

COOPERATIVE SOCIETIES REGULATIONS

ARRANGEMENT OF REGULATIONS

REGULATION

1. Citation
2. Register of societies
3. Alterations, etc.
4. Inspection
5. Application
6. Registration
7. Forwarding of papers
8. Refusal of registration
9. Register of members
10. Election of members
11. Withdrawal by members
12. Expulsion of members
13. Loss of qualifications
14. Number of members
15. Nominees
16. Division of profits
17. Maximum liability
18. Supreme authority
19. First meeting
20. Annual general meeting
21. Functions of annual general meeting

22. Special general meeting
23. Quorum at annual or special meeting
24. Chairman of general meeting
25. Voting at general meeting
26. Method of voting
27. Minutes of general meeting
28. Election of committee
29. Chairman of committee
30. Duties of committee
31. Meetings of committee
32. Procedure at meetings of committee
33. Voting at meetings of committee
34. Minutes of meetings of committee
35. Failure to attend meetings of committee
36. Vacancies on committee
37. Borrowing powers
38. Banking Account
39. Employees
40. Application for a loan
41. Approval of a loan
42. Security for a loan
43. Purpose of a loan
44. Documents relating to loans
45. Restrictions on loans to defaulters
46. Extension of a loan

47. Misapplication of a loan
48. Recovery of a loan
49. Suspension and resumption of loans
50. Marketing
51. Bad debts
52. Preparation of annual accounts and report
53. Duties of manager
54. Appointment of officers
55. Duties of a secretary
56. Treasurer
57. Security by treasurer
58. Duties of a treasurer
59. Audit of accounts
60. Audit and Supervision Fund
61. By-laws
62. Amendment of by-laws
63. Copies of entries
64. Reference of a dispute to the Registrar for decision
65. Reference to arbitration by the Registrar
66. Proceedings before an arbitrator or arbitrators
67. Proceedings before the Registrar
68. Control of registered society by Registrar
69. Restriction of taking of legal and other proceedings against Registrar
70. Fees and Forms

Schedules

G.N. 15/2002

COOPERATIVE SOCIETIES REGULATIONS

under s. 92

1. Citation

These Regulations may be cited as the Cooperative Societies Regulations.

2. Register of societies

(1) The Registrar shall keep or cause to be kept at his office a Register to be called "the Register of Cooperative Societies" (hereinafter referred to as "the Register") wherein shall be entered particulars relating to the registration of societies and their by-laws and any amendments thereto.

(2) Every entry in the register shall be made by or under the direction of the Registrar and shall be signed by him.

3. Alterations, etc.

Every alteration, interlineations or erasure in the Register shall be initialed by the Registrar.

4. Inspection

The Register shall be open to inspection by the public at all reasonable times and free of charge.

5. Application

(1) An application for registration of a society under section 6 of the Act shall be made to the Registrar using Form I in the First Schedule and shall be accompanied by an appraisal in writing of the viability of the society.

(2) Three copies of the by-laws in English or the local language which the society proposes to adopt shall be submitted together with the application.

6. Registration

The Registrar shall register a society which meets the prescribed requirements, and its by-laws, in the Register.

7. Forwarding of papers

Upon the registration of a society, the Registrar shall forward to the society—

- (a) a certificate of registration in Form II in the First Schedule hereto;

(b) a copy of the by-laws of the society as approved and certified by him; and

(c) a copy of the Act and of the Regulations in English, together with an explanatory memorandum in the vernacular, where the Registrar considers it necessary.

8. Refusal of registration

Where the Registrar refuses to register a proposed society or its by-laws, he shall give the applicant his reasons in writing for such refusal.

9. Register of members

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

(a) the name, address and occupation of each member and a statement of the shares if any, held by him;

(b) the date on which each member's name was entered in the register;

(c) the date on which any member ceased to be a member; and

(d) a nominee, if any, appointed under regulation 15.

10. Election of members

The election and admission of members to a registered society, other than original members, shall be in such a manner and on such conditions as prescribed by the by-laws.

11. Withdrawal by members

A member may withdraw from a registered society by giving written notice to the secretary of the registered society but such withdrawal shall be without prejudice to section 36 of the Act.

12. Expulsion of members

(1) Any member who acts in contravention of these regulations or the by-laws of the registered society or acts in any way detrimental to the interest of the registered society, may be expelled by a vote of two-thirds of the members present at a general meeting.

(2) The committee shall send to such a member the charge in writing not less than one week before the meeting.

(3) Any expulsion under these regulations shall be without prejudice to any liabilities of the person under section 36 of the Act.

13. Loss of qualification

Any member of a registered society who ceases to qualify for membership shall forthwith cease to be a member of such registered society and the committee shall direct the secretary of the registered society to strike his name off the Register of Members.

14. Number of members

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

15. Nominees

(1) Every member of a registered society may upon admission appoint his nominee.

(2) Every appointment of a nominee by any member of a registered society shall be made in writing and signed by the member in the presence of two attesting witnesses.

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

(4) In any case where more than one nominee is appointed by any Member the number of shares to be transferred to each of these nominees shall be specified at the time of appointment.

(5) Every appointment of a nominee shall be recorded in the Register of members of the registered society.

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

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

(8) Where on the death of a member a nominee does not exist, the society may pay any money due to the deceased member to the personal representative or recognized heirs of that deceased member.

(9) In the event of any person so nominated dying or of the member desiring to cancel any such nomination, the member may nominate in writing another person in the same manner, and necessary alteration shall be made in the Register of Members.

16. Division of profits

(1) Unless otherwise authorized under section 46 of the Act, no dividend or payment on account of profits shall be made by a society registered with unlimited liability until the reserve fund has reached a proportion of not less than one-tenth of the total liabilities of the registered society.

(2) No registered society shall pay a dividend if the rate of interest on loans granted by it to its members exceeds ten per centum per annum.

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

(4) A bonus based on wages or on the value of the products of a member, or a bonus or rebate on patronage calculated in proportion to the amount of the business done by each member with the registered society may be distributed periodically to the members from surplus funds after the deduction of all expenditure and after making provision for bad and doubtful debts and making allocation to the reserve fund.

17. Maximum liability

(1) Every registered society shall, from time to time, at a general meeting, fix the maximum liability it may incur in loans or deposits whether from members or non-members.

(2) The maximum liability fixed under subregulation (1) shall be subject to the approval of the Registrar, who may at any time reduce it.

(3) No registered society shall receive loans or deposits which will make its liability exceed the limit approved by the Registrar.

18. Supreme authority

(1) The supreme authority in a registered society shall be vested in the general meeting, at which every member has the right to attend vote on all questions, unless the by-laws of the society provide for some alternative form of representation.

(2) Every member shall have one vote which shall be exercised in person and not by proxy.

19. First meeting

The first meeting of members shall have the same powers as are given to the annual general meeting, and shall be held immediately or not later than one month after the receipt of the certificate of registration of the society.

20. Annual general meeting

(1) The committee shall convene the annual general meeting on receipt of the report of the audit of the accounts of the registered society from the Registrar or any person authorized by the Registrar in accordance with regulation 59:

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

(2) At least fifteen days notice shall be given before any annual general meeting is held.

21. Functions of annual general meeting

The functions of the annual general meeting shall be—

(a) to confirm the minutes of the previous annual general meeting and of any special general meeting;

(b) to consider the reports of the committee and the balance sheet together with the report of the audit of the accounts of the registered society for the previous year;

(c) to approve the accounts or if the accounts are not approved, cause to the secretary to notify the registrar who shall consider the matter and make his decision thereon, and such decision as to the correctness of the accounts shall be final and conclusive;

(d) to hear and decide upon any complaints brought by members aggrieved by a decision of the committee; and

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

22. Special general meeting

(1) A special general meeting may be convened at any time by the committee on receipt of a demand stating the object of the proposed meeting signed or attested by one fourth of the persons who are members of the registered society.

(2) It shall be the duty of the chairman of the committee to convene such a meeting giving eight days notice.

(3) Where the chairman of the committee fails to convene a meeting within fourteen days from the receipt of a demand as aforesaid, the members applying for such a meeting shall have the right to convene the meeting by notice which shall contain the object of the proposed meeting and a statement to the effect that the meeting is convened on the failure of the chairman to convene the meeting.

(4) Notwithstanding the provisions of subregulations (1), (2) and (3), the Registrar or a person authorized by him may at any time—

(a) summon a special general meeting of the registered society in such manner and at such time and place as he may direct; and

(b) direct what matters shall be discussed at the meeting, and such meeting shall have all the powers of a meeting called according to these regulations.

23. Quorum at general meeting

(1) When a registered society consists of not more than forty members, one-half of the number of the members or ten members, whichever is the less, shall form a quorum for the purposes of the annual or special general meeting, and when a registered society consists of more than forty members,

one-fourth of the total number of the members of such society shall form a quorum for the purposes of the annual or special general meeting.

Provided that—

(a) When any meeting is summoned by the Registrar, any members present at such meeting shall be deemed to form a quorum;

(b) in the case of a society of which a registered society is a member or of which there are branches, the quorum at an annual general meeting of the society shall be as provided for in the by-laws of the society.

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

24. Chairman of the general meeting

(1) The chairman of the committee or in his absence any other person elected by a majority of those present shall preside at the annual or special general meeting.

(2)(a) the secretary of the committee or in his absence any other person nominated in writing by the chairman of the committee shall act as secretary at the meeting; and

(b) the chairman of the committee, if necessary, may nominate other officers to assist at the meeting.

(3) The chairman may by the decision of the meeting adjourn the meeting to a different time and place but no other business shall be transacted at such a meeting other than the business left unfinished at the preceding meeting.

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

25. Voting at general meetings

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

26. Method of voting

(1) At any meeting a resolution put to the vote shall be decided on a show of hands unless voting by call of names or a ballot is demanded by the least five of the members present before the

declaration of the result of the show of hands, and in such case voting by call of names or a ballot shall be taken as the case may be.

(2) The chairman of the committee shall have a deliberative vote and in case of an equality of votes, shall be entitled to a casting vote.

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

(3) In respect of every resolution put to the vote—

(a) the chairman shall declare whether it has been carried or lost, whether on a show of hands, by call of names or by ballot and whether unanimously by a particular majority; and

(b) an entry to that effect in the minute book shall be conclusive evidence of anything therein contained.

27. Minutes of general meeting

Minutes of the meetings shall be entered in the minute book and signed for by the chairman and secretary and shall contain the following particulars—

(a) the number of the members present at the meeting and the name of the chairman or the person who presided over the meeting;

(b) time fixed for the meeting and the time the meeting commenced;

(c) the total number of members on the date on which the meeting was held; and

(d) all resolutions passed or decisions made at the meeting.

28. Election of committee

(1) The committee shall be elected at the first meeting of the registered society and, subject to regulation 35, its members shall hold office until the election of a new committee and they shall be eligible for re-election.

(2) The committee shall consist of such number of members as may be provided in the by-laws of the registered society, which shall also specify the tenure and what number of members shall constitute a quorum.

29. Chairman of committee

(1) The committee shall elect its own chairman, who shall have a deliberative vote and on an equality of votes shall be entitled to a casting vote.

(2) In the temporary absence of the chairman, the committee shall elect one of their number to perform the chairman's duties.

30. Duties of committee

(1) The committee shall have the following functions and powers—

(a) represent the registered society before all competent public authorities and in all dealings and transactions with third persons;

(b) institute or defend suits brought in the name of or against the registered society; and

(c) generally carry out such functions in the management of the affairs of the registered society as have not been specially assigned by these Regulations or the by-laws of the registered society to general meetings or to an officer of the registered society.

(2) The committee shall always keep a copy of the latest annual balance sheet of the registered society together with latest audit report of the registered society for inspection during office hours by any member of the registered society.

31. Meetings of committee

(1) The committee shall meet as often as the business of the registered society may require and in any case not less frequently than once a month.

(2) The meetings of the committee shall be summoned by the secretary in writing.

32. Procedure at meetings of committee

At each committee meeting, the secretary shall—

(a) read the minutes of the preceding meeting;

(b) produce the cash book, details of the entries of receipts and payments made since the last meeting;

(c) together with the treasurer, produce cash in their possession for verification by the committee;

(d) produce a statement showing the loans due and unpaid, for determination by the committee as to what action to be taken in each case;

(e) produce applications for loans, if any, for determination by the committee in accordance with the priority of receipt; and

(f) submit any other business for consideration by the committee.

33. Voting at meetings of committee

Any question submitted to the committee for its decision shall be decided at a meeting by a majority of votes of those members present at the meeting.

34. Minutes of meetings of committee

Minutes of committee meetings shall be recorded by the secretary in the minute book and shall be signed by the chairman or the person who presided over the meeting and by the secretary and shall contain the following particulars.

- (a) the name of the chairman or the person who presided over the meeting;
- (b) the names of the members present and the date of the meeting; and
- (c) a summary of all matters discussed and decisions made and a record as to whether each decision was made unanimously or by a majority.

35. Failure to attend meetings of committee

Any member of the committee who has had notice and without good reason in the opinion of the committee, fails to attend at least three consecutive meetings of the committee shall be deemed to have vacated his office which shall thereupon be filled as provided by regulation 36.

36. Vacancies on committee

(1) The remaining members of the committee shall fill vacancies occurring on the committee within thirty days by election.

(2) Any member elected under subregulation (1) shall hold office until the expiration of the term of office of the committee member who has vacated.

37. Borrowing powers

The committee may borrow money on behalf of the registered society to an amount not exceeding such total amount as may have been fixed in accordance with regulation 17.

38. Banking account

- (1) The committee may open a banking account.
- (2) All cheques shall be signed by two members of the committee and the treasurer.

39. Employees

The committee may—

- (a) appoint such employees as it considers necessary; and

(b) fix the salaries, wages or remuneration of every employee, subject to any scales laid down by a resolution the members in a general meeting.

40. Application for a loan

Members who desire to obtain a loan from a registered society shall—

(a) submit an application to the committee stating the amount and the purpose for which the loan is required;

(b) the term for which it is asked;

(c) whether it shall be repaid by instalments; and

(d) the names of the proposed sureties or any other security which is offered.

41. Approval of a loan

(1) The 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 approve the loan.

(2) No person other than members of the committee and the secretary shall be present at any meeting of the committee when an application for a loan is under consideration.

(3) A member of the committee who applies for a loan or who is proposed as a surety for a loan shall withdraw while the relevant application is being discussed.

(4) Where there is a difference of opinion concerning the approval of a loan, the matter shall be put to vote by ballot.

(5) The proceedings with regard to loans at a committee meeting shall be kept secret, and any member of the committee or officer of the registered society who infringes this regulation shall be liable to immediate expulsion.

42. Security for loans

Loans approved by the committee shall only be granted to members who are able to obtain two sureties or who can give other security approved by the committee.

43. Purpose of loans

(1) No loan shall be granted except for a purpose approved in each case by the committee.

(2) All loans granted shall be applied by the borrowing members to such purpose as approved by the committee.

44. Documents relating to loans

When a loan is approved by the committee, 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.

45. Restrictions on loans to defaulters

A member who—

- (a) is in default in the payment of a loan or of an instalment of a loan; and
- (b) does not satisfy the committee that such default is due to a good cause,

shall not be entitled to receive another loan from the registered society.

46. Extension of a loan

Where by reason of any reasonable cause, a member is unable to discharge his obligations to the registered society and notifies the secretary in writing before a loan is due, the committee may extend the time fixed for payment on such conditions as it thinks fit.

47. Misapplication of a loan

Where the committee is satisfied that a member of the registered society who obtained a loan has applied the proceeds thereof to a purpose other than the purpose which was stated in the application thereof, the committee may, by notice in writing to such a member, demand payment of the loan before the agreed date of payment.

48. Recovery of loans

The committee shall take steps to recover a loan by referring the matter to the Registrar as provided under section 89 (2) of the Act 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 repayment thereof has been given to the debtor by the committee under regulation 46.

49. Suspension and resumption of loans

Where the Registrar is of the opinion that the manner in which loans are being made by credit societies as disclosed by an examination or investigation under the Act, or that the amount of loans being made threaten the financial stability of the credit societies and interest of its members, he may—

(a) by written notice sent or delivered to the chairman and treasurer or the manager of the registered society, as the case may be, order the suspension of loaning operations during such period as he may prescribe;

(b) appoint an officer of a credit society or some other competent person as an administrator to collect loans in arrears, place other loans outstanding in a condition to ensure repayment and take charge of other operations of the credit society; and

(c) permit the resumption of loan operations after the financial position of the credit society has been restored to a satisfactory basis, under the direction of its own officer or subject to assistance from such special directors or other special officers as he may appoint.

50. Marketing

(1) Every member of the society shall deliver to the society at such place as the committee shall direct such amount of articles produced or obtained by him as may be prescribed in the by-laws or in the relevant contract to be disposed of by the society.

(2) Any member who is approved or adjudged in accordance with section 89 of the Act to be guilty of a breach of the by-laws or a contract, as the case may be, shall pay to the registered society as liquidated damages such sums as may be specifically assessed or ascertained in a manner prescribed by the by-laws or by the relevant contracts and such sum shall be deemed to be a debt due to the registered society.

51. Bad debts

The committee may, with the approval of the Registrar, cause bad debts to be written off the books of the registered society.

52. Preparation of annual accounts and report

The committee shall in every year and as soon as conveniently possible within such time as the Registrar may direct—

(a) cause the secretary to prepare and send to the Registrar accounts and the yearly balance sheet closed on the last working day of the report preceding year together with a detailed statement of the profit and loss account; and

(b) prepare a report on the year's activities of the registered society to be presented to the annual general meeting.

53. Duties of manager

Where the committee appoints a manager to manage the business and the property of a registered society, the duties of the secretary or treasurer, may be modified or altered in accordance with allotment of such duties as may be assigned by the committee to the manager and other officers.

54. Appointment of officers

(1) The committee shall appoint a secretary to the registered society who may be either a member of the committee or a paid employee of the registered society:

Provided that where the secretary is a paid employee of the Registered society, he shall not become a voting member of the Committee.

(2) The committee may, if it thinks fit, require the secretary or any other officer, on appointment, to give such security as it may determine.

55. Duties of a secretary

The duties of a secretary of a registered society shall be as specified in the by-laws of the society.

56. Treasurer

The committee shall appoint one of the members of the committee, not being the chairman, to be the treasurer.

57. Security by treasurer

The treasurer may be required to give security for such amount as may be determined by, and to the satisfaction of, the committee.

58. Duties of treasurer

The duties of the treasurer shall be—

(a) to receive from the secretary money collected by the secretary on behalf of the registered society, and to give the secretary a receipt;

(b) to advance money to the secretary necessary for the affairs of the registered society and obtain from the secretary a receipt;

(c) to deposit in the account of the registered society in its bank any amount not immediately required as determined by the committee;

(d) to keep separate the money belonging to the registered society and on no account to mix it with any other money;

(e) to produce at all times when called upon by the committee, the Registrar or any person authorized by the Registrar, the money in his possession which belongs to the registered society; and

(f) to keep a record of the money received by him from the secretary and of the money paid to the secretary.

59. Audit of accounts

(1) Every registered society shall keep accounts in such a manner as may from time to time be prescribed by the Registrar.

(2) Every registered society shall cause its accounts to be audited by an auditor authorized by the Registrar at least once in every year.

(3) The auditor shall—

(a) have access to all the books and accounts of the registered society;

(b) examine every balance sheet and annual return of the receipts and expenditures, funds, and other effects of the registered society, and verify the balance sheet and annual return of receipts and expenditures with the accounts and vouchers relating thereto; and

(c) either—

(i) sign the balance sheet and annual return of receipts and expenditures as found by him to be correct, duly vouched for and report to the Registrar accordingly; or

(ii) report to the Registrar in what respects he finds the same incorrect, unvouched for or not in accordance with the Act.

(3) The Registrar shall thereupon forward the report of the auditor to the committee.

60. Audit and supervision fund

(1) There shall be constituted a fund to be known as the Audit and Supervision fund (“the Fund”) and every registered society shall, when called upon to do so by the Registrar, make an annual contribution to the Fund at a rate and in a manner as determined by the Minister by notice published in the Gazette.

(2) The fund shall be held and administered by the Registrar for the benefit of the contributing registered societies, and he shall make such payments from the Fund as he shall deem necessary.

(3) The Registrar shall report every year to the Minister in respect of the income derived from contributions, the expenditure he made from the Fund, and the balance.

61. By-laws

(1) A registered society shall make by-laws in respect of the following matters—

(a) its name;

- (b) its registered office and postal address;
- (c) the area to which its operations and membership shall be confined;
- (d) the objects of the society;
- (e) the purpose for which its funds may be applied;
- (f) the disposal of its accumulated funds;
- (g) the qualifications for membership, the terms of admission of members, and the mode of their admission;
- (h) the withdrawal and expulsion of a member and the payment, if any to be made to such a member and time within which such payment shall be made;
- (i) the rights, liabilities and obligations of members;
- (j) the transfer of shares or interest thereof of members;
- (k) the manner of raising funds, including the maximum rate of interests on deposit;
- (l) its committee meetings, the procedure and quorum at such meetings, the powers of such meetings and representation and voting at such meetings;
- (m) the appointment, suspension and removal of members of the committee and officers;
- (n) powers and duties of the committee and officers;
- (o) the period of its financial year;
- (p) the authorization of the officers to sign on its behalf; and
- (q) the settlement of disputes.

(2) Where the objects of the society include the creation of funds to be lent or advanced to its members, the by-laws shall also be made in respect of the conditions on which loans or advances may be made to its members including—

- (a) the rate of interest;
- (b) maximum amount which will be lent to a member;
- (c) extension, renewal and recovery of loans;
- (d) the period and purpose of the loans;
- (e) security for loans; and

(f) the consequence of default in the repayment of any sums due.

62. Amendment of by-laws

(1) Where a registered society intends to amend its by-laws, the proposed amendment shall only be made—

(a) where the members of the society were given notice of the amendment of at least 15 clear days; and

(b) by a resolution of the members at a general meeting.

(2) a resolution under paragraph (b) of subregulation (1) shall not be valid and effective unless—

(a) in the case of the registered society with unlimited liability, half of the members of the society are present at the meeting and three quarters of them vote in favour of the resolution; or

(b) in the case of a registered society with limited liability, a majority of members present at the meeting vote in favour of the resolution;

(3) Notwithstanding subregulations (1) and (2) above, where an amendment has received prior approval of the Registrar, such amendment may be adopted by a two-thirds majority of the members present and voting at the meeting.

(4) An amendment sent to the Registrar shall be accompanied by a certificate in Form IV in the First Schedule to these Regulations together with a copy of the amendment in quadruplicate.

(5) The Registrar may by a written notice, call upon a registered society to make such amendments to its by-laws as he considers necessary or desirable in its own interest, within a period not exceeding two months from the date of the notice.

(6) The notice shall state the exact amendment which the society shall make.

(7) Where the registered society fails to make the amendment under subregulations (5) and (6) within the specified period, the Registrar may, after considering any objection put forward by the society in writing not later than fourteen days after the expiry of the specified period, proceed to make and register the amendment.

63. Copies of entries

(1) A copy of an entry in the book of a registered society may be certified on the copy, by declaring that it is a true copy of such entry and that the book containing the entry is still in the custody of the registered society.

(2) A declaration made under subregulation (1) shall be dated and signed by the secretary and one member of the committee.

64. Reference of dispute to the Registrar for decision

(1) The following may refer a dispute to the Registrar for his decision—

- (a) the committee;
- (b) the registered society in pursuance of a resolution in that behalf taken in a general meeting;
- (c) any party to the dispute;
- (d) any member of the registered society; or
- (e) a liquidator.

(2) Where a matter is being referred to the Registrar, it shall—

- (a) be dated;
- (b) specify the dispute;
- (c) set out full particulars of the dispute; and
- (d) be signed by the party making it.

65. Reference to arbitration by the Registrar

(1) Where the Registrar decides to refer a dispute to arbitration, he shall make an order of reference.

(2) Every order of reference shall—

- (a) specify the name, surname, place of abode and occupation of the arbitrator or arbitrators;
- (b) set out the dispute and full particulars thereof; and
- (c) limited the time within which the award shall be forwarded by the arbitrator or arbitrators to the Registrar.

(3) Where the Registrar decides to refer a dispute to more than one arbitrator, such reference shall be made to three arbitrators, each party to the dispute shall nominate one arbitrator and the third arbitrator shall be nominated by the Registrar and shall act as chairman.

(4) Where reference is made to three arbitrators, the following provisions shall apply—

- (a) if a party to the dispute fails to nominate an arbitrator within such time as the Registrar may specify, the Registrar may make the nomination himself;

(b) if an arbitrator nominated by one of the parties to the dispute dies, or refuses or neglects to act, or by absence or otherwise becomes incapable of acting, the Registrar shall call upon the party concerned to nominate a new arbitrator within such time as the Registrar may specify and if no new arbitrator is nominated accordingly, the Registrar may nominate one himself; and

(c) if the arbitrator who dies, or refuses or neglects to act, or becomes incapable of acting, was nominated by the Registrar, a new arbitrator shall be nominated in his place by the Registrar.

66. Proceedings before an arbitrator or arbitrators

(1) The proceedings before an arbitrator or arbitrators shall, as nearly as possible, be conducted in the same way as proceedings before a court of law, and in particular the following provision shall apply—

(a) the Registrar shall give at least ten days notice in writing to the parties in respect of the time and venue of the proceedings;

(b) a record of the evidence adduced before the arbitrator or arbitrators shall be made, dated and signed by the arbitrator or arbitrators;

(c) documents produced as exhibits before the arbitrator or arbitrators shall be marked, dated and initialed by the arbitrator or arbitrators and shall be attached to the file of the proceedings; and

(d) in the absence of any party duly notified to attend, the dispute may be decided by the arbitrators ex parte.

(2) The award of the arbitrator or arbitrators shall—

(a) in the case of three arbitrators, be reached by a majority;

(b) be in writing;

(c) be dated and signed by the arbitrator or arbitrators; and

(d) state the amount of the costs and expenses of the arbitration, if any, and by which party or parties to the dispute the costs and expenses are to be paid.

(3) Upon the completion of the proceedings, the arbitrator or arbitrators, shall forward to the Registrar, the file of the proceedings and the award.

67. Proceedings before the Registrar

Where the Registrar exercises the power of deciding a dispute himself, the proceedings before him in relation thereto shall, as nearly as possible, be conducted in the same way as proceedings before a court of law and regulation 66 shall apply, mutatis mutandis, to such proceedings.

68. Control of registered society by the Registrar

(1) Where it appears to the Registrar that the committee of a registered society is unable to properly discharge its duties, or is unable to adequately safeguard the property and business interests of its members, he may assume control of such society and may exercise all or any of the powers and perform all or any of the functions of the committee of such society until such a time as he is satisfied that such committee is able to resume proper control of such society.

(2) Where the Registrar, assumes control of a registered society, the committee of such society may thereupon cease to exercise all or any of its powers or any of its functions.

(3) Whenever the Registrar assumes control of a registered society, he shall record such fact in writing and shall make a similar record when the control of such society is resumed by its committee

(4) The Registrar shall submit a report to the members of a registered society on his management of such society at the first available opportunity and at such times thereafter as are required by the Act.

69. Restriction of the taking of legal and other proceedings against Registrar

(1) No action, suit, or other legal proceedings whatsoever, whether civil or criminal, shall be instituted against the Registrar and no claim to compensation or indemnity shall be entertained regarding any act, matter or thing done or purported to be done, in good faith by the Registrar under these Regulations.

(2) Subregulation (1) shall not prevent the institution of any proceedings, whether civil or criminal, by or on behalf of the Government or of the Registrar.

70. Fees and Forms

The fees specified in the Second Schedule shall be payable for the matters to which they relate, and the forms set out in the Third Schedule and such particulars contained in those forms and not particular prescribed by the act are hereby prescribed as particulars required under the Act.

FIRST SCHEDULE

FORMS

FORM I

THE COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

reg. 5(1)

APPLICATION FOR REGISTRATION OF A COOPERATIVE SOCIETY

1. We, the undersigned,

.....
.....
.....
.....
.....
.....

(insert name, address and occupation of at least ten persons, or at least two officers of each society if application is made by registered cooperative societies) desire to form a cooperative society under the Cooperative Societies Act, and hereby apply for registration.

2. The name of the proposed society is (insert proposed name)
.....

.....

3. The registered office of the society is to be at (insert proposed address)
.....

.....

and its postal address will be

4. Enclosed are three copies of the proposed by-laws which specify the objects of the society.

5. These proposed by-laws were approved by persons willing to become members, at a general meeting held at on,

6. persons, including the undersigned, are now willing to become members and have made the payment necessary for admission to membership as prescribed in the enclosed by-laws.

7. The registration fee is enclosed.

8. We, the undersigned, have consented to direct the affairs of the proposed society as required by regulation 29 (1) of the Cooperative Societies Regulations, until our successors are elected at the first annual general meeting held after registration of the society.

Dated at the day of

Witness

.....

.....

.....

Certified correct

Acting Chairman

.....

Acting Secretary

.....

Acting Treasurer

FOR USE OF REGISTRAR ONLY

1. Application for registration approved

2. Approval deferred pending receipt of further information

3. Application refused with reasons therefore given to the Minister and to the applicants, and registration fee refunded (regulations 8)

FORM II

GOVERNMENT OF MALAWI

COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

CERTIFICATE OF REGISTRATION

reg. 7

This is to certify that

I have today the

registered the Cooperative Society Limited as a Cooperative Society with limited liability under the provisions of the Cooperative Societies Act (Cap. 47:02), of the Laws of Malawi.

.....

Registrar of Cooperative Societies

FORM III

THE COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

reg. 52

ANNUAL RETURN FOR THE YEAR

(To be submitted within four months of the end of the financial year)

1. Name of the registered society

2. Registered number

3. Date of registration

4. Registered address

5. Type of society

6. The liability of the members is—

(i) limited to the nominal value of each share held;

(ii) limited to times the nominal value of each share held;

(iii) unlimited.

7. The number of members of the society is

8. The number of shares issued is

9. The nominal value of one share is MK

10. The maximum liability which the society may incur in loans or deposits is MK

.....

11. The total indebtedness of the society secured by registered charges is MK

.....

12. The date the annual general meeting was held

13. Particulars of officers for the financial year fromto
..... are as follows—

Title of officeName of HolderChairman.....Vice-
Chairman.....Secretary.....Committee
members.....

14. A certified true copy of the audited accounts and balance sheet is filed herewith.

Dated this..... Day of.....

(Signed).....

Secretary

FORM IV

THE COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

CERTIFICATE OF AMENDMENT OF BY-LAWS

reg. 62

We

Chairman and secretary of Cooperative Society
Limited hereby certify—

(1) that the enclosed amendment of the by-laws was made at a general meeting held on
.....,

(2) that on that date there were members of the society of whom
..... were present at the meeting;

(3) that members voted for the amendment;

(4) that proper notice of the meeting and the proposed amendment were given to all members
of the society;

(5) that a voting paper was duly issued to every member;

(6) that the amendment has received the prior approval of the Registrar.

.....

Chairman

.....

Secretary

.....

Treasurer

Date

SECOND SCHEDULE reg. 70

FEES

Kt1. On registration of society250002. On registration of union500003. On registration of federation1,000004. On inspection of by-laws by Registrar100005. On registration of an amendment150006. Replacement of lost certificate10000

THIRD SCHEDULE

GENERAL FORMS

FORM A

THE COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

reg. 70

PARTICULARS OF CHARGE CREATED BY A REGISTERED SOCIETY

To: The Registrar of Cooperative Societies

P.O. Box 30366

Lilongwe 3

Name of registered society

Registered number

Date and description of the instrument creating or evidencing the mortgage or charge

.....

.....

Amount secured by the mortgage or charge MK

Short particulars of the property mortgaged or charged—

.....
.....
.....

Land Registry particulars—

.....
.....
.....

Names, addresses and description of the mortgages or persons entitled to the charge—

.....
.....
.....
.....
.....

Dated this day of

.....

Secretary

FORM B

THE COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

REGISTER OF CHARGES

reg. 70

Name of registered society

Registered number

Date of charge

Date of acquisition of property

Amount secured by charge
Particulars of property charged
Person entitled to charge
Date of resolutions authorizing issue of series of debentures—
.....
Date of registration
Memorandum of satisfaction
Registration of notice of appointment of receiver or manager—
.....
Remarks
.....
.....
.....
.....
.....
.....

FORM C

THE COOPERATIVE SOCIETIES ACT

(CAP. 47:02)

CHRONOLOGICAL INDEX OF CHARGES

s. 59

Serial No.
Register of Charges folio number
Date of charge
Amount of charge

Particulars of charge

Person entitled to charge

Name of society creating the charge

.....

Date of registration

Remarks

.....

.....