



DRAFT
Bye-Laws
of the
General Employees' Co-operative
Credit Union Limited

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ARTICLE 1 INTERPRETATION

- (a) In these Bye-Laws, unless the context otherwise requires:
- I. **“The Act”** means the Co-operative Societies Act No.12 of 2012 and any amendments thereto.
 - II. **“The Regulations”** means the Co-operative Societies Regulations and any amendments thereto.
 - III. **“The Board”** means the Board of Directors or other directing body (by whatever name called) to whom the management of the affairs of a co-operative society is entrusted.
 - IV. **“The Registrar”** means the Registrar for Co-operative Societies.
 - V. **“The Co-operative Society”** means General Employees’ Co-operative Credit Union Limited.
 - VI. **Member in good standing** means a member who conforms to the provisions of the relevant legislation, Bye-Laws and other policies of the society.
 - VII. The words “he”, “his” and “him” shall also mean “she”, “hers” and “her”.
 - VIII. **“The Depositor”** means any member, junior saver, organization or corporations who deposits funds with the Credit Union.
 - IX. **“Qualifying shares”** means the mandatory, non-withdrawable minimum shares to be purchased by an approved applicant to be admitted and to enjoy the full rights and privileges of becoming a member of a co-operative society.
 - X. **“Equity shares”** means the common stock or risk capital in addition to qualifying shares purchased by individual and institutional members as their ownership stake in the safety, soundness and competitiveness of their co-operative society;
 - XI. **“Secretary”** refers to “Secretary of the BOD.
 - XII. **Dormant Account:** “A member who has not transacted any business with the Co-operative Society for twelve consecutive months.
 - XIII. Any term not defined shall bear the meaning as defined in the Co-operative Societies Act 12 of 2012 and its amendments.

ARTICLE 2 NAME AND OBJECTS

1. NAME, ADDRESS & AREA OF OPERATIONS

- a) The Co-operative Society shall be called “General Employees’ Co-operative Credit Union Limited”. The registered address of the Co-operative Society shall be: “Halifax Street, Kingstown, St. Vincent and the Grenadines, W.I.” or such other place as may from time to time be decided by the Board.”. In the event of any change of the registered address, notice of such change shall be sent within thirty (30) days thereafter to the Registrar.
- b) The jurisdiction of operations of the Co-operative Society shall be St. Vincent and the Grenadines or other such countries as determined by the Board of Directors.

2. OBJECTS

The objects of the Co-operative Society shall be:

- (a) To improve the economic and social conditions of its members by:
 - i. Promoting thrift and saving among its members (using shares and other instruments).
 - ii. Providing a range of financial services including advances, money transfer and deposits.
 - iii. Using, managing and investing funds in a safe and sound manner.
 - iv. Managing the resources made available by the members in an efficient and transparent manner in keeping with the internationally accepted standards.
 - v. Providing social support and related services.
 - vi. Providing social and recreational services.
 - vii. Providing such services as the Board sees fit from time to time.
 - viii. Acquiring properties through purchase, lease, exchange or donation, and to hold any moveable or immovable property for the carrying out of the objectives of the Co-operative Society.
 - ix. Building upon any land so acquired and to improve, develop, mortgage, lease, transfer, or assign to such property.
- (b) To encourage the spirit and practice of self help and co-operation and promote the development of co-operative ideals nationally, regionally and internationally by:
 - (i) Educating members in co-operatives philosophy, principles and practices.
 - (ii) Affiliating or collaborating with any other society or organization.
- (c) To do all such lawful things as are incidental or conducive to the attainment of the above objects.

ARTICLE 3

MEMBERSHIP

(cA) QUALIFICATION

Membership shall be opened to:

- i. Residents or Citizens of St. Vincent and the Grenadines, or citizens of another CARICOM Member State who are of sound mind.
- ii. Persons 18 years of age or over or as stipulated by the Act.
- iii. Any other person, organization or company incorporated in St. Vincent and the Grenadines, that the Board may admit from time to time.
- iv. Persons, organization or corporations who are not undischarged bankrupt.

(B) ADMISSION

Application for membership shall be made on the prescribed form to the Secretary and should be approved by the Board or by a delegated officer in accordance with Section 26 of the Act. .

- i. Each application must be accompanied by the payment of an entrance fee as may be determined by the Board from time to time and the value of one full share.
- ii. If an application is rejected, the applicant may appeal to the CEO and/or the Board of Directors.
- iii. Membership commences on the date of approval of the application for membership by the Board.
- iv. A person under the age of 18 may be admitted only as a depositor of the Co-operative Society .
- v. Every member shall purchase at least 50 Equity Shares in the year of application. This provision does not apply to depositors under the age of 18 years.
- vi. Persons who have the necessary qualifications for membership and are desirous of becoming joint members should apply in writing to the Co-operative society. The application shall state the residence and occupation of each person and shall contain such other information as the Board may from time to time decide.
- vii. The Co-operative Society shall maintain a register of its members, including each member's name, address, date of admission, and termination, in accordance with Section 28 (2) of the Act.

(C) RIGHTS OF MEMBERS

- I. the right to own shares, make deposits, access loans and access pooled purchases and sales at affordable prices;
- II. the right to hold joint deposit accounts;
- III. the power to appoint their nominee or nominees;
- IV. the right to enjoy the surpluses of the co-operative society;
- V. the right to attend and vote at annual and special general meetings and to issue a notice of motion;
- VI. A legal person shall exercise its right to vote in the Co-operative Society through one designated representative, who must also be an individual member
- VII. the responsibility to elect the Board of Directors, the credit committee and the supervisory and compliance committee and to appoint the auditor;
- VIII. the responsibility to uphold the values and policies of the co-operative society;
- IX. the responsibility to monitor and comment on the annual priorities and performance results of the cooperative society; and
- X. all other responsibilities, rights and powers set out in sections 26 through 52, and 105 of the Act.

(D) TERMINATION

1. Membership shall be terminated by death, resignation or expulsion in accordance with the Bye-Laws.
2. A member shall cease to be a member and his membership terminated if he:

- a) dies, or
 - b) withdraws by giving one month's written notice to the Co-operative Society, provided that no member may withdraw while indebted to the Co-operative Society; or
 - c) is expelled as provided in the Act, Regulations, or these Bye-Laws
3. Any member who in the opinion of the Board acts prejudicial to the interests of the Co-operative Society, or conduct deemed detrimental to the good order and reputation of the Society may be terminated by the Board.
 4. The member shall be given written notice of the proposed expulsion at least ten (10) days prior to the meeting at which the matter will be considered. The notice shall:
 - (a) state the specific grounds for the proposed expulsion;
 - (b) inform the member of the date, time, and place of the meeting; and
 - (c) advise the member of their right to appear and be heard, either in person or through a representative
 5. Notwithstanding the above (termination by the Board), membership may be terminated by at least two-thirds (2/3) of the members present at a general meeting by a notice communicated to the member in writing at least ten (10) days before the meeting.
 6. A member whose membership has been terminated may appeal the termination pursuant to Section 31 of the Act.
 7. Subject to Section 31 of the Act, after payment of any amount due to the Co-operative Society or of any contingent liability to the Co-operative Society, all amounts held to the credit of members who withdraw or whose membership has been terminated, together with any interest accrued on these amounts, shall be paid to them in order of termination, but only as funds are available and within one (1) year after withdrawal or termination.

ARTICLE 4

CAPITAL AND FUNDS

- (a) The Capital, Funds, General or Specific reserve of the Co-operative Society shall be raised by means of :
 - i. savings of its members received as payments or subscriptions on shares;
 - ii. deposits;
 - iii. loans persons and institutions; and
 - iv. entrance and other fees, fines, interest on loans and investments and other contributions received from members and others
 - v. realized surpluses
- (b) Each share of the Co-operative Society shall be of par value of \$1.00 and the maximum number of Shares which may be held by each member shall, subject to the provisions of the Act, be prescribed from time to time by the Board. The minimum value of shares, which may be contributed annually is \$240.00 or 240 regular shares.
- (c) Ordinary deposits may be accepted by the Credit Union from the following, in accordance with Section 206 of the Co-operative Societies Act and any applicable Regulations:
 - (i) members of the Credit Union;
 - (ii) other co-operative societies;
 - (iii) Government or non-governmental agencies; and
 - (iv) bodies corporate.

Deposits shall be accepted in such manner, form, and on such terms and conditions as may be prescribed by the Regulations or determined by the Board. The Board shall determine the rates of interest payable on deposits from time to time.

- (d) The Board may, subject to the approval of a General Meeting, borrow or raise money for the purposes of the Co-operative Society within the borrowing limit approved by the members, in accordance with Section 117 of the Co-operative Societies Act and Regulation 46 of the Co-operative Societies Regulations, 2023.
- (e) All borrowing shall be undertaken only on terms and conditions that comply with the Act, the Regulations, and any prudential requirements issued by the Financial Services Authority. Where required under the Act or the Regulations, the Co-operative Society shall obtain the prior written approval of the Registrar before entering into any borrowing arrangement.
- (f) The Board shall ensure that the terms of any loan, overdraft, credit facility, or other borrowing are reasonable, financially prudent, and do not place the Society at undue risk.
- (g) The Co-operative Society in its general meeting shall in accordance with the provisions of the Act, from time to time fix the maximum amount which it may at any one time owe in respect of deposits and loans.
- (h) The funds of the Co-operative Society may be applied to the following purposes, namely
 - i. The expenses of management;
 - ii. Loans to its members for provident and productive purposes; and
 - iii. Any other purpose authorized by the Act, Rules and these Bye-Laws.
- (i) The liability of a member to make contributions to the assets of the Co-operative Society in case of liquidation shall be limited to his shares.

ARTICLE 5 **SHARES**

(a) Value

- (i) Shares shall be valued at \$1.00 each and shall be paid to the Co-operative Society.

(b) Class of Shares

- i. There shall be at least two (2) classes of shares held by the Co-operative Society, namely, Qualifying Shares and Equity Shares.
- ii. Subject to the approval of the Board of Directors, other classes of shares may be introduced.

(c) Transfer of Shares

- i. Shares may be transferred in accordance with Sections 100-105 of the Act and by written instrument in such form as may be prescribed and upon payment of a fee as determined by the Board from time to time.
- ii. All transactions shall be at par value.

- iii. The Co-operative Society may have a lien on the shares, dividends, patronage refunds, deposits and other interests of the member for any sum due to the organization or for any loans endorsed by him.
- iv. Where after a period of two years there is no nominee or legal personal representative of the deceased member to which the shares or interest may be transferred or to which a sum representing the value or part thereof of the deceased member's share or interest may be paid, the share or interest shall be transferred to the development fund of the co-operative society.
- v. Notwithstanding clauses (iv) and (v), if a valid nominee for a deceased member's shares or interest is identified after the two-year period following the member's death but prior to the fifteen-year dormancy period leading to transfer to a Special Statutory Reserve, the Co-operative Society shall process the payment of the said shares or interest to the nominee. Any amounts previously transferred to the development fund or special statutory reserve related to that member's account shall be reclaimed and disbursed accordingly, subject to verification.
- vi. If the whereabouts of any member are not known to the Co-operative Society and no business has been transacted within the last fifteen years, the Board may transfer his shares or interests, after deducting any sums due to the Co-operative Society to a Special statutory reserves. Prior to any transfer, the Co-operative Society shall:
 - (a) enter the account in a Dormant and Unclaimed Accounts Register as required by the Act and Regulations;
 - (b) make all reasonable efforts to contact the member or the member's legal representative;
 - (c) issue the required notices and publish the member's name in a newspaper or other medium prescribed under the Regulations; and
 - (d) submit the required report to the Registrar and obtain any approval required for the disposal of unclaimed property.

(d) Withdrawal of Shares

A member may withdraw all or part of his unencumbered shares from the Co-operative Society, provided that the member gives up to thirty (30) days' written notice. The Board may impose additional conditions on withdrawals as necessary to comply with applicable laws and Regulation.

**ARTICLE 6
DEPOSITS**

- i. Deposits may be withdrawn on any day that the Co-operative Society is open for business, but the Board of Directors may at any time require the depositor to give up to sixty (60) days notice of his intention to withdraw the whole or any part of his deposits.
- ii. The rate of interest on fixed deposits shall be reviewed and determined by the Board, taking into account prevailing market conditions and the financial position of the credit union, and shall be communicated to members in a timely manner.

- iii. Deposits will be accepted in accordance with applicable legislation.
- iv. Deposits may be received from members or a minor or on behalf of a minor in accordance with Section 123 of the Act.

ARTICLE 7
PASSBOOKS

- (i) Each member will be issued with a passbook on becoming a member of the credit union.
- (ii) If a passbook is lost or stolen, immediate notice must be given to the Chief Executive Officer and written application made for the issue of a duplicate book, which must be paid for at the member's expense. The Board of Directors may require the filling of an adequate bond to indemnify the Co-operative Society against any loss or losses resulting from the issue of such duplicate passbook.

ARTICLE 8
LOANS

- a. The Co-operative Society shall make loans to its members, companies or organizations only, and for provident or productive purposes. In keeping with the established loan policy all loans made shall be used for the approved purpose.
- b. The Terms and Conditions, on which loans may be made to eligible members, companies, or organizations, shall be fixed from time to time by the Board.
- c. No loan shall be granted unless approved by the Credit Committee or any officer authorized by the Credit Committee in keeping with Section 61 of the Act.
- d. No member may, whilst in default of a loan with the Co-operative Society or whilst continuing to be liable as an Endorser or Guarantor for another member, withdraw any money or portion of money paid in on his shares or assigned deposits so as to leave to his credit in the Co-operative Society on such shares and deposits, a sum which is less than that owing by such member personally nor can that sum be the subject of the endorsement or guarantee except with the written approval of the Credit Committee or duly authorized staff.
- e. Costs incurred by the credit union in its efforts to recover any overdue debt owed to it by a member may be charged to that member.
- f. The Co-operative Society is authorized to take and realize security.

ARTICLE 9
BOARD OF DIRECTORS

- a. The Board of Directors shall be elected at the Annual General Meeting and shall consist of nine (9) members. At least three (3) Directors will retire each year at the Annual General Meeting.
 - (a) No member elected to the Credit Committee or Supervisory and Compliance Committee shall be eligible for election or co-opted to the Board and vice versa.

- (b) The Board shall meet as often as the business of the Co-operative Society may require, but not less than once monthly. Meetings may be held in person or virtually, where all the directors consent, in accordance with section 85 and 86 of the Corporative Societies Act.
- (c) Meetings of the Board shall be called on the order of the President or a majority of its members.
- (d) The President of the Co-operative Society shall on the request in writing of the Registrar summon a special meeting of the Board at which the Registrar or his representative shall be at liberty to attend and discuss any matter touching the business of the Co-operative Society.
- (e) The Registrar or his representative shall at all times be entitled to a seat at meetings of the Board and take part in the deliberations but shall have no vote.
- (f) The Directors of the Co-operative Society shall be elected for a term of three years, but no person may serve as a director of the Co-operative Society for more than two consecutive terms or an aggregate of six years, unless a period of two years has elapsed from the time he or she demits office at the end of the six year period to the date of his or her subsequent election to office.

(2) Duties and Responsibilities of the Board

- a. It shall be the duty of the Board to be responsible for the overall oversight of the affairs of the Co-operative Society in accordance with section 24 (f) of the regulations, and, in particular, to establish and maintain a Board Charter, which shall outline the governance principles, responsibilities, and procedures of the Board, and shall include but not be limited to the following :
 - i. To elect a president, vice-president, treasurer and secretary from among themselves and may elect or appoint additional officers as provided for in the byelaws.
 - ii. To formulate and implement comprehensive policies, procedures and other measures with respect to loans collections, earnings, liquidity and any other areas of risk reduction that direct operational management and delegate the necessary authority to staff so that they can fulfill their job responsibilities.
 - iii. To take all measures to provide for the conduct of the affairs of the Co-operative Society for which no provision is specifically made in these Bye-Laws.
 - iv. The Board may appoint from its members such sub-committees as it thinks fit. In the exercise of its functions, a sub-committee shall have the powers assigned to it by the Board, subject to the Act.
 - v. The Board in accordance with the Act and Regulations may borrow on behalf of the Co-operative Society and exercise such other related authority as is given in the Act.

- vi. To implement and oversee a compliance program to detect potential violations of law, regulations or corporate policies.

ARTICLE 10
CREDIT COMMITTEE

- (a) The Credit Committee shall consist of five (5) members, none of whom shall be a member of the Board, or the Supervisory and Compliance Committee or an Officer of the Co-operative Society. The Board may assign suitable employees to support the work and activities of the credit committee and the supervisory and compliance committee.
- (b) The Committee shall be elected at each Annual General Meeting. The Chairman and Secretary shall be elected from the Committee at its first meeting.
- (c) The Secretary shall prepare and keep a full and correct record of all actions taken by the Committee which shall include a monthly report to the Board stating –
 - (i) the number and category of loan applications received;
 - (ii) the number and category of loans granted;
 - (iii) the security obtained and risks for such loans granted;
 - (iv) applications denied, delinquent loans, classified loans, loans written off, watch listed accounts, large credit exposures and related party loans;The Committee shall submit an annual report on the matters referred to in paragraph (c) and on the loan portfolio quality and trends, to the Annual General Meeting.
- (d) The Board shall determine the terms and conditions under which the Credit Committee shall approve loans to members.
The Credit Committee may, upon such terms and conditions as the Board may specify, authorize the Chief Executive Officer, Loans Manager or other employees of the credit union to approve loans to members.
- (e) The Committee shall meet at least once per month or as often as the business may require.
- (f) The Committee shall ensure an inquiry is carried out, in accordance with the loan policy, on the financial position of borrowing members and their co-makers and guarantors; so as to ascertain their ability to repay fully and promptly, the obligations assumed by them and to determine whether the loan promises to be of benefit to the borrower.
- (g) The Board may authorize the CEO, loans manager, loans officer or any other employee to assist the credit committee to perform any of its duties listed in sub-regulation (1), including the processing and approval of loans, recording of minutes and the convening of meetings.
- (h) The Committee shall determine the terms upon which the loan shall be repaid and shall be responsible for the recovery of the full sum due.

- (i) Where there are more loan applications than can be granted with the funds available, preference shall be given to applications for smaller loans if the credit factors, as per the loan policy, are nearly equal.
- (j) No person may serve as a member of the Credit Committee for more than two consecutive terms or an aggregate of six years, unless a period of two years has elapsed from the time he or she demits office at the end of the six-year period to the date of his or her subsequent election to office.
- (k) No member elected to the Credit Committee shall be eligible for election or co-opted to the Board or Supervisory and Compliance Committee and vice versa
- (l) Any member has the right to submit a query in writing, to the Board of Directors, concerning a decision made by the credit committee.
- (m) make recommendations to the Board regarding policies and procedures to be followed by the credit union for approving and granting loans;
- (n) review and record all applications for loans, loan extensions and revisions of the terms of loans that are referred to it by the manager or a designated officer of the credit union

ARTICLE 11
SUPERVISORY AND COMPLIANCE COMMITTEE

- (a)i. The Supervisory and Compliance Committee shall consist of five (5) members to be elected at the Annual General Meeting.
 - ii. The Compliance Manager may be an ex-officio member of the Supervisory and Compliance Committee.
- (b) No member elected to the Supervisory and Compliance Committee shall be eligible for election or co-opt to the Board of Directors or Credit Committee.
- (c) No person may serve as a member of the Supervisory and Compliance Committee for more than two consecutive terms or an aggregate of six years unless a period of two years has elapsed from the time he or she demits office at the end of the six-year period to the date of his or her subsequent election to office.
- (d) A Chairman and Secretary shall be elected from the Committee at its first meeting.
- (e) The Supervisory and Compliance Committee shall meet at least once every month and shall meet with the Board on a quarterly basis to review the Board's performance of its duties.
- (f) Where a matter of urgency or material risk arises, the Committee shall promptly escalate such matter to the Board in accordance with its severity and potential impact and shall not be required to await a scheduled meeting of the Committee or the Board.
- (g) Members of the Supervisory and Compliance Committee may attend meetings of the Board and all other committees of the Co-operative Society.

- (h) The Secretary of the committee shall maintain accurate records of all action taken by the Committee.

DUTIES

The Supervisory and Compliance Committee shall:

- (a) Keep minutes of its meeting.
- (b) At frequent intervals inspect the securities, cash, accounts and records relating to loans, purchase and sales of the Co-operative Society.
- (c) review the policies and operating procedures of the co-operative society and make recommendations to the Board and to the credit committee;
- (d) Ascertain that all actions and decisions of the Board, committees, management and staff relating to the affairs of the Co-operative Society are in accordance with Act No. 12 of 2012, the regulations, the Bye-Laws and the approved standards and policies of the Co-operative Society.
- (e) Submit a written report on the result of its examinations and enquires under this section to the Board and the management of the Co-operative Society within seven days of each meeting of the Supervisory and Compliance Committee.
- (f) Receive and investigate any complaints made by any member affecting the proper running of the Co-operative Society.
- (g) The Supervisory and Compliance Committee shall receive and investigate any complaints made by members affecting the proper running or governance of the Co-operative Society. Where, in the opinion of the Committee, the Board, any of its members, or any officer or committee member is not acting in the best interests of the Society or is engaged in unsafe or unauthorized practices, the Committee shall prepare a written report and recommendation and submit it to the Board.
- (h) The Committee shall file a report with the Registrar and, by a majority vote of its members, may summon a Special General Meeting of the members with at least ten (10) days' notice to consider any violation of these Bye-Laws or any practice of the Co-operative Society, which, in the opinion of the Committee, is unsafe and unauthorized, in accordance with Regulation 29(j) of the Co-operative Societies Regulations, 2023.
- (i) Monitor the management of the co-operative society and review and discuss all reports of the internal and external auditor and the compliance manager;
- (j) The Committee shall:
 - i. Report to the Annual General Meeting.
 - ii. To ensure that loans are granted in accordance with the loans policy.
 - iii. Submit a report of their activities to the Board of Directors each month.

Compliance Manager Duties and Responsibilities

- i. A senior qualified professional who is appointed by the Board shall monitor and periodically report to the Supervisory and Compliance Committee and the Board on the levels of awareness, adherence and compliance in the internal operations of the Co-operative Society.
- ii. The officer so appointed shall track gaps and improvements in compliance with the St. Vincent and the Grenadines Co-operative Societies Act, standards and best practices in keeping with the applicable legislations and guidelines enforced relating to anti-money laundering and combatting financing of terrorism.
- iii. act as a point of contact within the financial entity for compliance enquiries.
- iv. Monitors operational processes and procedures to ensure that the company complies with internal policies, legal regulations and ethical standards.
- v. To provide appropriate training that is ongoing and incorporates a review of all regulations, requirements and current developments related to anti-money laundering and counter terrorism financing.

ARTICLE 12 **MEETINGS**

(a) Supreme Authority

- (i) The supreme authority of the Co-operative Society shall be vested in the general meeting of members, at which every member shall have the right to attend and vote.
- (ii) The decisions and actions of the general meeting shall be exercised subject to the provisions of the Co-operative Societies Act, the Regulations, and the authority of the Financial Services Authority (FSA).

(b) Notice of meeting

Notice of any General Meeting shall be deemed to have been given or served upon every member of the Co-operative Society:

- (i) If a notice is posted in a conspicuous place at the registered address and sub-offices of the Co-operative Society at least ten (10) days prior to such meeting and,
- (ii) by publishing the notice in not less than two issues of a local newspaper widely circulated in Saint Vincent and the Grenadines, or by posting, at least ten (10) days prior to such meeting, the notice in a place or through a medium of communication that is in the opinion of the Board, is prominent and accessible to members.

(c) Quorum

- i. The Quorum for any General or Special Meeting shall be one hundred (100) members.
- iii. If a quorum is not present within one (1) hour after the time fixed for any general meeting, the meeting shall be adjourned to a date not less than ten (10) days thereafter, and members shall

be notified accordingly at least five (5) days before the date of the adjourned meeting. At the adjourned meeting, the members present shall constitute a quorum and may proceed to transact the business of the meeting, provided that proper notice of the adjournment has been given in accordance with these Bye-Laws.

(d) Decisions/Voting

- I. Save as provided in the Bye-Laws, decisions at general meetings shall be made by a majority of the votes recorded by the members present.
- II. Each member shall have a single vote whatever his shareholdings, and there shall be no proxy voting.
- III. A Co-operative Society being a member shall cast a single vote through a duly authorized representative.
- IV. Voting shall be by secret ballot or such other means as approved by a majority of those present at the meeting.
- V. The chairperson of a meeting has the right to vote and in the event of a tie he is entitled to a second or casting vote.

ARTICLE 13
MEETINGS OF MEMBERS

The President of the Board of Directors, or in his or her absence, the Vice-President shall preside at the Annual or Special General Meeting. Where the president and the vice-president are absent or indisposed, the remaining members of the Board shall select any other elected director to chair an annual or special general meeting;

The secretary shall maintain a register of the number and names of the members present at the meeting and the name of the President or of the person who presided at the meeting.

Minutes of the Meetings shall be signed by the President and Secretary and shall contain:

- a. the time fixed for the meeting and the time the meeting commenced.
- b. the total number of members on the date on which the meeting was held; and
- c. all resolutions passed or decisions made at the meeting.

No political, sectarian or racial discussions shall be raised, or resolution proposed, either at any Committee, Board or General Meeting of the Co-operative Society.

(vii) Other Business

ARTICLE 14
ANNUAL GENERAL MEETING

- (a) The Annual General Meeting shall be held not later than three (3) months after the end of the financial year of the Co-operative Society. At least ten (10) 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.

- (b) Notwithstanding subsection (a), where the Registrar receives a written request from the Board of a co-operative society prior to the expiration of the period of three months referred to in subsection (1), the Registrar may authorise the co-operative society to hold the annual general meeting at any date not later than six months after the end of the financial year of the co-operative society that it considers appropriate.
- (c) The powers and duties of the Annual General Meeting shall be:
 - (i) To elect, members to a Board of Directors, a Credit Committee, and a Supervisory and Compliance Committee as set out in Article 19. The Board and Committee members can either be re-elected or replaced.
 - (ii) To consider the Co-operative Society's accounts and reports presented by the Board and Committees for the preceding year together with any comments made thereon by the Auditor and/or the Registrar.
 - (iii) To appoint Auditors for the current financial year.
 - (iv) To approve the distribution of the surplus.
 - (v) To deal with any other business duly presented by the members.
- (d) The agenda for the Annual General Meeting shall include, among other items:
 - (i) Confirmation of minutes of previous Annual General Meeting
 - (ii) Matters arising from the minutes
 - (iii) Reports of Board, Committees and Auditors
 - (iv) Election of Officers
 - (v) Appointment of Auditor
 - (vi) Resolutions
 - (vii) Other Business

ARTICLE 15
SPECIAL GENERAL MEETING

- (a) A Special General Meeting shall be held at any time at the request of the Board, Registrar or the Supervisory Committee on receipt by the Secretary, of a written requisition signed by not less than one hundred (100) members. At least twenty (20) days notice of the meeting shall be given to all members.
- (b) Documents for the business of the meeting shall be made available where applicable to the membership no less than twenty (20) days prior to the meeting.
- (c) Only such matters as are listed on the agenda shall be dealt with at a Special General Meeting.

ARTICLE 16
GENERAL RULES FOR THE BOARD & COMMITTEES

(a) Qualification

- (i) No person under the age of eighteen (18) years shall be allowed to serve the Board, Credit or Supervisory and Compliance Committee.
- (ii) No member of the Co-operative Society shall be eligible for election to the Board, Credit or Supervisory and Compliance Committee if he/she is not in good standing in the Co-operative Society.
- (iii) Any member who is delinquent and/or dormant with the Co-operative Society for twelve consecutive months shall not be eligible to continue to serve.
- (iv) has completed or consented to complete the personal declaration using Form 4 of Schedule 1 as per the regulations 2023.

(b) Meeting

- i. The Board and Committees shall meet as often as the business of the Co-operative Society may require but not less than once each month. All Board or Committee meetings shall be called on the order of the Chairman or a majority of the members.
- ii. Except in special circumstances, at least five (5) clear days notice shall be given of any Board or Committee meeting, provided that it shall not be necessary to give notice of any regular meeting, the time or times for the holding of which have been agreed upon by resolution of the Board or Committee as the case may be.

(c) Quorum

- (i) The quorum for Board Meetings shall be five (5) persons and a majority of members shall constitute a quorum at any Committee Meeting.
- (ii) If within an hour of the time fixed for any Board or Committee meeting, the members present are not sufficient to form a quorum, the meeting shall be adjourned to the same day the following week and members shall be notified accordingly at least five (5) days in advance. The members at the re-convened meeting shall form a quorum.

(d) Attendance

- (i) If any member fails to attend three (3) consecutive meetings of the Board or the Credit Committee without reasonable cause, his office may be declared vacant by the Board.
- (ii) If any member of the Supervisory and Compliance Committee fails to attend three (3) consecutive meetings of the Committee without, in the opinion of the Supervisory and Compliance Committee, having a reasonable cause therefore his position may be declared vacant in accordance with Section 70 of the Act.

(e) **Decisions**

- (i) Decisions at Board or Committee Meetings shall be made by a majority of the members present and voting.
- (ii) Every member shall have one vote only except that the member presiding, in the event of an equality of votes, shall have a casting vote.

(f) **Conflict of Interest**

- (i) No Board or Committee member shall be present when any matter is being decided, in which he has a direct or indirect interest.
- (ii) A Director or Officer of the Co-operative Society who is a party to a contract or proposed contract with the Co-operative Society shall disclose in writing to the Co-operative Society or request to have entered in the minutes of meetings of Directors, the nature and extent of his interest in accordance with Sections 81 and 82 of the Act.
- (iii) 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 Co-operative Society at the time it was approved, is neither void or voidable by reason, only of the relationship or by reason only that a Director with an interest in the contract is present at, or is counted to determine the presence of a quorum at a meeting of Directors or a Committee of Directors that authorized the contract.

(g) **Confidentiality**

- (i) All transactions of the Co-operative Society with its members and all information pertaining to their personal affairs shall be held in the strictest confidence by all the members of the Board and Committees of the Co-operative Society.
- (ii) A Director or an Officer shall not make use of confidential information for the benefit or advantage of himself or an associate and any such misuse shall be dealt with according to Section 80 (1) of the Act.

(h) **Responsibility**

- (i) In their conduct of the affairs of the Co-operative Society, the Board and Committee members shall exercise the prudence and diligence of ordinary individuals or persons of business and shall be responsible for any loss sustained through acts contrary to the Act, the Regulations and Bye-Laws.

(j) **Disqualification**

- (i) A Board or Committee member shall cease to hold office if he or she:
 - a. ceases to be a member of the Co-operative Society.

- b. becomes delinquent in accordance with the Loan Policy in the repayment of any loan or loans, applies for bankruptcy, or is declared bankrupt.
- c. becomes of unsound mind subject to section 128 of the Co-operate Societies Act.
- d. holds any place of profit by resolution of the Board, inconsistent with the Act, the Regulations and these Bye-Laws.
- e. is convicted of any offence involving dishonesty.

ARTICLE 17

DUTIES OF OFFICERS

(a) President

It shall be the duty of the President to preside at meetings of members and of the Board of Directors and to perform such other duties as the Board may decide from time to time.

The president's duties and responsibilities include—

- i. projecting and defending the integrity of the organization as a registered co-operative society;
- ii. building participation in the affairs of the co-operative society by the members as the owners;
- iii. presiding at all meetings of the members and of the Board;
- iv. setting the agenda for meetings of the members and of the Board;
- v. appointing committees and encouraging leadership development;
- vi. through healthy relationship building, supervising and supporting the manager's efforts to integrate approved policies into day-to-day operations;
- vii. promoting an enabling climate for accountability, effective communication, performance and professional growth at all levels;
- viii. representing the co-operative society to its members and other stakeholders;
- ix. increasing shareholder value by managing the relationship between the owners and the decision-makers; and
- x. being a role model of good governance and effective leadership for staff and other Board members.

(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

In addition to any duties and responsibilities assigned by the Board or the bye-laws, the secretary of a co-operative society shall—

- i. attend all general meetings of the co-operative society and all meetings of the board and perform the instructions of the Board;
- ii. (b) record the minutes of all meetings of the co-operative society or of the Board;
- iii. (c) review the minutes of all committees of the co-operative society;

- iv. (d) be responsible for all records, books, papers and other documents of the co-operative society;
- v. (e) ensure that all records, books, paper and other documents of the co-operative society are kept in a safe place in the office of the co-operative society;

(d) Treasurer

Subject to the Regulations, the Board shall appoint a Treasurer, and he/she shall perform such duties as are assigned by the Board and as set out in the Regulations.

(e) Chief Executive Officer

The Chief Executive Officer shall perform his/her duties as set out in his/her position description and as assigned by the Board of Directors.

ARTICLE 18
ELECTIONS

- (i) At the beginning of each calendar year, the Board of Directors shall appoint a Nominations Committee of five (5) members, of which not more than one (1) may be a member of the existing Board of Directors, and the majority of members of the Committee, including the Chairman of the Committee, should be independent of the Board and the Credit Union as an institution. It shall be the duty of the Nominations Committee to nominate at the Annual General Meeting one (1) member for each vacancy for which elections are being held.
- (ii) After the nominations of the Nominations Committee have been placed before the members, the Returning Officer (so designated) shall call for nominations from the floor and conduct elections accordingly.
- (iii) All elections shall be determined by a majority vote and shall be by ballot except where there is only one (1) nominee. Balloting may be conducted either in person or virtually through secure electronic means.
- (iv) Nominations shall be in the following order:-
 - (a) nominations for members of the Board of Directors;
 - (b) nominations for members of the Credit Committee;
 - (c) nominations for members of the Supervisory and Compliance Committee.
 - (d) nominations for external auditor.

Elections may be by separate ballots following the same order as the nominations, or if preferred, may be by one (1) ballot.

ARTICLE 19
STATUTORY RESERVES

- i. Where the Co-operative Society realizes a surplus, the Board of Directors shall establish and maintain a reserve to be known as its Statutory Reserves, and it shall ensure that the reserves and other elements of institutional capital is at no stage less than seven percent of its total assets and that its capital base is not less than twelve percent of its total assets.
- ii. At the end of any financial year, the Co-operative Society shall transfer not less than twenty percent (20%) of its surplus to increase its Statutory Reserves and other institutional capital reserves to seven percent (7%) of total assets.
- iii. The Co-operative Society shall not capitalize its Statutory Reserves by way of bonus shares or distribute them by way of dividends.
- iv. Dividends on members' Equity Shares shall be declared and paid only out of the realized surplus of the Society, after all provisions for statutory reserves and other required funds have been made in accordance with the Act and regulations
- v. The Statutory Reserves shall be kept liquid and intact and not otherwise distributed except in liquidation.

ARTICLE 20
STATUTORY DEVELOPMENT FUND

- i) Subject to the provisions of the Act, the Co-operative Society shall establish and maintain a Statutory Development Fund not exceeding ten percent (10 %) of the Co-operative Society's surplus.
- ii) The Development Fund shall be used to strengthen the capacity of growth of Co-operative Societies and for human resource development.

ARTICLE 21
PENSION FUND

- i. The Co-operative Society may establish a contributory pension fund for its employees and may make such contributions as the Board of Directors shall determine from time to time.
- ii. Participation in the pension fund shall be in accordance with the rules approved by the Board and any applicable employment policy.
- iii. The pension fund shall not form part of the assets of the Society and shall be maintained as a separate and independent fund in accordance with Section 126 of the Co-operative Societies Act.
- iv. The fund shall be invested and managed in a manner prescribed by the Board and consistent with the Bye-Laws, relevant labour legislation, and any prudential or regulatory guidelines.

ARTICLE 22
DISPOSAL OF SURPLUS

The net surplus of the Society, as ascertained by the Auditor, shall be applied in the following order in accordance with the Co-operative Societies Act and Regulations:-

- i. (i) A minimum of twenty percent (20 %) of the annual surplus shall be transferred to the Statutory Reserve Fund. Where the Society's Institutional Capital is less than seven percent (7 %) of total assets, the transfer shall be not less than thirty percent (30 %) or such greater amount as required to achieve the statutory minimum, in accordance with Section 124 of the Act.
- ii. After all statutory and regulatory allocations have been made and subject to Section 128 of the Act and Regulation 48 of the Co-operative Societies Regulations 2023, the remaining surplus may be appropriated in any one or more of the following ways:
 - a) (a). To recommend the payment of a dividend not exceeding six percent (6 %) per annum on members' Equity Shares, out of the realised surplus of the Society, provided that such payment does not reduce the Institutional Capital below the minimum ratios prescribed by the Act or Regulations.
 - b) (b) to promote co-operative education among members and for any social, charitable or cultural purposes, subject to Section 127 of the Act.
 - c) To create or augment Special Reserves for capital projects or future contingencies as approved by the Board and the Registrar.
 - d) To transfer to the development fund in accordance with section 125 of the act.
 - e) To transfer to the Stabilization Fund and/or Development Fund as required under Section 125A of the Act.

ARTICLE 23
FINES

The Board of Directors shall have power to impose on members the fines prescribed by these Bye-Laws and which shall be added to the Statutory Reserves of the Co-operative Society. Any fine thus imposed shall be considered as debt due from the members concerned to the Co-operative Society, and shall be collected as such.

ARTICLE 24
INVESTMENT OF FUNDS

- (1) The Board shall establish written policies for investing the accumulated funds of the co-operative society, not used in the primary business of the co-operative society, in accordance with Section 119 of the Co-operative Societies Act and Regulations 43 to 45 of the Co-operative Societies Regulations 2023. Permitted investments include:
 - (a) Deposits in licensed financial institutions approved by the Financial Services Authority;
 - (b) Government or statutory corporation securities guaranteed by the Government of St. Vincent and the Grenadines;
 - (c) Investments in the Stabilisation Fund or Deposit Guarantee Fund pursuant to Section 125A of the Act; and
 - (d) Any other safe and liquid investment approved in writing by the Registrar.

- (2) The aggregate value of such investments shall not exceed twenty-five percent (25 %) of the Society's capital base, unless otherwise approved by the Registrar in writing.
- (3) All investments shall be recorded in an Investment Register and be identifiable and verifiable by the Registrar on demand, in accordance with Section 124 (9) of the Act.
- (4) The Board shall review the Society's investment portfolio at least quarterly and report any reallocation or revaluation to the Supervisory and Compliance Committee and to the Registrar as required.
- (5) No investment shall be made in speculative ventures or instruments not backed by tangible security.

ARTICLE 25 **POWER TO BORROW**

The Board of Directors may, subject to the approval of the Annual General Meeting and in accordance with Section 117 of the Co-operative Societies Act and Regulation 41 of the Co-operative Societies Regulations 2023, borrow money from any lawful source and on such security and terms of repayment as it considers appropriate. Provided that—

- a. the total amount borrowed shall not exceed the limit fixed by resolution of the Annual General Meeting;
- b. the interest rate and other conditions shall be reasonable and consistent with prevailing market rates.

ARTICLE 26 **ANNUAL ACCOUNTS, REPORTS AND AUDITS**

The Board shall comply with the provisions of the Act and shall:

- a. (Ensure that the books and records of the Society are properly maintained and that its accounts are audited annually in accordance with Section 129 of the Act and Regulation 61;
- b. approve the financial statements of the Co-operative Society and place the comparative financial statements before the members at every annual meeting of members, and
- c. Submit to the Registrar of the Financial Services Authority a copy of the audited financial statements, comparative statements, and the auditor's management letter not later than ten (10) days prior to the Annual General Meeting, in accordance with Section 130 (2) of the Act.

ARTICLE 27 **FINANCIAL YEAR**

The financial year of the Co-operative Society shall end on the last day of December in each year.

ARTICLE 28 **SEAL AND EXECUTION OF DOCUMENTS**

- (i) The Board of Directors shall adopt for the use of the Co-operative Society an official Seal having the name of the Co-operative Society inscribed thereon.

ARTICLE 29
RECORDS AND FORMS

The Co-operative Society shall display its certificate of registration at its registered office at all times and shall make the following available at its offices:

- a) a copy of the Act, Regulations and Bye-Laws;
- b) the register of members;
- c) the minutes of all meetings and resolutions of its members;
- d) copies of all notices of directors and notices of change of directors;
- e) a register of its directors setting out the names, addresses and occupations of all persons who are or have been directors of the Co-operative Society with the dates on which each person became or ceased to be a director;
- f) a copy of every order of the Registrar relating to the Co-operative Society;
- g) a copy of the monthly financial statements or annual financial statements of the Co-operative Society;
- h) a copy of the shares transfer register and investment reports; and
- i) the minutes of all meetings and resolutions of its directors and committees.

ARTICLE 30
INSPECTION OF RECORDS

- (i) In accordance with Section 22 (1) and (2) of the Act, the records of the Co-operative Society shall be opened to the inspection, observation and monitoring of the Financial Services Authority or any member or their agents or legal representatives having an interest in the funds of the Co-operative Society, during normal business hours.
- (ii) No person other than the member, his/her agent or legal representative, a member of the Board, the Credit Committee or the Supervisory and Compliance Committee, the Auditor or the Registrar, his Staff or anyone appointed by him/her shall be allowed to see the personal account, loan agreement or passbook or the register or papers relating to the loan of any member without the consent of such member in writing.

ARTICLE 31
POWER OF NOMINATION

- (i) **Appointment of Nominee**
Every member of the Co-operative Society shall in writing under his hand and attested by two witnesses and delivered to the Co-operative Society during his lifetime, nominate any one or

more persons to whom or to whose credit the share or interest of the value of such shares or interest may be in the event of death be paid or transferred.

(ii) **Revocation**

A member may from time-to-time 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 nominees. The Nominator shall in respect of every share and deposit account, pay a fee as determined by the Board from time to time for the recording or registering of every nomination after the first revocation or variation.

(iii) **Payment to nominee**

On receiving satisfactory proof of death of the nominator the Co-operative Society shall pay to the nominee, in the manner directed by the nomination, a sum representing the full value of the shares and the sum held on deposit less any sum due to the Credit Union, subject to limits set out in the Bye-Laws Article 5.

(iv) **Limit**

Provided further, the Co-operative 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 the approved death benefit sum due to the deceased member from the Co-operative Society. All other monies due to the deceased member shall fall into his estate and be subject in all respects to the laws relating to inheritance including the requirement to pay estate duty.

(v) **Intestacy**

If a member dies intestate without having made any nomination, the Co-operative Society may without a grant of letters of Administration pay the death benefit at the prevailing rate to such person or persons as may appear to it, on sufficient evidence, to be entitled to receive the same, within one year provided that the Society is indemnified by letter of indemnity against all proceedings, claims, expenses and liabilities whatsoever.

ARTICLE 32
MEMBERS OF UNSOUND MIND

- (i) Where a member of the Co-operative Society has become of unsound mind, incapable of managing himself or his affairs, and no committee of his estate or trustee of his property have been appointed, the Co-operative Society may, subject to the provisions of the Sections 101 and 102 of the Act:-
- a. transfer the share or interest of such member to the Registrar of the Supreme Court of St. Vincent in trust for such member; or
 - b. Where the amount due does not exceed one hundred dollars (\$100.00), the Board may authorize payment to the person responsible for managing the member's affairs. This authorization shall be subject to reasonable conditions set by the Board. Payments under this provision;
 - a. may be made no more than once per calendar month,
 - b. must be supported by appropriate documentation, and

c. may be refused if considered excessive or not properly justified. Any payment made under this provision shall be deemed final and shall bar any further claims against the Society in respect of that amount.

- (ii) All transfers and payment made by the Co-operative Society in accordance with the provisions of these Bye-Laws shall be valid and effectual against any demand made upon the Co-operative Society by any other person.

ARTICLE 33
DISPUTES

- (i) Any dispute touching the business of the Co-operative Society which may arise:-
- (a) among members, past members, and persons claiming through members, past members and deceased members; or
 - (b) between a member, past member, or person claiming through a member, past member or deceased member and the Co-operative Society, its Board of Directors or any Officer of the Co-operative Society; or
 - (c) between the Co-operative Society or its Board of Directors and any Officer of the Society; or
 - (d) between the Co-operative Society and any other Registered Co-operative Society; May be referred to the FSA for decision in accordance with Sections 193-196 of the Act.
- (ii) A claim by the Co-operative Society for any debt or demand due to it from a member, past member or the nominee, heir or legal representative of a deceased member, shall be deemed to be a dispute touching the business of the Co-operative Society.

ARTICLE 34
AMENDMENTS TO THE BYE-LAWS

These Bye-Laws may be amended in accordance with the provisions of Sections 51 and 52 of the Act and the Regulations.

ARTICLE 35
VOLUNTARY DISSOLUTION

The Co-operative Society may be dissolved by the resolution of three-fourths ($\frac{3}{4}$) of its members, but only in the manner provided for in Sections 163- 184 of the Act.

**** THE END****