

**CO-OPERATIVE SOCIETIES ACT**

**CHAPTER 81:03**

**Act**

**22 of 1971**

Amended by

7 of 1972

24 of 1976

\*24 of 1981

†18 of 1993

\*23 of 2019

(\* / † See Notes on page 2)

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**Note on Act No. 24 of 1981**

Sections 29 and 73(2) of this Act have been amended by Act No. 24 of 1981. However, Act No. 24 of 1981 had not up to the date of the revision of this Act, been brought into operation.

**Note on Act No. 18 of 1993**

*See* sections 62 and 65 of Act No. 18 of 1993 and the Third Schedule thereof.

**Note on Act No. 23 of 2019**

Amendments made to this Act by Act No. 23 of 2019 took effect on 1st January 2020.

**CHAPTER 81:03**

**CO-OPERATIVE SOCIETIES ACT**

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**CHAPTER 81:03**

**CO-OPERATIVE SOCIETIES ACT**

**An Act to amend, consolidate and re-enact the laws relating to co-operative societies, credit union societies and agricultural credit societies.** 22 of 1971.

[9TH JUNE 1971]

Commencement.

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

2. In this Act—

Interpretation.  
[7 of 1972].

“board” means the board of management or other directing body to whom the management of the affairs of a society is entrusted;

“bonus” means a share of the surplus of a society divided among its members in proportion to the volume of business done with the society by them from which the surplus of the society was derived;

“Commissioner” means the Commissioner for Co-operative Development under this Act;

“credit union” means a society which has as its objects the promotion of thrift and the creation of a source of credit for its members, the majority of whom are not agriculturists, for provident or productive purposes;

“dividend” means a share of the surplus of a society distributed to its members in proportion to the paid up share capital held by them;

“member” includes a person or society joining in the application for the registration of a society and a person or society admitted to membership after registration in accordance with the Bye-laws of that society;

“officer” includes the Chairman or President, secretary, treasurer, member of the board or other person empowered under the regulations or under the Bye-laws of a society to give directions with regard to the business of that society;

“seal” includes a rubber stamp;

“society” means a society registered or deemed to have been registered under this Act.

PART I

ADMINISTRATION

Commissioner  
for Co-operative  
Development.

3. There shall be a Commissioner for Co-operative Development hereinafter called “the Commissioner”, who shall have general powers of supervision of the affairs of societies and shall perform the duties of registrar of societies.

Powers of  
Commissioner.

4. (1) In the exercise of his powers of supervision referred to in section 3 the Commissioner may —

- (a) on his own motion;
- (b) on the application of a creditor of a society;
- (c) in accordance with regulations made in that behalf, on the requisition of a society in respect of one of its members being itself a society; or
- (d) on the application of a majority of members of the board of management or one-third of the members of a society,

hold an inquiry into the constitution, operations and financial position of that society and in the course of such inquiry shall inspect the books, accounts and other records of the society.

(2) Where having held an inquiry under this section the Commissioner is of the opinion that the board has mismanaged the affairs of the society or otherwise performed its duties improperly, he may by notice to the society call upon it to remedy the situation within three months from the date of such notice.

(3) Where a society fails to comply with the notice referred to in subsection (2), the Commissioner may, after giving the board an opportunity to be heard in general meeting called by him for the purpose, order the dissolution of the board and direct that the affairs of the society be managed by such persons as he may appoint for a period not exceeding two years.

(4) Persons appointed by the Commissioner under this section shall exercise all the powers and perform all the functions as a duly constituted board and in particular shall make arrangements prior to the end of their term of management for the election of a new board in accordance with the Bye-laws of the society.

(5) The Commissioner may determine the remuneration and expenses to be paid to the persons appointed under this section and any moneys required for this purpose shall be payable from the funds of the society.

(6) Nothing in this section shall derogate from the power of the Commissioner to cancel the registration of any society should he think fit.

(7) Where a creditor applies to have an inquiry instituted he shall first satisfy the Commissioner that his debt is due and that payment was demanded and not satisfied and he shall deposit as security towards the cost of the inquiry such sum as the Commissioner may determine.

**5.** The Commissioner shall at all times have access to the books, accounts, records and securities of a society and is entitled to inspect the cash in hand, and every officer of a society shall furnish such information respecting the operation and transactions of a society as the Commissioner may require.

Commissioner to have access to books, etc., of society.

**6. (1)** The Commissioner may apportion the costs of an inquiry or any part thereof between the society and the person requiring the inquiry but no such apportionment may be made unless the parties liable to pay the costs thereunder are given an opportunity of being heard.

Costs of inquiry.

(2) Costs may be recovered from any party liable to pay the same on the application of the Commissioner to the Magistrate of the district in which such party resides or carries on business and the Magistrate may issue a warrant of distress upon and may order the sale of any personal property belonging to such party so however that no such property may be sold until after the expiration of five clear days from the date of the levy.

PART II

REGISTRATION AND MEMBERSHIP

Restriction on use of the terms “co-operative” and “credit union”.

7. No undertaking may style itself a co-operative or credit union society or have the term “co-operative” or “credit union” in its name or hold itself out as being operated in accordance with co-operative principles unless it is registered under this Act.

Societies eligible to be registered.

8. (1) Subject to section 9, any society established for the promotion of the economic welfare of its members in accordance with co-operative principles or a society established to facilitate the operations of such a society is eligible to be registered under this Act.

(2) A society may be established with or without limited liability save that, unless the Minister by general or special order otherwise directs—

- (a) a society of which a member is another society shall have limited liability;
- (b) a society the primary object of which is the creation of funds to be lent to its members, the majority of whom are agriculturists and of which no other society is a member shall have unlimited liability and the members of such society shall only on its liquidation, be jointly and severally liable for and in respect of all its obligations.

Conditions of registration.

9. (1) No society, other than a society of which another society is a member, may be registered, under this Act unless its membership consists—

- (a) of at least twelve members of full age; or
- (b) solely of members of a school, club or cultural organisation, all under the age of twenty-one years.

(2) No society may be registered unless there exists among its members none of whom is another society, some common bond of occupation or association or of residence in a defined neighbourhood or district.

(3) The word “co-operative” shall form part of the name of every society and a society whose membership is as described in subsection (1)(b) shall be called a junior co-operative society.

(4) The word “limited” shall be the last word in the name of every society with limited liability.

**10.** (1) Subject to subsection (2), in order to qualify for membership in a society other than a junior co-operative society membership, individual must—

Qualification for membership.

(a) have attained the age of sixteen years; and

(b) reside or occupy land or carry on business in the area in which the society operates.

(2) Where the society is a credit union, an individual who has not yet attained the age of sixteen years may be admitted as a member and may enjoy all the rights of membership save that where such member is required to execute any instrument or give any acquittance he may, if he has attained the age of fourteen years, execute such instrument and give such acquittance himself and if he has not attained the age of fourteen years he may do so only by his parent or guardian.

**11.** (1) Subject to subsection (2) an infant duly admitted as a member of a society shall enjoy all the rights and be subject to all the liabilities of membership and notwithstanding any law to the contrary all contracts entered into by him as a member shall be enforceable at law.

Rights and liabilities of infant members.

(2) An individual who has not attained the age of eighteen years shall not be an officer of a society but may be an employee of a society; this subsection shall not apply to junior co-operative societies.

**12.** A person may not exercise the rights of membership of a society unless he has paid such membership fee or acquired such interest as may be specified in the Bye-laws.

Rights of membership not to be exercised until payment made.

Person not to be member of more than one society.

**13.** Where the primary object of a society with unlimited liability is to grant loans to its members, no person may be a member of more than one such society unless the Commissioner so directs; but a person may be a member of more than one society with limited liability unless the Commissioner otherwise directs.

Voting rights.

**14.** (1) There shall be no voting by proxy and subject to any special provisions in the Bye-laws relating to the voting rights of members who are themselves other societies, a member of a society shall have one vote except where such member is the Chairman of any meeting of the society in which case if there is an equality of votes he shall have a casting vote in addition to his original vote.

(2) A society that is a member of another society shall exercise its voting rights in that other society through one of its members duly appointed in that behalf.

Limitation on interest of member of a society with limited liability.

**15.** Where the liability of the members of a society is limited by shares, no member not being another society, may hold more than one-fifth of the shares of that society.

Application for registration.

**16.** (1) Application for registration shall be made to the Commissioner on the prescribed form, signed—

- (a) in the case of a society of which no member is another society, by at least twelve members of full age;
- (b) in the case of a society, the members of which consist solely of other societies by a duly authorised person on behalf of every such other society;
- (c) in the case of a society the members of which consist of other societies and individuals by a duly authorised person on behalf of each such other society and twelve individuals of full age and where there are less than twelve such individuals by all of them;
- (d) in the case of a junior co-operative society by twelve of the members.

(2) The application shall be accompanied by three copies of the proposed Bye-laws of the society and such other information including the address of the office of the society, as the Commissioner may require.

(3) There shall be payable to the Commissioner on every application under this section a prescribed fee.

**17.** The Commissioner may, on being satisfied that a society has complied with the provisions of this Act and the regulations and that its proposed Bye-laws are not contrary to co-operative principles, approve the Bye-laws and register the society.

Registration of society.

**18.** (1) Subject to this section, the Commissioner may, if he thinks fit, at any time cancel the registration of a society and where such registration is cancelled the society shall be deemed to have been dissolved from the date on which its affairs are wound up.

Commissioner may cancel registration of society. [24 of 1976].

(2) The Commissioner shall, before exercising the power conferred on him by subsection (1), signify his intention to cancel the registration of a society—

- (a) by registered letter addressed to the Board; and
- (b) by notice published in the *Gazette*.

(3) Any officer or member of a society who is aggrieved by a decision of the Commissioner to cancel the registration of the society, may within three months of the publication of the notice in the *Gazette* pursuant to subsection (2)(b), appeal therefrom within the periods and in the manner specified in section 74.

(4) On the expiration of the three-month period referred to in subsection (3) or, where there is an appeal, on its determination by means of dismissal, the Commissioner shall commence to wind up the affairs of the society and shall issue a winding-up order.

**19.** The issue to the society of a certificate of registration signed by the Commissioner, notice of which shall be published in the *Gazette*, shall be conclusive evidence that the society is duly registered unless it is proved that the registration was subsequently cancelled.

Evidence of registration.

Society becomes body corporate on registration, etc.

**20.** The registration of a society shall thereupon establish it a body corporate to be known by the name under which it is registered and the address referred to in section 16 shall become the registered address of the society.

Amendment of Bye-laws.

**21.** A society may at any time amend its Bye-laws by resolution passed at a general meeting called for the purpose but no such amendment shall be of any effect until approved by the Commissioner, for which purpose three copies of the amendment shall be forwarded to him and should the Commissioner approve the amendment one copy indicating his approval shall be returned to the society.

### PART III

#### DUTIES, PRIVILEGES AND BUSINESS OF SOCIETIES

Constitution and management of society.

**22.** Every society shall be constituted and managed in accordance with its Bye-laws and the Regulations.

Certificate of registration to be displayed at registered address.

**23.** Every society shall have its certificate of registration prominently displayed at its registered address.

Act, Regulations, etc., to be available for inspection at registered address.

**24.** (1) There shall be available at all reasonable times at the registered address of a society—

- (a) a copy of this Act and the Regulations made thereunder;
- (b) a copy of the Bye-laws of the society; and
- (c) the register of members and their shareholdings and such other records as may be prescribed.

(2) A copy of an entry in the register of members shall be *prima facie* evidence of the date on which the name of any person was entered in such register as a member or the date on which such person ceased to be a member, as the case may be.

Admissibility of copy of entry as evidence.

**25.** A copy of any entry in any register, book or other record kept in the course of business of a society shall, if duly certified in such manner as may be prescribed, be admissible in evidence of

the existence of the entry and shall be admitted as evidence of the matters and transactions recorded therein in every case where and to the same extent as the original entry would, if produced, have been admissible to prove such matters.

**26.** No officer of a society may in any legal proceedings to which the society is not a party be compelled to produce any of the registers, books or other records of the society, the contents of which can be proved under section 25 or to appear as a witness to prove the matters or transactions therein recorded, unless the Court so directs.

Production of books, etc., legal proceedings.

**27.** (1) Where a society has among its objects the disposal of any article or produce obtained by the work or industry of its produce members, such society may by its Bye-laws provide—

Disposal of members' produce through a society.

- (a) that every member who produces any such article or produce shall under contract in writing agree to dispose of all or any specified amount thereof to or through the society; and
- (b) that any member who acts in breach of his contract shall pay to the society by way of liquidated damages a sum to be ascertained or assessed in such manner as may be prescribed in the Bye-laws.

(2) A contract entered into under this section shall not be questioned in any Court on the ground only that it is a contract in restraint of trade.

**28.** (1) A society may make advances by way of loan to its members in accordance with its Bye-laws.

Loans by society to member.

(2) Notwithstanding anything to the contrary contained in the Banking Act and the Local Savings Banks Act a society shall not be deemed to be engaged in any business in the nature of banking so as to be obliged to obtain a licence under either of those Acts.

Ch. 79:01.  
Ch. 79:03.

(3) A society shall not be required to obtain a licence under the Moneylenders Act in order to carry on the business of moneylending.

Ch. 84:04.

Creation of  
charge in  
favour of  
society.

**29.** (1) A member to whom money has been lent by a society or who is otherwise indebted to the society may be required to create a charge in favour of the society in such form as may be prescribed.

(2) A charge shall so long as it continues in force confer on the society the following rights and impose on the society the following obligations, that is to say:

- (a) the right upon the happening of any event specified in the charge as being an event authorising the chargee to seize the property subject to the charge to take possession of any property so subject;
- (b) after an interval of five clear days or such less time as may be specified in the charge from the date of taking possession of any property subject to the charge to sell such property either by auction or if the charge so provides by private treaty and either for a lump sum or payment by instalments;
- (c) to apply the proceeds of sale in or towards the discharge of the debt secured by the charge and the costs of seizure and sale and to pay any surplus of such proceeds to the member whose property was sold.

(3) A charge shall so long as it continues in force impose on the member the obligation to pay to the society towards the discharge of his indebtedness the proceeds of sale of any property comprised in the charge or any money received under any policy of insurance or by way of compensation in respect of any such property, except insofar as the charge otherwise allows.

(4) It is hereby declared that a charge under this section is not a bill of sale within the meaning of the Bills of Sale Act or a contract within the meaning of the Agricultural Contracts Act or a mortgage under the Mortgages of Produce Ordinance.

Ch. 82:32.

Ch. 63:50.

Ch. 27 No. 21.  
(1950 Ed.).

**30.** (1) A charge created under section 29 shall be duly executed if signed by the member in duplicate in the presence of the Chairman or the President and the Secretary of the Society.

Execution and registration of charges. [7 of 1972].

(2) The Secretary shall file one copy of the charge at the registered address of the society and shall forthwith transmit the other copy to the Registrar General.

(3) The Registrar General shall keep a book to be called “the Register Book of Co-operative Societies’ Charges” in which he shall register every charge transmitted to him by the Secretary of a society, and issue to the society a certified copy of the registration.

(4) The registration of a charge under subsection (3) shall constitute a first charge and security in favour of the society and shall be deemed to affect with notice any person dealing with the property comprised in the charge.

(5) As soon as the loan or other indebtedness in respect of which a charge was created is discharged, the Secretary of the society shall record the discharge in the file at the registered address of the society and notify the Registrar General who shall forthwith make an entry of satisfaction in the Register Book of Co-operative Societies’ Charges.

(6) Any person may, on payment of the prescribed fee, inspect the Register Book of Co-operative Societies’ Charges and take extracts therefrom.

**31.** Every charge registered in the Register Book of Agricultural Credit Societies’ Charges under the Agricultural Credit Societies Ordinance, 1954 (now repealed by this Act), and subsisting at the date of the commencement of this Act shall be deemed to have been registered in the Register Book of Co-operative Societies’ Charges under this Act and such charge shall, without prejudice to anything contained therein, have the same force and effect as a charge created under this Act.

Effect of charge registered under Ordinance. [6 of 1954 7 of 1972].

Claims of Government, etc., not to be affected.

**32.** Nothing in section 30 shall affect—

- (a) any claim of the Government in respect of taxes or money recoverable as such or of a landlord in respect of rent or money recoverable as rent;
- (b) the rights of any bona fide purchaser for value without notice of the charge; or
- (c) the rights of any prior chargee or encumbrances.

Prior claim of society.

**33.** (1) Subject to any claim in respect of debts due to the State or to a landlord in respect of rent or any money recoverable as rent, any debt or outstanding demand owing to a society by a member or past member shall notwithstanding anything contained in section 29 be a first charge—

- (a) upon the crops or other agricultural produce whether standing or severed, raised in whole or in part with the loan from the society by such member or past member; and
- (b) upon any cattle, fodder for cattle, agricultural or industrial machinery or implements, or raw materials for use in manufacture or handicraft, or buildings used for the purposes of agriculture or industry, or fishing or fish processing equipment supplied to or purchased by such member or past member in whole or in part from any loan whether in goods or money granted him by the society.

(2) Any person dealing with any of the property specified in subsection (1) shall be deemed to have notice of such first charge and all such dealing shall be subject to the charge and priority created by this Act.

Enforcement of charge.

**34.** A society may enforce a charge by applying to the Magistrate of the district in which the member or past member resides or carries on business or where the property subject to the charge is situate for a warrant of distress by certifying under seal to the Magistrate the amount due and particulars of the property so charged and the Magistrate shall issue a warrant of distress and may order the sale of the property by public auction or private treaty.

**35.** (1) A society may borrow from any other society or from any bank approved by the Commissioner on the security of any charge executed and registered in accordance with section 30 and may for this purpose assign any such charge to the other society or bank.

Assignment of charges.

(2) An assignment of a charge under this section shall be registered in the same manner as a charge and section 29 shall apply *mutatis mutandis* to an assignment so registered.

(3) An assignment of a charge when registered shall operate as a first charge in favour of the assignee subject to section 32.

(4) Where any charge is assigned to a society established with the object of facilitating the operations of other societies, such society may borrow from any bank approved by the Commissioner and for this purpose may re-assign any such charge to such bank and subsections (2) and (3) shall apply *mutatis mutandis* to such re-assignment.

**36.** Notwithstanding anything contained in sections 29, 30, 32, 33 and 37 a society shall have a charge or lien in respect of any debt due from a member or past member upon his shares or interest in the capital and on his deposits and upon any dividend, bonus or surplus payable to him and may set off any sum payable to him in or towards payment of any such debt.

Charge, lien and set off in respect of shares or interest.

**37.** (1) A society may require a member to give a bond with or without surety as additional security for the repayment of any loan and any condition thereby imposed on the member relating to the payment of capital and interest shall be strictly observed and performed and on breach of any such condition the bond shall be forthwith forfeited.

Bond as additional security for loan to member.

(2) Section 35 relating to the assignment of charges shall apply *mutatis mutandis* to the assignment of bonds.

**38.** (1) A society may receive deposits from an infant and may pay to such infant any such deposit together with the interest accrued thereon.

Validity of payments.

(2) Any deposit made on behalf of an infant may together with any interest accrued thereon be paid to the parent of the infant or, where the infant is under the care of a guardian, to such guardian for the use of the infant.

(3) For the purposes of this section and section 10(2) the mother of an infant born out of wedlock is the guardian of such infant, except—

- (a) there is subsisting a Court order depriving her of the custody of such infant, in which case the guardian shall be the person named in the Court order; or
- (b) the infant customarily resides with some person other than the mother in which case that person shall be the guardian.

In paragraph (b) the expression “customarily resides with” includes “is under the care of”.

(4) The receipt of an infant or his parent or guardian, as the case may be, for money received under this section shall be a good and sufficient discharge of the liability of the society in respect of that money.

(5) Where a person under disability other than an infant is entitled to receive from a society any money whatsoever such money shall be paid by the society to the Administrator General to the credit of such person under disability and the receipt of the Administrator General shall be a good and sufficient discharge of the liability of the society to pay that money.

(6) The Administrator General may retain out of any money so paid to him a sum not exceeding three per cent thereof for fees of office and shall pay or apply the remainder to or for the care, maintenance, education or benefit of such person under disability.

Restriction on  
transfer of  
shares or  
interest.

**39.** (1) The transfer of or the creation of a charge on the shares or interest of a member, past member or deceased member in the share capital of a society shall be subject to the conditions as to maximum holding as are provided in section 15.

(2) A member shall not transfer or create a charge on his shares or interest in a society unless—

- (a) he has held such shares or interest for not less than one year; and
- (b) the transfer or charge is made to the society or to a person whose application for membership has been accepted by the board.

(3) Subsection (2) does not apply to credit unions.

**40.** Subject to section 36, the shares or interest (excluding deposits) of any member in the capital of a society or in any pension fund established under this Act shall, up to a maximum of two thousand dollars, not be liable to attachment or sale under any Court order or decree in respect of any debt or liability incurred by such member and subject to section 41 no person shall be entitled to or have any claim in such share or interest.

Shares or interest not liable to attachment.

**41.** (1) Where a person has been nominated as beneficiary by a member in accordance with the Bye-laws of a society and such nominee is admitted to membership in the society, the society shall within one year of the death of the member by whom the nomination was made, transfer the shares or interest of such deceased member subject to the limit specified in subsection (3) to the nominee. Where, however, such nominee is not admitted to membership in the society or where the deceased member made no such nomination, the society shall within one year of the death of such deceased member pay to the nominee or legal personal representative of the deceased member as the case may be, such sum, not exceeding the said limit, representing the value or part thereof of the deceased member's shares or interest in the society.

Transfer of share or interest on death of member. [23 of 2019].

(2) Nothing in this section shall be construed as prohibiting a nominee who has been admitted to membership from electing to receive payment representing the value of the deceased member's shares or interest instead of accepting a transfer.

(3) A society shall subject to section 30 and unless prevented by order of a Court of competent jurisdiction pay to such nominee or legal personal representative, as the case may be, a sum not exceeding fifty thousand dollars due to the deceased member from the society. All other moneys due to the deceased member from the society shall fall into his estate and be subject in all respects to the laws relating to inheritance including the requirement to pay estate duty.

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

**42.** (1) The liability of a past member for the debts of a society as they existed at the time when he ceased to be a member, shall continue for a period of two years from the date of his ceasing to be a member.

(2) The estate of a deceased member is liable for a period of two years from the date of his decease for the debts of a society as they existed at the time of his death.

#### PART IV

#### PROPERTY AND FUNDS OF SOCIETIES

Restriction on loans.

**43.** (1) A society may not, save with the consent of the Commissioner, make a loan to any person other than a member.

(2) A society may not, save with the consent in writing of the Commissioner lend its money on mortgage of real property.

(3) No loan shall be made to an officer of a credit union of a sum in excess of the value of his shares and deposits and accumulated dividends and interests thereon unless such loan is approved by the vote of a two-thirds majority at a meeting of the other members of the board, the credit committee and the supervisory committee all sitting together or is made with the consent in writing of all the members, other than the borrowing officer, constituting the board, the credit committee and the supervisory committee.

Society may receive deposits and loans. [24 of 1976].

**\*44.** (1) Subject to the regulations or any Bye-laws of a society made for the purpose, a society may receive deposits and loans from persons who are not members of the society for the purpose of meeting any of its obligations or discharging any of its functions under this Act.

\*Deemed to have come into operation on 9th June 1971 (*see* Act No. 24 of 1976, s. 3).

(2) A society may by mortgage or in any other manner it deems appropriate guarantee the repayment of any sums received by it pursuant to subsection (1).

**45.** A society may invest or deposit its funds—

Investment of funds.

- (a) in any bank approved by the Commissioner;
- (b) in any securities issued or guaranteed by the Government;
- (c) in the shares or on the security of any other society, provided that no such investment shall be made in the shares of any society other than one with limited liability; or
- (d) in any other manner permitted by the Commissioner.

**46.** A society may pay a dividend on share capital to its members at a rate not exceeding that specified in the regulations.

Restriction on dividend.

**47.** (1) Every society that realises a surplus from its transactions shall establish and maintain a reserve fund.

Reserve fund.  
[7 of 1972].

(2) At least one-tenth of the net surplus of the society each year as ascertained by the annual audit shall be credited to the reserve fund, and such reserve fund may, subject to the approval of the Commissioner, be used in the business of the society or may be invested in accordance with section 45.

**48.** Any balance of the surplus of a society, after making the prescribed provision for the reserve fund, may together with any available surplus of past years, be distributed among its members to the extent and under the conditions prescribed by the regulations and by the Bye-laws of the society.

Restriction on distribution of surplus.

**49.** A society may establish a contributory pension fund for its servants and employees and may contribute to such pension fund from its net surplus, after the prescribed payments have been made to the reserve fund. Such pension fund shall not be considered part of the assets of the society but shall be invested under section 45.

Pension fund.

Contribution to charitable purpose.

**50.** With the approval of the Commissioner any society after making the prescribed payments to its reserve fund, may—

- (a) set aside a sum not exceeding twenty per cent of its net surplus; and
- (b) at any time utilise that sum in contributing to any public, co-operative or charitable purpose.

Audit.

**51.** (1) Every society shall have its accounts audited annually by the Commissioner or some other person authorised by him or, in accordance with regulations made by the Minister in that behalf, by an auditor selected by the society and approved by the Commissioner.

(2) Each society shall pay a fee where the audit is carried out by the Commissioner or some other person authorised by him for that purpose and such fee shall be paid to a fund called “The Supervisory and Audit Fund”, to be administered according to the regulations.

(3) The audit shall include an examination of overdue debts, if any, the verification of cash balances and securities, and a valuation of the assets and liabilities of the society.

(4) The Commissioner or other person auditing the accounts of any society shall have free access to the books, accounts and vouchers of the society.

(5) The members of the board, and all officers of the society shall furnish the Commissioner or other person auditing the accounts with all such information regarding the transactions and operations of the society as may be required.

(6) The Commissioner and every other person appointed to audit the accounts of a society shall have power at the time of the audit—

- (a) to summon any officer, agent, servant or member of the society or any other person, whom he has reason to believe can give valuable information regarding any transactions of the society or the management of its affairs, to give such information; or

- (b) to require any officer, agent, servant or member of the society or any other person to produce any book or document relating to any cash or securities belonging to the society.

**PART V**

**RECONSTRUCTION OF SOCIETIES**

**52.** (1) Reconstruction of a society may be effected in any of the following ways, that is to say, a society may:

Reconstruction of societies. [7 of 1972].

- (a) amalgamate with other societies to form a single society;
- (b) transfer its assets and liabilities to another society; or
- (c) divide itself into two or more societies.

(2) The procedures to be adopted in any such case are set out in sections 53 to 56.

**53.** (1) Any two or more societies may, with the approval of the Commissioner by a resolution passed by not less than three-fourths of all the members of each such society present and voting at a special general meeting called for the purpose amalgamate as one society.

Amalgamation of societies.

(2) On the passing of the resolution referred to in subsection (1) each such society shall apply to the Commissioner for cancellation of its registration and together make application for the registration of the amalgamated society.

(3) Registration of the amalgamated society shall be a sufficient conveyance to vest the assets and liabilities of the amalgamating societies in the amalgamated society.

**54.** (1) Any society may, with the approval of the Commissioner, by resolution passed by not less than three-fourths of all the members present and voting at a special general meeting called for the purpose, agree to transfer its assets and liabilities to any other society which has agreed to accept them. Acceptance of that other society shall be evidenced by a resolution of not less than three-fourths of the members of that other society present and voting at a special general meeting called for the purpose.

Transfer of societies.

(2) On the passing of the resolutions referred to in subsection (1) the transferor society shall apply to the Commissioner for cancellation of its registration and the transferee society shall submit to the Commissioner a copy of its resolution agreeing to the transfer. Cancellation of registration and the submission of the resolution agreeing to accept the transfer shall be a sufficient conveyance to vest the assets and liabilities of the transferor in the transferee.

Claims of  
objecting  
creditor to  
be satisfied.

**55.** Notwithstanding sections 53 and 54, no amalgamation or transfer shall be effected unless the creditors of the societies concerned are given three months written notice of the proposals and where any such creditor objects in writing to the proposal his claims against the society are first satisfied.

Division of  
societies.

**56.** (1) Any society may, with the approval of the Commissioner, by a resolution passed by three-fourths of the members present and voting at a special general meeting called for the purpose, resolve to divide itself into two or more societies. The resolution (hereinafter in this section referred to as a “preliminary resolution”) shall contain proposals for the division of the assets and liabilities of the society among the new societies into which it is proposed to divide the society and may specify the area of operation of, and the members who will constitute, each of the new societies.

(2) A copy of the preliminary resolution shall be sent to all the members and creditors of the society. A notice of the resolution shall also be given to all other persons whose interests may be affected by the division of the society.

(3) Any member of the society may, notwithstanding any Bye-law to the contrary, by notice given to the society within a period of three months from his receipt of the preliminary resolution, intimate his intention not to become a member of any of the new societies.

(4) Any creditor of the society may, notwithstanding any agreement to the contrary, by notice given to the society within a period of three months from his receipt of the preliminary resolution, intimate his intention to demand the payment of moneys due to him.

(5) Any other person whose interest may be affected by the division may by notice given to the society object to the division unless his claim is satisfied.

(6) After the expiry of three months from the receipt of the preliminary resolution by all the members and creditors of the society and of the notice to other persons given under subsection (2), another special general meeting of the society, of which at least fifteen clear days' notice shall be given to its members, shall be convened for considering the preliminary resolution. If, at such meeting the preliminary resolution is confirmed by a resolution passed by not less than two-thirds of the members present and voting either without changes or with such changes as in the opinion of the Commissioner are not material, the Commissioner may, subject to the provisions of subsection (9) and section 17, register the new societies. On such registration, the original society shall be deemed to be dissolved and its registration cancelled.

(7) The decision of the Commissioner as to whether or not any changes made in the preliminary resolution are material shall be final and no appeal shall lie therefrom.

(8) At the special general meeting referred to in subsection (6) provision shall be made by another resolution for—

- (a) repayment of the share capital of all the members who have given notice under subsection (3);
- (b) satisfaction of the claims of all the creditors who have given notice under subsection (4);
- (c) satisfaction of the claims of such of the other persons who have given notice under subsection (5) as the Commissioner decides, or securing their claims in such manner as the Commissioner directs,

save that no member or creditor or other person shall be entitled to such repayment or satisfaction until the preliminary resolution is confirmed as provided in subsection (6).

(9) If within such time from the confirmation of the preliminary resolution as the Commissioner considers reasonable subsection (8) is not complied with, the Commissioner may refuse to register the new societies.

Effect of registration of new societies. [7 of 1972].

**57.** The registration of new societies established pursuant to section 56 shall be a sufficient conveyance to vest the assets and liabilities of the original society in the new societies in the manner specified in the preliminary resolution as confirmed under subsection (6) of that section.

#### PART VI

#### WINDING UP

Winding up.

**58.** If the Commissioner, after an inquiry has been held under section 4, is of the opinion that the society ought to be wound up, he may make an order directing it to be wound up and may appoint a liquidator for the purpose and fix his remuneration which shall be paid out of the funds of the society. Where no liquidator is appointed the assets and liabilities of the society shall vest in the Commissioner.

Society may be wound up if membership is reduced.

**59.** Where it is a condition of the registration of a society that it shall consist of at least twelve members who are above the age of twenty-one years, the Commissioner may by order in writing direct the society to be wound up, if at any time it is proved to his satisfaction that the membership has been reduced to less than twelve such members.

Power of Commissioner on issuing a winding up order. [24 of 1976].

**60.** (1) Where, pursuant to section 18(4) the Commissioner issues a winding up order, the assets and liabilities of the society winding up order shall forthwith vest in him and he shall have in respect of those assets and liabilities the powers of a liquidator under section 61.

(2) The Commissioner may by notice published in the *Gazette* delegate his power as a liquidator to an officer of his department.

(3) Any delegation under subsection (2) shall be revocable at will and shall not preclude the Commissioner from exercising the power.

(4) In the exercise of his power as a liquidator, the Commissioner or the officer delegated by him pursuant to subsection (2) shall adopt the procedure specified in regulation 56(b) to (f) of the Co-operative Societies Regulations except that the provisions of regulation 56(c) thereof shall not apply where the Commissioner exercises the power personally.

**61.** A liquidator appointed under section 58 shall have power to do all or any of the following things: Powers of a liquidator.

- (a) to take immediate possession of all assets belonging to the society and of all books, records and other documents relating to the business thereof, to carry on the business of the society so far as may be necessary for its winding up and to raise on the security of the assets of the society the money requisite for this purpose;
- (b) to have disputes referred to the Commissioner with recommendations that the disputes be settled by arbitration under section 67 and to institute and defend actions and other legal proceedings on behalf of the society in the name of his office;
- (c) to investigate all claims against the society and, subject to the provisions of this Act, to decide questions of priority arising out of such claims, and to pay rateably according to the amount of such debts, the surplus if any being applied in payment of interest from the date of liquidation at a rate to be fixed by the Commissioner and not exceeding the contract rate;
- (d) to fix the time within which creditors shall prove their debts and claims or be included for the benefit of any distribution made before those debts or claims are proved;
- (e) make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging to have any claim, present or future, for which the society may be rendered liable;
- (f) compromise all calls or liabilities to calls and debts and liabilities capable of resulting in debts, and all claims, present or future, certain or contingent, subsisting or supposed to subsist between the society and a contributory or alleged contributory or other debtor or person

apprehending liability to the society, and all questions in any way relating to or affecting the assets or the winding up of the society on such terms as may be agreed and take any security for the discharge of any such call, liability, debt or claim and give a complete discharge in respect thereof;

- (g) from time to time to determine the contribution to be made or remaining to be made by the members or past members or by the estates or nominees or legal personal representatives of deceased members or by any officer, to the assets of the society, such contribution shall include debts due from such members or persons;
- (h) to determine by what persons and in what proportions the cost of the liquidation shall be borne;
- (i) to arrange for the distribution of the assets of the society in a convenient manner when a scheme of distribution has been approved by the Commissioner.

Effect of  
cancellation of  
registration.

**62.** When the affairs of a society for which a liquidator has been appointed under section 58 have been wound up, or where no liquidator has been appointed after two months from the date of an order under section 59 or after confirmation of such order on appeal, the Commissioner shall make an order cancelling the registration of the society, and the society shall be deemed to be dissolved from the date of such order.

Bar of action in  
reconstruction,  
winding up and  
dissolution  
matters.  
[7 of 1972].

**63.** Save in so far as is expressly provided in this Act, no Court shall take cognisance of any matter connected with the reconstruction within the meaning of Part V, winding up or dissolution of a society under this Act, and when a society has been reconstructed or a winding up order has been made no action or other legal proceeding shall lie or be proceeded with against the society except by leave of the Commissioner and subject to such terms as he may impose.

**64.** After all the liabilities including the paid-up share capital of a cancelled society have been met, any surplus assets shall not be divided amongst its members but shall be devoted to any object described in the Bye-laws of the society, and when no object is so described, to any object of public utility determined by the general meeting of the society and approved by the Commissioner, or such assets, should the members so agree, may be assigned by the Commissioner in whole or in part to either or both of the following:

Disposal of surplus assets.

- (a) an object of public utility of local interest;
- (b) a charitable purpose,

or may be placed on deposit with a bank approved by the Commissioner until such time as a society with similar objects and Bye-laws is registered when with the consent of the Commissioner such surplus assets may be credited to the reserve fund of such new society.

**65.** (1) Where, in the course of the winding up of a society, it appears that any person who has taken part in the organisation or management of such society or any past or present officer of such society has misapplied or retained or become liable or accountable for any money or property of such society or has been guilty of misfeasance or breach of trust in relation to such society the Commissioner may, on the application of the liquidator or of any creditor or contributory, inquire into the conduct of such 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 Commissioner thinks just or to contribute such sum to the assets of such society by way of compensation in regard to the misapplication, retainer, dishonesty or breach of trust as the Commissioner thinks just.

Power of Commissioner to surcharge officers, etc., of registered society.

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

**66.** Where the Commissioner is satisfied that any person with intent to defraud or delay the execution of any order that may be made under section 59 or section 65 or any decision that may be given in a dispute referred to the Commissioner or to any arbitrators is about to dispose of the whole or any part of his

Attachment of property.

property, the Commissioner may, unless adequate security is furnished, apply to the Magistrate of the district in which the property is situate for an Order for the conditional attachment of such property and the Magistrate may where he considers it to be in the interest of justice, make such an Order.

**PART VII**  
**DISPUTES**

Settlement of  
disputes.

**67.** (1) If any dispute touching the business of a society arises—

- (a) among members, past members and persons claiming through members, past members and deceased members;
- (b) between a member, past member, or person claiming through a member, past member or deceased member, and the society, its board, or any officer of the society;
- (c) between a member and the society arising out of or under any Bye-law or Bye-laws relating to the disposal of the produce of agriculture or animal husbandry, or under any contract, made under section 27;
- (d) between the society or its board and any officer of the society;
- (e) between the society and any other society; or
- (f) between the society and any of its creditors,

the dispute shall be referred to the Commissioner for decision.

(2) The Commissioner may, before proceeding to hear or determine a dispute, make or cause to be made a preliminary investigation into the dispute with the object of ascertaining the facts, defining the issues and endeavouring to bring about a voluntary settlement between the parties to the dispute.

(3) The Commissioner may, on a dispute being referred to him under subsection (1)—

- (a) decide the dispute himself; or
- (b) with the consent of the parties refer the dispute to arbitration.

(4) The settlement of any dispute by an arbitration award shall be final and shall not be called in question in any Court of law.

(5) For the purpose of hearing and determining any dispute the Commissioner, or the arbitrator as the case may be, may administer oaths, and may require the attendance of all parties concerned and witnesses, and the production of all books, documents and things relating to the dispute.

(6) The Commissioner, or the arbitrator as the case may be, shall also have power to order the expenses of determining any dispute including fees to legal practitioners to be paid either out of the funds of the society or by such parties to the dispute as he in his absolute discretion may think fit.

(7) The decision given in respect of every dispute under this section shall be recorded in the prescribed form or as near thereto as the circumstances of the case may require and a copy thereof shall be issued to every party to the dispute.

(8) Every order made by the Commissioner and any arbitration award shall be executed by any civil Court in the same manner as a decree or order of such Court.

(9) In this section “dispute” includes a claim by a society for any debt or demand due to it from a member, past member or the nominee, heir or legal personal representative of a deceased member.

**68.** (1) Notwithstanding anything contained in section 67, the Commissioner at any time when proceeding to a decision under this Act or the Minister when an appeal has been referred to him against any decision of the Commissioner under this Act may refer any question of law arising out of such decision for the opinion of the High Court.

Case stated on  
question of law.

(2) Any Judge of the High Court may consider and determine any question of law so referred and the opinion given on such question shall be final and conclusive.

PART VIII  
OFFENCES

Corrupt practice  
and bribery.

**69.** (1) Any member, agent or employee of a society who corruptly accepts, agrees to accept, obtains or attempts to obtain whether for himself or another, any gift or consideration as an inducement or reward for doing or forbearing to do any act relating to the business of the society or for showing favour or disfavour to any person in relation to the business of the society and any person who corruptly gives, agrees to give, or offers such gift or consideration to any such member, agent or employee of a society as such inducement or reward, is liable on summary conviction to a fine of four thousand dollars and to imprisonment for two years and on conviction on indictment to imprisonment for five years.

(2) In this section “consideration” includes valuable consideration of any kind.

Falsely  
obtaining,  
withholding, or  
misapplying  
property of  
society.

**70.** (1) Any person who obtains possession of any property of or is granted any loan by a society by false representation or other corrupt means or wrongfully withholds or misapplies any such property or loan or wilfully applies any part thereof to purposes other than those directed or expressed in the Bye-laws of such society or authorised in this Act or the Regulations, is liable on summary conviction to a fine of two thousand dollars and to imprisonment for one year and on conviction on indictment to a fine or imprisonment for five years.

(2) In any proceedings under this section the person accused may, in addition to any penalty imposed, be ordered to deliver up any property or repay any sum of money to which the proceedings relate and pay the cost of the proceedings.

Offences.

**71.** (1) A society or any officer or member thereof or any other person who fails without reasonable cause or wilfully neglects or refuses to comply with any requirement of this Act or the Regulations or to furnish any information or who purporting to comply with any such requirement knowingly furnishes false information is guilty of an offence.

(2) Any person who wilfully or without reasonable cause disobeys any summons, order or direction lawfully issued under this Act or the Regulations is guilty of an offence.

(3) Any officer or member of a society who wilfully contravenes the Bye-laws of the society relating to his duties or functions as such officer or member is guilty of an offence.

**72.** (1) Any person who fraudulently or clandestinely removes any property comprised in a charge created in favour of a society under section 29 from the place where such property was situate at the time of the execution of the charge or who knowingly disposes of or deals with or attempts to dispose of or deal with such property without first obtaining in writing leave of the society on summary conviction is liable to a fine of two thousand dollars and to imprisonment for one year.

Dealing with property subject to a charge.

(2) Where any person who has received a loan from a society is convicted of an offence under this section there may be imposed on him notwithstanding any penalty specified in subsection (1) an additional penalty equal to such amount of the loan with interest as has not been repaid to the date of the conviction and the payment of such additional penalty shall discharge the liability of the borrower to repay the loan.

(3) Where the Court has imposed an additional penalty specified in subsection (2) and such penalty is not paid the Court may order that the person convicted under this section and who has defaulted in the payment of the additional penalty be imprisoned for six months in respect of such default.

**73.** Every society and every officer or member thereof or other person guilty of an offence under this Act for which no penalty is expressly provided is liable on summary conviction to a fine of two thousand dollars and in the case of a continuing offence to a further fine of one hundred dollars for each day that the offence continues after conviction thereof.

Penalty for offences not otherwise provided for.

PART IX  
MISCELLANEOUS

Appeals.

**74.** A party aggrieved or adversely affected by any order or decision of the Commissioner under this Act may appeal therefrom to the Minister within two months of such order or decision, and a further appeal may lie therefrom to a Judge in Chambers within one month of such order or decision of the Minister.

Delegation of powers.

**75.** The Commissioner may by instrument in writing delegate to any person any of his powers, except this power of delegation, and any power so delegated shall be exercised in the manner and to the extent specified in the instrument of delegation.

No stamp duty, etc., payable on instrument. [7 of 1972].

**76.** (1) No stamp duty, registration fee nor Court fee shall be payable on any instrument executed in pursuance of this Act or the Regulations.

(2) No fee shall be payable for the certification by the Commissioner or the Registrar General of any form of agreement under this Act.

Provisions of Companies Act not to apply. Ch. 81:01.

**77.** The Companies Act does not apply to any society not within the meaning of this Act.

Act not to apply to Trinidad Co-operative Bank.

**78.** This Act does not apply to the Trinidad Co-operative Bank Limited.

Saving for existing societies, Bye-laws, rules, regulations, etc. [7 of 1972].

**79.** (1) Every society registered or deemed to have been registered under any of the \*Ordinances hereby repealed and whose registration subsists at the date of the commencement of this Act shall be deemed to have been registered under this Act and the Bye-laws or rules of such society shall, so far as they are not inconsistent with this Act, continue in force until altered, substituted or revoked by Bye-laws made under this Act, so however, that societies registered under the repealed Agricultural Credit Societies Ordinance, 1954 shall be deemed to have been registered with unlimited liability.

6 of 1954.

\*Former section 79 of this Act (omitted) repealed the Credit Union Societies Ordinance, Ch. 38 No. 4; the Co-operatives Societies Ordinance, Ch. 38 No. 5; the Agricultural Credit Societies Ordinance, 1954 (6 of 1954).

(2) Sections 86 to 101 of the Credit Union Societies Ordinance and the Trinidad and Tobago Credit Union Bank Rules, 1952 shall be deemed to be the Bye-laws of the Trinidad and Tobago Credit Union Bank until altered, substituted or revoked by Bye-laws made under this Act.

Ch. 38 No. 4.  
(1950 Ed.).

(3) The Memorandum of Association of the Credit Union League of Trinidad and Tobago filed in the office of the Commissioner shall be deemed to be the Bye-laws of the Credit Union League of Trinidad and Tobago until altered, substituted or revoked by Bye-laws made under this Act.

(4) All regulations and rules made under any of the Ordinances hereby repealed and in force at the time of the commencement of this Act shall, in so far as they are not inconsistent with this Act, be deemed to have been made under this Act and shall continue in force until altered, substituted or revoked by regulations made under this Act.

(5) All appointments and orders made, notifications and notices issued, and suits or other proceedings instituted or deemed to have been made, issued or instituted under any of the Ordinances hereby repealed, shall, so far as may be, be deemed to have been respectively made, issued and instituted under this Act.

(6) Where in any law reference is made to a credit union or to a co-operative society or to an agricultural credit society registered under any of the Ordinances hereby repealed the reference shall be deemed to apply to a society registered or deemed to be registered under this Act.

**80.** The Minister may, by Order, exempt any society or class of societies from any of the provisions of this Act, or may direct that this Act shall apply to such society or class of societies with such modifications as may be specified in the Order; save that no order to the prejudice of any society shall be made without an opportunity being given to such society to represent its case.

Power to  
exempt societies  
from provisions  
of Act.  
[7 of 1972].

Regulations.

**81.** The Minister may make Regulations to carry out the purposes of this Act and in particular such Regulations may—

- (a) prescribe all things required by this Act to be prescribed;
  - (b) provide for the constitution and management of societies, specifying the rights and obligations of members;
  - (c) provide for general meetings of the members and for the procedure at such meetings and the powers to be exercised by such meetings;
  - (d) prescribe the returns to be submitted by a society to the Commissioner, the persons by whom and the form in which such returns shall be submitted;
  - (e) set out the procedure for the certification of copies of documents or entries in the books of societies and fix the charges to be levied for such copies;
  - (f) provide for the writing off of bad debts;
  - (g) prescribe the manner in which any question as to the breach of any Bye-laws or contract relating to the disposal of produce to or through a society may be determined, and the manner in which liquidated damages for any such breach may be ascertained or assessed;
  - (h) provide for the procedure to be followed by a liquidator appointed under section 58 or by the Commissioner under section 4;
  - (i) provide for the appointment of arbitrators and the procedure to be followed in proceedings before them;
  - (j) prescribe the procedure to be followed in presenting and disposing of appeals; and
  - (k) specify the conditions and the rates of payment of contributions by societies to any pension fund which they may establish for the benefit of their servants and employees.
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**SUBSIDIARY LEGISLATION**

**JUNIOR CO-OPERATIVE SOCIETIES  
(REGISTRATION FEE EXEMPTION) ORDER**

77/1974.

*made under section 80*

**1.** This Order may be cited as the Junior Co-operative Societies (Registration Fee Exemption) Order. Citation.

**2.** All Junior Co-operative Societies which satisfy the registration requirements of section 16(1)(d) of the Act shall be exempted from the further requirement of having to pay the registration fee provided for by section 16(3) of the Act. Exemption from registration fee.

## CO-OPERATIVE SOCIETIES REGULATIONS

### ARRANGEMENT OF REGULATIONS

#### REGULATION

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3. Application for registration.
4. Documents to be supplied to a society.
5. Refusal to register a society.
6. Register of members.
7. Books, accounts and forms.
8. Membership.
9. Withdrawal from society.
10. Disqualification for membership.
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19. Convening of special general meeting.
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**REGULATION**

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47. Reserve fund.
48. Audit of accounts.
49. Supervisory and Audit Fund.
50. Bye-laws.
51. Amendments to Bye-laws.
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53. Reference of dispute to Commissioner.
54. Reference to arbitration by Commissioner.
55. Proceedings before arbitrators.
56. Procedure on liquidation.
57. Liquidator to forward records to Commissioner.

**FIRST SCHEDULE.**

**SECOND SCHEDULE.**

255/1971.  
[201/1997  
289/2020].

## CO-OPERATIVE SOCIETIES REGULATIONS

*made under section 81*

Citation.

1. These Regulations may be cited as the Co-operative Societies Regulations.

Register of Societies.

2. (1) The Commissioner shall keep or cause to be kept at his office a register to be called “The Register of Societies” wherein he shall register societies in accordance with section 17 of the Act and enter particulars relating to such societies and their Bye-laws.

(2) All entries in the Register of Societies shall be made by, or under the direction of the Commissioner and shall be signed by him.

(3) Every alteration, interlineation or erasure in the Register of Societies shall be initialled by the Commissioner.

(4) The Register of Societies shall be open to inspection by the public at all reasonable times.

Application for registration.  
Form 1.  
Second Schedule.  
First Schedule.

3. Every application for the registration of a society shall be made to the Commissioner on the form set out as Form 1 in the Second Schedule and shall be accompanied by the fee specified in the First Schedule.

Documents to be supplied to a society.

4. Upon the registration of a society, the Commissioner shall forward to the society, free of charge—

(a) a certificate of registration;

(b) a copy of the Bye-laws of the society as approved by him and certified under his hand as having been approved by him;

(c) a copy of the Act and of these Regulations.

Refusal to register a society.

5. Where the Commissioner refuses to register a society or to approve its Bye-laws he shall furnish the society with his reasons therefor.

**6.** Every society shall keep a register to be called “The Register of Members” in which shall be entered—

Register of members.

- (a) the name, address and occupation of each member and the number of shares held by him;
- (b) the date on which the name of each member was entered therein;
- (c) the date on which a member ceased to be a member;
- (d) the name and address of every nominee appointed under regulation 12; and
- (e) the number of shares transferred to each nominee.

**7.** Every society shall keep such account and shall use such books and forms as may from time to time be approved by the Commissioner.

Books, accounts and forms.

**8.** The admission of persons as members of a society other than original members shall be in such manner and on such conditions as prescribed by the Bye-laws.

Membership.

**9.** A member may withdraw from a society by giving written notice to the Secretary but the withdrawal shall be without prejudice to section 42 of the Act.

Withdrawal from society.

**10.** Where a member ceases to qualify for membership in a society, under the Act or these Regulations or the Bye-laws, the board shall cause his name to be struck off the Register of Members, but the striking-off of the name shall be without prejudice to any liability of the person under section 42 of the Act.

Disqualification for membership.

**11.** No society shall fix a limit to the number of its members without the approval of the Commissioner.

Number of members.

**12.** (1) Every appointment of a nominee by a member of a society shall be made in writing and signed by the member in the presence of two attesting witnesses.

Appointment of nominees.

(2) A member of a society with a share capital is not entitled to appoint more than one nominee in respect of each share he holds.

(3) In every case where more than one nominee is appointed by a member the number of shares or the exact proportion of the shares to be transferred to each nominee shall be specified at the time of the appointment.

(4) For the purpose of a transfer to a nominee, the value of any share or interest shall be represented by the sum paid for that share or interest by the member holding it.

(5) Where any money is paid to a nominee who is an infant, a receipt given by the infant or by his parent or guardian as the case may be, shall be a good and sufficient discharge of the liability of the society in respect of that money.

Division of  
surplus.  
[201/1997].

**13.** (1) No dividend or payment on account of surplus shall be made by a society with unlimited liability until the reserve fund has reached a proportion of not less than one-tenth of the total liabilities of the society.

(2) (*Revoked by LN 201/1997*).

(3) At the end of a financial year, a bonus based on wages or on the value of the products of a member, or a bonus or rebate on patronage calculated in proportion to the amount of the business done by each member with the society may be distributed among its members from any balance of the surplus of the society, after making the prescribed provision for the reserve fund, and from any available surplus of past years.

(4) A bonus or rebate may be paid to the members before the end of a financial year only where the Commissioner so authorises.

Limit to  
liability.

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

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

(3) No society shall receive loans or deposits in excess of the maximum liability approved or fixed by the Commissioner.

**15.** The supreme authority in a society shall be vested in the general meeting of the society.

Authority of general meeting.

**16.** Every member of a society has a right to attend and vote at all general meetings of the society.

Right of member to attend general meetings.

**17.** Every society shall hold its first general meeting within one month of receiving its certificate of registration and the rights and powers exercisable at the meeting shall be the same as those exercisable at an annual general meeting.

First meeting of members.

**18.** (1) The annual general meeting of a society, of which at least seven days' notice shall be given to the members, shall be convened by the Board not later than three months after the report on the audit of the accounts of the society is received by the Board.

Convening of annual general meeting. [289/2020].

(1A) Any extension of time necessary for the holding of the Annual General Meeting or any change to the mode of the meeting shall be determined only where the Commissioner so authorises.

(2) Notwithstanding subregulation (1) the Commissioner may, if he thinks fit, at any time after the audit of the accounts has been completed convene the annual general meeting and the meeting shall proceed as if it had been convened by the Board.

**19.** (1) The Board may convene a special general meeting at any time and shall do so on receipt of a demand for the meeting from the requisite number of members as prescribed by the Bye-laws. The demand shall state the object of the meeting and shall be signed by such members.

Convening of special general meeting.

(2) Notwithstanding subregulation (1) the Commissioner or a person authorised by him in writing may at any time, summon a special general meeting of a society in such manner and at such time and place as the Commissioner or that person may direct.

Chairman of meetings.

**20.** (1) The President of the Board, or in his absence the Vice-President, or in the absence of both, any other person elected by a majority of the members present, shall preside at the annual or special general meeting.

(2) The Commissioner or a person authorised by him in writing shall preside at any meeting convened by the Commissioner or at his demand.

(3) The Chairman may, by a decision of the meeting, adjourn the meeting from time to time and from place to place but no business shall be transacted at any meeting so adjourned other than the business left unfinished at the meeting from which the adjournment took place.

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

Voting at meetings.

**21.** Any question other than those specified in these Regulations submitted for the decision of the members present at a meeting shall be decided by a majority of votes.

Voting of resolution by show of hands.

**22.** (1) A resolution put to the vote at any meeting shall be decided on a show of hands, unless the Bye-laws otherwise provide.

(2) In respect of every resolution put to the vote the Chairman shall declare—

- (a) whether it has been carried or lost;
- (b) whether the voting was by show of hands; and
- (c) whether the decision was unanimous or by a particular majority, and in respect of all such declarations, the minutes shall be conclusive evidence thereof.

Minutes of meetings.

**23.** Minutes of the meetings shall be entered in the minute book and shall be signed by the Chairman and the Secretary. The minute book shall contain—

- (a) the names of the officers and the number of members present at the meeting;
- (b) the time fixed for the meeting and the time the meeting commenced;

- (c) the membership of the society on the date of the meeting; and
- (d) the resolutions passed or decisions made at the meeting.

**24.** The Board shall be elected at the annual general meeting of the society in accordance with the Bye-laws of the society, the mode of these elections and the procedures to be adopted shall be determined only where the Commissioner so authorises.

Election of Board. [289/2020].

**25.** (1) The Board shall represent the society before all competent public authorities and in all dealings and transactions with third persons, and shall carry out such duties in the management of the affairs of the society as have not been specifically assigned by these Regulations or the Bye-laws to general meetings or to an officer.

Powers and duties of the Board.

(2) The Board may institute suits in the name of the society and defend suits brought against the society.

(3) The Board shall keep conspicuously displayed at the registered office of the society—

- (a) a copy of the latest annual balance sheet of the society; and
- (b) a copy of the latest annual report on the audit of the accounts of the society.

**26.** The Board shall meet as often as the business of the society may require.

Meetings of the Board.

**27.** A member of the Board who, without its approval, fails to attend three consecutive meetings of the Board shall be deemed to have vacated his office and the office shall thereupon be filled as provided in regulation 28.

Failure to attend Board meeting.

**28.** Whenever a vacancy occurs on the Board, the remaining members of the Board shall, within fourteen days of the occurrence of the vacancy fill the vacancy by appointing a substitute elected at the last annual general meeting in accordance with the Bye-laws.

Vacancy on Board.

Borrowing powers of Board.

**29.** The Board may borrow money on behalf of the society to an amount not exceeding the maximum liability fixed in accordance with regulation 14.

Appointment of officers.

**30.** (1) The Board shall appoint a Secretary whose duties shall be prescribed by the Bye-laws.

(2) The Board may appoint such officers and employees as it considers necessary.

Security for financial officers.

**31.** An officer or employee whose duties involve the handling of the funds of a society shall give security in such amount as may be determined by the Board and approved by the Commissioner.

Bad debts.

**32.** The Board may, with the approval of the general meeting, cause bad debts to be written off the books of the society.

Preparation of balance sheet.

**33.** The Board shall in every year within such time as the Commissioner may direct—

(a) cause to be prepared and sent to the Commissioner—

- (i) the audited balance sheet as at the end of the preceding financial year;
- (ii) a detailed statement of the profit and loss account for the preceding financial year;
- (iii) a statement of the receipts and payments for the preceding financial year; and
- (iv) a statement containing the name and address of every member in default and the amount he is owing as at the end of the financial year;

(b) prepare and send to the Commissioner such statistical information as he may require;

(c) prepare a report on the work of the society during the preceding financial year for presentation to the annual general meeting.

**34.** In the case of a society whose primary object is the granting of loans to its members and in which name the words “Credit Union” appear, loans shall be approved by the credit committee (hereinafter called “the committee”). In all other cases loans shall be approved by the Board.

Loan to be approved by Board or committee.

**35.** Every member who desires to obtain a loan from his society shall submit an application to the Board or committee, as the case may be, which shall state—

Application for loan.

- (a) the amount of money required;
- (b) the purpose for which it is required;
- (c) the period for which it is required;
- (d) whether it is desired to repay the loan by instalments; and
- (e) the nature of any security that is offered or the names, addresses and occupations of the proposed sureties.

**36.** (1) The Board or the committee, as the case may be, shall consider at a meeting every application for a loan and if it is satisfied with the trustworthiness of the applicant, the sufficiency of any security offered (if required) and the prospects of advantage to the borrower in the way of increased production or economy or otherwise, it may approve the loan.

Approval of loan.

(2) The only persons who may be present at a meeting of the Board or committee when an application for a loan is being considered are the members of the Board or the committee, as the case may be, the Secretary and the Commissioner and his staff.

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

(4) If there is a difference of opinion concerning the granting of a loan, the voting shall be taken by ballot.

(5) The proceedings at a Board or committee meeting with regard to loans shall be kept secret, and where this provision is infringed—

- (a) by a member of the Board or committee, that member is liable to expulsion from the Board or committee, as the case may be; and
- (b) by an officer of the society, that officer is liable to dismissal from office.

Granting of loans.

**37.** Loans, when approved, shall be granted to members in accordance with regulation 40.

Purpose of loans.

**38.** (1) No loan shall be made without the approval of the Board or committee, as the case may be.

(2) A loan shall be applied only to such purpose for which it was granted.

Notification of approval to borrower.

**39.** When a loan is approved by the Board or committee a notice to that effect shall be sent to the borrower.

Instruments to be executed.

**40.** Where a loan is made the borrower and his sureties, if any, shall execute an instrument in writing containing the terms of repayment of the loan and such other terms and conditions as the Board or committee may consider necessary, but if he is required to provide security for the loan he shall execute an instrument of charge in the form set out as Form 2 in the Second Schedule.

Form 2. Second Schedule.

Inspection of Register Book of Co-operative Societies' Charges. First Schedule.

**41.** Any person may, on payment of the fee specified in the First Schedule, inspect the Register Book of Co-operative Societies' Charges and take extracts therefrom.

Restriction on loans to defaulters.

**42.** Where a member—

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

that member shall not be granted a further loan until he has repaid the existing loan.

**43.** Where, owing to sickness or some other cause, a member finds that he will be unable to discharge his obligations to the society in respect of any loan made to him and notifies the Secretary in writing before the time fixed for repayment of the loan or the payment of any instalment, the Board or committee, as the case may be, may extend the time fixed for repayment of the loan or payment of the instalment, as the case may be, on such conditions as it thinks fit.

Extension of  
time on loans.

**44.** Where the Board or committee is satisfied that a member of the society who has obtained a loan has applied the loan or any part thereof to a purpose other than the purpose for which it was granted, the Board or the committee, as the case may be, may by notice in writing to the member demand repayment of the loan before the agreed date of repayment.

Misapplication  
of loan.

**45.** Where—

- (a) on the due date a loan has not been repaid or any instalment in respect of a loan has not been paid; and
- (b) no extension of time for the repayment of the loan or the payment of the instalment, as the case may be, has been sought or given under regulation 43,

Recovery of  
loans.

the Board or committee, as the case may be, may take steps for the recovery of the loan or instalment by referring the matter to the Commissioner as prescribed in section 67 of the Act.

**46.** (1) Any share may be transferred with the approval of the Board to any other member at the option of the transferor, but if the transferee is not a member, he must be approved as a member by the Board, or the general meeting in accordance with the Bye-laws relating to the admission of members, before the transfer can be registered; and if the Bye-laws require a member to hold more than one share the transferee must acquire by the transfer, or by the transfer and allotment, the number of shares required to be held before the transfer can be registered.

Transfer of  
shares.

(2) An application to transfer shares shall be in such form as approved by the Commissioner.

(3) No transfer of a share shall be valid and effective unless and until the transfer has been registered by the Secretary on the direction of the Board.

(4) No transfer of a share shall be registered if made by a member indebted to the society without special order of the Board, and until the transfer of a share is registered no right shall be acquired against the society by the transferee, nor shall any claim of the society against the transferor be affected thereby.

Reserve fund.

**47.** The reserve fund of a society, established under section 47 of the Act, may with the approval of the Commissioner be applied to meet bad debts or losses sustained through extraordinary circumstances over which the society has no control.

Audit of  
accounts.  
[289/2020].

**48.** (1) The accounts of every society shall be audited within four months of the end of the financial year by the Commissioner or a person authorised by the Commissioner.

(2) Where a person is authorised by the Commissioner to audit the accounts of a society that person shall, in addition to complying with the requirements of section 51(3) of the Act, examine the annual statement of receipts and expenditure, the profit and loss account and the balance sheet and verify them with the accounts and vouchers relating thereto and if they are found to be correct and in accordance with the Act and these Regulations he shall so certify at the foot of the balance sheet, but if they are found to be otherwise he shall report to the Commissioner the respects in which he finds any of them incorrect or not in accordance with the Act or these Regulations and the Commissioner shall forward the report to the Board together with such comments as he considers necessary.

Supervisory and  
Audit Fund.

**49.** (1) There shall be constituted a fund to be called “The Supervisory and Audit Fund”, (hereinafter called “the Fund”) and every society, the accounts of which have been audited by

the Commissioner or a person authorised by him shall when called upon to do so by the Commissioner, make annually a contribution to the Fund.

(2) Until such time as a society for supervision and audit has been established and registered—

- (a) the Fund shall be held by the Commissioner and administered by him on behalf of the contributing societies;
- (b) the Commissioner shall fix the amount of the annual contribution to the Fund. The amount shall be subject to a maximum of either ten per cent of the net annual surplus of the society or one per cent of the working capital of the society whichever is less but shall not in any case be less than ten dollars.

(3) So long as the Commissioner administers the Fund he shall furnish the Minister with an annual report showing the income derived from contributions, the expenditure he has sanctioned from the Fund and the balance in hand.

(4) As soon as a society for supervision and audit has been established and registered, the Fund shall be credited to the society and shall be utilised by the society in accordance with its objects and Bye-laws.

**50.** (1) The Bye-laws of a society shall contain provisions in respect of the following matters:

Bye-laws.  
[201/1997].

- (a) the name of the society;
- (b) the registered address of the society and its area of operations;
- (c) the objects for which the society was established;
- (d) the purposes to which the funds may be applied;
- (e) the qualifications for membership and the terms of admission to membership;
- (f) the manner and terms of withdrawal from the society;

- (g) the grounds and manner of expulsion of a member from the society;
- (h) the nature and extent of the liability of members;
- (i) the manner of raising funds, including the maximum rate of interest on deposits;
- (j) the procedure at general meetings and at meetings of the Board, and the manner of convening the meetings;
- (k) the number of members to constitute a quorum;
- (l) the composition of the Board and the mode of election thereto;
- (m) the duties of the officers and the manager;
- (n) the manner of the investment of the funds of the society; and
- (o) the financial year of the society.

(2) If the objects of a society include the creation of funds to be lent to its members, the Bye-laws shall contain, in addition to the matters specified in subregulation (1) provisions in respect of the following matters:

- (a) the conditions on which loans may be made to members including the rate of interest, and the manner of recovery; and
- (b) the consequence, if any, of default in payment of any sum due on account of shares.

(3) A society whose primary object is the granting of loans to its members and in which name the words “Credit Union” appear, shall provide in its Bye-laws that—

- (a) the liability of the members for the debts of the society shall be limited by shares;
- (b) a member may withdraw any portion of his share capital not otherwise pledged to the society on demand except that the Board may require notice for a period not exceeding six months;

- (c) in addition to the Board, two committees shall be elected annually by the members, namely—
  - (i) a credit committee for the granting of loans to members; and
  - (ii) a supervisory committee for purposes of supervision;
- (d) a member of the supervisory committee shall not be eligible for membership to the Board or to the credit committee;
- (e) deposits may be received from members only.
- (f) *(Deleted by LN 201/1997).*

(4) Subregulation (3) does not apply to a society whose object is to assist or foster Credit Unions and whose membership is composed entirely of Credit Unions.

**51.** (1) A resolution to amend the Bye-laws of a society in accordance with section 21 of the Act shall not be valid unless it was passed by a majority of not less than three-fourths of the members present at the general meeting at which the resolution was proposed.

Amendments to  
Bye-laws.

(2) If a resolution referred to in subregulation (1) is not passed by the required majority the same resolution may unaltered be proposed at another general meeting convened for the purpose, not earlier than one month nor later than two months after the general meeting at which it was first proposed and if it is then passed by a majority of members the resolution shall be valid for the purposes of section 21 of the Act.

(3) A copy of every resolution passed under subregulations (1) and (2) shall be forwarded to the Commissioner together with three copies of the amendment.

**52.** (1) A copy of an entry in any register, book or other record kept in the course of business of a society may be certified by a certificate affixed at the foot of the copy declaring that it is a true copy of the entry and that the register, book or other record, as the case may be, containing the entry is still in the custody of the society; the certificate being dated and signed by the Secretary and one member of the Board.

Copies of  
entries.

First Schedule. (2) Any person may, on payment of the fee specified in the First Schedule, obtain from the Secretary of a society a certified copy of an entry in any register, book or other record kept in the course of business of the society.

Reference of dispute to Commissioner. **53.** (1) A dispute may be referred to the Commissioner under section 67(1) of the Act—  
(a) by the Board;  
(b) by the society in pursuance of a resolution in that behalf taken in general meeting;  
(c) by any party to the dispute; or  
(d) where the dispute concerns a member of the Board and the society, by any member of the society.

(2) Every dispute shall be referred to the Commissioner by a statement in writing addressed to the Commissioner. The statement shall specify the nature of the dispute, set out full particulars of the dispute and shall be dated and signed by the party referring the dispute.

Reference to arbitration by Commissioner. **54.** (1) Where by section 67(3) of the Act, the Commissioner refers a dispute to arbitration, the reference shall be embodied in an order of reference under his hand.

(2) Every order of reference under subregulation (1) shall—  
(a) specify the name, surname, place of abode and occupation of the arbitrator or arbitrators;  
(b) set out the dispute and full particulars thereof; and  
(c) specify the time within which the award shall be forwarded by the arbitrator or arbitrators to the Commissioner.

(3) Notwithstanding subregulation (2)(c), where the Commissioner is satisfied that there is good cause for doing so he may, by a further order, extend the time within which an award shall be forwarded to him.

(4) Where the Commissioner considers it fit to refer a dispute to more than one arbitrator, the reference shall be to three arbitrators of whom one shall be nominated by each party to the dispute and the third shall be nominated by the Commissioner and shall act as Chairman.

(5) Where there is more than one party on any side, the Commissioner shall determine which of them is the principal party and that party is entitled to nominate an arbitrator.

(6) Where a reference is made to three arbitrators, the following provisions shall have effect:

- (a) if any party to the dispute fails to nominate an arbitrator within such time as the Commissioner may specify, the Commissioner may make the nomination;
- (b) if an arbitrator nominated by one of the parties to the dispute dies, or refuses or neglects to act, or by absence or otherwise becomes incapable of acting, the Commissioner shall call upon the party concerned to nominate a new arbitrator and if a new arbitrator is not nominated within such time as the Commissioner may specify, the Commissioner may make the nomination;
- (c) if an arbitrator nominated by the Commissioner dies, or refuses or neglects to act, or by absence or otherwise becomes incapable of acting, a new arbitrator may be nominated by the Commissioner;
- (d) the opinion of the majority of the arbitrators shall prevail.

**55.** (1) The proceedings before the Commissioner or the arbitrator or arbitrators, as the case may be, shall be conducted as nearly as possible as proceedings before a Court of law and in particular the following shall have effect in respect thereof:

Proceedings  
before  
arbitrators.

- (a) written notice of the time and place at which the proceedings are to be held shall be served upon the parties to the dispute at least ten days before the date of the hearing;

- (b) the evidence adduced at the hearing shall be reduced in writing and shall be dated and signed by the Commissioner, or the arbitrator or arbitrators, as the case may be;
- (c) every party to a dispute is entitled to appear at the hearing thereof and may be represented by an Attorney-at-law or any person who in the opinion of the Commissioner or arbitrator or arbitrators, as the case may be, is competent to assist such party in the presentation of his case;
- (d) documentary exhibits shall be marked, dated and initialled by the Commissioner or arbitrator or arbitrators, as the case may be, and shall be attached to the record of the proceedings;
- (e) where a party is duly served and he fails to attend at the hearing, the dispute may be heard and determined *ex parte*.

Form 3.  
Second  
Schedule.

(2) The decision given in respect of every dispute shall be recorded in the form set out as Form 3 in the Second Schedule and shall be dated and signed by the Commissioner, or arbitrator or arbitrators, as the case may be.

(3) Upon the conclusion of the proceedings the arbitrator or arbitrators shall immediately forward to the Commissioner the record of the proceedings including the notes of evidence, documentary exhibits and the award.

Procedure on  
liquidation.

**56.** Where a liquidator has been appointed under section 58 of the Act the following procedure shall be adopted:

- (a) the appointment of the liquidator shall be published by the Commissioner in the *Gazette*;
- (b) the liquidator shall at once take charge of the books and property and assets of the society and publish by such means as he may think proper a notice requiring all claims against the

society to be notified to him within two months of the publication of the notice. He shall thereafter proceed to take such further action as he is empowered to take under the Act. All liabilities recorded in the account books of a society shall be deemed to have been duly notified to the liquidator;

- (c) the liquidator shall make separate orders against the various members and past members of the society, noting the amount to be realised from each as a contribution under section 61 of the Act and the cost of liquidation under the said section. These orders shall be submitted for approval to the Commissioner, who may modify them or refer them back to the liquidator for further inquiry or other action;
- (d) if the sum assessed against any member is not recovered, the liquidator may frame a subsidiary order or orders against any other member or members to the extent of the liability of each for the debts of the society, until the whole amount due from members is recovered, and these orders shall be dealt with in the same way as orders under subregulation (c);
- (e) the liquidator shall submit a monthly report to the Commissioner in such form as the Commissioner may require;
- (f) all funds in charge of the liquidator shall be deposited in a recognised bank, and shall stand in his name as liquidator;
- (g) the Commissioner shall fix the amount of the fee, if any, to be paid to the liquidator, which may be by way of commission.

Liquidator to forward records to Commissioner.

**57.** Where the affairs of a society for which a liquidator has been appointed have been wound up and an order cancelling the registration is made under section 62 of the Act, the liquidator shall forward all the books and records of the cancelled society, and all his own papers and proceedings to the Commissioner, together with an account of his expenses, showing how the surplus assets, if any, have been disposed of, and attaching the receipt of the person to whom it was handed over.

Regulations 3 and 41.

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**FIRST SCHEDULE**

**FEES PAYABLE TO THE COMMISSIONER**

For the registration of a society under the Act ... .. \$10.00

**FEES PAYABLE TO THE REGISTRAR GENERAL**

For inspection of the Register Book of Co-operative Societies' Charges and taking extracts therefrom ... .. \$1.00

**FEES PAYABLE TO A SOCIETY**

In respect of a certified copy of an entry in any register, book or other record kept by a society, for every 100 words or part thereof ... .. \$1.00

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**SECOND SCHEDULE**

Regulations 3,  
40 and 55.

REPUBLIC OF TRINIDAD AND TOBAGO

**FORM 1**

**THE CO-OPERATIVE SOCIETIES ACT**  
**APPLICATION FOR REGISTRATION**

To: The Commissioner for Co-operative Development,  
Port-of-Spain.

1. Application for registration of the undermentioned society under the Co-operative Societies Act is hereby made by the persons whose signatures appear hereunder:
2. The name of the society is .....
3. The registered address is at .....
4. The area of operations of the society is .....
5. The objects of the society are as stated in the Bye-laws .....
6. The bond of membership is .....
7. The financial year will terminate on the ..... day of ..... in each year.
8. The liability of the members for the debts of the society is limited/unlimited.\*
9. The society was established on the ..... day of ..... 20..... and at the date of this application there are ..... members in the society.
10. Herewith enclosed are three copies of the proposed Bye-laws.
11. The sum of \$ ..... is enclosed, being registration fee.

\*Delete what is not applicable.



REPUBLIC OF TRINIDAD AND TOBAGO

FORM 2

Regulation 40.

THE CO-OPERATIVE SOCIETIES ACT  
INSTRUMENT OF CHARGE

I, .....,  
of .....,  
(hereinafter called "the Borrower"), being owner of the property described in the  
Schedule hereto, and being a member of the .....,  
(hereinafter called "the Society"), in consideration of the sum of .....,  
dollars lent to me this day by the Society, the receipt whereof is hereby acknowledged,  
I do hereby create a charge on the property described in the Schedule hereto, in favour  
of the Society as security for the repayment to the Society of the said sum of  
..... dollars together with interest  
thereon at the rate of ..... per cent a year, by ..... instalments  
of ..... dollars as from the ..... day of  
....., 20.....

Now these present witness that in consideration of the sum lent to the Borrower as  
aforesaid the Borrower hereby agrees that the charge hereby created is subject to the  
following covenants and conditions, that is to say:

- (1) That he will repay the principal together with interest thereon on the  
..... day of ..... 20.....
- (2) That he will not, at any time while any moneys remain owing  
hereunder, do or allow to be done any act whereby the property may become  
prejudicially affected.
- (3) That he is entitled to retain possession and use of the property unless  
he makes default—
  - (a) in the payment of any instalment or of the principal or interest  
thereon; or
  - (b) in the observance or performance of any covenant or condition  
herein expressed in which case the Society may immediately  
upon such default or at anytime thereafter, through an agent  
authorised by the Society in that behalf—
    - (i) seize and take possession of the property or any part  
thereof; and

- (ii) sell the property so seized and taken possession of either at auction or by private treaty and in either case the property may be sold separately or together or in lots or for a lump sum payment or for payment by instalments as the Society may deem expedient.

(4) That upon a sale of the property or of any part thereof by the Society the following provisions shall have effect, that is to say:

- (a) the proceeds of sale shall be applied in accordance with section 29(2)(c) of the Co-operative Societies Act;
- (b) no purchaser of such property shall be bound to inquire as to the propriety or regularity of the sale or shall be affected by any impropriety or irregularity of or at such sale;
- (c) the Society shall not be answerable to the Borrower in damages or otherwise for any loss occasioned to the Borrower by the sale or for any act, neglect or default of the Society or of its authorised agent.

**THE SCHEDULE**

.....

.....

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*(Add additional sheet if space allotted is too small)*

Executed in duplicate at .....  
this ..... day of ....., 20.....

.....  
*Signature of Borrowing Member*

Signed in our presence by the said ..... who is personally known to us.

.....  
*President/Chairman*

.....  
*Secretary*

of the .....

\_\_\_\_\_

REPUBLIC OF TRINIDAD AND TOBAGO

**FORM 3**

Regulation 55.

**THE CO-OPERATIVE SOCIETIES ACT  
DETERMINATION AND ORDER**

IN THE MATTER OF A DISPUTE

BETWEEN

..... (Complainant)

AND

..... (Respondent)

referred to me pursuant to section 67 of the Co-operative Societies Act

I, ..... Commissioner for  
Co-operative Development, do order and determine as follows:

- (1) .....
- (2) .....
- (3) The cost and expenses of hearing and determining the dispute are  
\$.....
- (4) I direct that costs and expenses in the amount of \$..... be paid  
by .....  
to .....

Given under my hand this ..... day of ....., 20.....

.....  
*Commissioner for Co-operative Development*

N.B.—This Form is to be adapted in the case of an award by an arbitrator or arbitrators  
under section 67.

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