



THE STATUTES OF THE REPUBLIC OF SINGAPORE

CO-OPERATIVE SOCIETIES ACT

(CHAPTER 62)

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Co-operative Societies Act

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An Act to make better provision for the registration and regulation of co-operative societies, and for matters connected therewith.

[1st January 1980]

PART I**PRELIMINARY****Short title**

1. This Act may be cited as the Co-operative Societies Act.

Interpretation

- 2.—(1) In this Act, unless the context otherwise requires —
 - “allowance” means the remuneration paid to a member of the committee of management of a society in consideration of his voluntary services rendered to the society on a regular basis;
 - “apex organisation” means an organisation established to facilitate the operations of all primary and secondary co-operative societies in Singapore;
 - “audit committee”, in relation to a credit society, means the audit committee of the credit society referred to in section 36;
 - “auditor”, in relation to a society, means any person referred to in section 33(1) or 36(4)(b);

- “body corporate” includes a limited liability partnership;
- “by-laws” means the registered by-laws made by a society in the exercise of any power conferred by this Act, and includes a registered amendment of the by-laws;
- “Central Co-operative Fund” means the fund established under section 71;
- “committee of management” means the governing body of a society which is responsible for the management of the affairs of the society;
- “credit society” means a society which is registered as a credit society;
- “delegate” means —
- (a) a representative of a certain number of individual members of a primary society in which the general meeting of members is replaced by a meeting of delegates;
 - (b) a representative of an institutional member who has been appointed to attend and who is entitled to vote; or
 - (c) a representative of a society which is itself a member of another society, the meetings of which the representative has been elected or appointed to attend, and at which he is entitled to vote under the by-laws of that other society;
- “deposit” means money received on current or deposit account and includes subscription capital, but does not include —
- (a) a deposit that is paid pursuant to a hire-purchase agreement, or that is referable to the provision of services or to the giving of security; and
 - (b) such other deposit as may be prescribed;
- “dividend” means a portion of the net surplus of a society distributed among the members in proportion to the paid-up share capital or subscription capital held by them in the society;

“financial service” means receiving deposits, granting loans, or such other service of a financial nature as may be prescribed, other than in relation to the carrying on of insurance business within the meaning of the Insurance Act (Cap. 142);

“honorarium” means a portion of the net surplus of a society distributed among some or all of the members of the committee of management in consideration of their services which would not otherwise be remunerated;

“institutional member” means a society or a trade union;

“key employee” means a chief executive officer, chief operating officer or chief financial officer, or a person holding a position analogous to that of chief executive officer, chief operating officer or chief financial officer, and includes a person purporting to act in any such capacity;

“limited liability partnership” has the same meaning as in section 2(1) of the Limited Liability Partnerships Act (Cap. 163A);

“member” includes an individual person or institution qualifying for membership in a co-operative society, who or which join in the application for the registration of a society, and an individual person or institution admitted to membership after registration in accordance with this Act, the Rules and the by-laws;

“net surplus” means the remaining portion of the surplus after provisions have been made for the Central Co-operative Fund and the Singapore Labour Foundation in accordance with section 71;

“non-credit society” means a society that is not a credit society;

“officer” includes a chairman, vice-chairman, director, secretary, assistant secretary, treasurer, assistant treasurer, member of committee of management, employee, internal auditor, liquidator or other person empowered under this Act, the Rules or the by-laws, to give directives in regard to the business of a society or to supervise the business;

- “parent society” means a society with one or more subsidiaries;
- “past officer”, in relation to any obligation imposed under this Act, means a person who at any time before the occurrence of the obligation was, or performed the duties of, an officer;
- “patronage refund” means a portion of the net surplus of a society distributed among its members in proportion to the volume of business done by them with the society from which the surplus of the society was derived;
- “primary society” means a registered society all of whose members are individual persons who, or institutions which, have the qualifications for membership set out in section 39;
- “public accountant” means a person who is registered or deemed to be registered under the Accountants Act (Cap. 2) as a public accountant;
- “registered” means registered under this Act;
- “Registrar” means the Registrar of Co-operative Societies and the Assistant Registrars of Co-operative Societies appointed under section 3, and includes a person exercising such powers of the Registrar as may have been conferred upon him under that section;
- “Rules” means rules made under section 95;
- “secondary society” means a registered society all of whose registered members are co-operative societies, trade unions, or co-operative societies and trade unions;
- “share” includes subscriptions payable by a member under the by-laws of a society;
- “Singapore Labour Foundation” means the Singapore Labour Foundation established under the Singapore Labour Foundation Act (Cap. 303);
- “society” means a co-operative society registered under this Act and includes a primary society, a secondary society and an apex organisation;

“subscription capital” means a regular obligatory savings deposit (made by members in accordance with the by-laws) which is intended to serve as guarantee capital for loans taken or guaranteed by a member and which may not be withdrawn except for such specific purposes and under such conditions as are laid down in the by-laws or except on a termination of membership;

“subsidiary”, in relation to a society, means any body corporate (including another society) or body unincorporate which is controlled by the society;

“surplus” means the economic results of a society as shown in the audited financial statements of that society after provisions have been made for depreciation and bad debts but does not include, in the case of an insurance co-operative, that portion of the surplus used for declaration of bonus to policy-holders or retained in the insurance fund;

“trade union” means a trade union registered under the Trade Unions Act (Cap. 333);

“written direction” means a written direction issued under section 93(2).

[13/90; 23/2008]

(2) For the purposes of this Act, a society shall be deemed to control a body corporate or body unincorporate if, and only if, the society is in a position to determine or govern the financial and operating policies of the body corporate or body unincorporate.

[23/2008]

Appointment of Registrar and Assistant Registrars

3.—(1) The Minister may appoint a Registrar of Co-operative Societies, Assistant Registrars of Co-operative Societies and such other officers as he thinks necessary for the administration of this Act.

(2) The Registrar may, subject to the provisions of this Act and to any general or special directions of the Minister, delegate any of his functions under this Act to an Assistant Registrar or to a co-operative officer.

(3) The Registrar shall have a seal of such device as may be approved by the Minister.

PART II

FORMATION AND REGISTRATION OF SOCIETIES

Societies which may be registered

4.—(1) Subject to the provisions of this Act, a society —

- (a) which has as its object the promotion of the economic interests of its members in accordance with co-operative principles;
- (b) which, while having regard to the economic interests of its members in accordance with essential co-operative principles, has, as its object, the promotion of the economic interest of the public generally, or any section of the public; or
- (c) which is a society established with the object of facilitating the operations of a society referred to in paragraphs (a) and (b),

may be registered as a co-operative society under this Act.

(2) Every society which is registered under subsection (1) shall have the organisational and management structure laid down in Part V unless the Registrar, on registration of the society, considers that an organisational and management structure in the form referred to in subsection (3) is necessary or desirable for that society and should be so provided for in its by-laws.

[23/2008]

(3) The by-laws of a society referred to in subsection (2) may provide for —

- (a) a governing body to be a board of trustees; and
- (b) a committee of management to be a board of directors,

but the provisions of Part V shall apply to a board of directors of such a society as they apply to a committee of management of any other society registered under this Act.

[23/2008]

Conditions of registration

5. No society shall be registered under this Act unless —

- (a) in the case of a primary society, it consists of at least 10 persons each of whom is qualified for membership under section 39; and
- (b) in the case of a secondary society, it consists of 2 or more societies or trade unions qualifying for membership under section 39.

Name of society

6.—(1) No society shall be registered by a name which, in the opinion of the Registrar —

- (a) is likely to mislead members of the public as to the true character or purpose of the society;
- (b) is identical to or so nearly resembles the name of some other society as is likely to deceive or confuse members of the public or members of either society;
- (c) so nearly resembles the name of any body corporate as is likely to be mistaken for it or for being related to it; or
- (d) is undesirable or offensive.

[23/2008]

(2) Every society shall have —

- (a) the word “co-operative” or its equivalent in the Malay, Chinese and Tamil languages as part of its name; and
- (b) the word “limited” or its equivalent in the Malay, Chinese and Tamil languages at the end of its name.

Application for registration

7.—(1) Every application for registration shall be submitted to the Registrar in the form and manner prescribed together with the prescribed information, and shall be signed —

- (a) in the case of a proposed primary society, by at least 10 persons all of whom qualify for membership; and
- (b) in the case of a proposed secondary society, by at least 2 persons duly authorised in that behalf by at least 2 societies qualifying for membership.

[23/2008]

(2) The application shall be accompanied by —

- (a) a copy of the proposed by-laws;
- (b) the minutes of the preliminary meeting, signed by all persons present and willing to become members of the proposed society; and
- (c) such fee as may be prescribed.

[23/2008]

Requirements before registration

8. The Registrar may require applicants to furnish such additional information in regard to the proposed society as he thinks fit, including —

- (a) the economic or other need for the formation of the proposed society;
- (b) a statement as regards the viability of the activities of the proposed society;
- (c) the availability of sufficient capital for the commencement of operations of the proposed society;
- (d) the availability of officers capable of directing and managing the affairs of the proposed society and of keeping such records and accounts of the society as the Registrar may require; and
- (e) such other information as may be prescribed.

[23/2008]

Registration

9.—(1) The Registrar may register a society and its by-laws if he is satisfied that —

- (a) the society has complied with the provisions of this Act and the Rules;
- (b) the proposed by-laws of the society are not contrary to this Act and the Rules; and
- (c) the proposed by-laws of the society are sufficient to provide for its proper administration and management.

[23/2008]

(1A) For the purposes of subsection (1), the Registrar may accept a declaration made by the applicants for registration of the society as to the matters specified in subsection (1)(a), (b) and (c) as sufficient evidence of those matters.

[23/2008]

(1B) Notwithstanding subsection (1), the Registrar may refuse to register a society which proposes to provide any financial service, and its by-laws, if he is not satisfied that —

- (a) the society is to be established in the interests of its members;
- (b) the primary object of the society is to provide the financial service;
- (c) the proposed by-laws of the society are consistent with the criterion for membership in the society prescribed in section 39(3A);
- (d) there is available sufficient capital for the commencement and maintenance of the operations of the society;
- (e) the society is able to meet such minimum financial or prudential requirements or such other requirements as may be prescribed, either generally or specifically; or
- (f) there are available officers capable of directing and managing the affairs of the society and keeping the records and accounts of the society, having regard to the reputation,

character, financial integrity and reliability of the proposed officers.

[23/2008]

(1C) The Registrar may —

- (a) register any society and its by-laws subject to such terms and conditions of registration as he thinks fit to impose; and
- (b) where the society is to provide any financial service, register the society as a credit society to provide the financial service.

[23/2008]

(2) In every case in which the Registrar refuses to register a society, he shall communicate his decision to the applicants.

(3) An appeal against the refusal of the Registrar to register a proposed society shall lie to the Minister within 2 months from the date of the refusal, and the decision of the Minister shall be final.

Evidence of registration

10.—(1) On the registration of a society, the Registrar shall issue to the society a notice of registration in such form as he thinks fit stating —

- (a) that the society is registered on and from the date specified in the notice; and
- (b) where the society is a credit society, that the society is registered as a credit society to provide such financial service as may be specified in the notice.

[23/2008]

(2) Upon the application of a society and payment of such fee as may be prescribed, the Registrar shall issue to the society a certificate of registration.

[23/2008]

(3) A certificate of registration, or a copy thereof, signed and sealed by the Registrar shall be conclusive evidence that the society therein mentioned is duly registered, unless it is proved that the registration of the society has been cancelled.

[23/2008]

Registers

10A.—(1) The Registrar shall keep and maintain, in such form and manner as he thinks fit —

- (a) a register of societies;
- (b) a register of officers of societies; and
- (c) such other registers as may be prescribed.

[23/2008]

(2) Any person may, on payment of such fee as may be prescribed —

- (a) inspect such parts of any register as the Registrar may determine and obtain extracts therefrom;
- (b) inspect such documents submitted to or lodged with the Registrar as the Registrar may determine and obtain copies thereof; or
- (c) obtain a copy of the certificate of registration of any society from the Registrar.

[23/2008]

(3) An extract from or a copy of an entry in a register shall be prima facie evidence of the information stated therein if the extract or copy is certified by the Registrar to be a true extract or copy.

[23/2008]

(4) An extract from or a copy of any document submitted to or lodged with the Registrar shall be admissible in evidence in any proceedings as of equal validity with the original document if the extract or copy is certified by the Registrar to be a true extract or copy.

[23/2008]

PART III

PRIVILEGES AND DUTIES OF SOCIETIES

Societies to be bodies corporate

11. A society on registration shall become a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to hold movable and immovable

property, to enter into contracts, to sue and be sued and to do all things necessary for the purposes of its constitution.

Acts of societies not to be invalidated by certain defects

12. No act of a society or any committee of management or any officer shall be deemed to be invalid by reason only of the existence of any defect in the constitution of the society or of the committee of management or in the appointment or election of an officer or on the ground that the officer was disqualified for his appointment.

Power to federate

13.—(1) Societies may form secondary societies and an apex organisation.

(2) The apex organisation, when formed and registered, may —

- (a) give such assistance and advice in the formation, organisation and operation of societies as will enable the societies to comply with the provisions of this Act and the Rules;
- (b) provide, organise and supervise effective centralised services for co-operative education and training, supplies, marketing, banking, transport, accounting, audit and such other services as may be necessary for its members; and
- (c) carry out such other functions or duties as may be conferred on the apex organisation by this Act or the rules made thereunder.

[23/2008]

Power to make by-laws

14.—(1) A society may, subject to the approval of the Registrar, make any by-laws that are necessary or desirable for the purposes for which the society is established.

(2) The by-laws of every society shall include provisions in respect of matters mentioned in the Schedule.

[23/2008]

Amendment and registration of by-laws

15.—(1) A society may, subject to this Act, amend its by-laws.

(2) *[Deleted by Act 23 of 2008]*

(3) No by-law or amendment to a by-law of a society shall be valid until it has been registered by the Registrar.

(4) No amendment of by-laws shall be registered unless a resolution to amend the by-laws is passed either —

(a) by not less than three-quarters of the members present and voting at a general meeting duly summoned; or

(b) if a referendum is held, by not less than three-quarters of the votes returned, provided that the voting papers have been sent to all members of the society and that the number of returned votes is not less than one-third of the total membership or 500, whichever is the less, and the returned votes are examined and counted under the supervision of the Registrar.

[23/2008]

(5) Every application for the registration of the amended by-laws shall —

(a) be signed by the chairman and 2 members of the committee of management of the society;

(b) contain such information as the Registrar may require;

(c) be accompanied by a copy of the amendment and the relevant resolution, and such other documents as the Registrar may require; and

(d) be accompanied by such fee as may be prescribed.

[23/2008]

(6) The Registrar may register a by-law or an amendment to a by-law if he is satisfied that it is not inconsistent with the provisions of this Act and the Rules.

[23/2008]

(7) If the Registrar refuses to register a by-law or an amendment to a by-law, he shall record in writing the reasons for his refusal and shall inform the society of his decision.

(8) Where the Registrar refuses to register a by-law or an amendment to a by-law, an appeal shall lie to the Minister within 2 months of the Registrar informing the society under subsection (7) and the decision of the Minister shall be final.

(9) Where the Registrar registers a by-law or an amendment to a by-law, he shall send a copy of the by-law or the amendment thereto with a notice of registration to the society.

[23/2008]

By-laws to bind members

16.—(1) The by-laws of a society shall, when registered, bind the society and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and his personal representatives to observe all the provisions of the by-laws.

(2) A member of a society shall not, without his consent in writing having been first obtained, be bound by any amendment of the society's by-laws registered after he became a member, if and so far as that amendment requires him to take or to subscribe for more shares than the number held by him at the date of registration of the amendment, or to pay upon the shares so held any sum exceeding the amount unpaid upon them at that date, or in any other way increases the liability of that member to contribute to the share, subscription or loan capital of the society.

Conversion from non-credit society to credit society

16A.—(1) A non-credit society shall not provide any financial service without the written approval of the Registrar.

[23/2008]

(2) A non-credit society shall apply to the Registrar for his written approval under subsection (1) in such form and manner as may be prescribed.

[23/2008]

(3) Every application made by a non-credit society under subsection (2) shall be accompanied by such fee as may be prescribed.

[23/2008]

(4) The Registrar may require a non-credit society to furnish him with such information or documents as he considers necessary in relation to the application.

[23/2008]

(5) The Registrar may refuse to grant his written approval under subsection (1) to a non-credit society to provide any financial service if he is not satisfied that —

- (a) the provision of the financial service is in the interests of its members;
- (b) the primary object of the society is to provide the financial service;
- (c) the by-laws of the society are, or are amended under section 15 to be, consistent with the criterion for membership in the society prescribed in section 39(3A);
- (d) there is available sufficient capital for the provision of the financial service by the society;
- (e) the society is able to meet such minimum financial or prudential requirements or such other requirements as may be prescribed, either generally or specifically; or
- (f) there are available officers capable of directing and managing the provision of the financial service by the society and keeping the records and accounts of the society, having regard to the reputation, character, financial integrity and reliability of the officers or proposed officers.

[23/2008]

(6) The Registrar may grant his written approval under subsection (1) subject to such terms and conditions as he thinks fit.

[23/2008]

(7) Where the Registrar has granted his written approval to a non-credit society to provide any financial service, he shall amend the register of societies to show that, and issue to the society a notice of registration stating that, the society is registered as a credit society to provide the financial service on and from a date specified in the notice.

[23/2008]

(8) A non-credit society that is aggrieved by the refusal of the Registrar to grant his written approval for the non-credit society to provide any financial service may, within 2 months from the date of the refusal, appeal to the Minister whose decision shall be final.

[23/2008]

(9) Any non-credit society which provides any financial service in contravention of subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part thereof during which the offence continues after conviction.

[23/2008]

Control of credit societies

16B.—(1) No credit society shall, without the written approval of the Registrar, provide, or enter into any partnership, joint venture or other arrangement with any person to provide, any financial service other than the financial service or services which it is registered to provide.

[23/2008]

(2) Any credit society which contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part thereof during which the offence continues after conviction.

[23/2008]

Change of name of society

16C.—(1) Notwithstanding anything in sections 6 and 15, where the Registrar is satisfied that a society has been registered (whether through inadvertence or otherwise and whether before, on or after 20th October 2008) by a name —

- (a) which is referred to in section 6(1); or
- (b) the use of which has been restrained by an injunction granted under the Trade Marks Act (Cap. 332),

the Registrar may, by a written direction, direct the society to change its name to such other name as he may approve in accordance with such terms and conditions as may be specified in the written direction.

[23/2008]

(2) Every society which has been directed to change its name under subsection (1) shall comply with the written direction within such time as may be specified in the written direction, unless the written direction is annulled by the Minister.

[23/2008]

(3) Any society that is aggrieved by the written direction of the Registrar to change its name under subsection (1) may, within 2 months of the issue of the written direction, appeal to the Minister whose decision shall be final.

[23/2008]

(4) A change of name of a society pursuant to this Act shall not affect the identity of the society or any right or obligation of the society or any of its members or past members, and any legal proceedings that might have been continued or commenced by or against it by its former name may be continued or commenced by or against it by its new name.

[23/2008]

Address of society

17.—(1) Every society shall have an address registered in accordance with this Act to which all notices and communications shall be sent.

(2) The address declared in the application for registration shall be registered as the registered address until changed.

(3) Every change of address shall be notified to the Registrar who will register the new address, and to any non-members who may be creditors of the society.

Register of members and shares

18.—(1) Every society shall maintain a register of members, and where a society issues shares to its members, a register of shares held by each member.

(2) The register of members and shares shall be prima facie evidence of any of the following particulars entered therein:

- (a) the date on which the name of any person was entered in the register as a member;
- (b) the date on which any such person ceased to be a member; and
- (c) the number of shares held by a member.

Registration of officers of societies

19.—(1) The names, occupations and addresses of all officers of every society and any changes thereof shall be notified to the Registrar.

[23/2008]

(2) Notice of any change shall be given in writing within 14 days.

Copy of this Act, Rules, by-laws and list of members open to inspection

20. Every society shall keep a copy of this Act, the Rules, its by-laws and a list of its members open to inspection by its members free of charge, at all reasonable times at the registered address of the society.

Contracts with members

21.—(1) A society which has as one of its objects the disposal of any article produced or obtained by the work or industry of its members, whether the produce of handicraft, agriculture, animal husbandry, fisheries or otherwise, may provide in its by-laws or may otherwise contract with its members —

- (a) that every such member who produces any such article shall dispose of the whole or any specified amount, proportion or description thereof to or through the society; and
- (b) that a member who is proved or adjudged, in accordance with the provisions of this Act and in such manner as may be prescribed by the by-laws, to be guilty of a breach of the by-laws or contract shall pay to the society as liquidated

damages a sum ascertained or assessed in such manner as may be prescribed by the by-laws.

(2) The validity of a by-law made by a society or a contract entered into under this section shall not be affected by reason only that it constitutes a contract in restraint of trade.

Imposition of fines upon members

22.—(1) The by-laws may provide for the imposition of fines on its members for any infringement of its by-laws, but no such fine shall be imposed upon any member until a written notice of the intention to impose the fine and the reason therefor has been served on him and he has had an opportunity of being heard or otherwise showing cause why the fine should not be imposed.

(2) No fine exceeding \$500 shall be imposed except with the written approval of the Registrar.

[23/2008]

(3) Any such fine shall be recoverable by the society as a debt due to the society.

Creation of charges in favour of societies

23.—(1) Subject to any other written law as to priority of debts, where a society has —

- (a) supplied to a member or past member industrial implements or machinery or materials for manufacture or building, or seeds, fertiliser, animals, feeding stuffs or agricultural implements;
- (b) rendered services to a member or past member; or
- (c) lent money to a member or past member to enable him to buy those things or to obtain those services,

the society shall have a first charge upon those things or, as the case may be, upon industrial or agricultural produce, animals or articles produced therewith or therefrom or with the aid of the money, except that nothing herein contained shall affect the claim of a bona fide purchaser or transferee without notice.

(2) Outstanding demands or dues payable to a housing society by a member or past member in respect of rent, shares, loans or purchase money or any other rights or amounts payable to the society shall be a first charge upon his interest in the immovable property of the society.

Charge and set-off in respect of shares or interest of members

24. A society shall have a charge upon the share or interest in the capital and on the deposits of a member or past member or deceased member and upon a dividend or patronage refund payable to a member or past member or to the estate of a deceased member in respect of a debt due to the society from the member or past member or estate, and may set-off a sum credited or payable to a member or past member or estate of a deceased member for the payment of any such debt.

Shares or interest not liable to attachment or sale

25. Subject to section 24, the share or interest of a member in the capital of a society shall not be liable to attachment or sale under any decree or order of a court in respect of a debt or liability incurred by the member, and neither his assignee in insolvency nor a receiver duly appointed shall be entitled to, or have a claim on, that share or interest.

Transfer of shares or interest on death or permanent insanity of member

26.—(1) On the death of a member, a society may transfer the share or interest of the deceased member —

- (a) to the person nominated by the member in accordance with section 45;
- (b) if there is no person so nominated, to such person as may appear to the committee of management of the society to be the legal personal representative of the deceased member; or
- (c) if either of those persons referred to in paragraphs (a) and (b) is not qualified under this Act or under the by-laws of the society for membership, to such other person who is so qualified, to be specified within 6 months after the death of

the deceased member by the nominee or legal personal representative, as the case may be.

(2) A society may pay all other moneys due to the deceased member from the society to such nominee or legal personal representative, as the case may be.

(3) Where a member or person claiming through a member of a society is insane, and no committee of his estate or trustee of his property has been duly appointed, the society may, when it is proved to the satisfaction of the committee of management that it is just and expedient to do so, pay or transfer the share or interest of the member or the value of all other moneys due to the member from the society to a person whom they shall judge proper to receive the same on his behalf.

(4) The value of the share or interest of the deceased member or of the insane member or person claiming through a member shall be represented by the sum actually paid by the member to acquire the share or interest unless the by-laws provide the calculation thereof otherwise.

(5) All transfers and payments made by a society in accordance with this section shall be valid and effectual against a demand made upon the society by another person.

Deposits by or on behalf of minors

27.—(1) A credit society may receive deposits from or for the benefit of minors and it shall be lawful for a credit society to pay them the interest which may become due on the deposits. A deposit made by a minor may, together with the interest accrued thereon, be paid to that minor; and a deposit made on behalf of a minor may, together with the interest accrued thereon, be paid to the guardian of that minor for the use of the minor.

[23/2008]

(2) The receipt of a minor or guardian for money paid to him under this section shall be a sufficient discharge of the liability of the credit society in respect of that money.

[23/2008]

Contracts with members of society who are minors

28. The minority of a person duly admitted as a member of any society shall not preclude that person from executing any instrument or giving a discharge necessary to be given under this Act or the Rules, and shall not be a ground for invalidating or avoiding a contract entered into by any such person with the society, and the contract entered into by that person with the society, whether as principal or as surety, shall be enforceable at law or against that person notwithstanding his minority, except that this section shall not apply to school co-operatives.

Proof of entries in books of society

29.—(1) A copy of an entry in a book of a society, regularly kept in the course of business, shall be prima facie evidence in any legal proceedings, civil or criminal, of the existence of the entry and of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is admissible.

(2) Such copy of an entry in the book of a society shall be certified by a written certificate at the foot of the copy, declaring that it is a true copy of the entry and that the book containing the entry is still in the custody of the society, the certificate being dated and signed by the chairman and the secretary of the society.

(3) No officer of any such society shall, in any legal proceedings to which the society or the liquidator of the society is not a party, be compelled to produce any of the society's books, the contents of which can be proved under subsection (1) or to appear as witness to prove matters, transactions or accounts therein recorded, unless the court for special reasons so directs.

Government assistance

30. [*Repealed by Act 23 of 2008*]

Production of moneys and books of societies

31. Every officer, agent, employee or member of a society who is required by the Registrar, or by a co-operative officer authorised in writing by the Registrar, to do so, shall, at such place and time as the

Registrar or the co-operative officer may direct, produce all moneys, securities, books, accounts and documents belonging to or relating to the affairs of the society which are in the custody of the officer, agent, employee or member or which are under his control, and shall furnish such information relating to the affairs of the society as the Registrar or the person authorised by him may require.

Submission of minutes, returns and statements

32. Every society shall submit to the Registrar the minutes of meetings and such information, returns and statements as the Registrar may, by written directions, require.

[23/2008]

Audit of societies

33.—(1) Every society shall once at least in every year have its books and accounts audited by a public accountant or a person authorised by the Registrar in writing.

[23/2008]

(2) No person shall be eligible to be or remain an auditor of a society if —

- (a) he has outstanding liabilities with the society or any of its related entities;
- (b) he is an officer of the society;
- (c) he is a partner, an employer or an employee of an officer of the society; or
- (d) he is a partner or an employee of an employee of an officer of the society.

[23/2008]

(3) An auditor of a society shall have power —

- (a) to have at all reasonable times free access to all accounting and other records relating directly or indirectly to the financial transactions of the society;
- (b) to require the production of any book or document relating to the affairs of, or any property belonging to, the society by its

officer, agent, employee or member in possession of the book, document or property;

- (c) to require any officer, agent, employee or member of the society to furnish any information in regard to any transaction of the society or the management of its affairs; and
- (d) to make copies of or extracts from accounting and other records, or retain possession of such records for such period as may be necessary to enable them to be inspected.

[23/2008]

(4) In this section, “related entity”, in relation to a society, means —

- (a) the parent society of the society, or a subsidiary of such a parent society; or
- (b) a subsidiary of the society.

[23/2008]

Annual reports, accounts and financial statements

34.—(1) A society shall, as soon as practicable but not later than 6 months after the close of each financial year, submit to the Registrar an annual report on its activities during the year together with a copy of the audited financial statements of the society and the audit report for that year.

[23/2008]

(2) The society shall keep proper accounts and records of its transactions and affairs and shall do all things necessary to ensure that all payments out of its moneys are correctly made and properly authorised and that adequate control is maintained over the assets of, or in custody of, the society and over the expenditure incurred by the society.

(3) The society shall, as soon as practicable but not later than 6 months after the close of the financial year, prepare and submit the financial statements in respect of that year to the auditor who shall audit and report on them.

(4) Notwithstanding subsection (3), the Registrar may, on application by a society, extend the period of 6 months referred to in that subsection, if for any special reason he thinks fit to do so.

(5) Subject to subsections (7) and (8), the financial statements of a society shall be in compliance with —

- (a) such accounting standards as may be made or formulated by the Accounting Standards Council under Part III of the Accounting Standards Act (Cap. 2B) and applicable to the society; or
- (b) other requirements substituted by the Minister in lieu of compliance with one or more requirements of the accounting standards referred to in paragraph (a).

[23/2008]

(6) The committee of management of a society shall cause to be attached to the audited financial statements of the society a report, which shall be prepared in such form and manner, and contain such information, as may be prescribed in the Rules.

[23/2008]

(7) Where the financial statements prepared in accordance with any accounting standard or requirement referred to in subsection (5) would not give a true and fair view of the financial transactions and the state of affairs of the society as at the end of the period to which they relate, the financial statements need not be in compliance with that accounting standard or requirement to the extent that this is necessary for them to give a true and fair view of the financial transactions and the state of affairs of the society.

[23/2008]

(8) In the event of any non-compliance with any accounting standard or requirement referred to in subsection (5), there shall be included in the financial statements —

- (a) a statement by the auditor of the society that he agrees that such non-compliance is necessary for the financial statements to give a true and fair view of the financial transactions and the state of affairs of the society;
- (b) particulars of the departure, the reason therefor and its effect, if any; and

- (c) such further information and explanation as will give a true and fair view of the financial transactions and the state of affairs of the society.

[23/2008]

(9) Any society which fails to comply with subsection (5) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000.

[23/2008]

Duties of auditor

35.—(1) The auditor shall inspect and audit the accounts and other relevant records of the society and shall immediately draw the attention of the Registrar and the society to any irregularity disclosed by the inspection and audit that is, in the opinion of the auditor, of sufficient importance to justify his so doing. The financial statements submitted by the society after the close of the financial year shall be audited and reported on by the auditor.

(2) The auditor shall report —

- (a) whether the financial statements give a true and fair view of the financial transactions and the state of affairs of the society; and
- (b) such other matters arising from the audit as he considers should be reported.

[23/2008]

(3) The auditor shall state in his report whether —

- (a) proper accounting and other records have been kept; and
- (b) the receipt, expenditure and investment of moneys and the acquisition and disposal of assets by the society during the year have been in accordance with the by-laws and the provisions of this Act and the Rules.

(4) The auditor may at any other time report to the Registrar and the society upon any matters arising out of the performance of the audit.

(5) The audit of the accounts of a registered society shall include an examination of and report on overdue debts, if any, and an

examination of and report on the valuation of the assets and liabilities of the society.

(6) The Registrar may impose additional duties on an auditor, including but not limited to the following:

- (a) a duty to submit to the Registrar such additional information in relation to his audit as the Registrar considers necessary;
- (b) a duty to enlarge or extend the scope of his audit of the transactions and affairs of the society;
- (c) a duty to carry out any other examination or establish any procedure in any particular case;
- (d) a duty to submit a report to the Registrar on any of the matters referred to in paragraphs (b) and (c),

and the auditor shall carry out such duty or duties.

[23/2008]

(7) The society shall remunerate the auditor in respect of the discharge of such duty or duties as the Registrar may impose on the auditor under subsection (6), subject to the written directions of the Registrar.

[23/2008]

(8) If an auditor of a society, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud or dishonesty is being or has been committed against the society by any officer or employee of the society and —

- (a) the offence is punishable by imprisonment for a term that is not less than 2 years; and
- (b) the value of the property obtained or likely to be obtained from the commission of such an offence is not less than \$20,000,

the auditor shall immediately report the matter to the Registrar.

[23/2008]

(9) An officer of a society who refuses or fails, without lawful excuse, to allow an auditor of the society access, in accordance with this section, to any accounting and other records, including registers, of the society in his custody or control, or to give any information or

explanation as and when required under this section, or otherwise hinders, obstructs or delays an auditor in the performance of his duties or the exercise of his powers, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$4,000.

[23/2008]

Audit committees

36.—(1) Every credit society shall have an audit committee.

[23/2008]

(2) An audit committee shall be appointed by the committee of management of the credit society from among their number and shall be composed of at least 3 members who shall be independent of the credit society in the manner prescribed.

[23/2008]

(3) If a member of an audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below 3, the committee of management of the credit society shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.

[23/2008]

(4) The functions of an audit committee shall be —

(a) to review —

- (i) with the auditor, the audit plan;
- (ii) with the auditor, his audit report;
- (iii) the assistance given by the officers of the credit society to the auditor;
- (iv) the scope and results of the audit procedures; and
- (v) the balance-sheet and income and expenditure statement of the credit society and, if the credit society is a parent society, the consolidated balance-sheet and income and expenditure statement, submitted to the audit committee by the credit society or the parent society, and thereafter to submit them to the members of the committee of management of the credit society or the parent society; and

- (b) to nominate a person or persons as auditor, notwithstanding anything contained in the by-laws or section 33(1),

together with such other functions as may be agreed to by the audit committee and the committee of management of the credit society.

[23/2008]

(5) The auditor has the right to appear and be heard at any meeting of the audit committee and shall appear before the audit committee when required to do so by the audit committee.

[23/2008]

(6) Upon the request of the auditor, the chairman of the audit committee shall convene a meeting of the audit committee to consider any matter the auditor believes should be brought to the attention of the members of the committee of management, or the members, of the credit society.

[23/2008]

(7) Each audit committee may regulate its own procedure and, in particular, the calling of meetings, the notice to be given of such meetings, the voting and proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.

[23/2008]

Audit fees

37. [Repealed by Act 23 of 2008]

PART IV

RIGHTS AND LIABILITIES OF MEMBERS

Original members

38. The persons who sign an application for the registration of a proposed society or a society or trade union on whose behalf the application for the registration of a proposed society is signed shall be deemed to have agreed to become members of the society and, on registration of the society, shall be entered in the register of members.

Qualifications for membership

39.—(1) The qualifications for membership in a primary society shall be —

- (a) in the case of an individual person, that he —
- (i) shall have attained the age of 16 years and in the case of a school co-operative shall have attained the age of 12 years;
 - (ii) shall be a citizen of Singapore or resident in Singapore; and
 - (iii) meets such other requirements with regard to residence, employment, profession, etc., as prescribed by the by-laws,
- except that no person shall be admitted to membership who is legally or mentally disabled or who is a bankrupt or against whom a conviction stands for an offence punishable with imprisonment; and
- (b) in the case of an institution, that it is registered as a society under this Act or is a trade union.

[23/2008]

(2) Membership in a secondary society shall be restricted to registered co-operative societies and trade unions.

(3) Membership in an apex organisation shall be restricted to primary and secondary societies registered under this Act.

(3A) Notwithstanding subsections (1), (2) and (3), membership of individuals in a credit society shall be restricted to individuals who belong to a field of membership consisting of a pre-existing common bond of association or community of interest among the members thereof.

[23/2008]

(3B) In determining whether the criterion for membership in a credit society prescribed in subsection (3A) is met, regard shall be had to —

- (a) whether the members have the same or a similar occupation or profession, are employed by a common employer, or are employed within the same business district or commercial area;

- (b) whether the members have common membership in a religious, social, co-operative, labour, educational or other association or organisation;
- (c) whether the members reside, work or worship within the same defined community, district or electoral division; and
- (d) such other considerations as the Registrar may determine to be relevant.

[23/2008]

(3C) Subsection (3A) shall not apply to any person who, immediately before 20th October 2008, is a member of any society which provides any financial service and which continues to provide such financial service from that date as a credit society, whether by virtue of paragraph 1 of the Schedule to the Co-operative Societies (Amendment) Act 2008 (Act 23 of 2008) or otherwise.

[23/2008]

(4) A member who may at any time be found to be disqualified for any of the reasons mentioned in this section shall cease to be a member of the society.

Members not to exercise rights until due payment made

40. No member of a society shall exercise any of the rights of a member unless he has made such payment to the society in respect of membership, or has acquired such shares or interest in the society, as may be prescribed under this Act or by the by-laws.

Restriction of membership

41. [Repealed by Act 23 of 2008]

Votes of members

42.—(1) Each individual member of a primary society shall have only one vote in the affairs of the society, irrespective of the number of shares he holds and that vote shall be exercised in person and not by proxy.

(2) Each institutional member of a primary society shall have such number of votes and such voting powers as are provided by the by-laws.

(3) In a secondary society or in an apex organisation, each member shall have as many votes as may be provided by the by-laws of the secondary society or the apex organisation.

Restriction on shareholding

43. No member, other than a society or trade union, shall hold more than 20% of the share capital of any society.

Restriction on transfer of shares or interest

44.—(1) The transfer or charge of the share or interest of a member or past member or deceased member in the capital of a society shall be subject to such conditions as to maximum holding as are laid down in section 43.

(2) No member of a society shall transfer any share held by him or his interest in the capital of the society or any part thereof unless —

- (a) he has held that share or interest for not less than one year; and
- (b) the transfer or charge is in favour of the society, a member of the society or a person or a trade union whose application for membership has been accepted by the committee of management of the society.

Nomination

45.—(1) Subject to subsection (3), a member of a society may in writing nominate a person in the presence of at least 2 witnesses, to whom on the death of the member the society may transfer the share or interest.

[3/2009 wef 01/09/2009]

(2) Every society shall keep a register of all persons so nominated.

(3) Where a society is the insurer of any relevant policy, and a member of the society is the policy owner of that relevant policy, the member shall not be entitled, on or after the date of commencement of section 11 of the Insurance (Amendment) Act 2009, to nominate under subsection (1) any person to whom on the death of the member

the society may transfer the member's share or interest in any policy moneys under that relevant policy.

[3/2009 wef 01/09/2009]

(4) In this section —

“policy owner” and “policy moneys” have the same meanings as in the First Schedule to the Insurance Act (Cap. 142);

“relevant policy” has the same meaning as in section 49K of the Insurance Act.

[3/2009 wef 01/09/2009]

Liability of member limited by shares or by guarantee

46.—(1) Notwithstanding the provisions of any by-laws, the liability of a member, present or past, of a society shall extend to the nominal value of any shares held or subscribed for by him.

(2) Where in the by-laws of a society the amount of the liability of a member is expressed to be greater than the nominal value of any shares held or subscribed for by him, then the liability of the member shall extend to such greater amount.

Liability of past member and of estate of deceased member for debts of society

47.—(1) The liability of a past member for the debts of a society, within the limitations of section 46, as they existed on the date on which he ceased to be a member shall not continue for a period of more than 2 years reckoned from that date.

(2) The estate of a deceased member, who is not a past member to whom subsection (1) applies, shall not be liable for debts of the society as they existed on the date of his death for a period of more than 2 years reckoned from the date of his death.

Right of member to withdraw from society

48. A member may withdraw from a society subject to such conditions and by giving to the society such notice as the by-laws may prescribe, except that —

- (a) in the case of a primary society, the notice shall not exceed one year; and
- (b) in the case of a secondary society or an apex organisation, the notice shall not exceed 2 years.

Expulsion of member

49.—(1) A member who contravenes any of the provisions of this Act or the Rules or the by-laws or acts in any way detrimental to the interests of the society may be expelled by a vote of not less than two-thirds of the members present and voting at a general meeting upon a charge of which he is informed in writing by the committee of management at least one week before the meeting.

(2) A society may in its by-laws provide for a different procedure of expulsion of members, but such by-laws shall provide for a reasonable opportunity to be given to a member to be expelled to show cause why he should not be expelled.

PART V

ORGANISATION AND MANAGEMENT OF SOCIETIES

General meeting

50. The supreme authority of a society shall be vested in the general meeting of its members, at which every member has a right to attend and to vote.

Meeting of delegates

51.—(1) Notwithstanding section 50, if a primary society has more than 3,000 members, the general meeting of members may be replaced by a meeting of delegates, each delegate representing a certain number of individual members. All provisions of this Act referring to general meetings of members shall include a reference to meetings of delegates.

(2) Every individual person who is a member of a society may be eligible for election as a delegate.

(3) The meeting of delegates shall consist of not less than 20 delegates, elected from among the members. The delegates may not vote by proxy.

(4) The society shall make by-laws specifying the method by which the delegates are elected and the number of individual members represented by each delegate and the term of office of the delegates.

(5) The Registrar may, on application by a primary society with less than 3,000 members, allow the society to replace the general meeting of members by a meeting of delegates, if for any special reason he thinks fit to do so.

First meeting

52.—(1) Every society shall within 3 months after receipt of the notice of registration, unless the time is extended by the Registrar, hold a first meeting of its members.

[23/2008]

(2) The business of the first meeting shall include the election of officers who shall serve until the first annual general meeting and shall be eligible for re-election.

Annual general meeting

53.—(1) Every society shall provide in its by-laws for an annual general meeting to be convened by the committee of management and to be held as soon as practicable, but not later than 6 months after the end of the financial year, unless the approval of the Registrar has, within that period of 6 months, been obtained to extend that period, and may also provide for other general meetings.

(2) Unless the by-laws otherwise provide, a notice of every general meeting shall be sent to each member or delegate entitled to attend the meeting at least 15 clear days prior to the date of the meeting. The notice shall state the matters for discussion and the resolutions to be proposed and no other subject shall be discussed without the consent of the majority of the members present and voting at the general meeting.

Functions of annual general meeting

- 54.** The functions of the annual general meeting of a society are —
- (a) to consider and confirm the minutes of the last annual general meeting and of any other intervening general meeting;
 - (b) to consider the auditor's report, the reports of the committee of management and any report made by the Registrar or his representative;
 - (c) to approve the financial statements;
 - (d) to consider and resolve the manner in which any available net surplus shall be distributed or invested subject to the provisions of this Act and the by-laws;
 - (e) to consider and adopt any amendments to the by-laws;
 - (f) to elect or remove members of the committee of management;
 - (g) to appoint, where necessary, the auditors of the society;
 - (h) to consider and determine the maximum amount the society may borrow; and
 - (i) to transact any other general business of the society of which due notice has been given to members.

[23/2008]

Extraordinary general meeting

55.—(1) An extraordinary general meeting of a society may be convened at any time by the committee of management of the society, except that at least 7 clear days', and in the case of a proposed amendment to by-laws at least 15 clear days', written notice of the meeting and of the subjects on the agenda for discussion have been sent to each member or delegate, as the case may be, or given as provided in the by-laws.

(2) An extraordinary general meeting of a society shall be convened by the committee of management on receipt of a requisition for such a meeting signed by at least 20% or 60 of the members or delegates of the society, whichever is the less, stating the objects of the meeting.

[23/2008]

(3) If the committee of management fails to convene a meeting in accordance with subsection (2) within one month of receiving the requisition for the meeting, the members making the requisition shall have power to convene the meeting themselves by notice to all members of the society stating the objects of the meeting and the fact that the committee of management has failed to convene the meeting.

(4) The Registrar or his representative may at any time convene a special general meeting of a society and may also direct what matters shall be discussed at the meeting.

Quorum at general meeting

56.—(1) No business shall be transacted at any general meeting unless a quorum of members or delegates is present. The quorum necessary for such transaction shall be 20% or 30 of all members or delegates qualified to vote, whichever is the less.

[23/2008]

(2) If a quorum is not present within 30 minutes after the time fixed for a general meeting, the members or delegates present shall form a quorum, except that —

- (a) a general meeting with such reduced quorum shall not have the power to amend the by-laws; and
- (b) any resolution passed at the meeting shall not be valid unless it is passed with a majority of two-thirds of the members or delegates present.

[23/2008]

Voting at general meeting

57.—(1) Subject to this Act or in the by-laws, a question referred to the members or delegates present at a general meeting shall be decided by a majority of votes.

(2) In the case of an equality of votes, the motion shall be held to be lost. The chairman shall have no casting vote.

(3) In the case of election or removal of officers, voting shall be by secret ballot.

[23/2008]

(4) Where it is provided in this Act or in the by-laws that a resolution shall be passed by not less than a prescribed majority of the members present and voting at a general meeting and where the members consist of individual persons and institutions with different voting powers as laid down in the by-laws, the resolution shall be deemed to be passed if not less than the prescribed majority of the total number of votes at the disposal of the members are cast in favour of the resolution.

Minutes of general meeting

58.—(1) Minutes of the general meeting shall be entered in the minute book and shall contain —

- (a) the number of members or delegates present at the meeting and the name of the chairman who presided;
- (b) the time the meeting commenced and ended; and
- (c) all resolutions and decisions made at the meeting.

(2) The minutes of each meeting shall be read or shall be taken as read if previously circulated at the next meeting and, if confirmed or after amendment, signed by the chairman of that meeting and the secretary, and when so signed shall be evidence of anything contained therein.

Constitution of committee of management of society

59.—(1) Every society shall have a committee of management consisting of not less than 5 and not more than 30 members, which number shall —

- (a) include the chairman, secretary and treasurer, who shall be elected by the members of the committee of management from among themselves or by the members of the society at a general meeting; and
- (b) where the society is a credit society, be composed of at least a majority of members who shall be independent of the credit society in the manner prescribed.

[23/2008]

(2) A motion for the election of 2 or more persons as members of the committee of management by a single resolution at a general meeting shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

[23/2008]

(3) A resolution passed in pursuance of a motion made in contravention of subsection (2) shall be void, whether or not its being so moved was objected to at the time.

[23/2008]

(4) Where a resolution pursuant to a motion made in contravention of subsection (2) is passed, no provision for the automatic re-election of retiring members of the committee of management of the society in default of another election shall apply.

[23/2008]

(5) For the purposes of this section, a motion for approving a person's election or for nominating a person for election shall be treated as a motion for his election.

[23/2008]

(6) Where the committee of management of a society appoints a person as a full-time manager —

(a) all or any of the duties of the secretary or treasurer, or both, may be delegated to the manager; and

(b) where all duties of the secretary or treasurer, or both, are so delegated, then notwithstanding subsection (1)(a), the society may operate without electing a secretary or a treasurer, or both.

[23/2008]

(7) The offices of secretary and treasurer may be held by one and the same person but not the other offices.

[23/2008]

(8) The duties of the chairman, secretary, treasurer and manager shall be as provided in this Act, the Rules and the by-laws.

[23/2008]

(9) Subject to this Act and the Rules —

(a) the nomination of candidates for election to be members of the committee of management of a society; and

- (b) the election, appointment, term of office, suspension or removal of the members of the committee of management of the society,

shall be as provided in the by-laws of the society.

[23/2008]

(10) If, during the term of office of the committee of management of a society, a vacancy occurs in the committee of management, the committee of management may, and if the number of members falls below 5, shall, co-opt a member of the society to serve on the committee of management until the next general meeting of the society.

[23/2008]

Eligibility for membership of committee of management, or to be key employee of credit society

60.—(1) No person shall be eligible for membership of the committee of management of a society, to be a key employee of a credit society, or to remain a member of the committee of management of a society or a key employee of a credit society, if —

- (a) he is below 21 years of age, except in the case of a school co-operative society;
- (b) he is not —
- (i) a citizen of Singapore; or
 - (ii) subject to subsection (2), resident in Singapore, except with the approval of the Registrar;
- (c) he is an undischarged bankrupt;
- (d) [Deleted by Act 23 of 2008]
- (e) he has been convicted of an offence under this Act;
- (f) he has been dismissed as an employee of a society; or
- (g) he has been found to have previously misused or mismanaged the funds of a society.

[23/2008]

(2) For the purposes of subsection (1)(b)(ii), the Registrar may, by written directions, stipulate the number or proportion of persons

resident in Singapore who shall be eligible for membership of the committee of management of any society or class of societies, as the case may be.

[23/2008]

(3) Where a person has been convicted, whether in Singapore or elsewhere, of any offence (not being an offence under this Act) involving fraud or dishonesty, he shall not be eligible to be, or remain, a member of the committee of management of a non-credit society for the following periods except with the written approval of the Registrar:

- (a) where he has been sentenced to imprisonment in respect of the offence, for a period commencing from the date of his conviction until 5 years after his release from prison; or
- (b) where he has not been sentenced to imprisonment in respect of the offence, for a period of 5 years commencing from the date of his conviction or such shorter period with the leave of the High Court.

[23/2008]

(4) No person shall be eligible to be, or remain, a key employee of a credit society or a member of the committee of management of a credit society, except with the written approval of the Registrar, where he has been convicted, whether in Singapore or elsewhere, of any offence (not being an offence under this Act) involving fraud or dishonesty.

[23/2008]

Functions of committee of management

61.—(1) The committee of management shall represent the society before all competent public authorities and in all dealings and transactions with third persons, with power to institute or defend suits brought in the name of or against the society and, in general, direct and supervise the business and property of the society and shall exercise all the necessary powers to ensure the full and proper administration and management of the affairs of the society, except those powers reserved for the general meeting of members and subject to any restrictions duly laid down in a general meeting or in the by-laws.

(2) Without limiting the generality of subsection (1), the functions of the committee of management are —

- (a) to consider and approve or reject applications for membership of the society;
- (b) to call for and regularly examine reports from persons employed by the society which will disclose the true position of the society, its operations and financial conditions;
- (c) to appoint sub-committees;
- (d) to keep members informed of the progress of the society and encourage interest and a sense of ownership on the part of the members;
- (e) to present to the annual general meeting of the society an annual report on the activities of the society during the preceding financial year, together with the audited financial statements of the society and the auditor's report for that year;
- (f) to prepare and present to the annual general meeting of the society a proposal for the distribution of any net surplus accrued during the preceding financial year, in accordance with this Act and the by-laws;
- (g) to make a report to the annual general meeting of the work of the committee of management during the preceding financial year with such recommendations as it considers necessary to maintain or improve the services provided by the society to its members; and
- (h) to consider and take immediate action on matters reported by the Registrar, the audit committee or the auditor.

[23/2008]

(3) A full and correct record shall be kept of all proceedings of the committee of management in carrying out its duties, and the records shall be available for inspection by the Registrar and by the auditor.

(4) The committee of management may appoint, on such terms and conditions as it thinks fit, a manager to administer and manage the affairs of the society and may employ such other persons as the committee considers necessary to assist the manager in the discharge of his duties.

Meetings of committee of management

62.—(1) The committee of management shall meet as often as the business of the society may require and in any case not less frequently than once in every 3 months.

(2) The quorum for a meeting of the committee of management shall be half of the number of its members.

(3) Decisions shall be taken on a simple majority of votes and the chairman shall have no casting vote.

(4) Minutes of committee meetings shall be recorded by the secretary in the minute book and shall include —

- (a) the number and names of those present;
- (b) the name of the chairman of the meeting; and
- (c) a brief record of business done and decisions taken including whether each decision was taken unanimously or by a majority.

Liability of members of committee of management of society

63.—(1) A member of the committee of management of a society shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office.

[23/2008]

(2) Subject to subsection (3), a member of the committee of management of a society may, when exercising powers or performing duties as such a member, rely on reports, statements, financial data and other information prepared or supplied, and on professional or expert advice given, by any of the following persons:

- (a) an employee of the society whom the member believes on reasonable grounds to be reliable and competent in relation to the matters concerned;
- (b) a professional adviser or an expert in relation to matters which the member believes on reasonable grounds to be within the person's professional or expert competence; or
- (c) any other member, or any committee of such members on which the member concerned did not serve, in relation to

matters within that other member's or committee's designated authority.

[23/2008]

(3) Subsection (2) shall apply to a member of the committee of management of a society if, and only if, the member —

- (a) acts in good faith;
- (b) makes proper inquiry where the need for inquiry is indicated by the circumstances; and
- (c) has no knowledge that such reliance is unwarranted.

[23/2008]

(4) An officer or agent of a society shall not make improper use of any information acquired by virtue of his position as an officer or agent of the society to gain, directly or indirectly, an advantage for himself or for any other person or to cause detriment to the society.

[23/2008]

(5) Any member of the committee of management of a society who contravenes subsection (1), or any officer or agent of a society who contravenes subsection (4) —

- (a) shall be liable to the society for any profit made by him or for any damage suffered by the society as a result of such contravention; and
- (b) shall be guilty of an offence and liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

[23/2008]

(6) Where the committee of management of a society has appointed a person as a manager to administer and manage the affairs of the society, the appointment shall not absolve the committee of management from its responsibility for the proper direction of the affairs of the society.

[23/2008]

(7) In this section, unless the context otherwise requires —

“agent”, in relation to a society, includes a banker, a solicitor or an auditor of the society and any person who at any time has been a banker, a solicitor or an auditor of the society;

“officer”, in relation to a society, includes a person who at any time has been an officer of the society.

[23/2008]

(8) This section shall be in addition to and not in derogation of any other written law or rule of law relating to the duty or liability of officers of a society.

[23/2008]

Disclosure of interests in transactions, property, offices, etc.

64.—(1) Subject to this section, every member of the committee of management of a society who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the society shall as soon as practicable after the relevant facts have come to his knowledge declare the nature of his interest at a meeting of the committee of management of the society.

[23/2008]

(2) The requirements of subsection (1) shall not apply —

(a) in any case where the interest of the member of the committee of management of the society consists only of being a member or creditor of a corporation which is interested in a transaction or proposed transaction with the society if the interest of the member of the committee of management may properly be regarded as not being a material interest; or

(b) in such other cases as the Minister may prescribe.

[23/2008]

(3) For the purposes of subsection (1), a general notice given to the members of the committee of management of a society by a member of the committee of management to the effect that he is an officer of a specified corporation or a member of a specified firm or a partner or an officer of a specified limited liability partnership and is to be regarded as interested in any transaction which may, after the date of the notice, be made with that corporation, firm or limited liability partnership shall be deemed to be a sufficient declaration of interest in relation to any transaction so made if —

- (a) it specifies the nature and extent of his interest in the specified corporation, firm or limited liability partnership;
- (b) his interest is not different in nature or greater in extent than the nature and extent so specified in the general notice at the time any transaction is so made; and
- (c) it is given at a meeting of the committee of management or the member of the committee of management takes reasonable steps to ensure that it is brought up and read at the next meeting of the committee of management after it is given.

[23/2008]

(4) Every member of the committee of management of a society who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as member of the committee of management shall declare at a meeting of the committee of management of the society the fact and the nature, character and extent of the conflict.

[23/2008]

(5) The declaration referred to in subsection (4) shall be made at the first meeting of the committee of management held —

- (a) after he becomes a member of the committee of management; or
- (b) if he is already a member of the committee of management, then after he commenced to hold the office or to possess the property referred to in that subsection,

as the case requires.

[23/2008]

(6) The secretary of the society shall record every declaration under this section in the minutes of the meeting at which it was made.

[23/2008]

(7) For the purposes of this section, an interest of a member of the family of a member of the committee of management of a society shall be treated as an interest of the member of the committee of management and the words “member of the family of a member of the committee of management of a society” shall include his spouse,

son, adopted son, step-son, daughter, adopted daughter and step-daughter.

[23/2008]

(8) This section shall be in addition to and not in derogation of the operation of any rule of law or any provision in the by-laws restricting a member of the committee of management of a society from having any interest in transactions with the society or from holding offices or possessing properties involving duties or interests in conflict with his duties or interests as a member of the committee of management of the society.

[23/2008]

(9) In this section, unless the context otherwise requires —

“corporation” means any body corporate incorporated, formed or existing in Singapore or elsewhere and includes any foreign company within the meaning of section 4(1) of the Companies Act (Cap. 50);

“officer” —

(a) in relation to a corporation, has the same meaning as in section 4(1) of the Companies Act; and

(b) in relation to a limited liability partnership, has the same meaning as in section 2(1) of the Limited Liability Partnerships Act (Cap. 163A).

[23/2008]

(10) Any member of the committee of management of a society who contravenes any provision of this section shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both.

[23/2008]

Restrictions relating to honoraria, etc., of members of committee of management and employees

65.—(1) A member of the committee of management of a society, not being an employee of the society, may receive an honorarium or allowance (but not both) and other benefits from the society if, and only if, the payment of such honorarium or allowance and the

provision of any such benefits have been authorised by a resolution to that effect passed by a general meeting of the society.

[23/2008]

(2) An employee of a society shall not decide his own remuneration.

[23/2008]

Suspension of officers

65A.—(1) Notwithstanding any other written law, if any proceedings are instituted against a member of the committee of management, or a key employee, of a credit society in respect of any offence involving fraud or dishonesty, the committee of management shall suspend the member or key employee from being a member of the committee of management or key employee of the credit society, respectively.

[23/2008]

(2) Notwithstanding any other written law, if any proceedings are instituted against a member of the committee of management of a non-credit society in respect of any offence involving fraud or dishonesty, the Registrar may issue a written direction to require the society to suspend the member from being a member of the committee of management within such period, and on such terms and conditions, as may be specified in the written direction.

[23/2008]

(3) A non-credit society that is, or a member of the committee of management of a non-credit society who is, aggrieved by the written direction issued by the Registrar under subsection (2) requiring the non-credit society to suspend the member may, within 30 days of the issue of the written direction, appeal to the Minister whose decision shall be final.

[23/2008]

(4) Every member of the committee of management of a credit society which has contravened subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and, in the case of a continuing offence, to a further fine not exceeding \$500 for every day or part thereof during which the offence continues after conviction.

[23/2008]

(5) No criminal or civil liability shall be incurred by a society or its committee of management, or any person acting on behalf of the society or the committee of management of the society, in respect of anything done or omitted to be done with reasonable care and in good faith in the discharge or purported discharge of the obligations of the society or the committee of management of the society under this section.

[23/2008]

PART VI

PROPERTY AND FUNDS OF SOCIETIES

Capital

66.—(1) The capital of a society shall be raised by all or any of the following means:

- (a) entrance fees which shall not be refundable except in cases where an application for membership has been rejected;
- (b) shares subscribed and paid up by members, of which a minimum number prescribed in the by-laws shall only be withdrawable after termination of membership, while shares subscribed in excess of this minimum contribution may be withdrawable and transferable, or either withdrawable or transferable, subject to the provisions of this Act and to any limitation laid down in the by-laws;
- (c) in the case of credit societies —
 - (i) subscription capital; and
 - (ii) other deposits from members which shall be withdrawable subject to conditions laid down in the by-laws;
- (d) [Deleted by Act 23 of 2008]
- (e) deposits or loans from non-members subject to such restrictions as are laid down in this Act and in the by-laws;
- (f) [Deleted by Act 23 of 2008]

- (g) donations made by third persons except that no donations from any foreign source, whether offered directly or otherwise, shall be received by a society without the prior approval of the Registrar.

[23/2008]

(2) The issue of bonds or debentures by a society shall be subject to the approval of the Registrar.

Restrictions on loans

67.—(1) Subject to subsection (2), a credit society shall not make a loan or allow any credit to any person other than —

- (a) a member of the credit society or his immediate family member;
- (b) an employee of the credit society; or
- (c) another society that is not a member of the credit society, with the written approval of the Registrar.

[23/2008]

(2) For the purposes of subsection (1), a credit society may make loans or allow credit to persons who are not members of the credit society only to such extent and under such conditions as may be prescribed by its by-laws.

[23/2008]

(3) In this section, “immediate family member” shall have such meaning as may be prescribed.

[23/2008]

Restrictions on borrowing

68.—(1) A society may receive loans from persons who are not members of the society only to such extent and under such conditions as may be prescribed by its by-laws and in the Rules.

[23/2008]

(2) A credit society shall not receive any deposit from any person other than a member of the credit society, or his immediate family member to such extent and under such conditions as may be prescribed by its by-laws.

[23/2008]

(3) A society which, under its by-laws, has power to borrow money shall determine from time to time at a general meeting —

- (a) the maximum liability which it may incur in loans from non-members; and
- (b) where the society is a credit society, the maximum liability which it may incur in loans or deposits from its members and their immediate family members.

[23/2008]

(4) The maximum liabilities determined under subsection (3)(a) and (b) shall be subject to the approval of the Registrar who may, at any time, reduce one or both of the maximum liabilities or impose such conditions as he thinks necessary.

[23/2008]

(5) In this section, unless the context otherwise requires —

“immediate family member” shall have such meaning as may be prescribed;

“loan”, in relation to a society, means —

- (a) the granting of an advance and other facility by a person to the society whereby the society has access to funds or financial guarantees; or
- (b) the incurring by the person of other liabilities on behalf of the society.

[23/2008]

Investment of funds

69.—(1) A society may invest or deposit its funds in such manner as it thinks fit.

[23/2008]

(2) Notwithstanding section 63, any person who exercises any power of investment in relation to the funds of a society pursuant to subsection (1) shall, when exercising such power of investment, be subject to the same duty of care imposed on a trustee under section 3A of the Trustees Act (Cap. 337).

[23/2008]

Reserve Fund

70. *[Repealed by Act 23 of 2008]*

Contributions to Central Co-operative Fund and Singapore Labour Foundation

71.—(1) There shall be established a fund to be known as the Central Co-operative Fund which shall be used to further co-operative education, training, research, audit and for the general development of the co-operative movement in Singapore.

[13/90]

(2) Every society shall contribute —

(a) 5% of the first \$500,000 of the surplus resulting from the operations of the society during the preceding financial year to the Central Co-operative Fund; and

(b) 20% of any surplus in excess of \$500,000 from the operations of the society during the preceding financial year either to the Central Co-operative Fund or to the Singapore Labour Foundation as the society may opt.

[13/90; 23/2008]

(3) *[Deleted by Act 23 of 2008]*

(4) *[Deleted by Act 23 of 2008]*

(5) A society shall be deemed to have opted to contribute to the Central Co-operative Fund under subsection (2)(b) if that society does not exercise its option within such time and in such manner as the Registrar may require.

[13/90]

(6) A society may from time to time change its option in respect of its contribution under subsection (2)(b) by notifying the Registrar in such manner as the Registrar may require and the change in option shall apply to the contribution of the society for the financial year in which falls the second anniversary of the date on which the Registrar was notified under this subsection and to all contributions of the society thereafter until the society again changes its option.

[13/90]

(7) The Central Co-operative Fund shall be administered as a trust fund in such manner as the Minister may prescribe in the Rules.

[13/90]

Distribution of net surplus

72.—(1) The net surplus may be divided among the members by way of dividend or patronage refund or by way of honoraria to officers of the society, or allocated to any other funds constituted by the society to such extent and under such conditions as may be prescribed under this Act or in the by-laws.

[13/90]

(2) No society shall pay a dividend on paid-up share capital or subscription capital exceeding a maximum rate to be determined by the Minister from time to time in the Rules.

Bonus certificates and bonus shares

73.—(1) A society may distribute a part of its net surplus among its members in the form of bonus certificates or bonus shares.

(2) In the case of bonus certificates, the members holding the certificates shall only be entitled to claim payment out of the society's funds after 5 years from the date when the bonus certificates were issued. No interest or dividend shall be paid on the bonus certificates.

(3) In the case of bonus shares, shares shall be issued to members who shall be entitled to withdraw or transfer the shares only after 10 years from the date when the bonus shares were issued.

(4) The reference to a "member" in subsections (2) and (3) shall include a person who has resigned as a member.

PART VII

AMALGAMATION AND TRANSFER

Amalgamation of societies

74.—(1) Any 2 or more societies may, at extraordinary general meetings specially called for the purpose after due notice, resolve to amalgamate into one society.

(2) The resolution to amalgamate into one society shall be passed at the extraordinary general meetings by not less than three-quarters of the members present and voting.

(3) Whenever an amalgamation involves the transfer of liabilities by one society to another society, 3 months' notice of the amalgamation shall be given to all creditors of the amalgamating societies.

(4) Creditors of any of the amalgamating societies shall be entitled to a refund of any sum due to them if they make a written demand to this effect at least one month before the date fixed for the amalgamation, but if the amalgamating societies can obtain the prior agreement in writing of not less than three-quarters in value of the creditors not to make a demand for such a refund, then, in that event, the agreement shall be binding on all the creditors.

(5) A member of the amalgamating societies may, notwithstanding any by-law to the contrary, by notice in writing given to his society at least one month before the date specified as the date of amalgamation declare his intention not to become a member of the amalgamated society.

(6) If the Registrar is satisfied that —

- (a) the proposed amalgamation is not against the interests of the members of the societies proposing the amalgamation;
- (b) the matters specified in section 9(1)(a), (b) and (c) and, where the proposed amalgamated society proposes to provide any financial service, the matters specified in section 9(1B)(a) to (f), are met; and
- (c) all requirements laid down in subsections (1), (2) and (3) have been complied with,

he shall register the amalgamated society and its by-laws and thereupon —

- (i) the registration of all the amalgamating societies shall be cancelled, and the amalgamating societies shall be dissolved;
- (ii) the registration of the amalgamated society shall be a sufficient conveyance to vest the assets and liabilities of the amalgamating societies in the amalgamated society;

- (iii) the remaining members of the amalgamating societies shall become members of the amalgamated society subject to its by-laws; and
- (iv) the creditors of the amalgamating societies or any other persons who have claims against the amalgamating societies, and whose claims were not satisfied before the registration of the amalgamated society may pursue their claims or causes of action against the amalgamated society.

[23/2008]

Transfer of societies

75.—(1) A society may at any extraordinary general meeting specially called for the purpose after due notice, resolve to transfer its assets and liabilities to another society which is prepared to accept them (referred to in this Act as the receiving society).

(2) The resolution to transfer the assets and liabilities to a receiving society has to be passed at the extraordinary general meeting of the transferring society by not less than 75% of the members present and voting.

(3) Wherever the transfer of assets and liabilities involves the transfer of liabilities by the transferring society to the receiving society, 3 months' notice of the transfer shall be given to all creditors of the transferring society.

(4) Creditors of the transferring society shall be entitled to a refund of any sum due to them if they make a written demand to this effect at least one month before the date fixed for the transfer.

(5) A member of the transferring society may, notwithstanding any by-law to the contrary, by notice in writing given to his society at least one month before the date specified as the date of transfer declare his intention not to become a member of the receiving society.

(6) Where the Registrar is satisfied that —

- (a) the proposed transfer is not against the interests of members of the transferring society; and
- (b) all requirements laid down in subsections (1), (2) and (3) are complied with,

he may approve the transfer and thereupon —

- (i) the registration of the transferring society shall be cancelled and the transferring society shall be dissolved;
- (ii) the approved resolution in accordance with subsection (2) shall be a sufficient conveyance to vest the assets and liabilities of the transferring society in the receiving society;
- (iii) the remaining members of the transferring society shall become members of the receiving society, subject to its by-laws; and
- (iv) the creditors of the transferring society or any other person, who have claims against the transferring society and whose claims were not satisfied before the approval of transfer by the Registrar, may pursue their claims or course of action against the receiving society.

PART VIII

DUTIES AND POWERS OF REGISTRAR

Assistance in organisation of co-operatives and technical advice

76. *[Repealed by Act 23 of 2008]*

Power of Registrar to inspect books of societies

77. The Registrar, or any person authorised by him in writing on his behalf, shall at all reasonable times have access to all books, accounts, papers and securities of a society and every officer, agent, employee or member of the society shall furnish such information in regard to the transactions and working of the society as the person making the inspection may require.

Power of Registrar to audit accounts of societies

78. *[Repealed by Act 23 of 2008]*

Inquiry by Registrar

79.—(1) The Registrar may at any time, on his own motion, institute an inquiry into the constitution, operations, financial condition or affairs of the society.

[23/2008]

(2) The Registrar shall institute an inquiry into the constitution, operations, financial condition or affairs of the society on the application of at least —

- (a) a majority of the committee of management; or
- (b) one-third of the members or 500 members of a society, whichever is the less.

[23/2008]

(3) The Registrar may —

- (a) conduct an inquiry under subsection (1) or (2) himself;
- (b) direct any person authorised by him in writing on his behalf to conduct the inquiry; or
- (c) delegate the exercise of his power to hold an inquiry under this section, partly or totally, to an apex organisation.

[23/2008]

(4) For the purposes of an inquiry under subsection (1) or (2), the Registrar or any person authorised by him shall have power —

- (a) to have at all reasonable times free access to all books, accounts and other records relating directly or indirectly to the society;
- (b) to require the production of any book or document relating to the affairs of, or any property belonging to, the society by its officer, agent, employee or member in possession of the book, document or property;
- (c) to require any officer, agent, employee or member of the society to furnish any information in regard to any transaction of the society or the management of its affairs; and

- (d) to make copies of or extracts from accounting and other records, or retain possession of such records for such period as may be necessary to enable them to be inspected.

[23/2008]

(5) Where the exercise of any inquiry power has been delegated to an apex organisation under subsection (3)(c), the Registrar shall have power to do all things necessary to ensure that the inquiry is effectively held and in accordance with the provisions of this Act.

[23/2008]

(6) The Registrar shall communicate the results of any inquiry held under this section to the society concerned.

[23/2008]

Examination of books of indebted society

80.—(1) The Registrar shall, on the application of a creditor of the society, examine or direct any person authorised by him by order in writing on his behalf to examine the books of the society, if the applicant —

- (a) proves to his satisfaction that an ascertained sum of money is then due to him and that he has demanded payment thereof and has not received satisfaction within a reasonable time; and
- (b) deposits with the Registrar, if this is considered necessary, such sum as security for the costs of the proposed examination as the Registrar may require.

(2) The Registrar shall communicate the results of the examination to the creditor and to the society the books of which were examined.

Communication of defects in working of societies

81.—(1) If an audit, inquiry or examination of books made under this Act discloses any defects in the working of a society, the Registrar may bring the defects to the notice of the society and if the society is affiliated to a secondary society or an apex organisation, also to the notice of that other society.

(2) The Registrar may make an order directing the society or its officer to take such action as may be specified in the order within the

time mentioned therein to remedy the defects disclosed in the audit, inquiry or examination of books.

Costs of inquiry and examination

82.—(1) Where an inquiry is held under section 79 or an examination is made under section 80, the Registrar may, by certificate under his hand, make an award apportioning the costs, or such part of the costs, as he may think right, between the society, the members or creditor demanding the inquiry or examination and the officers or past officers of the society; and the decision of the Registrar shall be final.

(2) A sum awarded by way of costs under subsection (1) shall be a civil debt recoverable summarily on production of the certificate referred to in that subsection.

Dissolution of societies

83.—(1) If the Registrar, after holding an inquiry under section 79 or after making an examination under section 80 or on receipt of an application made by 75% of the members of a society present and voting at an extraordinary general meeting convened for the purpose, is of the opinion that the society ought to be wound up, he may issue an order directing it to be wound up.

(2) The Registrar may, of his own motion, make a winding-up order in respect of a society —

- (a) which has ceased working;
- (b) the membership of which is reduced to less than the minimum membership prescribed in section 5;
- (c) which has failed, for 2 or more consecutive years, to comply with the requirements of this Act with respect to the holding of annual general meetings or the submission of audited financial statements of the society; or
- (d) which provides any financial service in contravention of section 16A(1) or 16B(1).

[23/2008]

(3) No society shall be wound up except by an order of the Registrar.

(4) A member of a society may, within 2 months from the date of a winding-up order under subsection (1) or (2), appeal in writing against the order to the Minister and the decision of the Minister shall be final.

(5) When making a winding-up order under subsection (1) or (2), the Registrar may appoint a liquidator for this purpose and fix his remuneration.

(6) A liquidator shall not wind up a society until any appeal instituted under subsection (4) has been determined or until 2 months have elapsed from the date of the winding-up order, as the case may be.

Powers of liquidator

84.—(1) Subject to any order made by the Registrar under section 85, a liquidator appointed by the Registrar shall have power to —

- (a) take immediate possession of all assets belonging to the society and of all books, records and other documents pertaining to the business thereof;
- (b) carry on the business of the society so far as may be necessary for winding up beneficially, except that he shall not for this purpose be entitled to issue any loan;
- (c) fix by notice published in the *Gazette* a day before which creditors shall state their claims for admission or be excluded from any distribution made before they have proved them;
- (d) refer a dispute to arbitration and institute and defend suits and other legal proceedings on behalf of the society by his name or office;
- (e) give such directions in regard to the collection and realisation of assets as may be necessary in the course of winding up the society;
- (f) investigate all claims against the society and, subject to the provisions of this Act, decide by order questions of priority arising between claimants;

- (g) pay claims against the society (including interest payable up to the date of the winding-up order) according to the respective priorities, if any, in full or to such extent as the assets of the society permit;
- (h) compromise any claim by or against the society, provided that the approval of the Registrar has first been obtained;
- (i) call such meetings of members as may be necessary for the proper conduct of the liquidation, giving not less than 15 clear days' notice of every such meeting;
- (j) decide by order subject to any by-law limiting the liability of members and subject to sections 46 and 47 the contributions to be made by members, past members or by the estates of deceased members of the society to its assets;
- (k) arrange for the distribution of the assets of the society in a convenient manner when a scheme of distribution has been approved by the Registrar; and
- (l) order by what persons and in what proportions the costs of the liquidation are to be borne.

(2) Any person aggrieved by any order of the liquidator made under subsection (1)(f), (j) or (l) may appeal in writing to the Registrar within 30 days of the date of the order.

(3) A person aggrieved by a decision of the Registrar under subsection (2) may appeal in writing to the Minister within 30 days of the decision and the decision of the Minister shall be final and conclusive.

(4) A liquidator shall deposit the funds and other assets of a dissolved society which are collected by him or which come into his possession as liquidator in such manner and in such place as may from time to time be determined by the Registrar.

(5) A liquidator shall, once in every 3 months, submit to the Registrar a report stating the progress made in winding up the affairs of the society, and shall, on completion of the liquidation proceedings, submit a final report and hand over to the Registrar all books, registers and accounts relating to the proceedings kept by him.

(6) A liquidator appointed under this Act shall, in so far as such powers are necessary for carrying out the purposes of this section, have power to summon and enforce the attendance of parties and witnesses and to compel the production of documents by the means and, so far as may be, in the same manner as is provided in the case of a District Court.

Powers of Registrar to control liquidation

85. A liquidator shall exercise his powers subject to the control and supervision of the Registrar, who may —

- (a) rescind or vary an order made by a liquidator and make whatever new order is required;
- (b) remove a liquidator from office or take such other action as the Registrar may think fit;
- (c) call for all books, documents and assets of the society;
- (d) by order in writing limit the powers of a liquidator under section 84;
- (e) require accounts to be rendered to him by the liquidator;
- (f) procure the auditing of the liquidator's accounts and authorise the distribution of the assets of the society;
- (g) make an order for the remuneration of the liquidator, which remuneration shall be included in the costs of liquidation and shall be payable out of the assets in priority to all other claims; and
- (h) refer any subject of dispute between a liquidator and a third party to arbitration if that party has consented in writing to be bound by the decision of the arbitrator.

[23/2008]

Enforcement of order

86.—(1) The award of an arbitrator on a matter referred to him under section 85 shall be binding upon the parties and shall be enforceable in like manner as an order made by the Registrar under that section.

(2) An order made by a liquidator or by the Registrar under section 84 or 85 shall be enforced by any District Court in like manner as a decree of that Court.

Limitation of jurisdiction of civil court

87. Subject to this Act, no civil court shall have any jurisdiction in respect of a matter concerned with the dissolution of a society under this Act, and no appeal shall lie to a civil court from an order of the liquidator.

Disposal of assets on liquidation

88. Upon winding up of a society, the assets shall be applied first to the costs of liquidation, then to the discharge of the liabilities of the society, then to the payment of the share capital or subscription capital, and then, provided that the by-laws permit, to the payment of a dividend or patronage refund at a rate not exceeding that laid down in the Rules or in the by-laws for any period during which no dividend or patronage refund was in fact paid.

[23/2008]

Cancellation of registration

89.—(1) When the affairs of a society, in respect of which a liquidator has been appointed, have been wound up or, where no liquidator has been appointed, after 2 months from the making of a winding-up order under section 83 by the Registrar or after confirmation of the order on appeal, the Registrar shall make an order cancelling the registration of the society and the society shall be dissolved and shall cease to exist as a body corporate from the date of the order.

(2) The claim of a creditor or a member of the society who has not received what is due to him under the approved scheme of distribution shall be proscribed when 2 years have elapsed from the date of cancellation of registration, and a notice of closure of liquidation and cancellation of registration shall be published in the *Gazette*.

(3) Any moneys remaining after the application of the funds to the purposes specified in section 88 and any sums unclaimed after 2 years under subsection (2) shall not be divided among the members, except

in the case of the liquidation of a secondary society or a co-operative apex organisation, but shall be carried to the Co-operative Societies Liquidation Account kept by the Registrar.

(4) A sum carried to the Co-operative Societies Liquidation Account shall be kept in this Account for at least 2 years. Out of the Co-operative Societies Liquidation Account such sums may be transferred to the Central Co-operative Fund, or applied generally for the furtherance of co-operative principles in such manner, as the Minister may determine from time to time.

(5) The interest accruing in respect of any sum carried to the Co-operative Societies Liquidation Account in accordance with subsection (3) may be applied for such of the purposes specified in subsection (4) as the Minister may from time to time direct.

Surcharge and attachment

90.—(1) Where in the course of an audit of a society held under this Act, in the course of an inquiry held under section 79, or in the case of an examination of books under section 80, or in the course of the winding up of a society it appears that a person who has taken part in the organisation and management of the society or any past or present officer of the society has misapplied or retained or become liable or accountable for any money or property of the society or has been guilty of misfeasance or breach of trust in relation to the society, the Registrar may, on his own motion, or on application of the liquidator or any creditor or contributor, examine the conduct of that person and make an order requiring him to repay or restore the money or property or any part thereof with interest at such rate as the Registrar thinks just or to contribute such sum to the assets of the society by way of compensation in regard to the misapplication, retainer, misfeasance, dishonesty or breach of trust and the order shall be enforced in the same manner as if the order had been a judgment of a District Court.

[23/2008]

(2) This section shall apply notwithstanding that the act is one for which the offender may be criminally responsible.

(3) Where the Registrar is satisfied that a person with intent to delay the execution of any order or award which may be made against him under subsection (1) and section 85 —

- (a) is about to dispose of the whole or any part of his property; or
- (b) is about to remove the whole or any part of his property out of Singapore,

the Registrar may, unless adequate security is furnished, direct the interim attachment of that property or such part thereof as he thinks necessary and the attachment shall have the same effect as if it has been made by a District Court.

(4) A person aggrieved by an order of the Registrar made under subsection (1) or (3) may appeal to the Minister within 2 months from the date of the order and the decision of the Minister shall be final and conclusive.

Settlement of disputes

91.—(1) If a dispute arises concerning requirements of this Act relating to the constitution, election of officers or conduct of general meetings —

- (a) among members, past members and persons claiming through members, past members and deceased members;
- (b) between a member, past member or deceased member, and the society, its committee of management or any officer of the society;
- (c) between the society or its committee of management and any officer of the society; or
- (d) between the society and any other society,

the dispute may be referred to the Registrar for decision in accordance with subsection (3).

[23/2008]

(2) [*Deleted by Act 23 of 2008*]

(3) The Registrar shall, receipt of a reference under subsection (1), have regard to the nature and complexity of the dispute, and decide whether —

- (a) to settle the dispute himself; or

(b) to recommend to the parties to the dispute to refer it to arbitration in the same manner and subject to the same terms that an aggrieved party under subsection (4) may refer a dispute to arbitration.

(4) Where the Registrar decides to settle the dispute himself and gives a decision thereon which aggrieves a party to the dispute, that party may, within 30 days of the date of the Registrar's decision, refer the dispute to arbitration by a referee appointed by the Chief Justice, who shall not be an official of any Government department.

(5) The relevant provisions of the Arbitration Act (Cap. 10) shall apply to any dispute referred to arbitration under subsections (3) and (4).

(6) Where a dispute has not been referred to arbitration pursuant to subsection (4), the decision of the Registrar that settles the dispute under subsection (3)(a) shall, on the application of the party in whose favour it is given, be enforced by any court which would have jurisdiction in civil suits between the parties to the dispute in the same manner as if the decision had been the decision of a District Court.

Case stated on question of law

92.—(1) Notwithstanding anything in section 91, the Registrar at any time when proceeding to a decision under this Act, or the Minister at any time when an appeal has been referred to him against a decision of the Registrar under this Act, may refer any question of law arising out of the decision for the opinion of the High Court.

(2) Such judge or judges of the High Court, as the Chief Justice may direct, may consider and determine any question of law so referred, and the opinion given on that question shall be final and conclusive.

Miscellaneous powers of Registrar

93.—(1) The Registrar shall have power to —

(a) attend, personally or by his representative, general meetings and committee meetings of a society and require by written directions every society to send to him, at the proper time, notice and agenda of every meeting, and all minutes and communications in respect thereof;

- (b) convene extraordinary general meetings in accordance with the provisions of this Act;
- (c) rescind any resolution or action of an officer or a committee of management or of a general meeting of a society which, in his opinion, is outside the objects of the society as defined in the by-laws;
- (d) require, by written directions, a credit society to —
 - (i) make provision for bad or doubtful debts or any other matter;
 - (ii) secure repayment of any loan;
 - (iii) cease to receive any deposit from, or grant any loan to, any person or class of persons or impose such restrictions on the receipt of any deposit or the grant of any loan as the Registrar thinks fit;
 - (iv) cease to carry on any partnership, joint venture or other arrangement with any person; or
 - (v) otherwise reduce or cease any exposure to any person or class of persons, or impose such restrictions on any exposure to any person or class of persons as the Registrar thinks fit; and
- (e) prohibit or restrict, by written directions, the granting of loans on a mortgage or charge of immovable property by any credit society or class of credit societies.

[23/2008]

(2) The Registrar may from time to time issue written directions, either of a general or specific nature, to any society, any class of societies or all societies to comply with such requirements as he may specify in the written directions.

[23/2008]

(3) Without prejudice to the generality of subsection (2), written directions may be issued —

- (a) with respect to the standards to be maintained by a society in the conduct of its affairs;

- (b) with respect to the provision of any financial service by a credit society, including the establishment of any branch of the credit society and facilities for the provision of such financial service;
- (c) with respect to the investment policies and procedures to be maintained by a society; or
- (d) for any purpose specified in this Act or the rules made thereunder.

[23/2008]

(4) The Registrar may at any time vary, rescind or revoke any written direction issued under subsection (2).

[23/2008]

(5) For the avoidance of doubt, any written direction issued under subsection (2) shall be deemed not to be subsidiary legislation.

[23/2008]

Power to freeze bank accounts

93A.—(1) Where the Minister is satisfied that it is necessary to prevent the loss or misuse of the funds of a society, the Minister may, by order, direct any financial institution not to pay any money out or not to pay cheques drawn on the account of the society for a specified period not exceeding 3 months.

[23/2008]

(2) A financial institution which complies with an order of the Minister under subsection (1) shall be relieved of any liability to any other person in respect of the payment prohibited by the order.

[23/2008]

(3) Any financial institution which contravenes an order of the Minister under subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

[23/2008]

(4) In this section, “financial institution”, in relation to a society, means a bank licensed under the Banking Act (Cap. 19), a finance company licensed under the Finance Companies Act (Cap. 108), or any other society that is a credit society.

[23/2008]

Codes, guidelines, etc., by Registrar

93B.—(1) The Registrar may from time to time issue, and publish in such form and manner as he considers appropriate, such circulars, codes, guidelines and practice notes as he deems fit for providing guidance —

- (a) in furtherance of the regulatory objectives of this Act;
- (b) in relation to any matter relating to any of the functions or powers of the Registrar under this Act; or
- (c) in relation to the operation of any provision of this Act or the rules made thereunder.

[23/2008]

(2) The Registrar may, at any time, amend or revoke the whole or any part of any circular, code, guideline or practice note issued under this section.

[23/2008]

(3) Where amendments are made under subsection (2) —

- (a) the other provisions of this section shall apply, with the necessary modifications, to such amendments as they apply to the circular, code, guideline or practice note; and
- (b) any reference in this Act, the rules made thereunder or any other written law to the circular, code, guideline or practice note, however expressed, shall, unless the context otherwise requires, be a reference to the circular, code, guideline or practice note as so amended.

[23/2008]

(4) Any person who fails to comply with any circular, code, guideline or practice note issued under this section that applies to him shall not of itself render that person liable to criminal proceedings, but any such failure may, in any proceedings, whether civil or criminal, be relied upon by any party to the proceedings as tending to establish or negate any liability which is in question in the proceedings.

[23/2008]

(5) For the avoidance of doubt, any circular, code, guideline or practice note issued under this section shall be deemed not to be subsidiary legislation.

[23/2008]

Extraordinary powers of Registrar

94.—(1) If the Registrar is satisfied, after due inquiry by a person appointed by him or for any other reason, that the committee of management of a society is not performing its duties properly, he may by order published in the *Gazette* —

- (a) suspend all or any of the activities of the society, for such period as he shall specify;
- (b) remove the committee of management of the society and order that the affairs of the society be managed and administered by a committee of not less than 2 persons and a manager, all appointed by him, for a period not exceeding one year or such longer period as he thinks fit; or
- (c) remove one or more members from the committee of management of the society.

[23/2008]

(1A) The Registrar shall use the extraordinary powers under subsection (1) only after giving an opportunity to the committee of management of a society or the member thereof (as the case may be) to show cause why action should not be taken to suspend the activities of the society, or to remove the committee of management or the member thereof, and after considering the objections of the committee of management or the member thereof (as the case may be).

[23/2008]

(1B) Allowances of the committee, and the salary of the manager, appointed under subsection (1)(b) shall be paid out of the funds of the society.

[23/2008]

(2) The persons appointed under subsection (1)(b) shall, prior to the date on which their appointment ceases to have effect, arrange for the election of a new committee of management in accordance with the by-laws.

(3) An appeal shall lie to the Minister from an order made by the Registrar under subsection (1) within 2 months of the date of the publication in the *Gazette* of the order appealed against and the decision of the Minister shall be final and shall not be subject to review in any court.

(4) Subject to the general direction and control of the Registrar, a person appointed under subsection (1)(b) to assume the functions of the committee of management of a society shall have all the powers and duties of a duly constituted committee of management of the society.

PART IX

MISCELLANEOUS

Power of Minister to make rules

95.—(1) The Minister may make rules for the purpose of carrying out and giving effect to the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), such rules may be made for or with respect to —

- (a) any form to be used for any purpose under this Act;
- (b) the books and accounts to be kept by societies, including the preparation and submission of documents or information in compliance with governance requirements or best practices, and the disclosure of the level of such compliance by societies to the Registrar or an apex organisation;
- (c) the preparation, submission or audit of financial statements of societies, including the procedure for applying for relief from compliance with any requirement of the accounting standards or requirements referred to in section 34(5);
- (d) the administration and use of the Central Co-operative Fund and the Co-operative Societies Liquidation Account;
- (e) the maximum rate of dividend on share capital or subscription capital which may be paid by a society;
- (f) the governance of societies, and the appointment and removal of officers of societies;
- (g) the form and content of the annual reports of societies;
- (h) other documents and information to be submitted by societies to the Registrar or an apex organisation;

- (i) the fees to be paid in respect of any document required to be submitted to, registered with or issued by the Registrar under this Act, for the inspection of any such document or for any other matter or thing required for the purposes of this Act, and the refund or remission, whether wholly or in part, of such fees;
- (j) the management of credit societies, the restrictions on advertising, and the regulation or control of activities and affairs of credit societies; and
- (k) any other matter or thing required or permitted to be prescribed or necessary to be prescribed to give effect to this Act.

[23/2008]

(3) The rules made under subsection (1) —

- (a) may be of general or specific application;
- (b) may provide that a contravention of any specified provision thereof shall be an offence; and
- (c) may provide for penalties not exceeding a fine of \$10,000 for each offence and, in the case of a continuing offence, a further penalty not exceeding a fine of \$500 for every day or part thereof during which the offence continues after conviction.

[23/2008]

Foreign co-operative societies

95A.—(1) The Minister may make rules for or with respect to the registration or regulation of co-operative societies which are registered, incorporated or formed outside Singapore, or a class thereof, and which carry on business in Singapore.

[23/2008]

(2) Without prejudice to the generality of subsection (1), the Minister may, in making rules under subsection (1) in respect of co-operative societies which are registered, incorporated or formed outside Singapore, or a class thereof —

- (a) specify the circumstances under which such co-operative societies or any class thereof shall or shall not be regarded as carrying on business in Singapore; and
- (b) specify the provisions of this Act that apply to the co-operative societies and the modifications subject to which they apply.

[23/2008]

(3) The rules made under subsection (1) —

- (a) may provide that a contravention of any specified provision thereof shall be an offence; and
- (b) may provide for penalties not exceeding a fine of \$10,000 for each offence and, in the case of a continuing offence, a further penalty not exceeding a fine of \$500 for every day or part thereof during which the offence continues after conviction.

[23/2008]

Special power of Minister to grant exemption from requirements as to registration

96. Notwithstanding anything in this Act, the Minister may, by special order in each case and subject to such conditions, if any, as he may impose, exempt a proposed society from any of the requirements of this Act as to registration.

Special power of Minister to exempt societies from provisions of this Act

97. The Minister may, by general or special order, exempt a society or class of societies from any of the provisions of this Act or the Rules, or may direct that those provisions shall apply to a society or class of societies, with effect from such date or with such modifications as may be specified in the order.

General exemption

97A. Notwithstanding anything in this Act, the Minister may, by order published in the *Gazette*, exempt any person or class of persons from any of the provisions of this Act or the rules made thereunder.

[23/2008]

Amendment of Schedule

97B.—(1) The Minister may at any time, by order published in the *Gazette*, amend the Schedule.

[23/2008]

(2) The Minister may, in any order made under subsection (1), make such incidental, consequential or supplementary provisions as may be necessary or expedient.

[23/2008]

Recovery of sums due to Government

98.—(1) All sums, due from a society or from an officer or past officer or member or past member of a registered society as such to the Government, may be recovered in the manner provided for the recovery of debts due to the Government under any written law for the time being in force.

(2) Sums due from a society to the Government and recoverable under subsection (1) may be recovered first, from the property of the society and, secondly, from the members subject to the limit of their liability.

Prohibition on use of word “co-operative”

99.—(1) No person other than a society shall trade or carry on business under a name or title of which the word “Co-operative” or its equivalent in another language is part, without the consent of the Registrar, except that nothing in this section shall apply to the use by any person or his successor in interest of a name or title under which he traded or carried on business at 1st January 1980.

(2) Every person who contravenes subsection (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 and, in the case of a continuing offence, to a further fine not exceeding \$500 for every day or part thereof during which the offence continues after conviction.

[23/2008]

General penalty

100.—(1) Subject to the provisions of this Act, it shall be an offence if —

- (a) a society, or any officer or member thereof, neglects or refuses to do an act or furnish information required for the purposes of this Act by the Minister, the Registrar or a person duly authorised in that behalf by the Minister or Registrar, as the case may be;
- (b) a person makes a false return or declaration or furnishes false information under this Act;
- (c) a person, without reasonable excuse, disobeys any summons, requisition, written direction or written order issued under this Act or does not furnish information required from him by a person authorised to do so under this Act;
- (d) a person acts or purports to act as a member of the committee of management of a society when not entitled to do so;
- (e) a society, or any officer or member thereof, performs any act which requires the consent or approval of the Registrar without first having obtained the consent or approval;
- (f) a society, or any officer or member thereof, neglects or refuses to do any act or thing which is required by or under this Act to be done; or
- (g) a society, or any officer or member thereof, does or causes to be done any act or thing which is prohibited by this Act.

[23/2008]

(2) Any society which fails to comply with a term or condition of its registration, or of any approval granted by the Registrar under section 16A, shall be guilty of an offence.

[23/2008]

(3) Every society, officer, agent, employee or member of a society or other person guilty of an offence under this section shall be liable on conviction to a fine not exceeding \$10,000 and, in the case of a continuing offence, to a further fine not exceeding \$500 for every day or part thereof during which the offence continues after conviction.

[23/2008]

False reports made by officer to member of committee of management, auditor or member of society

100A.—(1) Any officer of a society who, with intent to deceive, makes or furnishes, or knowingly and wilfully authorises or permits the making or furnishing of, any false or misleading statement or report —

- (a) to a member of the committee of management, an auditor, or a member of the society; or
- (b) in the case of a society that is a subsidiary, to an auditor of the parent society,

relating to the affairs of the society, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 2 years or to both.

[23/2008]

(2) In subsection (1), “officer” includes a person who at any time has been an officer of the society.

[23/2008]

Fraudulently inducing persons to invest or deposit money with society

100B. Whoever, being an officer or agent of any society, by any deceitful means or false promise and with intent to defraud, causes or procures any money to be paid to or deposited with that society or himself or any other person for the use or benefit or on account of that society shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$15,000 or to imprisonment for a term not exceeding 5 years or to both.

[23/2008]

Fraud by officers against creditors of societies

100C.—(1) Every person who, while an officer of a society —

- (a) has by deceitful or fraudulent or dishonest means or by means of any other fraud induced any person to give credit to the society;
- (b) with intent to defraud creditors of the society, has made or caused to be made any gift or transfer of or charge on, or has

caused or connived at the levying of any execution against, the property of the society; or

- (c) with intent to defraud creditors of the society, has concealed or removed any part of the property of the society since or within 2 months before the date of any unsatisfied judgment or order for payment of money obtained against the society,

shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$15,000 or to imprisonment for a term not exceeding 3 years or to both.

[23/2008]

(2) If, in the course of the winding up of a society or in any proceedings against a society, it appears that an officer of the society who was knowingly a party to the contracting of a debt had, at the time the debt was contracted, no reasonable or probable ground of expectation, after taking into consideration the other liabilities, if any, of the society at the time, of the society being able to pay the debt, the officer shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$2,000 or to imprisonment for a term not exceeding 3 months or to both.

[23/2008]

Offences by bodies corporate, etc.

100D.—(1) Where an offence under this Act or the rules made thereunder committed by a body corporate is proved —

- (a) to have been committed with the consent or connivance of an officer; or

- (b) to be attributable to any neglect on his part,

the officer as well as the body corporate shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

[23/2008]

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

[23/2008]

(3) Where an offence under this Act or the rules made thereunder committed by a partnership is proved —

(a) to have been committed with the consent or connivance of a partner; or

(b) to be attributable to any neglect on his part,

the partner as well as the partnership shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

[23/2008]

(4) Where an offence under this Act or the rules made thereunder committed by an unincorporated association (other than a partnership) is proved —

(a) to have been committed with the consent or connivance of an officer of the unincorporated association or a member of its governing body; or

(b) to be attributable to any neglect on the part of such officer or member,

the officer or member as well as the unincorporated association shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

[23/2008]

(5) In this section —

“officer” —

(a) in relation to a body corporate, means any director, partner, member of the committee of management, chief executive, manager, secretary or other similar officer of the body corporate and includes any person purporting to act in any such capacity; or

(b) in relation to an unincorporated association (other than a partnership), means the president, the secretary, or any member of the committee of the unincorporated association, or any person holding a position analogous to that of president, secretary or member of a committee and includes any person purporting to act in any such capacity;

“partner” includes any person purporting to act as a partner.

[23/2008]

(6) The Minister may make rules to provide for the application of any provision of this section, with such modifications as the Minister considers appropriate, to any body corporate or unincorporated association formed or recognised under the law of a territory outside Singapore.

[23/2008]

Jurisdiction of court

100E. Notwithstanding any provision to the contrary in the Criminal Procedure Code (Cap. 68), a District Court shall have jurisdiction to try any offence under this Act or the rules made thereunder and shall have power to impose the full penalty or punishment in respect of the offence.

[23/2008]

Composition of offences

100F.—(1) The Registrar may, in his discretion, compound any offence under this Act or the rules made thereunder which is prescribed as a compoundable offence by collecting from a person reasonably suspected of having committed the offence a sum not exceeding —

- (a) one half of the amount of the maximum fine that is prescribed for the offence; or
- (b) \$5,000,

whichever is the lower.

[23/2008]

(2) On payment of such sum of money, no further proceedings shall be taken against that person in respect of the offence.

[23/2008]

Certain Acts not to apply

101. The provisions of the Companies Act (Cap. 50) and the Societies Act (Cap. 311) shall not apply to societies registered under this Act.

THE SCHEDULE

Section 14(2)

MATTERS REQUIRED TO BE IN BY-LAWS OF
CO-OPERATIVE SOCIETY

Every society registered under section 4(1) shall have by-laws in respect of the following matters:

1. The name of the society.
2. The place and postal address of its registered office.
3. The objects of the society.
4. The geographical area of operation of the society.
5. The purposes to which the society's funds may be applied.
6. The value of each share, if the society is formed with share capital, or the minimum amount of monthly subscriptions.
7. The qualifications for membership, the terms of admission of members, the entrance or affiliation fees, if any, payable, and the mode of admission.
8. The manner of raising share capital, if any, and other funds and the terms of withdrawal or transfer of shares and/or subscription capital.
9. The rights and obligations of members and the extent of the liability of members for debts of the society.
10. The conditions on which a member may withdraw from membership.
11. The mode of summoning and conducting meetings, and the rights of voting.
12. The powers and duties of general meetings and committee of management or board of directors.
13. The nomination of candidates for election, and the mode of election, appointment, term of office, suspension and removal of the committee of management or board of directors and officers of the society.
14. The authorisation of an officer or officers to sign documents and to use the seal on behalf of the society.
15. [*Deleted by Act 23 of 2008*]
16. The disposal of the annual net surplus.
17. The honoraria or allowances, if any, to be paid to officers of the society.
18. Unless the Registrar otherwise determines, in the case of a society, the objects of which include the provision of loans to the members, additional by-laws in respect of the following matters:

THE SCHEDULE — *continued*

- (a) the conditions on which loans may be made to members and non-members and the extent to which the society may provide loans to members and non-members, including —
 - (i) the maximum rate of interest;
 - (ii) the maximum period allowed for the repayment of a loan;
 - (iii) the extension of the term and renewal of a loan;
 - (iv) the purposes for which a loan may be granted; and
 - (v) the security required for repayment;
 - (b) the consequences of default in payment of any sum due on account of shares, subscriptions, deposits or loans and the consequences of failure to use a loan for the purpose for which it was granted;
 - (c) the occupation or residence of persons who may become members; and
 - (d) the conditions on which loans and deposits may be received from members and non-members and the extent to which the society may borrow from members and non-members.
19. In the case of a secondary society or an apex organisation, the method of representation of members at general meetings, the removal of delegates and the manner of voting of delegates.
20. In the case of a primary society where the general meeting of members is replaced by a meeting of delegates, the method of electing delegates and their deputies, the number of individual members to be represented by each delegate, and the conditions for the eligibility of the delegates and their terms of office.
21. The duties of the chairman, secretary, treasurer and manager of a society.
22. By-laws in respect of any other matters incidental to the management of the society's business.

[23/2008]

LEGISLATIVE HISTORY
CO-OPERATIVE SOCIETIES ACT
(CHAPTER 62)

This Legislative History is provided for the convenience of users of the Co-operative Societies Act. It is not part of the Act.

1. Act 17 of 1979 — Co-operative Societies Act 1979

Date of First Reading : 5 March 1979
(Bill No. 14/79 published on
12 March 1979)

Date of Second and Third Readings : 7 September 1979

Date of commencement : 1 January 1980

2. 1985 Revised Edition — Co-operative Societies Act (Chapter 62)

Date of operation : 30 March 1987

3. Act 13 of 1990 — Co-operative Societies (Amendment) Act 1990

Date of First Reading : 2 March 1990
(Bill No. 8/90 published on
3 March 1990)

Date of Second and Third Readings : 29 March 1990

Date of commencement : 16 April 1990

4. Act 37 of 1998 — Post Office Savings Bank of Singapore (Transfer of Undertakings and Dissolution) Act 1998

(Consequential amendments made to Act by)

Date of First Reading : 31 July 1998
(Bill No. 34/98 published on
1 August 1998)

Date of Second and Third Readings : 12 October 1998

Date of commencement : 16 November 1998

5. Act 23 of 2008 — Co-operative Societies (Amendment) Act 2008

Date of First Reading : 25 August 2008
(Bill No. 19/2008 published on
25 August 2008)

Date of Second and Third Readings : 16 September 2008

Date of commencement : 20 October 2008

6. 2009 Revised Edition — Co-operative Societies Act

Date of operation : 31 July 2009

7. Act 3 of 2009 — Insurance (Amendment) Act 2009

(Consequential amendments made by)

Date of First Reading : 20 October 2008
(Bill No. 28/2008 published on
20 October 2008)

Date of Second and Third Readings : 19 January 2009

Date of commencement : 1 September 2009 (Sections 2, 5
to 11 and 13)