

THE CO-OPERATIVE SOCIETIES LAW.

(CAP. 198.)

CO-OPERATIVE SOCIETIES RULES.

40 Vol. II 169

47 Vol. II 209

51 Vol. II 57

1. These rules may be cited as the Co-operative Societies Rules.

INTERPRETATION.

2. In these rules, unless the context otherwise requires—
 - “bye-laws” means the bye-laws of a registered society;
 - “chairman”—
 - (a) where used in relation to a committee, means the chairman of the committee;
 - (b) where used in relation to a council, means the chairman of the council;
 - (c) where used in relation to a general meeting of a registered society, means the chairman of the committee;
 - (d) where used in relation to a joint meeting or sitting of the committee and the council, means the chairman of the council,
 and in any of the cases aforesaid, includes the person who owing to the absence of the chairman performs his duties for the time being;
 - “committee” means the committee of a registered society;
 - “council” means the Council of Inspection of a registered society;
 - “Law” means the Co-operative Societies Law, Cap. 198, or any other Law amending or substituted for the same;
 - “Registrar” means the Registrar of Co-operative Societies for the Colony appointed under the provisions of section 3 of the Law;
 - “rules” means these Rules;
 - “secretary” means the secretary of a registered society;
 - “sign”, with its grammatical variations and cognate expressions, with reference to a person who is unable to write his name, includes the making of his mark;
 - “treasurer” means the treasurer of a registered society;
 other words and expressions shall have the same meaning as is respectively assigned to them by the Law.

FORMS.

3. The forms in these rules referred to are the forms contained in the First Appendix to these rules.
4. The forms shall be used in all cases to which they are applicable, and slight deviations from the forms, or necessary alterations thereto not affecting the substance or calculated to mislead, shall not vitiate them.
5. The Registrar may from time to time direct that additional forms shall be used in any particular case or matter.

REGISTER OF SOCIETIES.

6. The Registrar shall keep or cause to be kept at his office a Register to be called “the Register of Societies” wherein shall be entered particulars relating to the registration of societies and their bye-laws.
7. The Register of Societies shall be in the form No. 1 and shall contain the particulars set out therein.
8. All original entries in the Register of Societies shall be made by, or under the direction, of the Registrar and shall be signed by him.
9. Every alteration, interlineation or erasure in the Register of Societies shall be initialled by the Registrar.
10. The Register of Societies shall be open to inspection by the public at all reasonable times and free of charge.

First
Appendix.

Form No. 1.

APPLICATIONS FOR REGISTRATION OF SOCIETIES.

11. An application for the registration of a society under section 7 of the Law shall be—

- (a) in the form No. 2, where no registered society is an applicant or one of the applicants therefor; Form No. 2.
- (b) in the form No. 3, where a registered society is an applicant or one of the applicants therefor and where the proposed society is not to be established for the purpose of facilitating the operations of registered societies; Form No. 3.
- (c) in the form No. 4, where two or more registered societies are applicants therefor and where the proposed society is to be established for the purpose of facilitating the operations of registered societies. Form No. 4.

12. Every application for the registration of a society in the form No. 2 or 3 or 4 shall be—

- (a) submitted to the Registrar through the Commissioner of the District in which the place of business of the proposed society is situated; and
- (b) accompanied by two copies of the proposed bye-laws of the society as provided by section 7 (3) of the Law.

REGISTRATION OF SOCIETIES.

13. Where the Registrar decides to register a proposed society, the society and its bye-laws shall be registered in the Register of Societies in the form No. 1.

14. Upon the registration of a society, the Registrar shall forward to the society, free of charge—

- (a) a Certificate of Registration in the form No. 5; and Form No. 5.
- (b) a copy of the bye-laws of the society as approved by him and certified under his hand as having been approved by him; and
- (c) a copy of the Law and of the rules in English and in the language in which the books and accounts of the society are to be kept.

15. Where the Registrar decides to refuse registration of a proposed society, he shall forward to the applicants seeking registration a notification in writing under his hand setting out his decision and the grounds upon which it is based.

REGISTER OF MEMBERS AND BOOKS AND ACCOUNTS.

16. Every registered society shall keep a Register to be called "the Register of Members" wherein shall be entered—

- (a) the name, address and occupation of each member and a statement of the shares, if any, held by him;
- (b) the date on which each member's name was entered in the register;
- (c) the date on which any member ceased to be a member; and
- (d) the nominee, if any, appointed in accordance with rule 24.

17. Every registered society shall keep such accounts and shall use such books as may from time to time be prescribed by the Registrar.

MEMBERSHIP.

18. The election and admission of members to a registered society, other than original members, shall be in such manner and on such conditions as the bye-laws shall prescribe. An entrance fee of an amount to be prescribed in the bye-laws shall be payable by every new member.

19. A member may withdraw from a registered society by giving written notice to the secretary, but such withdrawal shall be without prejudice to section 28(1) of the Law. Every such notice of withdrawal shall be reported forthwith by the secretary to the Registrar. Any member so withdrawn shall not be re-admitted to membership except with the written approval of the Registrar previously obtained.

20. If a member acts in contravention of the rules or bye-laws or acts in any way detrimental to the interests of the registered society such member may be expelled by a vote of two-thirds of the members present at a general meeting upon a charge communicated to him in writing by the committee not less than one week before the meeting. Such expulsion shall, however, be without prejudice to section 28 (1) of the Law. Any member so expelled shall not be re-admitted to membership except with the written approval of the Registrar previously obtained.

21. Any member who loses any of the qualifications for membership prescribed by the Law or the rules or the bye-laws shall cease to be a member of the registered society and the committee shall cause his name to be struck off the Register of Members without prejudice to any liabilities of such person under section 28 (1) of the Law :

Provided that such person may be re-admitted to membership without payment of an entrance fee if at any time thereafter he acquires again the necessary qualifications and applies for re-admission.

22. In the case of any registered society of limited liability holding deposits or loans from non-members, no member withdrawing, removed or expelled therefrom shall be entitled to a repayment of any money paid by him towards the purchase of shares.

23. No registered society shall fix any limit to the number of its members.

NOMINEES.

24.—(1) Every appointment of a nominee by any member of a registered society for the purposes of section 27 (1) and (2) of the Law shall be made in writing signed by the member in the presence of two attesting witnesses.

(2) No member of a registered society with share capital shall be entitled to appoint more than one nominee unless that member holds more than one share.

(3) In every case where more than one nominee is appointed by any member, the number of shares to be transferred or the exact proportion of the amount available that is to be transferred to each of those nominees shall be specified at the time of the appointment.

(4) Every appointment of a nominee shall be recorded in the Register of Members.

(5) For the purpose of a transfer to a nominee, the value of any share or interest shall be represented by the sum actually paid for that share or interest by the member holding it, unless the bye-laws of the registered society otherwise provide.

(6) Where any money is paid to a nominee who is a minor, a receipt given either by the minor or by his guardian shall be a sufficient discharge to the registered society making the payment.

MAXIMUM HOLDING.

25. No member, other than a registered society, shall hold more than one-fifth of the share capital of a registered society whether its liability be limited or unlimited.

DIVISION OF PROFITS.

26.—(1) Without the sanction of the Registrar, no part of the funds of a registered society shall be divided as bonus or dividend or otherwise among the members until the entire expenditure incurred by the registered society during the year has been debited in the annual profit and loss account before the net profit was calculated.

(2) No registered society shall pay a dividend exceeding five per centum on share capital actually paid up.

MAXIMUM LIABILITY.

27. Every registered society shall, from time to time, fix at a general meeting the maximum liability it may incur in loans or deposits. The maximum so fixed shall be subject to the sanction of the Registrar, who may at any time reduce it. No registered society shall receive loans or deposits which will make its liability exceed the limit sanctioned by the Registrar.

GENERAL MEETING.

28. The supreme authority in a registered society shall be vested in the general meeting of members, at which every member has a right to attend and vote on all questions. Each member shall have one vote only which, subject to the provisions of section 13 (2) and (3) of the Law, shall be exercised in person and not by proxy.

29. The first meeting of members shall be held immediately or not later than one month after the receipt of the Certificate of Registration of the Society in the form No. 5 and a committee shall be elected thereat as in rule 39 provided.

ANNUAL GENERAL MEETING.

30. The annual general meeting of members shall be convened by the committee as soon as the report on the audit of the accounts of the registered society by the Registrar or the person authorized by him is received by the committee. At least eight days' notice shall be given before any such general meeting is held :

Provided that the Registrar may at any time after the audit of the accounts has been completed convene the annual general meeting which shall proceed as if it had been convened by the committee.

31. The functions of the annual general meeting shall be—

- (a) to consider the reports of the committee and the council and the balance sheet together with the report on the audit of the accounts of the registered society for the previous year as prepared by the Registrar or the person authorized by him ;
- (b) to approve the accounts or if the accounts are not approved to cause the secretary to notify the Registrar who shall consider the matter and make his decision thereon, and such decision as to the correctness of the accounts shall be final and conclusive ;
- (c) to hear and decide upon any complaints brought by members aggrieved by a decision of the committee :

Provided that notice of such complaints to be brought before the meeting has been given to the secretary, at least two days prior to the meeting ; and

- (d) to transact any other general business of the registered society.

SPECIAL GENERAL MEETING.

32. A special general meeting of members may be convened at any time by the committee or the council ; and on receipt of a demand stating the object of the proposed meeting signed by not less than one-fifth of the members of the registered society, if such society is composed of less than one hundred members, or by twenty-five members if such society consists of more than one hundred members, it shall be the duty of the chairman of the committee to convene such a meeting giving eight days' notice. If the chairman of the committee fails to convene a meeting within fourteen days from the receipt of a demand as aforesaid the members applying for such a meeting will have the right to convene the meeting by notice which must contain the object of the proposed meeting and a statement to the effect that the meeting is convened on the failure of the chairman of the committee to convene the meeting demanded :

Provided that the Registrar or a person authorized by him may at any time summon a special general meeting of the registered society in such manner and at such time and place as he may direct. He may also direct what matters shall be discussed at the meeting. Such meeting shall have all the powers of a meeting called according to the rules.

MAJORITY OF VOTES.

33. Any question submitted to the decision of the members present at a meeting, unless otherwise dealt with in the rules, shall be decided by a majority of votes.

QUORUM.

34.—(1) When a registered society consists of not more than forty members ten members shall form a quorum for the purposes of the annual or a special general meeting, and when a registered society consists of more than forty members one-fourth of the total number of the members of such society shall form a quorum for the purposes of the annual or a special general meeting :

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

(2) If within one hour after the time fixed for any meeting other than a meeting convened by the Registrar the members present are not sufficient to form a quorum such meeting shall be considered as dissolved if convened on the demand of members ; in all other cases it shall stand adjourned to the same day in the next week at the same time and place and a notice to that effect shall be posted by the secretary within twenty-four hours, and if at the adjourned meeting a quorum is not present within one hour from the time appointed for the meeting the members present shall form a quorum.

CHAIRMAN OF MEETING.

35.—(1) The chairman of the committee or in his absence any other person nominated by those present shall preside at the annual or special general meeting. The Registrar or a person appointed by him shall preside at any meeting convened by himself or on his demand.

(2) The secretary or in his absence any other person nominated in writing by the chairman shall act as secretary at the meeting. The chairman, if necessary, may nominate other officers to assist at the meeting.

(3) The chairman may by the decision of the meeting adjourn the meeting from time to time and from place to place but no business shall be transacted at any meeting so adjourned other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, but if for less than ten days, it shall not be necessary to give any notice of adjournment or of the business to be transacted at the adjourned meeting.

(4) The chairman shall have the right to order the closure of a discussion and put the matter to the vote.

VOTING.

36.—(1) At any meeting a resolution put to the vote shall be decided on a show of hands unless voting by call of names or a ballot is demanded by at least five of the members present before the declaration of the result of the show of hands, and in such case voting by call of names or a ballot shall be taken as the case may be.

(2) In case of an equality of votes the chairman shall be entitled to a second or casting vote. In the case of a meeting convened by the Registrar and presided over by him or his representative, he or his representative shall not be entitled to vote except on an equality of votes, in which case they shall have a casting vote.

(3) In respect of every resolution put to the vote the chairman shall declare whether it has been carried or lost, and whether on a show of hands or unanimously or by a particular majority, and an entry to that effect in the minute book shall be conclusive evidence of anything therein contained.