions.
- 47. Subject to the Act, the Regulations and these By-Laws, the Chairperson of the meeting shall have the right to vote and in the event of a tie, shall be entitled to a second or casting vote.

### **XIII ELECTIONS**

- 48. (1) The following procedures shall apply to the conduct of elections in keeping with Sections 36-40, and 72 of the Act and Section 18 of the Regulations:
  - (a) not less than thirty (30) days prior to each Annual General Meeting, the Board may appoint a Nominating Committee of three (3) persons of which not more than one (1) may be a member of the existing Board. No member eligible for re-elections shall sit on the Nomination Committee.
  - (b) The Nominating Committee shall present its report to the meeting. The Nominating Committee shall nominate at the Annual General Meeting, one member for each vacancy for which elections are to be held. The Nominating Committee shall present a biography of the person nominated.
  - (c) After the nominations have been placed before the members, the person conducting the elections shall call for nominations from the floor.

(d) All elections shall be by ballot and be determined by a majority vote except where there is no contest.

(e) Where the number of nominees does not exceed the number of persons to be elected, the person conducting the elections shall declare all the nominees duly elected.

(2) No member may be elected to the Board, the Credit Committee or the Supervisory and Compliance Committee unless

(a) is at least eighteen (18) years of age

(b) he/she is a resident and a citizen of Antigua and Barbuda or a citizen of another Caricom member state;

(c) that the member holds one hundred(100) fully paid shares or five hundred dollars (\$500.00) in the Society;

(d) that the member has been a member of the Society for at least one (1) year; and

(e) that the member has saved regularly, at least sixty dollars (\$60.00) per quarter in the past year or an additional two hundred and forty dollars (\$240.00) in the past year;

(f) that the member is not an employee of the said society or officer of any other credit union or employed by any other credit union or an employee of the Supervisor or is a partner or employee of the Society's auditor ;

(g) that the member is not a delinquent borrower and is otherwise in good financial standing;

(h) has undergone/agree to undergo training in Credit Union philosophy and laws.

(i) is not bankrupt;

(j) has not been sentenced by a Court in any country for any criminal offense involving fraud or dishonesty;

(k) is not involved in any activity which is deemed to bring the Society into disrepute;

(l) has not been convicted of an offence under the Act

(m) has not been convicted on indictment of an offence in connection with the promotion, formation or management of a body corporate

(n) has not been a director of a failed co-operative society of the same type

(o) shall not be of unsound mind

(p) has been suspended, removed or prohibited from serving as an officer or director or committee member of a financial institution including a credit union.

#### **XIV TENURE OF OFFICE**

49. (1) Each elected member shall hold office until his successor is elected and is eligible for re-election;

(2) Directors, members of the Credit Committee and Supervisory and Compliance Committee may hold office for two (2) consecutive terms of three (3) years before retiring for a minimum of one (1) year.

(3) Where persons are to be elected for varying terms, the member receiving the highest or higher number of votes cast is to be declared elected for the longest or longer term.

(4) Where two (2) or more candidates receive an equal number of votes, the members present may by resolution provide that a second ballot be cast or where the meeting does not decide to hold a second ballot, the Chairperson shall draw lots and the candidate whose lot is drawn is to be declared elected for the longest or longer term.

(5) Where candidates are elected unopposed the members present may by resolution provide that a ballot be cast to determine the term of office for each candidate or where the meeting does not decide the Chairperson shall draw lots to determine the tenure of office for each candidate.

50. In accordance with Section 73 (3) of the Act, at the first Annual General Meeting of the Society; subsequent to the issuance of the Certificate of Continuance, the entire Board of Directors, the Credit Committee and the Supervisory and Compliance Committee shall be elected at the Annual General Meeting in every subsequent year, one-third ( $\frac{1}{3}$ ) of the directors or if their number is not three (3) or a multiple of three (3), then the whole number nearest the one-third ( $\frac{1}{3}$ ) shall retire from office provided, however, that the smallest number of persons shall serve for one (1) year.

## **XV TERMINATION OF OFFICE**

51. (1) Any member of the Board, Supervisory and Compliance Committee or Credit Committee shall be deemed to have vacated his/her office if he/she:
- (a) resigns by giving notice to the Board or, if a member of the other committees, to the respective Committee;
  - (b) applies for bankruptcy or is declared bankrupt;
  - (c) becomes of unsound mind and has been so found by a Court in Antigua & Barbuda;
  - (d) is convicted of any offence involving dishonesty or
  - (e) is guilty of any other action which would bring the Society into disrepute
  - (f) fails to attend three consecutive meetings without a valid written excuse
  - (g) fails to undergo the required training provided by the Society in relation to the performance and duties of elected members
  - (h) fails to perform any of the duties stipulated by the Act or the Regulations allotted to him/her without a valid excuse
  - (i) is removed from office in accordance with Section 90 of the Act or

(j) is no longer qualified in accordance with the Act and these By-Laws

(2) The Board, the Credit Committee, the Supervisory and Compliance Committee, or any member thereof may be removed from office before the expiration of his/her period of office by a three-fourths ( $\frac{3}{4}$ ) majority of the members present at a Special General Meeting at which at least ten (10) days notice specifying the intention to propose the resolution had been duly given.

(3) Any such member or officer must be informed in writing of the charges against him/her at the time of the notice and at such meeting shall have reasonable opportunity to answer such charges. At such a meeting, the members shall proceed to the election of a new Board, Credit Committee or Supervisory and Compliance Committee or to fill the vacancy occurring. Any member so appointed shall be subject to retirement at the same time as if he/she had become a member of the Board, Credit Committee or Supervisory and Compliance Committee on the day in which the member in whose place he/she is appointed was last elected to the Board or the Committee.

## **XVI BOARD OF DIRECTORS**

52. (1) Subject to the provision of the Act and the Regulations, the general direction, control and management of the Society shall be entrusted to a Board of Directors (herein referred to as "The Board").

(2) The Board shall be elected at the Annual General Meeting and shall consist of seven (7) members, in keeping with Section 53(2) of the Act.

(3) The Board shall arrange the deposit of all funds of the Society in its bank account at latest the day after they are collected, unless the collection takes place on a Saturday or any day preceding a holiday.

(4) The Board shall be responsible for making adequate arrangements for the safe keeping of funds of the Society until they are deposited in the bank in accordance with By-Law 52(3) above.

(5) The Board shall direct and control the affairs of the Society and shall act for and on behalf of the Society and be responsible for the general development and performance of the Society in execution of the following duties:-

(a) to review applications for membership of the Society and to approve applications for membership and where necessary adjudicate on the exclusion or expulsion of members;

(b) to determine from time to time the maximum amount to be advanced on loans with or without security and to determine the interest rates on loans. When by action of the Board, the interest rates on future loans are reduced, similar action may be taken with regard to interest rates on unpaid balances of existing loans;

- (c) to fix, from time to time, subject to the provisions of the Act and the Regulations the amount of fidelity insurance which shall be required of all officers and employees handling money and shall authorize the payment of the premium or premiums therefore by the Society;
  - (d) to recommend dividends, to determine the rate of interest on deposits, and to recommend amendments to the By-Laws;
  - (e) to fill vacancies on the Board, the Credit and Supervisory and Compliance Committees;
  - (f) to authorise and supervise investments of the Society other than loans to members;
  - (g) to appoint the person with whom the Treasurer shall have joint control of the securities;
  - (h) to employ, fix the compensation and prescribe the duties of such employees as may be necessary;
  - (i) to make, ratify and implement policies for the efficient functioning of the Society.
53. (1) The Directors shall meet as often as the business of the Society may require, but not less frequently than once per month. Due notice of such meetings shall be given to the other members by the Secretary.
- (2) A joint member may be a director, provided however that only one (1) joint member may be a director at any one time except where the joint member also holds membership in his own name.
- (3) A simple majority of four (4) members shall constitute a quorum.
- (4) Any member of the Board shall in addition to By-Law 51 be deemed to have vacated his/her office if he/she fails to attend three (3) consecutive regular meetings of the Board without giving satisfactory explanation to the Board within seven (7) days of his/her absence from the third meeting.
54. (1) Where there are vacancies on the Board and there is a quorum of directors, the remaining directors may exercise all the powers of the directors or fill the vacancies until the next Annual General Meeting.
- (2) Where there is not a quorum of directors the remaining directors shall call a General Meeting for the purpose of electing members to fill vacancies.
- (3) Where there are no directors, twenty-five (25) members or one-fifth ( $\frac{1}{5}$ ), whichever is less, may appoint in writing at least five (5) persons as directors for the purpose of calling a General Meeting to elect members to fill the vacancies.
55. The Board may appoint from among its number any Committee that it considers necessary and may by resolution delegate to any such Committee such powers

- that it considers necessary for the efficient conduct of the affairs and business of the Society subject to Section 57 of the Act.
56. A Committee of Directors that has powers delegated to it must consist of at least three (3) directors and shall exercise these powers subject to the provision of the Act, the Regulations and these By-Laws.
  57. A director or officer of the Society who is a party to a contract with the Society shall disclose in writing to the Society or request to have entered in the minutes of the meetings of directors, the nature and extent of his/her interest.
  58. The disclosure required by By-Law 57, must be made in the case of a director in keeping with Section 81(2) of the Act.
  59. The disclosure required by By-Law 57, must be made in the case of an officer who is not a director, in keeping with Section 81(2) of the Act.
  60. Subject to Section 81(2) of the Act, a director shall not take part in discussions to consider, or vote on a resolution to approve a contract in which he/she has a personal interest.
  61. A Contract, approved by the directors or members in which a director or officer disclosed a material interest, which is reasonable and fair to the Society at the time it was approved is neither void or voidable by reason only of the relationship or by reason only that the director with interest in the contract is present or is counted to determine the presence of a quorum at a meeting of directors or a committee of directors that authorised the contract.
  62. Subject to By-Law 9, the Board may borrow from any source and on such security and terms of repayment as it considers fit, provided that the total amount borrowed does not exceed the aggregate or four (4) times the retained earnings and reserves of the Society and is within the maximum liability limit which was fixed by a resolution of members at a general meeting, and approved by the Supervisor.
  63. At the meeting of the Board, which shall be held within ten (10) days of their election, the Board shall elect from their own number a President, a Vice President, a Secretary, and a Treasurer.
  64. (1) The Agenda for regular Board Meetings may be as follows:-
    - (a) Meeting call to order
    - (b) Prayer
    - (c) Apologies for absence
    - (d) Adoption of Agenda
    - (e) Declaration of conflict of interest
    - (f) Correction and ratification of Minutes of Meetings



- (g) Matters arising from the minutes
- (h) Correspondence
- (i) Loans for Approval
- (j) Review of Reports from Managers, Credit and Supervisory and Compliance Committees and other Committees
- (k) Resolutions
- (l) Any other Business
- (m) Adjournment

### **President**

(2) The duties of the President shall be:-

- (a) to preside at meetings of the members and of the Board;
- (b) to sign and execute jointly with the Secretary, all deeds and conveyance of real or personal property and such other documents as the Board may specify;
- (c) perform such other duties as customarily appertain to the office of the President;
- (d) or as he/she may be directed to perform by resolution of the Board, not inconsistent with the Act, the Regulations and these By-Laws: and
- (e) such other duties as the Act and the Regulations may require to be performed by the Chairperson of the Board.

### **Vice President**

(3) The Vice President shall, in the absence or disability of the President or his/her refusal to act, perform the duties of the President and/or such other duties as the Board may from time to time prescribe.

### **Secretary**

(4) It shall be the duty of the Secretary to:

- (a) attend all meetings of the Board, General and Special meetings of the Society;
- (b) keep minutes of any meeting of the Board and of the Society;
- (c) conduct any correspondence on behalf of the Society;
- (d) keep charge of all records, books, papers and other documents of the Society;

- (e) issue notices for all meetings of the Board and general membership of the Society, in accordance with the Regulations and these By-Laws;
- (f) sign and execute jointly with the President, all deeds and conveyances of real or personal property and such other documents as the Board may specify; and
- (g) perform such other duties as are prescribed by these By-Laws or as directed by a resolution of the Board that are not inconsistent with the Act and these By-Laws.

### **Treasurer**

(5) Subject to such limitations and control as be imposed by the Board, it shall be the duty of the Treasurer to:

- (a) receive all monies due and payable to the Society and issue receipts for the same;
- (b) deposit all monies received in the name of the Society in such bank depository as specified by the Board;
- (c) sign all cheques, notes, bills of exchange and other documents necessary to effect the business of the Society;
- (d) record all transactions effected by the Society in the books provided for the purpose;
- (e) keep charge of all documents, books and vouchers for all payments made and receipts issued on behalf of the Society;
- (f) prepare the annual statement of account, balance sheet; monthly financial statements and other statements as the Board may request;
- (g) prepare and forward to the Supervisor such financial and other reports as may be required;
- (h) keep separate accounts of all monies belonging to the Society;
- (i) produce a current statement of the Society's monies held on demand; make payments as authorised by the Board and obtain receipts for the same;
- (j) ensure that all promissory notes, drafts, negotiable instruments drawn in favour of the Society are properly prepared; and
- (k) do such other duties as pertain to the office of Treasurer.

- (6) The Assistant Secretary Treasurer shall in the absence or disability of the Secretary, or his/her refusal to act, perform the duties of the Secretary and/or such other duties as the Board may prescribe from time to time.
65. The Board may employ a Manager and may authorise him/her or another senior employee to perform any of the duties of the Treasurer, including the signing of cheques, security of all documents, receipts and management of the Society's financial accounts.
66. A Joint Committee meeting (members of the Board, Credit and Supervisory and Compliance Committees) shall be held no less than once per quarter. The Secretary of the Credit Union shall be responsible for the calling of meetings.

## **XVII CREDIT COMMITTEE**

67. The Credit Committee shall be elected at the Annual General Meeting and shall consist of not more than five (5) members, none of whom shall be a member of the Board, or the Supervisory and Compliance Committee or an officer of the Society, except that the Secretary or Treasurer may be an ex-officio member of the Committee.
68. Any member of the Credit Committee shall, in addition to By-Law 51 be deemed to have vacated his/her appointment if:
- (a) he/she fails to attend three (3) consecutive regular meetings of the Committee without, in the opinion of the Board having a reasonable cause; or
  - (b) he/she fails to perform any of the duties allotted to him/her as a member of the Committee.
69. The Credit Committee members may be removed from office by a special resolution made in a Special General Meeting called for that purpose pursuant to Section 63 of the Act; if it fails to submit a report to the Board or fails to submit its annual report to the membership at the Annual General Meeting.
70. The Board may fill any vacancy on the Credit Committee but such member shall hold office only until the next Annual General Meeting, at which such member or another member shall be elected to fill the vacancy for the unexpired term of the member who was initially elected.
71. (1) The Credit Committee shall choose from among their members, a Chairperson and a Secretary. The same person shall not hold these two offices at any one time.
- (2) The Secretary of the Credit Committee shall prepare and maintain full and correct records of all actions taken by the Committee and shall submit a quarterly

report to the Board pursuant to Section 62(1)(c) of the Act. The report should include but not be limited to the following:

- (a) the number of loan applications received;
  - (b) the number and category of loans granted;
  - (c) the security obtained, if any, for loans;
  - (d) the number of applications denied;
  - (e) the number and amount of delinquent loans;
  - (f) the actions taken to follow-up delinquent loans.
  - (g) The loan recovery rate;
  - (h) the quality of the loans considered and the professionalism of the staff in the management of the Loans Portfolio.
72. The Credit Committee shall hold such meeting as the business of the credit union may require, but not less frequently than once per month. Due notice of such meetings shall be given to the other members of the Committee by the Secretary.
73. A simple majority of the Credit Committee, not including the ex-officio members referred to in By-Law 67, constitute a quorum.
74. The Credit Committee shall consider all applications for loans, make recommendations to the Board in respect of the applications, improve policies, and shall, subject to the authorisation of the Board, approve loans to members upon such terms and conditions as specified by the Board in the Loan Policy and Procedures Manual.
75. (1) Notwithstanding By-Law 73 above, the Board may, by resolution, delegate to its employees (Loans Officer or Manager) the power to approve loans to members on such terms and conditions as the Board may specify. A person so delegated shall be referred to as a Loans Officer.
- (2) Any person authorised by the Board to approve loans shall submit a written monthly report to the Credit Committee stating the number of applications received, the number of loans granted and the security obtained, if any, and the number of loans denied. Such report shall become a part of the records of the Credit Committee.
- (3) A loan not approved by the authorized employee (Loans Officer or Manager) shall be subject to a review by the Credit Committee.
- (4) No employee shall have authority to disburse funds of the Credit Union for any loans which has been approved by him/her in his/her capacity as a Loans Officer or Manager.

76. The Credit Committee and the Loans Officer shall enquire carefully into the character and financial condition of each applicant for a loan and his/her sureties to ascertain their ability to repay fully and promptly any obligation incurred by them, and to determine whether the loan sought is for a provident or productive purpose and will be of profitable benefit to the applicant. They shall endeavour diligently to assist applicants in solving their financial problems.
77. Subject to Section 61 of the Act:
- (1) No loan shall be made unless approved by the majority of the Credit Committee, or by the Extraordinary Credit Committee or by an individual authorised by the Board to approve loans to members according to By-Law 77(2).
- (2) An Extraordinary Credit Committee shall comprise the members of the Board, the Credit Committee and the Supervisory and Compliance Committee and shall be convened if an Officer, Director, Credit Committee member, Supervisory and Compliance Committee member or employee requires a loan in excess of his/her total holdings in shares, deposits and accumulated earnings or if a loan is referred to it by the Credit Committee.
- (3) A quorum of the Extraordinary Credit Committee shall be a simple majority of the Board, the Credit Committee and the Supervisory and Compliance Committee sitting together. A meeting of the Committee is not properly constituted unless a quorum of the members of the Credit Committee is present. At such meetings loans shall be approved by a vote of two-thirds ( $\frac{2}{3}$ ) of the members present.
- (4) No member of the Credit Committee, the Board, the Supervisory and Compliance Committee or any Loans Officer shall be present at the discussion of the approval of or approve a loan to him/herself, to a person with whom he/she has a fiduciary relationship.
78. When more loan applications are pending than can be granted within the funds available, preference shall be given in all cases to applications for smaller loans if the need and credit factors are nearly equal.

### **XVIII SUPERVISORY AND COMPLIANCE COMMITTEE**

79. The Supervisory and Compliance Committee shall be elected at the Annual General Meeting and shall consist of a minimum of three (3) members none of whom shall be a member of the Board, the Credit Committee, or an officer or an employee of the Society.
80. Any member of the Supervisory and Compliance Committee shall be deemed in addition to the provisions of By-Law 51, to have vacated his/her office, if
- (a) he/she fails to attend three (3) consecutive meetings of the Committee without in the opinion of the other members having a reasonable cause therefore; or

(b) he/she fails to perform any of the duties allotted to him/her as a member of the Committee.

**81.** Any vacancy on the Supervisory and Compliance Committee may be filled by the remaining members of the Supervisory and Compliance Committee who may appoint a qualified member until the next Annual General Meeting at which a member shall be elected to fill the unexpired term of the member who was initially elected.

**82.** (1) The Supervisory and Compliance Committee shall choose from among its members a Chairperson and a Secretary. The same person shall not hold these two offices at any one time.

(2) The Supervisory and Compliance Committee shall meet at least once (1) per month. The duties of the Supervisory and Compliance Committee shall include:

- (a) examine the books of the Society at least twice per year
- (b) scrutinize and appraise the policies and operating procedures to make recommendations to the Board and the Credit Committee
- (c) confirm the cash instruments, property and securities of the Society
- (d) confirm the shares, deposits and other balances or holdings of members
- (e) monitor the management of the Society
- (f) verify the assets of the Society and monitor whether the assets are properly protected
- (g) receive and investigate any complaints made by any member affecting the proper management of the Society
- (h) at least once per year cause the passbooks and accounts of members to be verified with the records of the Society and
- (i) ensure that all advances, loans, deposits and other transactions involving directors, committee members and employees are in keeping with the Act, the Regulations, the By-Laws and Policies of the Society
- (j) when necessary assign work to the internal auditor
- (k) liaise with the external auditor
- (l) audit the functions of management and staff
- (m) audit the asset, liability management and liquidity of the Society
- (n) pay particular attention to the risk management of the Society
- (o) comply with all the other functions, duties or tasks provided for under the Act.

(3) The Secretary of the Supervisory and Compliance Committee shall give due notice of meetings to all members of the Supervisory and Compliance Committee. A majority of the members shall constitute a quorum.

(4) In the process of their examination the Supervisory and Compliance Committee shall:

(a) scrutinize applications for loans made during the period and satisfy themselves that for each loan granted, an application is on file and that each application states the purpose for which the loan was approved, the description of the security offered, if any, and that it bears the signatures of approval of the Credit or Extraordinary Credit Committee; and

(b) examine loan contracts and satisfy itself that each contract is properly completed and signed by the borrower.

(5) Within fourteen (14) days of the end of each month the Manager shall submit for attestation by the Supervisory and Compliance Committee the statement for that month as required by Section 66 (1) of the Act.

**83.** The Supervisory and Compliance Committee shall keep minutes of its meetings and shall, in keeping with Section 66(1e) and (1f) of the Act

(a) within seven (7) days of each meeting report the results thereof to the Board; and

(b) submit a written report to the Annual General Meeting of the Society.

**84.** If in the opinion of the Supervisory and Compliance Committee, any member of:

(a) The Board

(b) The Credit Committee

(c) An Officer or an employee of the Society;

is found guilty of a flagrant violation of the provisions of the Act, the Regulations or these By-Laws or any mis-conduct or malpractice or mis-appropriation or mis-direction of the funds, securities or other property of the Society, then the Supervisory and Compliance Committee shall forthwith inform the Supervisor in writing. The Supervisory and Compliance Committee shall in the event of a mis-appropriation or mis-direction, suspend such person and shall forthwith request the Board to summon a General Meeting of members to be held within fourteen (14) days after the suspension for the purpose of dealing with the charge.

Consequential to the above, a person may be removed or reinstated from office as provided in Sections 31-35 of the Act.

**85.** At the request of the Supervisory and Compliance Committee, the Board shall assign the services of the Internal Auditor, any member of the staff of the Society, contracted individuals or a company, to work on or conduct special assignments or projects and the outcome of any such assignment or project shall be forwarded to the Supervisory and Compliance Committee for formal presentation to the necessary authority or authorities.

## **XIX CONFLICT OF INTEREST**

**86.** A Director, a Committee Member, an Officer, or an Employee of the Society who is:

- (a) a party to a contract or proposed contract with the Society
- (b) a Director, a Committee Member, an Officer of any body/business or has interest in any body/business that is a party to a contract or proposed contract with the Society

Shall disclose in writing to the Society or request to have entered in the Minutes of any meeting where the said contract is being considered, the nature and extent of his/her interest in accordance with Section 81 of the Act.

**87.** In the case of a Director, the disclosure required in By-Law 86 above shall be made:

- (a) at the meeting at which the proposed contract is first considered;
- (b) if the Director was not then interested in the proposed contract, at the first meeting after which he/she becomes so interested;
- (c) if the Director becomes interested after a contract is made, at the first meeting after he/she becomes so interested; or
- (d) if a person who is interested in a contract later becomes a Director of the Society, at the first meeting after he/she becomes a Director.

**88.** In the case of a Committee member, Officer or employee of the Society, the disclosure required in the By-Law 86 above shall be made:

- (a) Forthwith after he/she becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of the Directors of the Society;
- (b) If the officer or staff becomes interested after the contract is made, forthwith after he/she becomes so interested; or
- (c) If a person who is interested in a contract later becomes an officer or employee of the Society, forthwith after he/she joins the services of the Society.

**89.** Subject to Section 82 of the Act, no Director, Committee member, Officer or employee shall be present at a meeting or take part in any discussions to consider or vote on a resolution to approve a contract in which he/she has a personal interest.

**90.** A contract approved by the Directors or members in which a Director, a Committee member, an Officer or an employee disclosed a material interest which was reasonable and fair to the Society at the time it was approved, can neither be considered void or voidable by reason only of the relationship; or by reason only that the said member or an employee with an interest in the contract is



present at, or is counted to determine the presence of a quorum at that meeting of the Board or a Committee appointed by the Board that authorised the contract.

- 91.** (1) Pursuant to Section 82 of the Act, a Director, a Committee Member, an Officer or an employee shall before taking part in any business of the Society disclose any personal interest, whether directly or indirectly related in that business.
- (2) Any person referred to in By-Law 86 above, shall be excluded from being present and participating in any discussions related to the matters in which his/her interest exists.
- (3) The phrase “personal interest” referred to in By-Law 89 above includes any:
- (a) immediate family interest (spouse, children, siblings)
  - (b) business interest or
  - (c) a close social relationship with the person(s) who has interest in the transaction.

## **XX LOANS TO MEMBERS**

- 92.** Loans shall be made to members only for provident and productive purposes. All loans shall be applied by the borrowing members to such purposes as the Credit Committee has approved.

- 93.** Subject to the Act the terms and conditions on which loans may be made to members shall be fixed from time to time by the Board, provided always that in no case shall a sum be lent to any member greater than the lesser of

- (a) ten percent (10%) of the aggregate of the registered Society's share capital, retained earnings and reserve; and
- (b) the aggregate of the member's ordinary deposits and the Society's reserves.

The rates of interest on loans shall be fixed from time to time by the Board and the interest payable on loans shall be assessed on the monthly unpaid balance.

No loan shall be made to a member who is not in good standing, that is to say, is not the holder of at least forty (40) fully paid shares or two hundred dollars (\$200.00) in the Society, or is in arrears in the payment of a current loan or instalment thereon or is otherwise a defaulter.

## **XXI LOAN PROCESSING**

- 94.** (1) A member who wishes to obtain a loan shall submit an application on the forms provided by the society and shall state the amount and the purpose for

which the loan is required, the term for which it is asked, whether it is desired to repay it by instalment and the name of any proposed sureties or any other security, if any, to be offered and such other information as may be required.

(2) The Loans Officer in consultation with the Manager shall consider applications for loans.

(3) The Credit Committee shall conduct the following functions/tasks at all meetings:

(a) the Credit Committee shall consider at a meeting every application for a loan, and if the committee is satisfied with the trustworthiness of the applicant, the sufficiency of the security offered and the prospects of advantage to the borrower in the way of increased production or economy or otherwise it may, if authorised by the Board, approve the loan or shall, if not authorised, recommend the sanction of the loan to the Board;

(b) no person other than members of the Credit Committee, the Secretary, the Treasurer, the Loans Officer and his/her technical staff or the Supervisor and his/her staff shall be present at any meeting of the Committee when an application for a loan is under consideration

(c) further to Section 80 of the Act, the proceedings or documentation presented with regard to loans at Credit Committee Meetings or Loans Officers' meetings shall be kept secret, and any member of the Committee or officer of the Society infringing this By-Law shall be liable to immediate expulsion or dismissal.

(4) Loans when approved by the Credit Committee or Loans Officer shall be granted to members who can provide additional security and other pre-requirements to the satisfaction of the Committee or Loans Officer. Loans shall be granted subject to such security and other conditions as shall be stipulated in the Loans Policy and the Act.

(5) When a loan is approved by the Credit Committee or Loans Officer, a notice shall be sent to the borrower to that effect and before the amount is advanced, the borrower and his/her sureties shall execute an instrument in writing setting out the terms of repayment of the loan and containing such other terms and conditions as, the Committee may consider necessary.

(6) Where a loan is not approved, the Society shall inform the member in writing within seven days of the reasons for such refusal.

(7) A member may repay his/her loan prior to maturity in the whole or in part on any business day of the Society without an early payment penalty.

- 95.** (1) A member failing to pay any instrument of a loan at the time fixed shall, unless the time has been extended, pay such fine as the Board may from time to time fix. Such fines shall not exceed one point five percent (1.5%) per month on the amount in arrears with a minimum of five dollars (\$5.00).
- (2) If a member fails to pay an instalment of a loan within three (3) months after the time fixed for payment and no extension of time has been granted, the whole or balance of the loan then owing shall immediately become due.
- (3) When a member is in default in the payment of a loan or fails to pay an instalment of a loan and does not satisfy the Board that such a default is due to good reason, such a member shall not be entitled to receive another loan from the Society during that period of default.
- (4) If by reason of sickness, disaster or some other cause a member finds that he/she will be unable to discharge his/her obligations to the Society, and notifies the Secretary in writing before a loan is due, the Board may extend the time fixed for payment on such conditions as it thinks fit.
- (5) Where the Board is satisfied that a member of the Society who has obtained a loan has applied the proceeds thereof to a purpose other than the purpose which is stated in the application or that the facts stated in the loan application were misrepresented thereof under By-Law 92, the Board may, by notice in writing to the debtor, demand payment of the loan before the agreed date of payment upon such demand the loan shall become immediately due and payable.
- (6) Where a loan or an instalment of a loan has not been paid on the date on which it became due and no extension for the payment thereof has been given to the debtor by the Board, under By-Law 95 or where a loan has been made to a Director or a Committee Member or an Officer or an employee of the Society in contravention of the Act or the Society's Loan Policy the Board shall take steps for the recovery of the same through the following action:
- (a) apply any monies standing to the credit of the member towards the payment of the debt;
  - (b) refer the matter to the Supervisor, pursuant to Section 194 (1) of the Act;
  - (c) exercise any rights arising by law pursuant to Section 112 and 194(7) of the Act; or
  - (d) take any other action which the Society deems necessary.
- 96.** For purposes of By-Law 95(2) interest shall be deemed to be an instalment of a loan, but unless it is otherwise provided in the instrument required under By-Law 95(1) an instalment shall not be deemed to be due unless it is one (1) month in arrears.

## **XXII DOUBTFUL LOANS**

- 97.** The Board shall cause a list of all doubtful loans to be made available at the registered office of the Society for any examination required by the Credit Committee, the Supervisory and Compliance Committee and the Auditor. A copy of the list of all doubtful loans shall be sent to the Supervisor.
- 98.** All applications for loans and the reports of the Credit Committee thereon shall be filed as permanent records of the Society.

## **XXIII RESERVE FUNDS AND LIQUIDITY RESERVE**

- 99.** (1) The Society shall create a Reserve Fund in pursuance of the Provisions of Section 125 of the Act, in which not less than twenty percent (20%) of the net surplus before dividends shall be carried. Entrance fees shall also be carried to such fund.
- (2) The Reserve Fund shall be kept intact and shall not be used or applied except as provided in Section 125(2) of the Act, and the Regulations 37(2)
- (3) In keeping with Section 200 of the Act and Section 38 of the Regulations, the Society shall create a Liquidity Reserve of no less than fifteen percent (15%) of all members' shares and deposits taken.
- (4) At no time shall the Reserve Fund and Statutory Reserve be less than ten percent (10%) of the total assets owned by the Society.
- (5) In the interest of strengthening institutional capital, sums may be allocated annually to retained earnings after adequate provisions have been made annually for the reserve fund, the liquidity reserve, the development fund, other reserves and dividends in accordance to the provisions of the Act.
- (6) The Reserve Fund shall be the indivisible property of the Society and may be applied with the sanction of the Supervisor to meet bad debts or losses sustained through extraordinary circumstances over which the Society has no control.
- (7) The Reserve Fund shall not otherwise be disturbed except in liquidation and shall be placed in a separate account which will be disclosed on the financial statement.

## **XXIV DIVIDEND AND BONUS**

- 100.** (1) The members in Annual General Meeting may declare dividends out of the net surplus after setting aside the prescribed reserves, and retiring all or any part of a deficit it has previously incurred.

(2) A dividend shall be paid only on shares fully paid up before and during the dividend period and shall be calculated on the minimum quarterly balance provided always that a member shall be deemed to have one (1) fully paid share at five dollars (\$5.00) per share paid in before the said date.

(3) The Society may make contributions to any charitable purpose or to a common good fund, if a dividend of not less than three percent (3%) has been recommended.

(4) The remaining net surplus of the Society may be distributed among the members who have borrowed from the Society during the accounting year in proportion to the interest paid by them during such year.

## **XXV INVESTMENT OF FUNDS**

**101.** The Society shall invest its funds as provided by Section 120 of the Act.

## **XXVI BANKING ACCOUNT**

**102.** The Board of Directors shall select one or more reputable financial institutions in which the Bank Account of the Society shall be kept. All cheques shall be signed and endorsed on behalf of the Society as the Board decides.

## **XXVII ANNUAL ACCOUNTS, REPORTS AND AUDITS**

**103.** The Board shall comply with the provisions of the Act and shall:

(a) cause the books of the Society to be audited annually

(b) approve the financial statements of the Society and place the comparative financial statements before the members at every annual meeting of members; and

(c) within ten (10) ) days of receipt of the copy of the financial statements, the auditor's report and the management letter referred to in Section 130 of the Act, the co-operative society shall provide a copy to the Supervisor in accordance with Section 131 of the Act.

## **XXVIII FINANCIAL YEAR**

**104.** The financial year of the Society shall end on December 31<sup>st</sup>.

## **XXIX SEAL AND EXECUTION OF DOCUMENTS**

- 105.** (1) The Board shall adopt for the use of the Society a distinctive seal having the name of the Society inscribed thereon. The seal shall not be affixed to any instrument except by the authority of a resolution of the Board and in their presence of at least one (1) member of the Board, the Secretary, the Treasurer or any other officer authorised by the Board.
- (2) Any instrument required to be signed on behalf of the Society shall be duly executed if signed by the President, the Secretary and/or Treasurer or any other officer authorised by the Board.
- (3) In the case of the Share Certificate, provision should be made for two (2) signatures: the President and the Secretary.
- (4) Any other instrument required to be signed on behalf of the Society shall be duly executed if signed by two (2) members of the Board, or such other persons as the Board of Directors may appoint for the purpose.
- (5) The Seal of the Society shall at all times remain in the custody of the Treasurer or any other officer so designated by the Board and shall be kept at the registered office of the Society.

## **XXX RECORDS AND FORMS**

- 106.** The Society shall keep the following records and forms, electronic or otherwise:
- (a) register of members;
  - (b) personal ledger for each member
  - (c) stock of members' passbooks;
  - (d) cash receipt journal;
  - (e) deposit and withdrawal slips;
  - (f) cash disbursement journal;
  - (g) general ledger;
  - (h) register of loans;
  - (i) loan application forms; loan agreement forms;
  - (j) payment and transfer vouchers;
  - (k) a file containing the Act, the Regulations and these By-Laws; and
  - (l) separate minute books for meetings of the Board, the Credit Committee, the Supervisory and Compliance Committee, and any sub-committee appointed by the Board and meetings of members;
  - (m) schedule of current fees and charges
  - (n) list of securities
  - (o) copy of the last audited financial statements of the Society
  - (p) copy of the external auditor's report and management letter

(q) copies of all notices of directors and notices of change of directors

### **XXXI INSPECTION OF RECORDS**

107. (1) In compliance with the Act, the corporate records of the Society, as stated in Section 21 of the Act, shall be opened during the normal business hours of the Society, for inspection by the Supervisor, members of the Society, their duly appointed agent or legal representative.

(2) The corporate records of the Society, as stated in Section 22 of the Act, shall be open to the inspection of any member having an interest in the funds of the Society. No person other than the member him/herself, his/her agent or legal representative, a member of the Board, the Credit Committee or the Supervisory and Compliance Committee, the Auditor or the Supervisor, his/her staff or anyone appointed by him/her shall be allowed to see the personal account, the loan agreement, the passbook or the register or papers relating to the loan of any member without the consent of such member in writing.

### **XXXII DISPUTES**

108. All disputes shall be determined in accordance with the provisions of Sections 194-197 of the Act. Disputes affecting the business of the Society may arise:

- (a) among members, past members and persons claiming through members, personal representative of the estate of deceased members
- (b) between a member, past member or person claiming through a member or personal representative of the estate of a deceased member of the Society, its Board or Committee Member of the Society
- (c) between the Society or its Board and any officer or Committee member or employee of the Society;
- (d) between the Society and any other society
- (e) from a claim by the Society for any debt of demand due to it from a member or the nominee, or the legal representative of a deceased member.

### **XXXIII DISSOLUTION**

109. (1) The Society may be dissolved by a resolution of three-fourths (3/4) of the members, but only in manner provided for in Sections 164-185 of the Act.

(2) The funds of the Society shall be distributed in accordance with Section 178 of the Act, in the event of dissolution.


#### XXXIV AMENDMENT TO THE BY-LAWS

110. These By-Laws may be amended in accordance with the provisions of Sections 51 and 52 of the Act and Regulation 62.
111. No part of the By-Laws of the Society may be amended, rescinded or altered except at an Annual General Meeting or Special Meeting of the Society called for that purpose and by a three fourths (3/4) vote of those present and entitled to vote at the said meeting. A copy of the proposed amendment together with a written notice of the Meeting must be sent to each member or handed to him/her in person at least ten (10) days before the said Meeting.
112. Notice of any proposed alteration to the By-Laws shall be included on the Agenda of an Annual General Meeting or Special Meeting. The proposed amendments to the By-Laws of the Society shall be forwarded to the members together with the notice for the Annual General Meeting or Special Meeting called for that purpose.
113. A member may make a proposal in the manner provided in Section 51 of the Act to make, amend, repeal, replace or confirm any By-Laws.
114. No alterations of these By-Laws shall have effect unless it is approved in accordance to Section 52 of the Act.

These By-Laws were passed at the Special Meeting of the Community First Co-operative Credit Union Ltd held at **The Multipurpose Cultural Centre, Perry Bay** on the **9th** day of **March 2017**.

Signed for and on behalf of the Community First Co-operative Credit Union Ltd.

  
.....  
President

  
.....  
Secretary



This is to certify that this is a true copy of the amended By-Laws, numbers 1 to 114 of the **COMMUNITY FIRST CO-OPERATIVE CREDIT UNION LTD.**, duly registered as **No. 1 of 2017** on the **12** day of **April, 2017**.

*Brenda Sheppard*.....

**Chief Executive Officer**  
Financial Services Regulatory Commission (FSRC)

