

TRINIDAD AND TOBAGO.

No. 20—1931.

I ASSENT,

[L.S.]

A. C. HOLLIS,
Governor.

22nd June, 1931.

AN ORDINANCE relating to Agricultural Co-operative
Societies.

[On Proclamation.]

BE it enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows:—

1. This Ordinance may be cited as the Agricultural Short title.
Co-operative Societies Ordinance, 1931.

2. In this Ordinance

Interpretation.

“Bye-laws” means bye-laws registered under this Ordinance and for the time being in force, and includes a registered amendment of such bye-laws:

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

“ Member ” includes a person joining in the application for the registration of a society and a person admitted to membership after registration in accordance with the rules and bye-laws applicable to such society :

“ Officer ” includes a chairman, secretary, treasurer, member of committee or other person empowered under the rules or under the bye-laws of a society to give directions in regard to the business of such society :

“ Registrar ” means the Registrar referred to in section 3 of this Ordinance :

“ Rules ” means rules made under this Ordinance :

“ Society ” means a society registered under this Ordinance :

A list of all societies shall be published annually in the *Royal Gazette* in the month of January.

REGISTRATION.

Registrar. **3.**—(a) The Director of Agriculture or some other fit and proper person appointed by the Governor shall be the Registrar of Agricultural Co-operative Societies under this Ordinance.

Officers. (b) The Governor may appoint persons to assist the Registrar for the purpose of carrying out the duties imposed upon him by this Ordinance.

Societies which may be registered. **4.** Subject to the provisions hereinafter contained, a society which has as its object the promotion of the economic and agricultural interests of its members in accordance with co-operative principles, or a society established with the object of facilitating the operations of such a society, may be registered under this Ordinance with or without limited liability :

Provided that, unless the Governor by general or special order otherwise directs :—

(1) the liability of a society of which a member is a society shall be limited :

- (2) the liability of a society of which the primary object is the creation of funds to be lent to its members, and of which the majority of the members are agriculturists and of which no member is a registered society, shall be unlimited and the members of such a society shall, on its liquidation, be jointly and severally liable for and in respect of all obligations of such a society :

Provided further that when the question whether the liability of a society is limited or unlimited has once been decided by the Registrar at the time of registration his decision shall be final.

5. Where the liability of the members of a society is limited by shares, no member other than a society shall
- (a) hold more than such portion of the share capital of the society, subject to a maximum of one-fifth, as may be prescribed by the rules : or
- (b) have or claim any interest in the shares of the society exceeding £100.

Restrictions on interest of member of society with limited liability and a share capital.

6.—(1) No society, other than a society of which a member is a society, shall be registered under this Ordinance, which does not consist of at least twelve persons above the age of twenty-one years and, where the primary object of the society is the creation of funds to be lent to its members, unless such persons reside in the same town or village or in the same group of villages.

Conditions of registration.

(2) The word " limited " shall be the last word in the name of every society with limited liability registered under this Ordinance.

7. When any question arises whether for the purpose of the formation or registration or continuance of a society under this Ordinance a person is an agriculturist or a non-agriculturist, or whether any person is a resident in a town or village or group of villages, or whether two or more villages shall be considered to form a group, the question shall be decided by the Registrar, whose decision shall be final.

Power of Registrar to decide certain questions.

Application for
registration.

8.—(1) For purposes of registration an application to register shall be made to the Registrar.

(2) The application shall be signed

(a) in the case of a society of which no member is a society, by at least twelve persons qualified in accordance with the requirements of section 6, sub-section (1) hereof ; and

(b) in the case of a society of which a member is a society, by a duly authorised person on behalf of every such society, and where all the members of the society are not societies, by twelve other members, or, when there are less than twelve other members, by all of them.

(3) The application shall be accompanied by a copy of the proposed bye-laws of the society, and the persons by whom or on whose behalf such application is made shall furnish such information in regard to the society as the Registrar may require.

(4) A fee of five shillings shall be payable to the Registrar on every application for registration.

Registration.

9. If the Registrar is satisfied that a society has complied with the provisions of this Ordinance and the rules and that its proposed bye-laws are not contrary to this Ordinance or to the rules, he may register the society and its bye-laws.

Evidence of
registration.

10. A certificate of registration signed by the Registrar and published in the *Royal Gazette* shall be conclusive evidence that the society therein mentioned is duly registered, unless it is proved that the registration of the society has been cancelled.

Annual general
meeting.

11. Every society shall within a period of three months after the date fixed for making up its accounts for the year under the rules for the time being in force call a general meeting of its members.

Special general
meetings.

12. A special general meeting may be called at any time by a majority of the committee and shall be called within one month—

(1) on the requisition in writing of one-fifth of the members of the society, or

(2) at the instance of the Registrar, or any person authorized in writing by the Registrar,

13. A society may, by a resolution of a general meeting and with the approval of the Registrar, change its name : Change of name : its effect. but such change shall not affect any right or obligation of the society, or of any of its members or past members, and any legal proceedings pending may be continued by or against the society under its new name.

14.—(1) Any two or more societies may, with the approval of the Registrar, by a resolution passed by a three-fourths majority of the members present at a special general meeting of each such society held for the purpose, amalgamate as a single society ; provided that each member has had fifteen clear days written notice of the resolution and the date of the meeting. Such an amalgamation may be effected without a dissolution, or a division of the funds, of the amalgamating societies. The resolution of the societies concerned shall on such amalgamation be a sufficient conveyance to vest the assets and liabilities of the amalgamating societies in the amalgamated society. Amalgamation or transfer of societies.

(2) Any society may by a resolution passed in accordance with the procedure laid down in sub-section (1) of this section, and with the like approval, transfer its assets and liabilities to any other society which is prepared to accept them :

Provided that when any such amalgamation or transfer of assets and liabilities involves the transfer of its liabilities by any society to any other society, it shall not be made without giving three months' notice to the creditors of both or all such societies.

Provided further that if a creditor or creditors of any of the societies concerned objects or object to such amalgamation or transfer of assets and liabilities and gives or give written notice to that effect to the society or societies concerned and the Registrar one month before the date fixed for such amalgamation or transfer, the amalgamation or transfer shall not be made until the claims of such creditor or creditors have been satisfied.

Amendment of bye-laws. **15.**—(1) No amendment of the bye-laws of a society shall be valid until approved by the resolution of a general meeting and registered under this Ordinance, for which purpose a copy of the amendment shall be forwarded to the Registrar.

(2) If the Registrar is satisfied that any amendment of the bye-laws is not contrary to this Ordinance or to the rules, he may register the amendment.

(3) When the Registrar registers an amendment of the bye-laws of a society, he shall issue to the society a copy of the amendment certified by him, which shall be conclusive evidence that the same is duly registered.

RIGHTS AND LIABILITIES OF MEMBERS.

No rights of membership to be exercised till due payments are made. **16.** No person shall exercise the rights of a member of a society unless or until he has made such payment to the society in respect of membership, or acquired such interest in the society as may be prescribed by the rules or the bye-laws of such society.

Votes of members. **17.**—(1) No member of any society shall have more than one vote in its affairs: provided that in the case of an equality of votes the chairman shall have a casting vote.

(2) A society which has invested any part of its funds in the shares of another society, may appoint one of its members to vote in the affairs of such other society.

Restriction on transfer of share of interest. **18.**—(1) The transfer or charge of the share or interest of a member in the capital of a society shall be subject to such conditions as to maximum holding as may be prescribed by this Ordinance or by the rules.

(2) A member shall not transfer any share held by him or his interest in the capital or property of any society or any part thereof unless

(a) he has held such share or interest for not less than one year; and

(b) the transfer or charge is made to the society or to a member of the society or to a person whose application for membership has been accepted by the society.

DUTIES OF SOCIETIES.

19. Every society shall have an address registered in accordance with the rules, to which all notices and communications may be sent, and shall send notice in writing to the Registrar of any change in the said address within thirty days of such change. Society to have registered address.

20. Every society shall keep open to inspection at all reasonable times at the registered address of the society :— Copy of Ordinance, &c., to be open to inspection.

- (a) a copy of this Ordinance and any amendments thereof,
- (b) a copy of the rules governing such society,
- (c) a copy of the bye-laws of such society, and
- (d) the prescribed registers, books and accounts.

21.—(1) The Registrar shall by himself or by some person authorized by him in writing by general or special order in this behalf audit the accounts of every society once at least in every year. Audit.

(2) The audit under sub-section (1) of this section shall include an examination of overdue debts, if any, the verification of cash balance and securities, and a valuation of the assets and liabilities of the society.

(3) The Registrar or other person auditing the accounts of any society shall have free access to the books, accounts and vouchers of such society and shall be allowed to verify its cash balances and securities.

The Directors, Managers, and other officers of the society shall furnish to the Registrar or other person appointed to audit the accounts of a society all such information as to its transactions and working as the Registrar or such person may require.

(4) The Registrar and every other person appointed to audit the accounts of a society shall have power, when necessary

- (i) to summon at the time of his audit any officer, agent, servant or member of the society who he has reason to believe can give valuable information in regard to any transaction of the society or the management of its affairs, or

- (ii) to require the production of any book or document relating to any cash or securities belonging to the society by the officer, agent, servant or member in possession of such book, document, cash or securities.

PRIVILEGES OF SOCIETIES.

Societies to
be bodies
corporate.

22. The registration of a society shall render it a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to hold property, to enter into contracts, to institute and defend actions and other legal proceedings and to do all things necessary for the purposes of its constitution.

Prior claim of
society.

23.—(1) Subject to any claim in respect of any debts due to His Majesty or to a landlord in respect of rent or any money recoverable as rent, any debt or outstanding demand owing to a society by any member or past member, shall be a first charge :

- (i) upon the crops or other agricultural produce, whether standing or severed, raised in whole or in part with a loan taken from the society by such member or past member, and
- (ii) upon any cattle, fodder for cattle, agricultural or industrial implements or machinery, or raw materials for manufacture, or buildings used for the purposes of agriculture, supplied to or purchased by such member or past member in whole or in part from any loan whether in money or goods given him by the Society.

(2) All persons dealing with any such crops or produce, cattle, fodder for cattle, agricultural or industrial implements or machinery, or raw materials for manufacture, or buildings used for the purposes of agriculture shall be deemed to have notice of such first charge, and all such dealing shall be and be construed to be subject to the charge and priority created by this Ordinance.

(3) Any such charge may be enforced by the society on application to the Magistrate of the district in which

the member or past member resides or carries on business, and the Magistrate shall issue a warrant of distress upon the property so charged and may order the sale thereof by public auction or private contract.

(4) The application mentioned in the last preceding sub-section shall be accompanied by a certificate under the seal of the society specifying the amount due on such charge and setting forth particulars of the property so charged.

24. Notwithstanding anything contained in the preceding sections, a society shall have a charge upon the share or interest in the capital and on the deposits of a member or past member and upon any dividend, bonus or profits payable to a member or past member in respect of any debt due from such member or past member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of any such debt.

Charge and set-off in respect of shares or interest of member.

25. Subject to the provisions of section 24, the share or interest of a member in the capital of a society or in any provident fund established under section 38 of this Ordinance shall not be liable to attachment or sale under any decree or order of a court of justice in respect of any debt or liability incurred by such member, and no person shall be entitled to or have any claim on such share or interest.

Shares or interest not liable to attachment.

26.—(1) On the death of a member of a society such society may within a period of one year from the death of such member transfer the share or interest of the deceased member to a person or persons nominated in accordance with the bye-laws of the society, if duly admitted a member of the society, in accordance with the rules or the bye-laws of the society, or, if there is no person so nominated, to such person as may appear to the Committee to be the legal personal representative of the deceased member if duly elected a member of the society, or may pay to such nominee or legal personal representative, as the case may be, a sum representing the value of such member's share or interest as ascertained in accordance with the rules or bye-laws :

Transfer of interest on death of member.

Provided that such nominee or legal personal representative, as the case may be, may require that payment

shall be made by the society within one year from the death of the member of the value of the share or interest of such member ascertained as aforesaid.

(2) A society shall, subject to the provisions of section 24 of this Ordinance and unless prevented by an order of a competent court, pay to such nominee or legal personal representative, as the case may be, all other moneys due to the deceased member from the society.

(3) All transfers and payments made by a society in accordance with the provisions of this section shall be valid and effectual against any demand made upon the society by any other person.

Liability of
past member.

27. 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 three years from the date of his ceasing to be a member.

Liability of
the estates of
deceased
members.

28. The estate of a deceased member shall be 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.

Register of
members.

29. Any register or list of members or shares kept by any society shall be *prima facie* evidence of any of the following particulars entered therein :—

- (a) the date at which the name of any person was entered in such register or list as a member ;
- (b) the date at which any such person ceased to be a member.

Admissibility
of copy of
entry as
evidence.

30.—(1) A copy of any entry in any book, register or list regularly kept in the course of business in the possession of a society shall if duly certified in such manner as may be prescribed by the rules, be admissible in evidence of the existence of the entry and shall be admitted as evidence of the matters and transactions therein recorded in every case where, and to the same extent to which, the original entry would, if produced, have been admissible to prove such matters.

(2) In the case of such societies as the Governor by general or special order may direct, no officer of a society

shall in any legal proceedings to which the society is not a party be compelled to produce any of the society's books, the contents of which can be proved under sub-section (1) of this section, or to appear as a witness to prove the matters, transactions and accounts therein recorded, unless by order of the Court or a Judge made for special cause.

31. With such safeguards as may be prescribed by rules in this behalf, the Government may give loans to societies or guarantee the payment of interest on debentures issued by them. Loans. Guarantee of interest.

PROPERTY AND FUNDS OF SOCIETIES.

32.—(1) Except with the general or special sanction of the Registrar, a society shall not make a loan to any person other than a member. Restrictions on loans.

(2) Save with the sanction of the Registrar, a society with unlimited liability shall not lend money on the security of personal property.

(3) Any society may lend its money on mortgage of real property to any of its members.

33. A society shall receive deposits and loans from persons who are not members only to such extent and under such conditions as may be prescribed by the rules or by the bye-laws of the society. Restrictions on borrowing

34. A society may invest or deposit its funds

(a) in the Government Savings Bank; or in any Bank in the Colony approved by the Governor;

(b) 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

(c) in any other mode permitted by the rules. Investment of funds.

35. No society shall pay a dividend to its members at a rate exceeding 6 per cent. per annum. Restrictions on dividend.

Reserve Fund. **36.**—(1) Every society which does or can derive a profit from its transactions shall maintain a reserve fund.

(2) At least one-tenth of the net profits of the society each year shall be carried to the reserve fund, and such reserve fund may be used in the business of the society or may be invested, subject to the provisions of section 34, as the Governor may by general or special order direct, or may, with the previous sanction of the Governor, be used in part for some public purpose likely to promote the objects of this Ordinance.

Restrictions on distribution of profits. **37.** Subject to the provisions of section 35 the balance of the profits of a society after making the prescribed provision for the reserve fund may, together with any available profits of past years, be distributed among its members to the extent and under the conditions prescribed by the rules or by the bye-laws of such societies : provided that :—

(a) in the case of a society on a basis of unlimited liability in which the members do not hold shares, no distribution of profits shall be made without the general or special order of the Governor in this behalf ; and

(b) in the case of a society on a basis of unlimited liability in which the members hold shares, no such distribution of profits shall be made until ten years from the date of registration of the society have elapsed.

Provident Fund. **38.** Any society may establish a provident fund for its members out of contributions from such members in accordance with bye-laws made by the society in this behalf, and may contribute to such provident fund from its net profits, after the prescribed payments have been made to the reserve fund : provided that such provident fund shall not be used in the business of the society but shall be invested under the provisions of section 34 : and provided further, that no part of such provident fund shall be considered as an asset of the society.

39. With the approval of the Registrar and after the payments prescribed by sub-section (2) of section 36 of this Ordinance have been made to the reserve fund, any society may :—

- (a) set aside a sum not exceeding 20 per cent. of its net profits, and
- (b) utilize from time to time the whole of such sum in contributing to any public or co-operative purpose, or to a charitable purpose approved by the Governor.

INSPECTION OF AFFAIRS.

40.—(1) The Registrar may of his own motion by himself or by a person duly authorised by him in writing in this behalf hold an inquiry into the constitution, working and financial condition of a society.

(2) The Registrar shall hold such an enquiry as is contemplated in sub-section (1) of this section :—

- (a) on the requisition of a society, duly authorised by rules made in this behalf to make such requisition, in respect of one of its members, such member being itself a society,
- (b) on the application of a majority of the Committee of the society,
- (c) on the application of one-third of the members of the society.

(3) All officers and members of the society whose affairs are investigated shall furnish such information in their possession in regard to the affairs of the society as the Registrar or the person authorised by the Registrar may require.

(4) The result of any inquiry under this section shall be communicated to the society whose affairs have been investigated.

41.—(1) The Registrar may on the application of a creditor of a society, inspect or direct some person

Contribution to charitable purpose.

Inquiry by Registrar.

Inspection of books of indebted society.

authorised by him by order in writing in this behalf to inspect the books of the society :

Provided that—

- (a) the applicant satisfies the Registrar that the debt is a sum then due, and that he has demanded payment thereof and has not received satisfaction within a reasonable time ; and
- (b) the applicant deposits with the Registrar such sum as security for the costs of the proposed inspection as the Registrar may require.

(2) The Registrar shall communicate the result of any such inspection to the creditor.

Costs of inquiry.

42. Where an inquiry is held under section 40 or an inspection is made under section 41 of this Ordinance the Registrar may apportion the costs, or such part of the costs, as he may think right, between the society, the members or creditor demanding the inquiry or inspection, the officers or former officers, and the members or past members of the society.

Provided that :—

- (a) no order of apportionment of the costs shall be made under this section unless the society or persons liable to pay the costs thereunder has or have been heard or has or have had a reasonable opportunity of being heard ;
- (b) the Registrar shall state in writing under his own hand the grounds on which the costs are apportioned.

Recovery of costs.

43. (1) Any sum awarded by way of costs under section 42 may be recovered by the Registrar on application to the Magistrate of the District in which the person from whom the money is claimed resides or carries on business, and the Magistrate shall issue a warrant of distress upon and may order the sale of any personal property belonging to such person.

(2) All personal property so levied upon shall not be sold until after the expiration of five clear days from the day of such levy.

LIQUIDATION AND ARBITRATION.

44. If the Registrar, after an inquiry has been held under Winding up section 40 or after an inspection has been made under section 41 of this Ordinance or on receipt of an application made by three-fourths of the members of a society present at a special general meeting called for the purpose, or of his own motion, in the case of a society that has not commenced working, or has ceased working, or possesses insufficient assets, is of opinion that the society ought to be wound up, he may issue an order directing it to be wound up, and when necessary, may appoint a liquidator for the purpose and fix his remuneration.

45. Where it is a condition of the registration of a society Society may be wound up if membership is reduced. that it shall consist of at least twelve members who are above the age of twenty-one years, the Registrar 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.

46. When the affairs of a society for which a liquidator Effect of cancellation of registration. has been appointed under section 44 have been wound up, or, where no liquidator has been appointed, after two months from the date of an order under section 44, or after confirmation of such order on appeal, the Registrar 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.

47. A liquidator appointed under section 44 shall have Powers of a liquidator. power with the sanction of the Registrar to do all or any of the following things :—

- (a) pay any class or classes of creditors in full;
- (b) make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim, present or future, whereby the society may be rendered liable ;
- (c) 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;

- (d) from time to time 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 including debts due from such members or persons;
- (e) institute and defend actions and other legal proceedings on behalf of the society in the name of his office;
- (f) issue requisitions under section 55 of this Ordinance upon the Treasurer for the recovery as arrears of land taxes or any sum ordered by him to be recovered as due from members or as a contribution to the assets of the society or to the cost of liquidation;
- (g) have disputes referred to arbitration;
- (h) investigate all claims against the society, and, subject to the provisions of this Ordinance, 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 Registrar and not exceeding the contract rate;
- (i) determine by what persons and in what proportion the cost of the liquidation shall be borne;

- (j) give such directions in regard to the collection and distribution of the assets of the society as may appear to him to be necessary for winding up the affairs of the society ;
- (k) fix the time or times 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 ;
- (l) carry on the business of the society so far as may be necessary for the beneficial winding up of the same ; and for this purpose to raise on the security of the assets of the society any money requisite ;
- (m) sell the property and things in action of the society by public auction or private contract, with power to transfer the whole thereof to any person or to sell the same in lots or parcels.

Provided that no liquidator shall determine the contribution, debt or sums to be recovered from a past member or the representative of a deceased member unless opportunity has been given to such past member or to such representative to answer the claim.

48.—(1) Where, in the course of the winding up of a society it appears that any person who has taken part in the organization or management of the society or any past or present chairman, secretary, member of the managing committee or officer of the society has misapplied or retained or become liable or accountable for any money or property of the society or has been guilty of misfeasance or breach of trust in relation to the society, the Registrar may, on the application of the liquidator or of any creditor or contributory, examine into the conduct of such person and make an order requiring him to repay or restore the money or property or any part thereof respectively with interest at such rate as the Registrar thinks just or to contribute such sum to the assets of the society by way of compensation in regard to the misapplication, retainer, misfeasance or breach of trust as the Registrar thinks just.

Power of Registrar to assess damages against delinquent promoters, &c.

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

Bar of action
in winding up
and dissolution
matters.

49. Save in so far as is expressly provided in this Ordinance, no Court shall take cognizance of any matter connected with the winding up or dissolution of a society under this Ordinance, and when 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 Registrar and subject to such terms as he may impose.

Disposal of
surplus assets.

50. After all the liabilities including the paid-up share capital of a cancelled society have been met, the surplus assets shall not be divided amongst its members but they shall be devoted to any object or objects 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 Registrar, or they may in consultation with them either be assigned by the Registrar in whole or in part to any or all of the following :—

- (a) an object of public utility of local interest,
- (b) a charitable purpose approved by the Governor, or

may be placed on deposit with a Bank approved under section 34 hereof until such time as a new society with similar conditions is registered, when with the consent of the Registrar such surplus may be credited to the reserve fund of such new society.

Arbitration.

51. If any dispute touching the business of a society arises between members or past members of the society or persons claiming through a member or past member or between members or past members or persons so claiming and any officer, agent, or servant of the society, or between the society or its committee, and any officer, agent, member or servant of the society, it shall be referred to the Registrar for decision by himself or his nominee, or if either of the parties so desires, to arbitration of three arbitrators who

shall be the Registrar or his nominee and two persons of whom one shall be nominated by each of the parties concerned.

A dispute shall include claims by a society for debts or demands due to it from a member or past member or the heirs or assets of a past member whether such debts or demands be admitted or not.

Provided that if the question at issue between a society and a claimant, or between different claimants is one involving complicated questions of law and fact, the Registrar may, if he thinks fit, suspend proceedings in the matter until the question has been tried by action instituted by one of the parties or by the society. If no such action is instituted within six months of the Registrar's order suspending proceedings the Registrar shall act as laid down in the first paragraph of this section.

52. Any party aggrieved by any decision of the Registrar's nominee made under section 51 hereof may within one month of the date of the award or order appeal to the Registrar and the Registrar shall decide the appeal himself. Appeal against decision of nominee.

53. An order made on appeal under section 52 shall be final and conclusive. The award of the arbitrators or a decision by the Registrar or his nominee under section 51 shall not be liable to be called in question in any court. Finality of order.

54. Wherever in this Ordinance it is provided that the Registrar or person duly authorized by general or special order in writing by the Registrar in this behalf shall hold an inquiry under section 40 or shall make an inspection under section 41 or shall wind up a society or shall arbitrate, such Registrar or person authorized, as the case may be, shall have the power to summon and enforce the attendance of witnesses, including the parties interested or any of them, and to compel them to give evidence, and to compel the production of documents by the same means and as far as possible in the same manner as is provided in the case of a Petty Civil Court. Powers to enforce attendance.

Money how
recovered.

55.—(1) Every order made by a liquidator under section 47, or by the Registrar or his nominee or arbitrators on disputes referred to him or them under paragraph (g) of section 47 or under section 51, every order made on appeal under section 52 and every order of the Governor in an appeal against orders passed under sections 47 or 51 shall, if not carried out, be executed

- (a) on a certificate signed by the Registrar or a liquidator, by any civil court in the same manner as a decree or order of such court ; or
- (b) according to the law and under the rules for the time being in force for the recovery of arrears of taxes under Cap. 204: provided that any application for the recovery in such manner of any such sum shall be made to the Treasurer and shall be accompanied by a certificate signed by the Registrar or by some person to whom the said power has been delegated by the Registrar.

(2) When the property attached in execution of an order referred to in sub-section (1) of this section cannot be sold for want of buyers, the same may be sold to a society with the previous consent of the Registrar on such terms and conditions as may be agreed upon between the Treasurer and the said society.

OFFENCES.

Offences.

56. It shall be an offence under this Ordinance if :—

Default by a
society, officer
or member.

- (a) a society or an officer or a member thereof fails without any reasonable excuse to give any notice, send any return or document, do or allow to be done anything which the society, officer or member is by this Ordinance required to give, send, do or allow to be done ; or

Wilful neglect
or default by
a society, &c.

- (b) a society or an officer or a member thereof wilfully neglects or refuses to do any act or to furnish any information required for the purposes of this Ordinance by the Registrar or other person duly authorized by him in writing in this behalf ; or

- (c) a society or an officer or member thereof wilfully makes a false return or furnishes false information; or Wilful furnishing of false information.
- (d) any person wilfully or without any reasonable excuse disobeys any summons, requisition or lawful written order issued under the provisions of this Ordinance or does not furnish any information lawfully required from him by a person authorized to do so under the provisions of this Ordinance. Disobedience of summons, requisition or order.

57. Every society, officer or member of a society or other person guilty of an offence under this Ordinance for which no penalty is expressly provided herein shall be liable to a fine not exceeding £10. Penalty for offences not otherwise provided for.

58.—(1) No person other than a registered society shall, without the sanction of the Governor, trade or carry on business under any name or title of which the word "co-operative" forms part: Prohibition of use of word "co-operative."

(2) Provided that nothing in this section shall apply to the use by any person or his successor in interest of any name or title under which he traded or carried on business at the date of the commencement of this Ordinance.

(3) Any person who contravenes the provisions of this section shall be liable to a fine not exceeding £10, and in the case of a continuing offence to a further fine of five shillings for each day on which the offence is continued after conviction therefor.

59. No prosecution under this Ordinance shall be commenced without the previous sanction of the Registrar; and any offence under this Ordinance may be prosecuted before a Magistrate in manner prescribed by the Summary Conviction Offences (Procedure) Ordinance, Cap. 24. Prosecutions to be sanctioned by Registrar.

APPEALS AND REVISION.

60. An appeal against an order or decision of or sanction by the Registrar under sections 9, 15, 42, 44, 47, 48 or 51 of this Ordinance may be made by any party aggrieved or affected by the order or decision to the Governor within two months of the date of the communication of the order. Appeals.

Governor and Registrar may call for certain records and make orders thereon.

61. The Governor and the Registrar may call for and examine the record of any inquiry or the proceedings of any officer subordinate to them for the purpose of satisfying themselves as to the legality or propriety of any decision or order passed and as to the regularity of the proceedings of such officer. If in any case it shall appear to the Governor or the Registrar that any decision or order or proceedings so called for should be modified, annulled or reversed the Governor or the Registrar, as the case may be, may make such order thereon as to him may seem fit.

MISCELLANEOUS.

Recovery of sums due to Government.

62.—(1) All sums due from a society or from an officer or member or past member of a society as such to the Government, may be recovered according to the law and under the rules for the time being in force for the recovery of arrears of taxes under Cap. 204.

(2) Sums due from a society to the Government and recoverable under sub-section (1) of this section may be recovered, firstly, from the property of the society; secondly in the case of a society of which the liability of the members is limited, from the members or past members subject to the limit of their liability; and, thirdly in the case of other societies, from the members or past members.

(3) The liability of past members shall in all cases be subject to the provisions of section 27 of this Ordinance.

Power to exempt societies from conditions as to registration.

63. Notwithstanding anything contained in this Ordinance, the Governor may, by special order in each case and subject to such conditions, if any, as he may impose, exempt any society from any of the requirements of this Ordinance as to registration.

Power to exempt societies from provisions of Ordinance.

64. The Governor may, by general or special order to be published in the *Royal Gazette*, exempt any society or class of societies from any of the provisions of this Ordinance, or may direct that such provisions shall apply to such society or class of societies with such modifications as may be specified in the order; provided that no order to the prejudice of any society shall be passed without an opportunity being given to such society to represent its case.

65. The provisions of the Companies Ordinance, Cap. 180, shall not apply to societies registered under this Ordinance. Companies Ordinance not to apply.

66. No action shall be instituted against a society or any of its officers in respect of any act touching the business of the society until the expiration of two months next after notice in writing has been delivered to the Registrar or left at his office, stating the cause of action, the name, description and place of residence of the plaintiff and the relief which he claims; and the summons shall contain a statement that such notice has been so delivered or left. Notice necessary in actions.

67.—(1) The Governor may, for the whole or any part of the Colony and for any society make rules to carry out the purposes of this Ordinance. Rules.

(2) In particular and without prejudice to the generality of the foregoing power such rules may:—

- (a) subject to the provisions of section 5, prescribe the maximum number of shares or portion of the capital of a society which may be held by a member;
- (b) prescribe the forms to be used and the conditions to be complied with in the making of applications for the registration of a society and the procedure in the matter of such applications;
- (c) prescribe the matters in respect of which a society may or shall make bye-laws and the procedure to be followed in making, altering and revoking bye-laws and the conditions to be satisfied prior to such making, alteration or revocation;
- (d) prescribe the conditions to be complied with by persons applying for admission or admitted as members and provide for the election and admission of members and the payment to be made and the interests to be acquired before the exercise of the right of membership;
- (e) provide for ascertaining the value of a deceased member's share or interest;

- (f) provide for general meetings of the members and for the procedure at such meetings and the powers to be exercised by such meetings ;
- (g) provide for the appointment, suspension and removal of the members of the committee and other officers and for the procedure at meetings of the committee and for the powers to be exercised and the duties to be performed by the Committee and other officers ;
- (h) prescribe the accounts and books to be kept by a society and provide for the audit of such accounts and the charges, if any, to be made for such audit, and for the periodical publication of a balance sheet showing the assets and liabilities of a society ;
- (i) prescribe the returns to be submitted by a society to the Registrar and provide for the persons by whom and the form in which such returns shall be submitted ;
- (j) provide for the persons by whom and the form in which copies of documents or entries in books of societies may be certified, and for the charges to be levied for the supply of such copies ;
- (k) provide for the formation and maintenance of a register of members, and where the liability of the members is limited by shares, of a register of shares ;
- (l) prescribe the payments to be made and the conditions to be complied with by members applying for loans, and the period for which loans may be made, and the amount which may be lent to an individual member ;
- (m) prescribe the prohibitions and restrictions subject to which societies may trade with persons who are not members ;
- (n) provide for the formation and maintenance of reserve funds, and the objects to which such funds may be applied, and for the investment of any funds under the control of a society ;

- (o) prescribe the extent to which a society may limit the number of its members ;
- (p) prescribe the conditions under which profits may be distributed to the members of a society and the maximum rate of dividend which may be paid by societies ;
- (q) prescribe the procedure to be followed in presenting and disposing of appeals ;
- (r) provide for securing that the share capital of any society shall be variable in such a way as may be necessary to secure that shares shall not appreciate in value and that necessary capital shall be available for the society as required ;
- (s) provide that persons qualified under the bye-laws of a society shall not be excluded from membership without due cause ;
- (t) prescribe the procedure to be followed by a liquidator appointed under section 44 of this Ordinance ;
- (u) prescribe the mode of appointing an arbitrator or arbitrators and the procedure to be followed in proceedings before the Registrar or such arbitrator or arbitrators and for fixing and levying the expenses of determining the dispute ;
- (v) provide for the issue and service of process and for proof of service thereof ;
- (w) provide for the writing-off of bad debts ;
- (x) regulate the manner in which funds may be raised by means of shares or debentures or otherwise ;
- (y) provide for the withdrawal and expulsion of members and for the payments to be made to them and for the liabilities of past members ;
- (z) provide for the nomination of a person to whom the interest of a deceased member may be paid or transferred ;

- (aa) prescribe the cases in which an appeal shall lie from the order of a liquidator appointed under section 44 of this Ordinance ;
- (bb) provide for the inspection of documents in the Registrar's office and the levy of fees for granting certified copies of the same ;
- (cc) provide for the payment of contributions at such rates and subject to such conditions as may from time to time be prescribed by Co-operative Societies to any provident fund which may be established for the benefit of officers and servants employed by them ; and
- (dd) prescribe the period and terms under which Government aid may be given to societies and the terms under which the Government may guarantee the payment of interest on debentures issued by societies.

Exemption
from stamp
duty and
certain fees.

68. No instruments executed in pursuance of this Ordinance or of any rule or bye-law thereunder or on account of any society shall be charged or chargeable with any stamp duty, registration fee or court fee whatsoever, and no charge shall be made by the Registrar or the Registrar-General for certifying copies of any form or agreement made under this Ordinance or any rule or bye-law thereunder.

Commence-
ment.

69. This Ordinance shall commence on such day as may be fixed by the Governor by proclamation.

Passed in Council this twenty-second day of May, in the year of Our Lord one thousand nine hundred and thirty-one.

J. O'CONNOR,
for Clerk of the Council.