SPDC WEST MULTI-PURPOSE CO-OPERATIVE SOCIETY LIMITED
BYE-LAWS

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SPDC WEST MULTI-PURPOSE CO-OPERATIVE SOCIETY LIMITED
BYE-LAWS

(INCORPORATING AMENDMENTS APPROVED AT EXTRAORDINARY GENERAL MEETING HELD ON 2ND APRIL 2020)

1.0 DEFINITIONS AND INTERPRETATION

1.1 All words and expressions used in these Bye-Laws and defined by Section 57 of the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004 shall have the meaning assigned to them in the above-named section. The following words or expressions shall have the meaning respectively assigned to them below:

1.2 "Financial year" means a period of twelve months beginning on 1st January and ending 31st December of the year.

1.3 "Laws" means the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004 and any amendments or re-enactment thereof.

1.4 "Federal Director" means the Director of Cooperative Societies of the Federation under the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004 or his accredited representative.

1.5 "Director" means the Director of Cooperatives, Delta State.

1.6 "Regulation" means regulations made under the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004, as amended from time to time.

1.7 "Officers" includes a President, General Secretary, Treasurer, Members of the Management Committee or other persons empowered under the Regulations or Bye-Laws to give directions in regard to the business of the Society.

1.8. "Management Committee" means the governing body of the Society to whom the general management of its affair is entrusted.

1.9 "General Meeting" means a meeting of members be it annual, ordinary or extraordinary where in the business of the Society is the agenda.

1.10 "Society" means the SPDC-WEST Multipurpose Cooperative Society Limited.

1.11 "Member" means a member of the Society and "Members" refer to the collection of all or some of the members of the Society.

1.12 "SCiN" means Shell Companies in Nigeria.

1.13 "Committee" means anybody of persons within the Society to whom specific duties are delegated by the Society from time to time.

1.14 If there shall arise any doubt regarding the meaning or intention of any of the provisions of these Bye-Laws, the matter shall at the first instance be referred to the Director of Cooperatives, Delta State, for his ruling and, where not resolved satisfactorily, the matter may be further referred to the Federal Director.

2.0 NAME, ADDRESS AND AREA OF OPERATION

2.1. This Society shall be called the SPDC-WEST MULTIPURPOSE COOPERATIVE SOCIETY LIMITED (a.k.a. COOPWEST or COOPW).

2.2. The address of the Society shall be c/o The Shell Petroleum Development Company of Nigeria Limited (SPDC) P.O. BOX 230, Warri, Delta State.

2.3 The area of operation of the Society shall be Federal Republic of Nigeria.

3.0 OBJECTIVES OF THE MULTI-PURPOSE CO-OPERATIVE SOCIETY

3.1 To engage in thrift, credit and investment operations.

3.2 To acquire movable and immovable properties of any description either as assets of the Society or for distribution, supply and sale to members.

3.3 To enter into contracts.

3.4 To assist members, procure, lease or own consumer items at reasonable prices.

3.5 To assist members to own assets.

3.6 To engage in any other economic or social activity as may be approved by the General Meeting of the members.

3.7. To raise capital and do such other things as are necessary for the attainment of these objects.

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3.8. To partner with other cooperate entities for sourcing funds, investments or other financial activities as may be required for the purpose of carrying out the activities of the Society.

3.9 To encourage regular savings amongst members so that each member may cultivate the habit of making savings at least once in every month, with a view to build up funds for his/her future use.

3.10 To encourage additional and lumpsum contributions from members to add to the regular payroll contributions.

3.11 To undertake, where practicable, the production or manufacture of such consumers or/and producers' goods for distribution to members and non-members.

3.12 To stock government-approved consumers and producers' goods for distribution to members and non-members.

3.13 To carry out other activity designed on thrift, loan and investment principles, which will encourage the spirit and practice of cooperative among the members as approved by members in a General Meeting.

4.0 MEMBERSHIP, QUALIFICATION, ADMISSION AND LIABILITY

4.1 MEMBERSHIP:

The Society may have ordinary and associate members.

4.1.1 ORDINARY MEMBER

(a) An ordinary member shall be a pensionable staff of any of the Shell Companies in Nigeria (SCiN) currently in employment who by means of an application for registration is registered as a member of the society; and

(b) A holder of the minimum in the shares of Society as may from time to time be prescribed by the Society

4.1.2 ASSOCIATE MEMBER

An associate member of the Society shall be a former staff of any of the Shell Companies in Nigeria (SCiN), a contract staff on the payroll of any of the SCiN or a member of the Shell Supernumerary Police Force; whom the Management Committee may admit as a member by means of an application for registration.

4.2 OTHER QUALIFICATIONS

A member of the Society shall

i. be a person of good character in the assessment of the Management Committee.
ii. above 18 years of age.
iii. be a person of sound mind.
iv. must not have been convicted by any Court of competent jurisdiction for a criminal offence involving violence, fraud or dishonesty.

4.3 ADMISSION

Any interested and qualified person shall apply in writing or complete an application form or apply by electronic mail giving required details to the General Secretary of the Management Committee who shall in consultation with the members of the Management Committee approve the application for membership. On approval the member shall complete a membership form, pay the admission fee, subscribe to the required minimum shares and begin to make savings contributions to the fund of the Society.

4.4 MEMBERSHIP RIGHTS:

Members of the Society shall be entitled to enjoy all membership rights and fully participate in the activities of the Society; provided that:

i. an Ordinary member shall not be granted unsecured credit facilities by the Society in excess of four times the member's net savings with the society, subject to any limitations imposed as a result of the retirement or terminal date of employment.
ii. an Associate Member shall not be entitled to seek any elective office of the Society.
iii. an Associate Member may not be granted credit facilities by the Society in excess of the member's net savings with the Society; subject to any limitations imposed as a result of the terminal date of his employment.

4.5 LIABILITY OF MEMBERS

A member's liability for the debts of the Society shall be limited to the nominal value of the voting shares subscribed by such member.

4.6 TERMINATION OF MEMBERSHIP

Membership of the Society shall be terminated by:

i. death or permanent insanity; or
ii. disposal of all voting and non-voting share(s) of the Society held by the member; or

iii. Consistent failure to make savings, to repay loans, or do any of the things required of a member in these Bye-Laws; or

iv. Ceasing to be on Shell SPY Police payroll; or

v. Failure to hold minimum numbers of voting shares as prescribed by the Society; or

vi. Withdrawal after 6 months' notice conveyed in writing to the General Secretary, provided that the member withdrawing is neither indebted in any way to the Society nor surety for an unpaid debt; or

vii. If the Society for any reason is unable to directly debit a member's salary account through the payroll system administered by any of the SCIN; or

viii. Expulsion under these Bye-Laws.

4.7 EXPULSION:

A member may be expelled from the Society on any of the following grounds:

i. Failure to make thrift savings or subscribe to the minimum required voting shares of the Society in accordance with the provisions of these Bye-Laws.

ii. Failure to settle his indebtedness to the society

iii. Any conviction by a court of competent jurisdiction for a criminal offence involving violence, fraud or dishonesty

iv. Gross misconduct

v. Failure to exhaust in-house dispute resolution options before commencing dispute resolution through arbitration and finally any court process against the Society

vi. On being adjusted bankrupt under the law

vii. Making false declaration or fraudulent misrepresentation to the Society or committing an act that is likely to bring the Society into disrepute

viii. Causing the Society substantial loss in the opinion of the Management Committee and/or the General Meeting.

ix. An expelled member shall be able to appeal his expulsion at the next General Meeting of the Society and where such appeal is successful, the appellant shall be reinstated with effect from the date of the expulsion as though such a member was never expelled.

x. expulsion is without prejudice to the rights of the Society to seek redress in respect of any wrong done to it by the expelled person in accordance with the cooperative laws of Nigeria and shall not discharge any person from accrued liability to the Society.

5.0 NOMINEES

5.1. NOTICE OF NOMINEE(S)

i. Every member of the Society may nominate persons(s) who shall be entitled to the sum representing the value of the member's share(s) and /or savings in the event of the member's death, or permanent insanity. In such an event, the right of membership ceases and is not transferable to the nominee.

ii. Every appointment of a nominee by any member shall be made in writing to the President of Society and signed by the member in the presence of two attesting witnesses.

iii. 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 these nominees, shall be specified at the time of his appointment.

5.2 CHANGE OF NOMINEE(S)

i. Every member may be entitled at any time to change his nominee(s) by giving notice in writing to the President of the Society provided such notice is received before any action is taken relying on the earlier notice of nominee(s).

ii. Any nomination made by a member may be varied when the member desires; subject to clauses in 5.1 and 5.2 (i).

5.3 NOMINEE(S) PAYMENT

i. The Society shall fully pay the entitlement of the member to his/her nominee without any need for demand and in preference to any creditor of the deceased member not being the Society.

ii. Where any money is paid to a nominee who is a minor, a receipt given either by the minor or by his guardian and witnessed shall be enough discharge to the Society.

6.0 RIGHT OF SET-OFF

6.1 The Society shall have the right of set-off between accounts held by members or past members in the book of the Society or in respect of any contingent liability.

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6.2 Any money due on any account from the Society to a member, or a past member shall be set off in payment of any sum, which he owes or for which he stands surety.

6.3 A member shall immediately redeem any outstanding unpaid loan facilities to the Society upon retirement, resignation, termination from SCiN and the Society shall have first claim to their retirement benefits to the extent of the loan.

7.0. POWERS AND DUTIES OF GENERAL MEETING

7.1 ULTIMATE AUTHORITY

The General Meeting of members as guided by the Bye-Laws shall be the ultimate authority of the Society and shall hold not less than once in a year.

7.2 QUORUM AT GENERAL MEETING

Quorum shall be formed where at least 25 members of the Society are present at beginning of a General Meeting.

7.3 ANNUAL GENERAL MEETING (AGM)

The Annual General Meeting of members shall be convened by the Management Committee as soon as the Annual Audited Accounts have been approved by the Director of Cooperative Societies, Delta State; and shall be held latest within the first and second quarter of the succeeding year. At least twenty-one (21) days' notice shall be given to members before the meeting.

7.4 DUTIES OF THE ANNUAL GENERAL MEETING

The Annual General Meeting shall discharge the following duties:

i. Consider the Management Committee's annual report including the annual budget and the annual accounts and balance sheet as approved by the Director of Cooperative Societies or auditor;
ii. Ratify the Report of the preceding year's activities of the Society with the audited Statements of Account from the Management Committee as passed during the Ordinary General Meeting.
iii. Deliberate on any communication from the Director(s) of Cooperatives.
iv. Decide upon the disposal of the net surplus of the preceding year subject to the Director's approval.
v. Elect members of the Management Committee.
vi. Appoint delegates out of the Management Committee who will represent the Society at the meetings of the Secondary or Apex Societies to which the Society is affiliated.
vii. Consider the Audit Report and the Director's audit comments on the Report and ensure that whatever faults are indicated in the report are put right.
viii. Consider other matters presented by the Management Committee.
ix. Consider, and if found proper, pass resolution(s) presented to the Annual General Meeting in accordance with the Bye-Laws.
x. Deal with any other business of an Ordinary General Meeting.
xi. Any other duty that properly be carried out at a General Meeting.

7.5 DUTIES OF ORDINARY GENERAL MEETING (OGM)

When necessary, an Ordinary General Meeting may be convened by the Management Committee with at least fourteen (14) days' notice given to members before the meeting to handle the following:

i. Suspend or remove from office any Officer or member of the Management Committee in accordance with the Bye-Laws.
ii. Amend or repeal any existing Bye-Laws or enact new Bye-Laws
iii. Decide on the expulsion of a member.
iv. Receive and discuss the Report of the preceding year's activities of the Society with the audited Statements of Account from the Management Committee
v. Fix the rate of interest to be charged upon loans to members.
vi. Review interest on members' saving proposed by the Management Committee payable for the year ended based on disposal of net surplus.
vii. Determine honorarium payable to members of the Management Committee in line with Section 8.9 of these Bye-Laws.
viii. Decide upon the manner of investment of the Society's funds.
ix. Elect persons to fill any vacancies arising in the Management Committee.
x. Decide upon the social and economic projects to be pursued by the Management Committee.
xi. Fix from time to time, the maximum liability it may incur in loans or deposits from members.
xii. Consider and approve the lending policy submitted by the Management Committee.

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xiii. Deal with complaints by members.

xiv. Fix the limit of cash that shall be kept by the cashier in the safe, for meeting the daily payments of the society.

xv. Dispose of any other business duly brought forward by the Management Committee.

xvi. Consider Inspection Reports and any communications from the Director.

xvii. Consider and approve the appointment and remuneration of the Independent External Auditors.

xviii. Appoint or constitute the Audit Committee of the Society from among the members of the Society.

xix. Appoint or constitute the Electoral Committee of the Society from among the members of the Society.

7.6 EXTRAORDINARY GENERAL MEETING (EGM)

An extra ordinary general meeting of the Society may be convened at any time: -

i. By the Management Committee or majority of the Management Committee, or

ii. At the request of the Director of Cooperatives, or

iii. At the written request of at least twenty-five (25) members;

Provided that:

a. such written request shall state the objective of the proposed meeting

b. if the Management Committee fails to call the meeting within fourteen (14) days from the receipt of such written request, the members requesting for the Extra-ordinary General Meeting may convene the meeting by notice which shall contain the objective of the proposed meeting and statement to the effect that the meeting is convened on the failure of the Management Committee to convene the meeting demanded. Only the advertised objective of such proposed meeting shall be transacted or discussed at such meeting; and

c. where the Director convenes an extra ordinary General Meeting, he may direct what matters shall be discussed at the meeting.

7.7 NOTICE OF MEETING

8.7.1 NOTICE OF ANNUAL GENERAL MEETING

The Notice of the Annual General Meeting shall be issued to every Member entitled at attend 21 days prior to the date of the meeting stating the date of meeting, time of meeting and venue of meeting.

7.7.2 NOTICE OF EXTRA-ORDINARY GENERAL MEETING

The Notice of an Extra-ordinary General Meeting shall be issued to every Member entitled to attend 14 days prior to the date of the meeting stating (i) the date of meeting, (ii) the time and venue of meeting (iii) the express purpose for which the meeting has been called, (iv) issue(s) to be discussed and (v) contain the draft of the Resolution(s) to be proposed for passage at any such meeting.

7.7.3 NOTICE OF ORDINARY GENERAL MEETING

The Notice of Ordinary General Meeting for any another matter not specified in 7.7.1 and 7.7.2 shall be issued to every Member entitled to attend 14 days prior to the date of the meeting stating date, time and venue of the meeting.

7.8 ATTENDANCE OF MEMBERS

It shall be the duty of every member to attend General Meetings. The General Meeting shall have power to impose fines on members who without good reason fail to attend.

7.9 RESOLUTIONS OF MEMBER

7.9.1 ORDINARY RESOLUTION

A resolution shall be an Ordinary Resolution when it has been passed by simple majority of votes cast by members present and voting at a General Meeting provided seven (7) **days' notice** of the Resolution has been given by the Sponsor of the Resolution prior to the date of the meeting.

7.9.2 SPECIAL RESOLUTION

A resolution shall be Special Resolution when it has been passed at a General Meeting by not less than ¾ (three-quarters) of **votes cast by members present and voting thereat provided fourteen (14) days' notice of the Special Resolution** has been given by the Sponsor of the Resolution prior to the date of the meeting.

7.9.3 DECISIONS REQUIRING SPECIAL RESOLUTIONS

No decision on the following issues shall be taken except upon Special Resolution duly passed by the Society:

i. Removal of a Member of the Management Committee;

ii. Amendment of the Bye-Laws;

iii. Commitment of an amount in excess of 10% of the net assets of the Society (an EGM will have to be called to seek for **members' support if commitment of amount is in excess of 10% of n**et assets of the Society).

7.10 VOTING

7.10.1 VOTING MEETINGS

7.10.1.1 All questions except unanimously resolved shall be decided by majority of votes of the members present and voting.

7.10.1.2 Each member shall have only one (1) vote at all meetings save the President that shall have a casting vote in the event of a tie.

7.10.1.3 Voting at meetings shall be by show of hand or ballot on demand. If ballot is demanded; ballot papers shall be distributed to accredited members prior to voting.

7.10.2 VOTING FOR ELECTION OF MANAGEMENT COMMITTEE

Voting for elections into the Management Committee may be carried out by balloting or electronic voting as determined by the Electoral Committee set up for the purpose.

8.0 MANAGEMENT COMMITTEE

8.1 COMPOSITION OF MANAGEMENT COMMITTEE

The Society shall have a Management Committee consisting of seven (7) members, who shall be duly elected by members of the Society. The Management Committee shall be made up of the following officers:

i. The President

ii. The Vice President

iii. The General Secretary

iv. The Assistant General Secretary/Publicity Secretary

v. The Financial Secretary

vi. The Treasurer

vii. The Ex-Officio member

Members of the Management Committee shall be sworn into office after being elected. The roles of each officer of the Management Committee shall be governed by Sections 30 to 34 of the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004.

8.2 QUALIFICATION OF MEMBERS

To be a Management Committee member, a person must:

i. be of sound mind.

ii. have been a member of the Society for at least five (5) years and have no record of indictment in financial matters. For the office of Treasurer and Financial Secretary, the person must be an Accountant, while for the office of the President, the person must have been a member for not less than eight (8) years.

8.3 CASUAL VACANCY

i. The members in General Meeting shall have powers to fill any casual vacancy arising from the death, resignation, retirement or removal from office of any of their Management Committee members at the next General Meeting of the members.

ii. Any such elected Management Committee member shall complete the term of office the Management Committee member has been elected to replace.

8.4 TERM OF OFFICE

The term of office of a member elected to the Management Committee shall be a period of two (2) years after which the member shall be required to retire with an option to be nominated for re-election for a second term of two years. No member of the Management Committee shall be eligible to hold office for more than two consecutive terms. A past member of the Management Committee may however be eligible to contest for a fresh term after an interval of four (4) years from the end of his last consecutive two terms in office.

8.5 ELECTION

8.5.1 NOMINATION

For any member to be eligible for election for a seat in the Management Committee, the member shall be nominated by another member duly qualified to attend and vote in accordance with the published Electoral guidelines. Such notice of nomination shall also be supported by at least 25 (twenty-five) other members of the Society.

8.5.2 SUBMISSION OF NOMINATION

The nomination shall be submitted to the Electoral Committee within the time frame provided by the Committee and in accordance with its published electoral guidelines.

8.6 CHAIRMANSHIP OF THE MANAGEMENT OF COMMITTEE

The Management Committee shall be presided over by the person elected by the Members of the Society into the office of the President.

8.7 REMOVAL OF MANAGEMENT COMMITTEE MEMBERS

8.7.1 The members may by Special Resolution remove a Management Committee member before the expiration of his/her period of office.

8.7.2 Intention to remove a Management Committee member under this Section, or to appoint some other person instead of a Management Committee member so removed shall be clearly indicated in the notice for the meeting.

8.7.3 At the meeting at which he/she is removed, and on receipt of notice of an intended resolution to remove a Management Committee member under this Section, the Management Committee member shall be given opportunity to make a written representation to all members on the allegations leveled against him/her.

8.7.4 The Management Committee written representation shall be published in the same medium the notice of removal was published not less than seven (7) days before the date of the members meeting to decide on his/her removal. The Management committee member may also make oral representation at the members meeting where his matter is to be discussed.

8.7.5 A vacancy created by the removal of a Management Committee member under this Section, if not filled at the meeting at which he/she is removed, may be filled as a casual vacancy in accordance with the provisions of the Bye-Laws.

8.8 PROCEEDINGS OF THE MANAGEMENT COMMITTEE MEETINGS

8.8.1 The Management Committee members shall meet at least once every month and generally regulate their meetings as they deem fit.

8.8.2 For the purpose of this Article, electronic meetings such as video, audio tele/videoconferencing shall be regarded as a meeting provided however that a written minute of the meeting shall be promptly produced, adopted by members of the Management Committee present therein and signed by the President and General Secretary.

8.8.3 Any question arising at any meeting shall be decided by majority of votes. Each member shall be entitled to one vote, and in event of an equality of votes, the President shall have a casting vote.

8.8.4 A Management Committee member may, at any time summon a meeting of the Management Committee so long as such request is supported by a simple majority of members of the Management Committee.

8.8.5 The President shall be the Chairman at meetings of the Management Committee, and in his absence, the Vice President shall act as Chairman. In the absence of either the President or the Vice President, the Management Committee members present may choose one of their members to be Protem Chairman of the meeting only. Subject to the provisions of these Bye-Laws, every act of the Protem Chairman shall be deemed to be valid and binding on the President.

8.8.6 A Resolution in writing, signed by all the Management Committee members for the time being entitled to receive notice of a meeting of the Management Committee, shall be as valid and effectual as if it had been passed at a meeting of the Management Committee duly convened and held.

8.8.7 The Quorum necessary for the transaction of the business of the Management Committee shall be four (4).

8.8.8 Where the Management Committee is unable to act because a quorum cannot be formed, the General Meeting may act in place of the Management Committee.

8.9 HONORARIUM AND OTHER PAYMENTS

8.9.1 HONORARIUM

The honorarium payable to Management Committee members shall from time to time be determined by the Society in General Meeting and such honorarium shall not be more than 5% of the net profit (before charging the honorarium, but after charging the interest paid on members' savings) of the Society from its business activities for any particular year. The honoraria payment to Management Committee members shall be part of the appropriation from profit. The amount will be shared equally by all members of the Management Committee.

8.9.2 RE-IMBURSEMENT OF EXPENSES

The Management Committee members may also be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Management Committee or any Committee of the Management Committee or general meetings of the Society or in connection with the business of the Society.

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8.9.3 HONORARIA FOR SERVICE BY OTHER MEMBERS

The Management Committee shall have the power to propose reasonable honoraria for any member of the Society who carried out any special assignment on behalf of the Society. These honoraria would however be subject to ratification and/or amendment by the General Meeting.

8.9.4 SITTING ALLOWANCE

Each Member of the Management Committee shall be entitled to a sitting allowance for every formal meeting attended. Provided that the rates upon which the allowance shall be paid would have been determined by the Management Committee at the beginning of the Financial year subject to approval by the General Meeting.

8.10 **CODE OF CONDUCT AND DUTIES OF THE MANAGEMENT COMMITTEE MEMBERS**

8.10.1 FIDUCIARY DUTY

The Management Committee members of the Society stand in a fiduciary relationship towards the Society and shall observe the utmost good faith towards the Society in any transaction with it or on its behalf.

8.10.2 DUTY OF CARE AND SKILL

The Management Committee and its members shall at all times act in the best interest of the Society so as to preserve its assets, further its business, and promote the purposes for which it was formed and in such manner as a reasonable Management Committee and member should act in the circumstances. The matters to which the Management Committee member of the Society is to have regard in the performance of his functions include the interests of the Society's employees in general, as well as the interests of its members.

8.10.3 DUTY OF SET PERFORMANCE TARGETS

The Management Committee shall set targets for and monitor the performance of the Executive Committee.

8.10.4 DUTY TO EMPLOY STAFF

The Management Committee shall set the policy on staff matters and approve the employment of all staff of the Society.

8.10.5 DUTY OF RESPONSIBLE DELEGATION

Neither the Management Committee nor any of its members shall delegate the powers vested upon him under any provisions of these Bye-Laws in such a way and manner as to constitute an abdication of duty.

8.10.6 LIABILITY FOR BREACH OF DUTY

A Management Committee member shall exercise his powers for the purpose for which it is specified and shall not do so for a collateral purpose, and the power, if exercised for the right purpose does not constitute a breach of duty, if it, incidentally, affects a member adversely. No provision, whether contained in these Bye-Laws or in any contract, shall relieve any member of the Management Committee from the duty to act in accordance with this Section or relieve him of any liability incurred as a result of any breach of the duties conferred upon him under this Section.

8.10.7 ENFORCEMENT OF DUTIES

Any duty imposed on a member of the Management Committee under the Section 8.10 shall be enforceable against such a member by the Society.

8.10.8 COMPLIANCE WITH LAWS, REGULATIONS AND BYE-LAWS.

Members of the Management Committee shall, in all transactions observe the provisions of the Laws, Regulations and Bye-Laws governing the Society. A Management Committee member shall not fetter his discretion to vote in a particular way

8.10.9 DUTY TO MAINTAIN TRUE AND ACCURATE ACCOUNTS

The Management Committee shall have the responsibility of ensuring the maintenance of true and accurate accounts of all financial transactions and all the assets and liabilities of the Society.

8.10.10 DUTY TO PRESENT REPORTS AND ACCOUNTS

The Management Committee shall lay before the Annual General Meeting an Income and Expenditure Account and Audited Balance Sheet.

8.10.11 DUTY OF FULL DISCLOSURE

The Management Committee shall examine the accounts, disclose the contingent liability and supervise the maintenance of the prescribed registers. In addition, the savings, shares and loans balances of the Management Committee members as the balance sheet date will be included by way of note to the reports and accounts.

8.10.12 DUTY TO CALL GENERAL MEETINGS

The Management Committee shall summon General Meetings and there at present detail reports of their stewardship in a proper format.

8.10.13 DUTY TO FACILITATE INSPECTION

The Management Committee shall facilitate inspection of the books of the Society by any person authorized to do so. They shall consider the inspection report of the Government cooperative staff and the recommendations of the Society's auditors and take appropriate actions thereon.

8.10.14 INSPECTION REPORT

The Management Committee shall consider the inspection report of the Government Cooperative staff and the recommendations of the Society's auditors and take appropriate actions thereon.

8.10.15 LEGAL PROCEEDINGS

The Management Committee shall take full responsibility for legal proceedings by or against the Society or its officers or employees in matters concerning the affairs of the Society.

8.11 CONFLICTS OF DUTIES AND INTERESTS

8.11.1 A member of the Management Committee shall not allow his personal interest to conflict with his duties as a member of the Management Committee under these Bye-Laws.

8.11.2 A member of the Management Committee shall not, either in the course of the management of the affairs of the Society or in the utilization of the Society's property, make any secret profits or other unexplained benefits for himself or for any other person to the detriment of the Society.

8.11.3 A member of the Management Committee shall be accountable to the Society for any secret profit made by him or any personal benefit derived by him contrary to the provisions of this Section of the Bye-Laws

8.11.4 The duty cast upon a member of the Management Committee not to misuse corporate information shall continue notwithstanding the suspension, resignation or expulsion of the member from the Society and such member shall still be accountable and can be lawful restrained from misusing such information to which he was privy by virtue of his prior position in the Management Committee of the Society.

8.11.5 Where prior to a transaction a Management Committee member discloses his interest to the General Meeting before the transaction and before the secret profits are made, he may escape liability; but he shall not escape liability; but he shall not escape liability if he discloses only after the secret profits are made. In this case, he shall account for the profits.

8.11.6 Each Management Committee member must complete a conflict of interest form not later than 30 days after resuming office and subsequently in December of every year.

8.12 LIABILITY FOR BREACH OF DUTY OF CARE AND SKILL

8.12.1 Every Management Committee member of the Society shall exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the Society, and shall exercise that degree of care, diligence and skill which a reasonably prudent Management Committee member would exercise in comparable circumstances.

8.12.2 Failure to take reasonable care in accordance with the provisions of Section 8.10 of these Bye-Laws shall be ground for removal of such Management Committee member from office.

8.12.3 Each Management Committee member shall be individually responsible for the actions of the Management Committee in which he participated, and the absence from the Management Committee's deliberations, unless justified, shall not relieve a Management Committee member of such responsibility.

8.13 TRUSTEE POSITION OF MANAGEMENT COMMITTEE MEMBERS

The President, the General Secretary and the Treasurer are Trustees of the Society's assets and the powers and rights of the members and shall manage the assets with utmost honesty and commitment and exercise the rights and power in furtherance of the Society's interest and business; and not in their own or sectional interests.

8.14 BUSINESS AND PROPERTY TRANSACTION BY MANAGEMENT COMMITTEE MEMBERS

8.14.1 The Society shall not enter into an arrangement:

a. Whereby, a Management Committee member of the Society, or any person connected with such Management Committee member, acquires or is to acquire one or more non-cash assets of the requisite value from the Society, or;

b. Whereby the Society acquires or is to acquire one or more non-cash assets of the requisite value from such a Management Committee member or person so connected; unless the arrangement is first approved by a Resolution of the Society and such connection expressly disclosed.

8.14.2 For the purpose of subsection (a) of this Section, a non-cash assets is of the requisite value if, at the time the arrangement in question is entered into, its value is not less than N100,000.00 or 10 per cent of the Society's total assets value, whichever is less. The total assets value shall be based on accounts prepared and laid in respect of the preceding year of the Society's operations.

8.14.3 LIABILITIES ARISING FROM CONTRAVENTION OF SECTION 8.14

8.14.3.1 An arrangement entered into by the Society in contravention of Section 8 of these Bye-Laws and any transaction entered into in pursuance of the arrangement (whether by the Society or any other person), shall be voidable at the instance of the Society unless one or more of the conditions specified in subsection 8.14.3.2 of this Section is satisfied.

8.14.3.2 The conditions are that:

a. where restitution of any money or other asset which is the subject-matter of the arrangement or transaction is no longer possible or where the Society has been indemnified in pursuance of the section by any other person for the loss or damage suffered by it; or

b. Any rights acquired bona fide for value and without actual notice of the contravention by any person who is a party to the arrangement of transaction would be affected by its avoidance; or

c. The arrangement is, within a reasonable period, affirmed by the Society in General Meeting.

8.14.3.3 If an arrangement is entered into with the Society by a Management Committee member or a person connected with him in contravention of Section 8.14 of these Bye-Laws, that Management Committee member and the person so connected, and any other Management Committee member of the Society who authorizes the arrangement or any transaction entered into in pursuance of such an arrangement, shall be guilty of an offence and liable to:

a. account to the Society for any gain which he has made directly or indirectly by the arrangement or transaction; and

b. jointly and severally with any other person liable under this subsection, indemnify the Society for any loss or damage resulting from the arrangement or transaction.

8.14.3.4 Subsection 8.14.3.3 shall be without prejudice to any liability imposed otherwise than by that subsection, and is subject to the following two subsections, and the liability under subsection 8.14.3.3 arises whether or not the arrangement or transaction entered into has been avoided in pursuance of subsection 8.14.3.1.

8.14.3.5 If an arrangement is entered into by the Society involving a person connected with a Management Committee member of the Society in contravention of Section 8.14 of the Bye-Laws, that Management Committee member shall not be liable under subsection 8.14.3.3 if he shows that he took all reasonable steps to secure the Society's interest.

8.14.3.6 This section shall have effect with respect to references in Section 8.14 of the Bye-Laws to a person being "connected" with a Management Committee member of the Society, and to a Management Committee member being "associated with" or "controlling" a body corporate

8.14.3.7 A person connected with a Management Committee member of the Society if he (not being himself a Management Committee member) is:

a. That Management Committee members spouse, child or step-child.

b. except where the context otherwise requires, a body corporate with which the Management Committee member is associated; or

c. a person acting in his capacity as a trustee of any trust the beneficiaries of which include:

   i. the Management Committee member, his spouse, any children or step-children, or

   ii. a body corporate with which he is associated, or of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the Management Committee member, his spouse or any children or step-children of his, or any such body corporate; or

d. a person acting in his capacity as partner of that Management Committee member or of any person who, by virtue of paragraphs (a) (b) or (c) of this subsection, is connected with that Management Committee member.

9.0 EXECUTIVE COMMITTEE

9.1 COMPOSITION

The society shall have an Executive Committee comprising of the General Manager and all Heads of Department of the Society. The General Manager shall be the chairman of all meetings of the Executive Committee in which he is present.

9.2 DUTIES OF THE EXECUTIVE COMMITTEE

i. To carry out duties assigned to it under these Bye-Laws
ii. **To develop and implement strategies that will drive the Society's operations and promote its business undertakings.**
iii. To advise the Management Committee of the Society.

iv. Execute any other responsibilities as shall be assigned by the Management Committee or the General meetings.

9.3 GENERAL MANAGER

9.3.1. APPOINTMENT

The Management Committee shall appoint a General Manager for the Society on terms and conditions as the Management Committee shall deem fit and report such appointment to the General Meeting of members.

9.3.2 The Executive Committee may recommend the appointment of other staff of the Society to the Management Committee for approval.

9.3.3 DUTIES

(i) Shall have responsibilities for the day to day running of the activities and operations of the Society under the supervision of the Management Committee.

(i) **Shall oversee all the functional areas of the Society's operations.**

(ii) Shall preside at all time meetings of the Executive Committee at which he is present.

(iii) Shall have responsibilities for implementing the Management Committee decisions and Society policies.

(iv) Execute all other responsibilities as shall be assigned to him by the Management Committee or the General Meeting.

9.3.4. REMOVAL FROM OFFICE

The General Manager may be removed from office by a resolution of the Management Committee if ratified and supported by not less than four members of the Management Committee and ratified by the General Meeting.

10.0 CREATION OF FUNDS

10.1 SOURCES OF FUNDS:

The funds of the Society shall compose of:

(i) The Voting Share Capital and Non-Voting Share Capital of the Society.

(ii) Entrance Fees as prescribed by the Management Committee from time to time and approved by members in General Meeting.

(iii) Regular savings deducted from payroll.

(iv) Fixed deposits from members only.

(v) Additional and lumpsum contributions from members to add to the regular payroll contributions.

(vi) Interests receivable on loans and investments.

(vii) Grants or donations.

(viii) Rents.

(ix) Miscellaneous sources approved by the Management Committee, the General meeting and the Director.

(x) Surplus arising out of the business of the Society.

All sources of funds from members outside regular payroll shall be subject to the **Society's internal financial control process against** money laundering.

10.2 ORDINARY SHARE CAPITAL

10.2.1 The ordinary Share Capital in the Society shall be of the unit value of One Hundred Naira (₦100.00) and each member shall subscribe to a mandatory two hundred (200) shares only which shall be known as VOTING SHARE CAPITAL. These shares shall confer upon the member the right to cast one vote during the Annual General Meeting, Ordinary General Meeting or Emergency General Meeting. The voting shares shall not attract any dividend and shall be redeemed upon exit by the member.

10.2.2 No member shall be entitled to withdraw his voting share capital unless his membership is terminated, provided that no share capital may be withdrawn until the Society has repaid any loan it has received from outside sources

10.3 CONTRIBUTORY CAPITAL

Known as NON-VOTING SHARE CAPITAL, are the cumulative aggregate funds contributed by members together with their share of income earned less their share of losses incurred, withdrawals made or account setoffs and shall confer on the members the right to share proportionately and on a pro-rata weighted average basis of the total dividend accruing to the Society during an accounting period.

10.4 WITHDRAWAL OF SHARES

i. Voting Shares: A member may exercise their discretion to withdraw their voting shares upon termination of their membership which amount shall be offset against any outstanding liability to the Society. Such a withdrawal shall be made by application in writing and shall not be made earlier than one year from commencement of membership

ii. Non-Voting Shares: A member may exercise their discretion to withdraw their non-voting shares together with accrued dividend or loss upon termination of their membership which amount shall be offset against any outstanding liability to the Society. Such a withdrawal shall be made by application in writing and shall not be made earlier than one year from commencement of membership.

iii. Shares are not unconditionally withdrawable, but if at the end of the financial year the Society's financial situation is favorable, the Committee may repay to any member whose membership was terminated during the year a sum not exceeding the amount paid by him on account of shares, provided that not more than five per cent of the total paid share capital shall be thus paid out in any one year without the Director's permission. Such a withdrawal shall be made by application in writing and shall not be made earlier than one year from commencement of membership.

10.5 PAYMENT OF SHARES

Shares shall be paid up in not more than 12 monthly instalments. Any member may pay up the full value in advance at any time. Members not paying their instalments by the due date may be penalized for every full month of arrears.

10.6 LIMIT ON SHARE HOLDING

No member shall hold more than one tenth of the total number of shares actually paid up. If any member, by inheritance or otherwise holds more than the maximum holding permitted, the Management Committee, may sell the excess or buy them from the member for disposal by the Society.

10.7 TRANSFER OF SHARES

Members can with the prior written approval of the Management Committee transfer their shares to another member of the Society. The Management Committee can also exercise the option to acquire the shares and warehouses in the share pool.

10.8 ENTRANCE FEES

Every member on joining the Society shall pay an entrance fee as prescribed by the Management Committee and approved by members in General Meeting from time to time.

10.9 DEPOSITS AND LOANS

10.9.1 A Member may in addition to their regular savings and shareholding, place deposits with the Society on terms to be agreed between the Society and the Member.

10.9.2 The Society may borrow from Banks and other Financial Institutions approved by the Federal Government of Nigeria or a Co-operative Central Financing Organization of which it is a member to the extent laid down in the Bye-Laws of such organization.

10.9.3 The Society shall not incur any liability towards non-members in excess of a sum equal to seventy five percent (75%) of the total aggregate value of the paid-up share capital, all Reserves and thrift savings.

10.10 COMPULSORY SAVINGS

10.10.1 Every member shall contribute at the end of every month a sum of money known as compulsory savings. Payment of compulsory savings shall be effected by deduction from salary at source, where practicable. Failure to pay for compulsory savings by due date may result in fine of not more than one thousand naira for every full month of arears.

10.10.2 Every member shall make regular thrift savings, which shall be withdrawable only with the permission of the Management Committee for necessary or productive purposes. No member shall have a right to withdraw all compulsory savings except on termination or final withdrawal of membership from the society. However, part withdrawal subject to a maximum of 75% of savings is allowed. This will be made through the next payroll and where it is requested earlier than that, will attract a penalty of the rate to be determined from time to time by the Management Committee.

10.10.3 The Management Committee shall recommend the interest payable on members' savings for the year ended to the General Meeting for ratification.

10.10.4 The Management Committee may exempt a member from the obligation to make compulsory savings for any period during which his circumstances do not permit such savings.

10.11 DEPOSITS FROM MEMBERS

10.11.1 A member may in addition to their regular savings and shareholding, place deposits with the Society on terms to be agreed between the Society and the member.

10.11.2 Deposits shall be withdrawable provided a notice in writing of at least seven (7) working days is given to the Management Committee.

11.0 USE AND CUSTODY OF FUNDS

11.1 INTERNAL FUNDS

The funds of the Society may be held in the form of: (i) A Reserve Fund. (ii) A Depreciation Fund. (iii) An Insurance Fund. (iv) Development, Educational or other Funds approved by the general meeting and the Director (vi) Current, Deposit or Saving bank Accounts or Cash (vii) Fixed and Current Assets.

11.2 USE OF FUNDS

The funds of the Society shall be applied only to the furtherance of its stated objectives in accordance with these Bye-Laws.

11.3 INVESTMENT

11.3.1 The funds of the Society that are not required for current use may be invested in any manner permitted by Law and Regulations and approved by the Director.

11.3.2 INVESTMENT CONSORTIUM

For purposes of pulling significant resources to achieve a dominant positioning in an investment, the Management Committee may approve the formation of investment consortium led by the Society and the consortium may include members and non-members as well corporate organizations provided the society shall carry no liability whether direct or contingent on behalf of any party to the consortium.

11.4 OPERATION OF BANK ACCOUNT

11.4.1 The Society's Bank Accounts shall be Trustee Accounts. Before money is withdrawn from the Bank, the cheques or withdrawal slip shall be signed by at least two of the Trustees and any other member of the Management Committee.

12.0 ASSETS

12.1 QUALITY OF ASSETS

The Management Committee and the Executive Committee shall ensure that the Society builds a high-quality asset base for the Society and maintain a balance in its asset portfolio.

12.2 ASSET COMPOSITION

The Management Committee shall ensure that the Society achieves efficient asset composition ratios and shall be guided by the following:

(i) Fixed Assets

a.	Income yielding	9%
b.	Others	1%

(ii) Current Assets

a.	Cash/Money Market	25%
b.	Capital Market Investment	10%
c.	Other Investments	10%
d.	Loans, stock, Receivables	45%

12.3 SUBSIDIARIES AND AFFILIATES

12.3.1 ESTABLISHMENT

The Society may establish subsidiaries and/or have affiliates or consortium.

12.3.2 APPROVAL

The Management Committee shall require an approving resolution at the General Meeting for any investment in a subsidiary, affiliate or consortium.

12.3.3. MANAGEMENT OF SUBSIDIARIES AND AFFILIATES

The Management Committee shall ensure efficient and profitable management of any subsidiary or affiliate and efficient corporate governance and financial structure.

13.0 LOANS

13.1 The Society, subject to availability of funds may grant loans to members only, subject to the approval of the Management Committee, for a productive purpose, or necessary and in the best interest of the borrower.

13.2 CONDITIONS GOVERNING LOANS TO MEMBERS

13.2.1 No regular loan shall be granted:

(a) To any individual other than a member of the Society.

(b) To any member whose instalments of shares are in arrears.

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(c) To any member who has not paid thrift savings under these Bye-Laws.

(d) For a period exceeding the time limit fixed by the General Meeting.

(e) If it would bring a member's total indebtedness at the time of the loan to an amount exceeding his maximum credit level as determined in Section 13.5 of these Bye-Laws.

(f) Unless approved by a majority of the members of the Management Committee who are present at the meeting at which the application is considered.

13.2.2 Regular loans are those loans that are tenured with definite repayment periods, that could extend up to twenty-four (24) months.

13.3 APPLICATION FOR LOANS

Loan applications shall be made through the office of the Society and disposed of by the staff of the Society with the approval of the Management Committee.

13.4 LOANS TO MEMBERS

13.4.1 No loans shall be made to a member within six (6) months of his becoming a member of the Society except in the case of transfer of an existing loan of a past member to his nominee or other successor in interest who is or becomes a member of the Society.

13.4.2 When leaving SCiN temporarily on cross-posting or short-term international assignment, members shall be required to pay off their loans or continue to service such loans (outside regular payroll) during their absence.

13.5 MAXIMUM CREDIT LIMIT:

The maximum credit limit of each applicant for a loan shall be fixed by the Management Committee bearing in mind the availability of funds, the principle of making credit available to as many members as are qualified and the securities offered.

13.6 INTEREST ON LOAN TO MEMBERS

Interest on loan to members shall be charged at a rate to be fixed by the Management Committee from time to time and approved by the General Meeting. In case of default in repayment, penal interest shall be charged as determined by the Management Committee.

13.7 SUPPLY OF CONSUMER GOODS AND CREDITS

13.7.1 The Society may procure for sale or distribution to member such equipment, items or facilities as are necessary for the improvement of members' living condition. Where the member or non-member is not in a position to pay cash for these requirements, the value of the supplies may be treated as a loan in accordance with the Bye-Laws, with applicable interest rate.

13.7.2 The society may also stock domestic and personal products including foodstuff for sale to member. No such foods may be supplied on credit if the member has reached the ceiling or the maximum number of credits he is entitled to from the Society.

13.8 BONDS AND SURETIES

Every Borrower shall be required to execute a bond and shall furnish two (2) Sureties who must be members of the Society. No extension of the period of repayment shall be granted without the written consent of the two (2) Sureties.

13.9 DUTY OF SURETY

13.9.1 A surety must be a reputable member of the Society and shall personally guarantee:

(i) repayment of loan and accrued interest to the Society if the borrowing member defaults;

(ii) the correctness of the particulars on which the value of the borrower's securities is based;

(iii) that the loan is to be used for the purpose stated by the borrower on the application. The Surety should report misuse of the loan to the Management Committee immediately.

13.9.2 A member's commitment as surety shall not when taken together with his own existing borrowing exceed his maximum credit limit.

13.10 RECALL OF LOANS:

All loans shall be issued subject to the right of the Society to call the loan for immediate repayment:

(i) if any misapplication is proved;

(ii) if the borrower gives an indication of resignation.

(iii) If the borrower persistently defaults for over three months.

13.11 APPROPRIATION OF DEBT PAYMENT

When a member from whom money is due pays any sums to the Society, it shall be appropriated in the following order

a) First, to share payments, penalty and other miscellaneous charges due by him.

b) Secondly, interest on loan, and

c) Thirdly, to loan principal repayment.

14.0 DISPOSAL OF SURPLUS

14.1 APPROPRIATION

14.1.1 At the close of each financial year, the excess of the Society's income over expenses including the interest payable on deposits and loans and audit and Supervision Fee due, shall be appropriated to the following funds in accordance with Section 34 of the Nigerian Co-operative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004:

(1) Reserve Fund.

(2) Education Fund.

(3) Other funds approved by the Society and Law.

(4) The balance shall be utilized for one or more of the following purposes:

(a) Payment of annual interest on member's savings.

(b) Payment of honorarium to the Management Committee and that approved by the Management Committee for other members that served the Society during the year.

(c) Donations, not exceeding 10% of the net surplus to any charitable or social purpose approved by the Director.

(d) Building up a General Reserve.

14.1.2 The appropriation of the net surplus shall be subject to approval by the Director and governed in all respects by the spirit and letter of the law and the regulations.

14.2 **DIVIDEND AND INTEREST**

14.2.1 The dividend paid on shares shall be determined by the Management Committee, subject to the statutory maximum of 5% and no dividend shall be paid if any overdue claim to a depositor or lender remains unsatisfied.

14.2.2 The interest **on members' savings shall be** payable based on disposal of net surplus of the Society for the financial year, as determined by the General Meeting.

14.3 RESERVE FUND

14.3.1 In accordance with Section 34 (2) of the Nigerian Co-operative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004, at least 25% (one-fourth) of the net surplus of the Society as ascertained by the annual audit report, shall be **paid into the** 'Reserve **Fund**'; but the Director may grant from time to time exemptions from further contributions to the reserve fund, or reduce the rate thereof, and may at any time revoke the exemption or reduction.

14.3.2 The Reserve Fund is indivisible, and no member is entitled to claim a specific share in it. Except with the permission of the Director of Cooperative, Delta State, it shall not be utilized in the business of the society but shall be deposited or invested in accordance with sections 33 and 34 of the Nigerian Co-operative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004.

14.4 EDUCATION FUND

The Society may, with the approval of the Director, and after 25% (one-fourth) of the net surplus in the financial year has been paid to the reserve fund, **contribute an amount not exceeding 10% of the remainder of the surplus to an 'Education Fund', which shall be used for training members** and officers in co-operative activities. However, no further transfer shall be made to the fund if the balance outstanding in the fund is equal to two million naira (₦2,000,000.00).

14.5 GENERAL RESERVE

The general reserve of the Society may be utilized with the approval of the General Meeting for minor, special and non-recurrent expenditure. With the consent of the General Meeting and the Director, the general reserve may be utilized for the payment of **interest on member's savings and/or the** equalization of dividends of bonuses distributed Regulation 12 of the Nigerian Co-operative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004.

15.0 AUDIT AND SUPERVISION

15.1. AUDIT AND SUPERVISION FEES

15.1.1 Audit and Supervision Fees at the rate assessed by the Director and published in the Delta State of Nigeria Gazette shall be made annually to the Delta State Government.

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15.1.2 Where the Society so approves, an independent Auditor (who must be a firm of Chartered Accountants with current Practice License from the Institute of Chartered Accountants of Nigeria (ICAN)) may be appointed to receive, review and audit the accounts of the Society.

15.1.3 The Independent External Auditor shall be appointed by the Management Committee. The appointment of the Independent External Auditors shall be subject to ratification by the General Meeting of the Society.

15.1.4 The fees of the Independent Auditors shall be approved by the Management Committee and ratified by the General Meeting.

15.1.5 The Independent Auditors report shall be presented to the General Meeting by a representative of the Audit firm.

15.1.6 The Management Report (if any) arising from the Independent Auditor's audit work shall be for the action of the Management Committee of the Society, with the Audit Committee to monitor the compliance / implementation.

15.2 INTERNAL AUDIT COMMITTEE

At the General Meeting, there shall be elected 3 members as Internal Audit committee of which at least one of such members shall be a Chartered Accountant.

15.2.1 The Internal Audit Committee shall meet at once every three months to make or cause to be made an examination of the affairs of the society which examination shall include an audit of its books and an inspection of the securities, cash, accounts and loans.

15.2.2 Ascertain that all actions by the Management Committee and any other committee are in conformity with the Bye-Laws of the Society.

15.2.3 Make a written report to the Management Committee of its findings following each examination.

15.2.4 Make an annual audit and a written report and submit to the General Meeting.

15.2.5 Verify the passbooks of the members with the accounts of the Treasurer annually.

15.2.6 The Audit Committee shall pay attention to the following checklists:

(a) Is a receipt issued for every item of cash received?

(b) Is there a payment voucher for every amount paid out?

(c) Is too much cash kept on hand?

(d) Are any unused cheques on hand signed in blank?

(e) Is the cashbook balanced regularly?

(f) Are all expenses approved by the Management Committee and vouchers signed by the President?

(g) **Are the members' balances complied monthly?**

(h) Do the balances agree with general control account?

(i) Are the minutes of meeting signed by the President and General Secretary?

(j) How many loans are delinquent?

(k) How many loans are overdue (i) within 1 year (ii) over 2 years?

(l) What actions are taken to recover them?

(m) Are all officers handling cash duly bonded?

(n) Does the Society carry a burglary and robbery insurance?

(o) Has the borrower in addition to the agreement entered into a special agreement with the Society, authorizing the Society to claim his retiring benefits or gratuities on any unpaid balance of the loan in event of death, retirement or termination of appointment?

(p) **Has the auditor's report been read and discussed at the meeting of the Management Committee?**

16.0 BOOKS AND ACCOUNTS

16.1 PRESCRIBED BOOKS OF ACCOUNT FOR INSPECTION

16.1.1 Accounts and Records (manual and/or electronic form) shall be maintained in the forms prescribed by the Director and shall include the following:

a) A Membership and Attendance Register, showing the name, address and occupation of every member, the number of shares held by him, the date of his admission to membership, the Nominee appointed under the Bye-Laws, and the **members' attendance of General Meeting.**

b) A cash book showing the receipts, expenditure, and balance on each day on which business is done.

c) General ledger.

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d) Personal Ledger with accounts for each member, depositor and creditor

(i) Loan register showing installment for repayment of loans

(ii) Minute book for proceedings of General Meetings and Management Committee Meetings.

(iii) Register of share payment

(iv) Loan bond book showing particulars and containing bonds for all loans issued.

(v) Such other records as may be prescribed by any applicable law and regulation or by the Bye-laws.

16.1.2 The information referred to in 16.1.1 above may be provided in software procured by the Society for the purpose provided that the software facilitates easy storage and retrieval of the referred information.

16.2 INSPECTION OF BOOK

The books, accounts, register and papers of society shall be open at all reasonable times for the inspection of members and of any accredited Cooperative Official provided that no person other than an Officer or Management Committee of the Society or a Cooperative official shall be allowed to see the personal account of any other member without the other members consent. Copies of the Laws, the Regulations and these Bye-Laws shall be available for inspection at the registered address of the Society at all reasonable hours.

16.3 ANNUAL STATEMENT

Each member shall be issued an Annual Statement showing particular of his personal account with the Society.

16.4 RECEIPTS

It shall be the duty of every member

a) To insist upon obtaining a separate printed receipt from the proper book, or such other form of receipt or evidence of repayment as may be approved by the Director, for every sum of money paid to the Society.

b) To sign, or make his thumb print in the proper book, in token to receipt whenever any sum of money is paid or repaid to him by the Society.

17.0 DISSOLUTION AND DIVISION OF THE SOCIETY

17.1 LIQUIDATION

The Society shall not be liquidated except in accordance with section 38 to 45 of the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004.

17.2 DISPOSAL OF FUNDS

On the dissolution of the Society the Reserve and other Funds of the Society shall be applied in the order stated as follows:

a) Discharge the liabilities of the Society and
b) Repayment of members savings
c) Repayment of the paid-up share capital of members.

The remainder shall be placed by the Director in the bank until a new Cooperative with similar objectives and area of operation is registered, in which event the funds shall be credited to the Reserve Fund of that Society.

18.0 MISCELLANOUS PROVISIONS

18.1 DISPUTES

Any dispute arising in or concerning the Society and its members or past members which the Management Committee is unable to resolve shall be referred to the Director for settlement by arbitration under the provision of section 49 of the Nigerian Co-operative Societies Act, Cap N98 Laws of Federation of Nigeria (LFN), 2004.

18.2 LITIGATION

No member shall commence a civil or criminal proceeding in any court in Nigeria against the society without first employing fully the dispute resolution option contained in 18.1

18.3 CUSTODY AND USE OF SEAL

The Management Committee shall hold in safe custody the seal of the Society. Documents of the Society shall where sealing is required be sealed and witnessed by at least two of the members of the Management Committee.

18.4 SURCHARGE:

The General Meeting of the Society may impose surcharges on members, not exceeding Five Thousand Naira (5,000.00) in any one case, for flagrant or repeated contravention of the Bye-Laws.

19.0 AMENDMENT OF BYE-LAWS

Any amendment of or addition to these Bye-Laws shall be made by the General Meeting of the Society in accordance with the regulations and shall not be valid until registered by the Director.

20.0 ADOPTION AND APPROVAL

These Bye-Laws were reviewed and adopted by the members of the SPDC-West Multipurpose Co-operative Society Limited on the 2nd day of April 2020 at the Extra-Ordinary General Meeting held for this purpose.

TAIWO O. AGBAJE	**IKECHUKWU F. ONYEFURU**
CHAIRMAN	MEMBER

I hereby certify that the foregoing BYE-LAWS of the SPDC West Multipurpose Cooperative Society Limited, No has been registered under Section 5 (i) of the Nigerian Cooperative Societies Act Cap N98 Laws of Federation of Nigeria (LFN), 2004.

THIS 18th DAY OF June 2020

CHUKWUDI ONYEKPE
DIRECTOR OF COOPERATIVE SOCIETIES, DELTA STATE
OF THE FEDERAL REPUBLIC OF NIGERIA