

Co-operative Societies Rules 2009

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No. S 349

**CO-OPERATIVE SOCIETIES ACT
(CHAPTER 62)**

CO-OPERATIVE SOCIETIES RULES 2009

In exercise of the powers conferred by section 95 of the Co-operative Societies Act, the Minister for Community Development, Youth and Sports hereby makes the following Rules:

PART I

PRELIMINARY

Citation and commencement

1. These Rules may be cited as the Co-operative Societies Rules 2009 and shall come into operation on 1st August 2009.

Definitions

1A. In these Rules, unless the context otherwise requires —

“accounting corporation”, “accounting firm” and “accounting LLP” have the meanings given by section 2(1) of the Accountants Act (Cap. 2);

“working day” means any day other than a Saturday, Sunday or public holiday.

[S 317/2019 wef 22/04/2019]

PART II

REGISTRATION OF SOCIETIES

Forms

2.—(1) The forms to be submitted to the Registrar under the Act shall be those provided at the website of the Registry of Co-operative Societies at <https://www.mccy.gov.sg/coop>, and any reference in these Rules to a numbered form shall be construed as a reference to the current version of the form bearing the corresponding number which is displayed at that website.

[S 317/2019 wef 22/04/2019]

(2) Every form used for the purposes of the Act shall be completed in the English language and in accordance with such directions as may be specified in the form or by the Registrar.

(3) Any document required to be submitted to the Registrar under any provision of the Act or these Rules shall be submitted in such form and manner as may be specified in the website referred to in paragraph (1).

Application for registration of society

3.—(1) Every application for registration of a society under section 7 of the Act shall be submitted to the Registrar —

- (a) in Form 1, in the case of a society which proposes to provide any financial service; or

(b) in Form 2, in any other case.

(2) Every application for registration of an amalgamated society under section 74 of the Act shall be submitted to the Registrar —

(a) in Form 3, in the case of an amalgamated society which proposes to provide any financial service; or

(b) in Form 4, in any other case.

Application for conversion from non-credit society to credit society

4. Every application by a non-credit society under section 16A(2) of the Act to become a credit society must be in Form 5.

[S 317/2019 wef 22/04/2019]

Application for conversion from credit society to non-credit society

4A. Every application by a credit society under section 16BA(1) of the Act to become a non-credit society must be in Form 6.

[S 317/2019 wef 22/04/2019]

Minimum requirements for registration of credit societies

5.—(1) For the purposes of sections 9(1B)(e) and 16A(5)(e) of the Act and subject to paragraph (2), the minimum prudential requirements that apply to a credit society are as follows:

(a) a capital adequacy ratio, calculated in such manner as may be determined by the Registrar by written notice, of —

(i) not less than 8%, if the application under section 7 or 16A of the Act in respect of the credit society is made before 1 July 2020; or

(ii) not less than 10%, if the application under section 7 or 16A of the Act in respect of the credit society is made on or after 1 July 2020;

(b) a liquidity ratio calculated in such manner as may be determined by the Registrar by written notice, of not less than 15%.

[S 317/2019 wef 22/04/2019]

(1A) Paragraph (1)(a)(i) and (b) applies to every application under section 7 or 16A of the Act that —

(a) is pending immediately before 22 April 2019; or

(b) is made on or after that date.

[S 317/2019 wef 22/04/2019]

(2) The Registrar may, if he considers it appropriate in the circumstances of a particular credit society or class of credit societies and having regard to the risks arising from the activities of the credit society or class of credit societies and such other factors as the Registrar considers relevant, vary the capital adequacy ratio or liquidity ratio applicable to that credit society or class of credit societies (as the case may be).

[S 317/2019 wef 22/04/2019]

PART III

AUDIT OF SOCIETIES

Change of auditors

6.—(1) A society shall change its auditor at least once every 5 years, either to another auditor from the same accounting corporation, accounting firm or accounting LLP or to another auditor from a different accounting corporation, accounting firm or accounting LLP.

[S 317/2019 wef 22/04/2019]

(2) Any society which contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

PART IV

PROVISIONS RELATING TO CREDIT SOCIETIES

Independence of committee of management and audit committee

7.—(1) For the purposes of sections 36(2) and 59(1)(b) of the Act, a member of the audit committee or the committee of management of a credit society shall be considered to be independent of the credit society if he has no management relationship with the credit society or any of its subsidiaries that could interfere, or be reasonably regarded as interfering, with the exercise of the member's independent business judgment with regard to the interests of the credit society.

(2) Without prejudice to paragraph (1), a member of the audit committee or the committee of management of a credit society shall not be considered to be independent of the credit society if he, or any member of his immediate family, is employed by the credit society or any of its subsidiaries.

(3) In this rule, unless the context otherwise requires, a reference to a member of the