



UNITED ENTERPRISE CREDIT UNION

BY-LAWS

Contents

NAME	3
INTERPRETATION	3
REGISTERED OFFICE	3
OBJECTS.....	3
THE AREA OF OPERATION	4
CAPITAL AND FUNDS.....	4
MEMBERSHIP	5
JOINT MEMBERSHIP	5
SHARES.....	7
DEPOSITS.....	8
RECEIPTS AND DISBURSEMENTS.....	9
MEETINGS OF MEMBERS	9
ELECTIONS.....	11
TENURE OF OFFICE.....	13
BOARD OF DIRECTORS	14
PRESIDENT.....	16
VICE PRESIDENT	17
SECRETARY	17
TREASURER	18
CREDIT COMMITTEE.....	19
SUPERVISORY COMMITTEE.....	21
LOANS TO MEMBERS	22
DOUBTFUL LOANS.....	24
RESERVE FUND	25
DIVIDENDS AND BONUS.....	25

INVESTMENT OF FUNDS	25
ANNUAL ACCOUNTS AND REPORTS AND AUDITS	25
FINANCIAL YEAR.....	26
SEAL AND EXECUTION OF DOCUMENTS	26
BOOKS AND FORMS	26
INSPECTION OF RECORDS	27
DISPUTES.....	27
AMENDMENT TO THE BY-LAWS.....	27
DISSOLUTION	27

BY-LAWS OF THE UNITED ENTERPRISE CREDIT UNION LIMITED

NAME

1. The name of the society shall be the **UNITED ENTERPRISE CREDIT UNION LIMITED** (hereinafter referred to as “the Society”).

INTERPRETATION

2. “Capital” means qualifying shares and the reserves of the society.
“Delinquent loans” means any loan where the borrower has defaulted on the agreed terms of payment.
“Doubtful loans” means any outstanding loan in arrears for a period exceeding three (3) months.
“Guidelines” means the guidelines made and issued under Section 192D of the Act.

REGISTERED OFFICE

3. The registered office of the Society shall be at **UPSTAIRS PEARSONS PHARMACY, UPPER COLLYMORE ROCK, SAINT MICHAEL** or at such other place as may from time to time be determined by the Society and notified to the Registrar within seven (7) days.

OBJECTS

4. The objects of the Society shall be: -
 - (a) to promote thrift among its members by providing means whereby saving can be affected and shares in the Society can be acquired;
 - (b) to educate its members in Co-operative principles and methods and the efficient management of its affairs;
 - (c) to create out of the savings of its members and otherwise, a source of credit available to its members on reasonable terms and conditions; and
 - (d) to do all other acts and things as are incidental or conducive to or consequential upon the attainment of the above objects.

THE AREA OF OPERATION

5. The area of operations of the society shall be the island of Barbados and such other jurisdictions outside of Barbados as the laws of Barbados and those jurisdictions permits.

CAPITAL AND FUNDS

6. The capital and funds of the society shall be raised by means of: -
 - (a) Qualifying shares or other shares of members.
 - (b) The deposits of members, other co-operatives societies or, subject to the Act, Regulations and By-laws, from bodies corporate;
 - (c) Loans from members, other co-operative societies or subject to the By-laws bodies corporate; and
 - (d) Membership and other fees, fines, interest on loans and investments and other contributions received from members and others.
7. Subject to the provisions of the Act, the Regulations, and these By-laws, each member shall hold ten (10) qualifying shares.
8. Subject to the provision of the Act, Regulations, the By-Laws and Guidelines, deposits may be received from members, Co-operative Societies or bodies Corporate at such rate and on such terms and conditions as the Board may from time to time determined.
9. Subject as hereinafter provided, the Board may without sanction of a General Meeting borrow or raise money to the sum of \$1,500,000.00 from any source in any manner The Board thinks fit, provided that this sum does not exceed the amount fixed by the members at a General Meeting and approved by the Registrar.
10. The Society in General Meetings shall, in accordance with the provision of the Act, Regulations and By-Laws, from time to time fix the maximum amount which it may at any one time owe in respect of 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 and 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 shares.

MEMBERSHIP

13. (1) Every member of the Society shall be: -
- (a) an employee of Goddard Enterprises Limited, its subsidiaries and or its associated companies, or employees of former qualifying organizations;
 - (b) the spouse or child or a member qualifying in accordance with (a) above, or a relative of a member (relative means mother, father, brother, sister, aunt or uncle).
 - (c) an employee of the credit union;
 - (d) existing bona fide members; or
 - (e) a person recommended for membership by any two members who are in good financial standing
- (2) An individual who has not yet attained the age of sixteen (16) years may be admitted as a member subject to section 82A of the Act.
- (3) Where a member who has not attained the age of sixteen (16) years is required to execute any instrument or give any receipt, he may only do so by his parent or guardian.
- (4) In accordance with Section 82(3) of the Act, a body corporate may be a member of the Society subject to the approval of the Registrar.
14. Any person who has the necessary qualifications and who is desirous of becoming a member shall apply in writing to the Secretary. His applications shall state his residence and occupation and contain such other 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 a joint tenancy or a tenancy in common and shall contain such other information as the Board may 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 persons comprising the joint membership.
16. (1) Any person who has the necessary qualifications and who is desirous of becoming a member shall apply in writing to the Secretary. His qualifications shall state his residence and occupation and shall contain such other information as the Board may from time to time decide.

- (2) The approval of applications for membership shall be by majority decision of the Board. No applicant shall be admitted and enrolled as a member or be entitled to any of the rights or privileges of membership until he has paid an entrance fee of ten (\$10.00) or, as the Board may from time to time fix, and subscribe to ten (10) qualifying shares of the Society.
17. A person ceases to be a member of the Society: -
- (a) on death;
 - (b) if he applies for bankruptcy or is declared a bankrupt;
 - (c) on ceasing to hold ten (10) qualifying shares in the Society;
 - (d) on expulsion from the Society as provided in section 102 and 103 of the Act and;
 - (e) if subject to as hereinafter provided, he ceases to be qualified in accordance with By-law 13; or
 - (f) on withdrawal after submitting one month's notice in writing to the Secretary;
18. No member shall resign his membership while he is a borrower, an endorser (co-maker), or a guarantor on any loan due the Society.
19. (1) Any member who: -
- (a) fails to pay contributions 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 membership terminated by two-thirds vote of the directors present at a meeting called for the purpose.
- (2) Notwithstanding the above membership may be terminated by a vote of two-thirds of the members present at a general meeting called to discuss a charge, communicated to the member in writing at least 10 days before the meeting.
20. A member whose membership has been terminated may appeal the termination pursuant to section 102 and 105 of the Act.
21. Subject to Section 102 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 have been terminated, together with any interest accrued on those amounts, shall be paid to them in order of termination, 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 26 of the Act.

SHARES

23. (1) The Directors may establish various classes of shares from time to time.
- (2) A Society shall have at least (1) class of shares, namely qualifying shares, which shall be held by all members and be:
- (a) issued in par value of \$5.00;
 - (b) held by all members;
 - (c) considered as part of the capital of the Society;
 - (d) not withdrawable on demand but transferrable;
 - (e) eligible for dividend payment in accordance with these By-Laws.
- (3) In accordance with the provision of Section 10 of the Act, a member shall pay and thereafter maintain contributions to the value of ten (10) qualifying shares.
- (4) Members who are under the age of sixteen (16) shall pay and thereafter maintain contributions to the value of ten (10) qualifying shares
- (5) A member whose name was entered in the Society's register of members prior to the enactment of this By-Law, shall within the first three (3) months of the enactment of the By-Law, pay and thereafter maintain contributions to the value of ten (10) qualifying shares.
24. Subject to the provision of Section 33 of the Act, contributions to shares other than qualifying shares, shall be payable in such amounts as the member is able on any day the Society is open to business, provided that in no case shall a contribution of less than five dollars (\$5.00) be paid.
25. (1) Shares may be transferred in accordance with sections 48 and 49 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 **\$0.10** per share with a minimum of **\$5.00** per transfer has been paid. Such transfer shall carry dividend credits with it.
- (2) Subject as hereinafter provided the amount on any share 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 days' notice in writing or in any given emergency such additional notice as the Directors may fix, of his intention to do so.
26. Except with the written approval of the Board, no member may withdraw any share if it will reduce his shareholding below his liability to the society as a borrower, co-maker or guarantor.
27. (1) No share shall be withdrawable during the first 12 months of membership nor so long as there is any sum owing by the Society in respect of any money borrowed by 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, dividends, 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 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 dividend and or bonus is equal than \$10.00 the amount shall be credited to the member's share.

DEPOSITS

28. Ordinary deposits may be accepted from any member, and other co-operative society or body corporate in accordance with the Act, the Regulations, Anti-Money Laundering and Anti-Terrorism Regulations and such other legislation or guidelines as may be prescribed and on such terms and conditions as are determined by the Board from time to time.
29. 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 ways or manners as the Board may determine.
30. 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 except creditors, and shall be paid together with interest thereon to the person in whose name the account shall have been issued. The receipt or acquittance of the minor shall be valid and sufficient release and discharge to the society for the deposit or any part thereof.
31. Deposits will be placed on interest on the 1st of the month following such deposits, provided that amounts paid in on the first day of any month shall be placed on interest from that day.
32.
 - (1) Subject to Section 203 of the Act and Regulations 30, 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 determined by the Board.
 - (2) Deposits accepted for a term exceeding five (5) years must have the prior approval of the Registrar.
33. The rate of interest payable on ordinary or term deposits shall be fixed from time to time by the Board of Directors.

RECEIPTS AND DISBURSEMENTS

34. (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 Credit Union, the money represented thereby.
- (2) When passbooks are used, the members permanent official record for all transactions shall be the entries in the passbook. Every entry in the pass book shall be initialled by the person receiving or paying out the money represented thereby. When a statement of account plan is used, the member's permanent official record for transactions shall be the statement of account which will itemise all transactions and which must be issued to each member at least quarterly.

MEETINGS OF MEMBERS

35. The supreme authority of the society shall be vested in the general meeting of members. The General Meeting of members may be held either through the conduct of an in-person meeting solely or the conduct of the meeting utilizing both in-person and a virtual meeting platform at the same time, at which every member has a right to attend and vote on all questions.
36. (1) Meetings of members shall be convened and held in accordance with the provisions of the Act.
- (2) At least ten (10) days' notice of any general, annual, or special meeting shall be given before any such meetings are held.
- (3) General Meetings shall be held from time to time at the discretion of the Board at a place determined by them.
- (4) A General Meeting of members may be convened at any time by the Board by the use of an in-person meeting solely or convened by the use of both in-person and a virtual meeting platform at the same time and any such meeting will be validly convened.
- (5) Any member who participates in a meeting of the Society by means of a virtual meeting platform as described in subsection 4 is, for the purposes of these By-laws, deemed to be present at the meeting.
- (6) For the avoidance of doubt, "place" in subsection 3 relates to the conduct of an in-person meeting solely or the conduct of the meeting utilizing both in-person and a virtual meeting platform at the same time, as determined by the Board.

37. The functions of the Annual General Meeting shall be: -
- (a) to confirm the minutes of the previous Annual General Meeting and of any intervening Special General Meeting;
 - (b) to consider the report of the Board of Directors on the immediate preceding year's work for the Society;
 - (c) to consider the financial statements presented by the Board for the immediate preceding year, together with the financial statement of the previous year;
 - (d) to consider the report of the Auditor;
 - (e) to approve 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 mis-statement;
 - (f) to receive and approve the reports of the Credit and Supervisory Committees;
 - (g) to allocate the surplus for the preceding year, subject to the Act and the Regulations made thereunder;
 - (h) where necessary to amend the By-laws;
 - (i) to elect a Board of Directors, a Credit Committee and a Supervisory Committee for the ensuing year;
 - (j) to appoint Auditors for the ensuing year;
 - (k) to hear and decide upon any complaints brought by members aggrieved by the 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
 - (l) to transact any other general business of the Society.
38. (1) A Special General meeting of members may be convened at any time by the Board by the use of an in-person meeting solely or convened by the use of both in-person and a virtual meeting platform at the same time and any such meeting will be validly convened. On receipt of a demand stating the objects of the proposed meeting, signed by not less than thirty (30) members of the Society, 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) Any member who participates in a meeting of the Society by means of a virtual meeting platform as described in subsection 1 is, for the purposes of these By-laws, deemed to be present at the meeting.
39. (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 a newspaper circulated in Barbados and by posting the notice in a place that is prominent and accessible to members; or
 - (b) by a written notice handed to each member or posted to him at his address in the register of members.
- (2) The accidental omission to give notice to/or the non-receipt of a notice by any member shall not invalidate the meeting.
40. (1) For the purpose of the General Meeting, *Annual or Special*, thirty (30) members shall form a quorum provided, however where any meeting is summoned by the Registrar, any members present at such meeting shall be deemed to form a quorum.
- (2) The members present at a General Meeting, Annual or Special, either through the conduct of an in-person meeting solely or the conduct of the meeting utilizing both in-person and a virtual meeting platform at the same time, shall be deemed to form a quorum.
- (3) When any meeting is summoned by the Registrar, any member present at such meeting, either through the conduct of an in-person meeting solely or the conduct of the meeting utilizing both in-person and a virtual meeting platform at the same time, shall be deemed to form a quorum.

ELECTIONS

41. (1) (a) Not less than thirty (30) days prior to each Annual General Meeting, the Board shall appoint a Credentials Committee of at least three (3) persons who are not nominees for any vacancy. The Credentials committee shall receive all nominations.
- (b) The Credentials Committee should satisfy itself that the persons nominated:
- i. Shall be qualified pursuant to the Act and By-Laws of the Society to be a Director or appointed officer;
 - ii. Consent indicating their willingness to serve as a director or another officer if elected;
 - iii. The Credentials Committee shall present all valid nominations at the Annual General meeting for the vacancies for which elections are to be held.
- (c). (i) All elections shall be by ballot.
- (ii) Where elections are held at a General Meeting, Annual or Special, either through the conduct of an in-person meeting solely or the conduct of the meeting utilizing both in-person and a virtual meeting platform at the same time, the majority vote shall be calculated either:

- (a) According to the total number of votes at the in-person meeting; or
 - (b) According to the total number of votes at the meeting held utilizing both in-person and a virtual meeting platform at the same time, by use of a suitable integrated or synergized voting application for the casting of ballots.
- (2). In the event that there is an insufficient number of persons who may have been pre-nominated to fill the vacancies on the Board, Supervisory or Credit Committee, nominations shall not be accepted from the floor.
- (3). Where a person who has been nominated for a vacancy on the Board or any other Committee is successfully elected to the Board or that Committee, he shall be ineligible for election to any other Committee.
- (4). No member may be elected to the Board, the Supervisory Committee or the Credit Committee unless:
 - (a) he is over 16 years;
 - (b) he is a citizen or a resident of Barbados;
 - (c) he holds ten (10) qualifying shares in the Society in accordance with the Act, the Regulations and the By-Laws.
- (5). Nominated members and their consent to be nominated shall be established by the following procedure:
 - (a) At least twenty-one (21) days before the date set for the election a nomination in writing by at least three members shall be given to the Society proposing the member for election.
 - (b) The nomination is to be accompanied by a letter of consent indicating their willingness to be elected and to serve as a director or another officer if elected.
- (6). The Board of Directors shall appoint a person who is not a member of the Board, the Credit Committee of the Supervisory Committee, or a candidate for any vacancy, to chair the elections.
- (7). The Chairman of elections shall:
 - (a) Make any announcements of the withdrawal of candidates or the absence of candidates vying for the Board of Directors, Supervisory Committee or the Credit Committee
 - (b) Declare the voting process open
 - (c) Manage the voting process and ensure that at the conclusion of voting for the Board of Directors, Supervisory Committee or the Credit Committee all positions that all ballot boxes are sealed in his presence
 - (d) Receive and secure all remaining unused ballot boxes and papers

- (e) Manage the ballot counting process in the pre-designated counting area
 - (f) Manage the process for any additional voting required in the event of a tied vote and
 - (g) Announce the results of the elections for the Board of Directors, Supervisory Committee and Credit Committee.
- (8) A member attending a meeting convened pursuant to By-laws 36(4) and 38(1) of these By-laws shall be deemed to be present at any such meeting and any vote cast by that member is deemed valid and can be counted unless otherwise spoilt.

TENURE OF OFFICE

42. (1) Each member of the Board of Directors, the Credit Committee and Supervisory Committee shall hold office until his successor is elected and may be eligible for re-election in accordance with these By-Laws, the Act and Regulations.
- (2) Directors, members of the Credit Committee and Supervisory Committee may hold office for two (2) consecutive terms of three (3) years each, before retiring for a minimum of one (1) year provided that at least one (1) member retire each year.
- (3) Where persons are to be elected for varying terms, the member receiving the highest number of votes cast is to be declared for the longest or longer term.
- (4) Where two (2) or more candidates receive an equal number of votes, the members present at the meeting may by resolution provide that a second ballot be cast to break the tie or where the meeting does not decide to hold a second ballot, the Chairman of the meeting called to elect candidates shall draw lots, and the candidate whose lots is drawn shall be declared elected for the longest or longer term.
- (5) Where candidates are elected unopposed, the members present at the meeting 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 Chairman of the meeting shall draw lots to determine the tenure of office for each candidate.
43. (1) At the Annual General Meeting of the Society subsequent to the insurance of the Certificate of Continuance, the entire Board of Directors, shall be elected. At that time the two Directors receiving the highest number of votes shall serve for three years; the two Directors receiving the next highest number of votes shall serve for two years; and the other Director shall serve for one.
44. (1) A member of the Board, Credit Committee or Supervisory Committee shall be deemed to have vacated office: -
- (a) As provided for pursuant to the Act, Regulations and By-laws;

- (b) If he becomes destitute or delinquent with his creditors, including this Society or any other Co-operative Society and such delinquency continues for a period of ninety (90) days;
 - (c) If he fails to attend three (3) consecutive meetings of the Board, the Credit Committee or Supervisory Committee without giving satisfactory explanation to the Board or the relevant Committee within seven (7) days of his absence from the third meeting.
- (2)
- (a) Directors or Committee members who offer themselves as candidates for, or who are elected or appointed to political office, shall relinquish their position on the Board, the Credit Committee, the Supervisory Committee or any member thereof, may be removed from office before the expiration date of their or his period of office by a resolution passed by a majority of at least three-fourths of the members present at a Special General Meeting of which at least ten (10) days' notice specifying the intentions to propose the resolution has been duly given.
 - (b) The Board, the Credit Committee, the Supervisory Committee, or any member thereof, may be removed from office before the expiration of their or his period of office by a resolution passed by a majority of at least three-fourths of the members present at a Special General Meeting of which at least ten (10) days' notice specifying the intention to propose the resolution had been duly given.
 - (c) Any such member or officer must be informed in writing of the charges against him 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 Committee or to fill the vacancy occurring. Any member so elected shall be subject to retirement at the same time as if he had become a member of the Board, Credit Committee or Supervisory Committee on the day in which the member, in which place he is appointed, was last elected to the Board or the Committee.

BOARD OF DIRECTORS

45. (1) Subject to the provisions of the Act, and the Regulations and these BY-LAWS the general direction, control and management of the Society shall be entrusted to a Board of Directors (hereinafter referred to as "the Board").
- (2) The Board Shall: -
- (a) exercise the powers of the Society, directly, or indirectly through the employees and agents of the Society;
 - (b) ensure the good governance and direct the management of the business and affairs of the Society.

- (c) Formulate and implement the policies of the Society.
 - (3) The Board shall be elected at the Annual General Meeting in keeping with Section 56 of the Act and shall consist of five (5) members.
 - (4) 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.
 - (5) Subject to the provision of the Act, 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.
- 46.
- (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 members shall constitute a quorum.
 - (4) Any member of the Board shall in addition to By-Law 44 be deemed to have vacated his office if he fails to attend three (3) consecutive regular meetings of the Board without giving satisfactory explanation to the Board within seven (7) days of his absence from the third meeting.
- 47.
- (1) Where there is a vacancy on the Board and there is a quorum of Directors, the remaining Directors may exercise all the power of the Directors or fill the vacancies until the next Annual General Meeting, within twenty-one (21) days.
 - (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 the vacancies.
 - (3) Where there are no Directors, ten members may appoint in writing three (3) persons as Directors for the purpose of calling a General Meeting to elect members to fill the vacancies.
48. The Board of Directors 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 55 (5) of the Act.
49. 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 provisions of the Act, the Regulations and these By-laws.
50. A director or officer of the society who is 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 Meetings of Directors, the nature and extent of his interest.
51. The disclosure required by By-law 50, must be made in case of a director: -

- (a) at the meeting at which the proposed contract is first considered;
 - (b) at the first meeting after he becomes interested in the proposed contract;
 - (c) if he becomes interested after the contract is made at the first meeting after he becomes so interested or;
 - (d) on becoming a director, at the first meeting after he becomes a director.
52. The disclosure required by By-law 50, must be made in the case of an officer who is not a director:
-
- (a) forthwith after he becomes aware that the contract or proposed contract is to be considered or has been considered at a Meeting of Directors;
 - (b) if the officer becomes interested after the contract is made, forthwith after he becomes so interested; or
 - (c) immediately after he becomes an officer, where he has interest in a contract prior to his becoming an officer.
53. Subject to section 75(6) of the Act, a director shall not take part in discussion or consider or vote on a resolution to approve a contract in which he has an interest.
54. 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 it was approved is neither void or voidable by reason only of that relationship or by reason only that a director with an interest in the contract be present at or is counted to determine the presence of a quorum at a Meeting of Directors or Committee of Directors that authorised the contract.
55. Subject to By-law 9, the Board of Directors 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 **twenty** percent of the Society's Capital and Reserve fund and is within the maximum liability limit which was fixed by a resolution of members at a general meeting and approved by the Registrar.
56. (1) At the first meeting of the Board of Directors 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.

PRESIDENT

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

- (a) to preside at meeting of the members and of the Board of Directors.

- (b) to sign and execute jointly with the Secretary, all deeds and conveyances 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 or as he may be directed to perform by resolution of the Board of Directors, not inconsistent with the Act, the Regulations and these By-Laws; and
- (d) Such other duties as the Act and the Regulations may require to be performed by the Chairman of the Board.

VICE PRESIDENT

- (3) The Vice President shall, in the absence or disability of the President or his 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 and the Society;
 - (b) keep minutes of any meeting of the Board or 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 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 the 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 may be imposed by Board of Directors, 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) deposits all monies received in the name of the society in such bank or depository as specified by the Society;
 - (c) sign all cheques, notes, bills of exchange and other documents necessary to affect 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 statement and other statements as the Board may request,
 - (g) prepare and forward to the Registrar, such financial and other reports as the Registrar may require;
 - (h) keep separate all monies belonging to the society;
 - (i) produce a current statement of the Society's monies on demand;
 - (j) make payment as authorised by the Board and obtain receipt for the same;
 - (k) see all promissory notes, drafts, negotiable instruments drawn in favour of the Society are properly prepared; and
 - (l) do all other such duties as pertain to the office of Treasurer.
57. The Board may authorise the Manager or another senior employee to perform of the duties of the Treasurer, including the signing of cheques.
58. A meeting of officers, members of the Board of Directors, Credit and Supervisory Committee shall be held at least once per quarter. The secretary of the Credit union shall be responsible for the calling of this meeting.

CREDIT COMMITTEE

59. The Credit Committee shall be elected at the Annual General Meeting and shall consist of three members, none of whom shall be a member of the Board of Directors, or the Supervisory Committee or an officer of the Society, except that the Secretary or Treasurer may be an ex-officio member of the Committee.
60. Any member of the Credit Committee shall in addition to By-Law 44, be deemed to have vacated his office if: -
- (a) he fails to attend (3) consecutive regular meetings of the committee without, in the opinion of the Board having a reasonable cause; or
 - (b) he fails to perform any of the duties allotted to him as a member of the Committee.
61. The Credit Committee may be removed from office by a special resolution made in a Special General Meeting called for that purpose if it fails to submit a report to the Board of Directors pursuant to Section 209 (1) (c) of the Act.
62. Any vacancy on the Committee shall be filled by the Board, but such member shall hold office only until the next Annual General Meeting, at which a member shall be elected to fill the vacancy for the unexpired term.
63. (1) The Committee shall choose from their number, a Chairman and a Secretary. These offices may not be held by the same person.
- (2) The Secretary of the Committee shall prepare and maintain full and correct records of all actions taken by the Committee and shall submit a report to the Board of Directors pursuant to Section 209 (1) (c) of the Act.

The Report shall state: -

- (a) the number of loan applications received;
 - (b) the number and category of loans granted;
 - (c) the security obtained, if any, for such loans;
 - (d) applications denied; and
 - (e) the number and amount of delinquent loans;
64. The Credit Committee shall hold such meetings 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 other members of the Committee by the Secretary.

65. A majority of the Credit Committee, not including the Secretary or Treasurer, constitutes a quorum.
66. The Credit Committee shall consider all applications for loans, make recommendations to the Board in respect of the applications and shall, subject to the authorisation of the Board, approve loans to members upon such term and conditions as specified by the Board.
67. (1) The Board may, by resolution delegate to the Manager or other employee the power to approve loans to members upon such terms and conditions as the Board specifies. A person to whom such power is delegated shall be referred to as a Loan 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, the number of loans denied. Such report shall become a part of the record of the Credit Committee.
- (3) A loan not approved by the loan officer shall be subject to a review by the Credit Committee.
- (4) No individual shall have authority to disburse funds of the Credit Union for any loan which has been approved by him in his capacity as a Loan Officer.
68. The Credit Committee or Loan Officer shall enquire carefully into the character and financial condition of each applicant for a loan and his 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. It shall endeavour diligently to assist applications in solving their financial problems.
69. (1) No loan shall be made unless approved by:
- (a) the Credit Committee; or
 - (b) the Extra Credit Committee according to By-law 69 (2); or
 - (c) an employee authorized to approve loans under By-law 67 (1)
- (2) An Extra-Ordinary Credit Committee shall comprise the members of the Board, the Credit Committee and the Supervisory Committee and shall be convened if an Officer, Director, Credit Committee Member, Supervisory Committee Member or employee, requires a loan in excess of his total holdings in shares, deposits and accumulated earnings or if any loan is referred to it by the Credit Committee.
- (3) A quorum of the Extra-Ordinary Credit Committee shall be a simple majority of the Board, the Credit Committee and the Supervisory 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 of the members present.

- (4) No member of the Credit Committee, the Board, the Supervisory Committee or any Loan Officer, shall be present at the discussion of the approval of or approve a loan to himself, to a person for whom he is proposed as surety or any other person with whom he has a fiduciary relationship.
70. When there are pending more applications 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.

SUPERVISORY COMMITTEE

71. The Supervisory Committee shall be elected at the Annual General Meeting and shall consist of a minimum of three members, none of whom shall be a member of the Board of Directors, the Credit Committee or an officer of the Society.
72. Any member of the Supervisory Committee shall be deemed in addition to the provision of By-Law 44, and have vacated his office, if: -
- (a) he fails to attend (3) consecutive meetings of the committee without in the opinion of the other members having reasonable cause therefor; or
 - (b) he fails to perform any of the duties allotted to him as a member of the Committee.;
73. Any vacancy on the Committee may be filled by the remaining members of the Committee who may appoint a qualified member until the next Annual General Meeting at which a member shall be elected to fill the vacancy for the unexpired term.
74. (1) The Supervisory Committee shall choose from their number a chairman and a Secretary. These offices shall not be held by the same person.
- (2) The Supervisory Committee shall meet at least once a month to: -
- (a) examine the books of the Society;
 - (b) 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 a year, cause the pass books and accounts of members to be verified with the records of the Society;
- (3) Due notice of each meeting shall be given to the other members of the Committee by the Secretary. A majority of the members of the Committee shall constitute a quorum.
 - (4) In the process of their examination the Committee shall examine: -
 - (a) applications for loans made during the period and satisfy themselves that for each loan made, an application is on file and that each application states the purpose for which the loan was made, the description of the security offered, if any, and that it bears the signature of approval of the Credit Committee or Extra-Ordinary Committee;
 - (b) loan bonds for each loan hand satisfy themselves that each bond has been properly filled out and signed by the borrower.
 - (5) Within fourteen (14) days of the end of each month, the Treasurer shall submit for attestation by at least two (2) members of the Supervisory Committee, the statement for that month as required by Section 127(2) of the Act.
75. The Supervisory Committee shall keep minutes of its meetings and shall: -
- (a) within seven days (7) of each meeting report the results thereof to the Board of Directors; and
 - (b) submit a written report to the Annual General Meeting.
76. If in the opinion of the Supervisory Committee the Board of Directors, the Credit Committee or any member thereof or any officer or employee engaged by the Board is guilty of a flagrant violation of the provisions of the Act, Regulations or these By-laws or any misconduct or malpractice or mis-appropriation or mis-direction of the funds, securities or other property of the Society, the Supervisors shall forthwith inform the Registrar in writing and may in the event of 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.
At such general meeting such persons may be removed as provided in By-law (2) and (3).

LOANS TO MEMBERS

- 77. Loans shall be made to members only and for provident and productive purpose. All loans made shall be applied for by the borrowing members to such purpose as the committee has approved.
- 78. 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 greater than the lesser of:
 - (a) ten percent (10%) of the aggregate of the Society's capital; or

- (b) ten percent (10%) of the aggregate of the members' ordinary deposits and reserves
79. 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.
80. 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 ten (10) qualifying shares in the Society, or is in arrears in the payment of a current loan or instalment thereon or is otherwise a defaulter.
81. (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) (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, or the Registrar and his staff shall be present at any meeting of the Committee when an application for a loan is under consideration. If there is a difference of opinion concerning the granting of a loan, the voting shall be taken by ballot.
- (c) The proceedings with regard to loans at Committee meetings shall be secret, and any member of the Committee or officer of the Society infringing this by-law shall be liable to immediate expulsion or dismissal.
- (3) Loans when approved by the Committee, shall be granted to members who are able to obtain two (2) sureties approved by the Committee, or who can give other security to the satisfaction of the Committee, or Loan Officer.
- (4) When a loan is sanctioned by the Committee or Loan Officer, a notice shall be sent to the borrower to that effect and before the amount is advanced, the borrower and his 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.
- (5) A member may repay his loan prior to maturity in whole or in part on any business day of the Society.
82. (1) A member failing to pay any instalment of a loan at the time fixed shall, unless the time has been extended, pay such fine as the Board of Directors may from time to time fix. Such fines shall not exceed one percent per month on the amount in arrears with a minimum of **\$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 the balance of the loan then owing shall immediately become due,
- (3) When a member: -
 - (a) is in default in the payment of a loan or of an instalment of a loan; and
 - (b) does not satisfy the Board that such default is due to a good cause, such a member shall not be entitled to receive another loan from the Society.
- (4) If by reason of sickness or some other cause a member finds that he will be unable to discharge his 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 thereof under by-law 81 (4), the Board may, by notice in writing to the debtor, demand payment of the loan before the agreed date of payment.
- (6) Where: -
 - (a) a loan or an instalment of a loan has not been paid on the date on which it became due, and
 - (b) no extension for the payment thereof has been given to the debtor by the Board, under by (82) 4.

The Board shall take steps for the recovery of the same by: -

- (i) applying any monies standing to the credit of members towards the payment of the debt;
 - (ii) referring the matter to the Registrar pursuant to section 171 (1) of the Act;
 - (iii) exercising any rights arising by law pursuant to Section 171 (8) of the Act; or
 - (iv) any other action which the Society deems necessary
83. For purposes of By-law (82) 6 interest shall be deemed to be an instalment of a loan, but unless it is otherwise provided in the instrument require under by-law 81 (4) an instalment shall not be deemed to be due unless it is one (1) month is arrears.

DOUBTFUL LOANS

84. The Board of Directors 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 Committee and the Auditor and shall send a copy of that list to the Registrar.

RESERVE FUND

85. (1) The Society shall create a Reserve Fund in accordance with the provisions of Section 197(2) of the Act, and the greater of one half of one per cent of assets or 25 per cent of surplus before dividends shall be carried until the capital of the Society equals 10 percent of the total assets of the Society. All entrance, transfer, nomination and other fees shall form part of such fund.
- (2) The Reserve Fund shall be kept liquid and intact and shall not be used or applied, except as provided in Regulations (27).

DIVIDENDS AND BONUS

86. (1) At its Annual General Meetings, the Society 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) Subject to the policy of the Society, a dividend may be paid on the shares of the Society.
- (3) The remaining net surplus of the Society may be distributed among the members who have patronized the Society during the accounting year in proportion to business done by them during such year.

INVESTMENT OF FUNDS

87. The Society shall invest its funds in accordance with Section 34A of the Act.

ANNUAL ACCOUNTS AND REPORTS AND AUDITS

88. The Board of Directors 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 statement of the Society and place comparative financial statements before the members at every annual meeting of members; and
 - (c) furnish the Registrar with a copy of the financial statements placed before the members within (30) days of the Annual General Meeting.

FINANCIAL YEAR

89. The financial year of the Society shall end **JUNE 30**

SEAL AND EXECUTION OF DOCUMENTS

90. (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 the presence of at least one member of the Board, the President and the Secretary or Treasurer or any other officer authorized by the Board
- (2) Any instrument required to be signed on behalf of the Society shall be duly executed if signed by at least one (1) member of the Board and the Secretary or the Treasurer.
- (3) Cheques shall be signed as provided in Regulation 33 in respect of loans

BOOKS AND FORMS

91. The Society shall keep the following books and forms: -
- (a) a register of members
 - (b) a personal ledger for each member
 - (c) member's pass book; (statement)
 - (d) a cash receipt journal;
 - (e) deposit slips; (Receipt)
 - (f) a cash disbursement journal; (voucher, Report daily)
 - (g) a general ledger;
 - (h) a register of loans;
 - (i) loans application forms;
 - (j) loan agreement forms; (Loan Bond)
 - (k) payment vouchers; (Generated by Office)
 - (l) a file containing a copy of the Act, Regulations and these By-Laws.
 - (m) separate minute books for meetings of the Board, the Credit Committee, the Supervisory Committee, any other Sub-Committee appointed by the Board and meetings of members

INSPECTION OF RECORDS

92. The corporate records of the Society, as stated in Section 26 (1) 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 himself, his agent or legal representative, a member of the Board, the Credit Committee, the Supervisory Committee, the Registrar and his staff and any person appointed by him or the Auditor shall be allowed to see the personal account, loan agreement pass-book, or the register or papers relating to the loan of any member without the consent of such member in writing.

DISPUTES

93. All disputes shall be determined in accordance with the provisions of Sections 171 and 174 of the Act

AMENDMENT TO THE BY-LAWS

94. These By-laws may be amended in accordance with the provision of Section 10A of the Act.

DISSOLUTION

95. (1) The Society may be dissolved by the members, but only in a manner provided for in Section 145 of the Act.
- (2) The funds of the Society shall be applied in accordance with section 159 of the Act.