



**BARBADOS PUBLIC WORKERS'
CO-OPERATIVE CREDIT UNION LIMITED**

BY LAWS

Last revised June 2008

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NAME

1. The Name of the Society shall be the Barbados Public Workers' Co-operative Credit Union Limited (hereinafter referred to as "the Society").

INTERPRETATION

2. (1) In these By-Laws, unless the context otherwise requires, expressions defined in the Act or the Regulations, shall have the meaning so defined, and words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine gender and words importing persons shall include the bodies corporate.
- (2) In these By -Laws:
 - (a) "act" means the Co-operative Societies Act 1990–23.
 - (b) "auditor" includes a partnership of auditors;
 - (c) "Board" means the Board of Directors;
 - (d) "business" includes undertaking carried on by the Society;
 - (e) "bonus" means a share of the surplus of the Society divided among its members in proportion to their patronage with the Society;
 - (f) "By-Laws" mean the registered By-Laws made by the Society in the exercise of any power conferred by this Act, and includes a registered amendment of the By-Laws;
 - (g) "debt obligation" means a bond, debenture, member loan, note savings certificate or other evidence of indebtedness or guarantee of the Society whether secured or unsecured;
 - (h) "director" means an individual occupying the position of director of the Society, by whatever name called;

- (i) "dividend" means a share of the surplus of the Society divided among its members in proportion to the share capital held by them;
- (j) "legal representative", in relation to the Society, member or other person, means a person who stands in place of and represents the Society, member or other person and, without limiting the generality of the foregoing, includes, as the circumstances require, a trustee, executor, administrator, assignee, or receiver of the Society, member or other person;
- (k) "member" includes a person joining in the application for the registration of the Society and a person or society admitted to membership after registration in accordance with this Act and the By-Laws of the Society;
- (l) "membership fee" means any amount paid by a member to the Society as a condition of his becoming or remaining a member, but does not include an amount paid by a member to the Society for:
 - (i) goods, services or accommodation that the society provides to the member, or
 - (ii) shares, loans or other securities of the society;

- (m) "officer" includes a president, secretary, treasurer, director or other person empowered under the Regulations or By-Laws to give directions respecting the business of the Society;
- (n) "Registrar" means the Registrar of Co-operative Societies;
- (o) "regulations" means Regulations made under the Co-operative Societies Act 1990-23;
- (p) "security"
 - (i) means a share or a debt obligation of the Society, and
 - (ii) includes a certificate evidencing the share or debt obligation;
- (q) "security interest" means an interest in or charge on the property of the Society by way of mortgage, charge, hypothec, pledge or other obligation taken by a creditor to secure payment of a debt of the Society.
- (r) "relative" means a spouse, child, father, mother, brother, sister, uncle, aunt, nephew and niece.
- (s) "Returning National" means a citizen of Barbados who has lived in a foreign country for five or more consecutive years.
- (t) "Loan Policy" refers to the loan policy of the Society as determined by the Board of Directors from time to time".

REGISTERED ADDRESS

3. The registered address of the Society shall be "Melbourne", Belmont Road, St. Michael or at any other place as may from time to time be determined by the Society or the Board and notified to the Registrar.

OBJECTS

4. The objects of the Society shall be:
 - (a) To promote thrift among its members by providing means whereby savings can be effected and shares in the Society can be acquired.
 - (b) To educate its members in co-operative principles and methods and the efficient management of its affairs.
 - (c) To create out of the savings of its members and otherwise, a source of credit available to its members on reasonable terms and conditions; and
 - (d) To pursue business and other activities geared towards the enhancement of the financial, economic and social well-being of its members.
 - (e) To do other acts and things as are incidental or conclusive to or consequential upon the attainment of the above objects.

AREA OF OPERATIONS

5. The area of operations of the Society shall be the Island of Barbados and such jurisdictions outside Barbados as the Laws of Barbados and that jurisdiction permits.

CAPITAL AND FUNDS

6. The capital and funds of the Society shall be raised by means of:
 - (a) The savings of its members received as payments or contributions to shares;

- (b) The deposits of members or non-members;
 - (c) Loans from members or non-members; and
 - (d) Entrance and other fees, fines, interest on loans and investments and other contributions received from members and non-members.
7. Each share of the Society shall be of the par value of \$5.00 and the minimum number of shares which may be held by each member shall, subject to the provisions of the Act, Regulations and By-Laws, be prescribed from time to time by the Board.
8. Deposits may be received from any member or non-member at rates of interest not exceeding 8% and for agreed terms of up to five (5) years. Deposits shall not be withdrawn or transferred by depositors by a cheque, any other bill of exchange or any other negotiable instrument.
9. Subject as hereinafter provided and in accordance with the provisions of the Act, the Directors with the sanction of a General Meeting, may borrow or raise money from any source in any manner the Society thinks fit.
10. The Society in general meeting shall in accordance with the provisions of the Act from time to time fix the maximum amount which it may at any one time owe in respect of deposits and loans.
11. The funds of the Society may be applied to the following purposes only, namely:
- (a) The expense of management,
 - (b) Loans to its members for provident and productive purposes,
 - (c) Any other purpose authorised by the Act, Regulations and these By-Laws.

12. The liability of a member to make contributions to the assets of the Society in case of liquidation shall be limited to his shares.

MEMBERSHIP

13. (1) Every member of the Society shall be not less than 16 years of age and shall be:
- (a) a bona fide public worker; or
 - (b) a relative of a member; or
 - (c) an employee of the Society; or
 - (d) an employee of a statutory body; or
 - (e) former employees of qualifying organizations under these By Laws; or
 - (f) employees of privatized qualifying entities under these By Laws; or
 - (g) returning nationals of related organizations which ordinarily qualified under these By Laws; or
 - (h) an employee of the National Union of Public Workers; or
 - (i) an employee of a Regional or International Organization based in Barbados; or
 - (j) an employee of the Barbados Institute of Management and Productivity (BIMAP); or
 - (k) an employee of a government associated company or organization; or
 - (l) existing bona fide member; or.
 - (m) a person proposed for membership by a member.
- (2) Persons who have the necessary qualifications for membership and are desirous of becoming joint members may apply in writing to the Secretary. The application shall state the residence and occupation of each person, whether the tenancy will be a joint tenancy or a tenancy in common and shall contain such other information as the Board may from time to time decide.
- (3) An application of a joint membership to withdraw from the Society or to vary the composition of the joint membership must be signed by all the persons comprising the joint membership.
14. Any person who has the necessary qualifications and who is desirous of becoming a member shall apply in writing to the Secretary. His application shall state his residence and occupation and contain such other information as may be prescribed from time to time.

15. The election of applicants for membership shall be by the Board but no person thus admitted to membership shall become a member or be entitled to any of the rights or privileges of membership until he has paid an entrance fee of \$5.00, subscribing and paying for not less than one share of the Society. All such entrance fees shall go into the Reserve Fund.
16. A member shall cease to be a member and his membership shall be terminated if he:
 - (a) dies;
 - (b) withdraws from the Society by giving written notice to the Secretary;
 - (c) ceases to hold the required number of shares prescribed in By-Law 21(a) or By-Law 21(b);
 - (d) is expelled as provided in the Act, Regulations or By-Laws.
17. Any member who:
 - (a) fails to pay any contribution or debt due to the Society; or
 - (b) is convicted of a criminal offence involving dishonesty; or
 - (c) in the opinion of the Board acts in anyway detrimental to the interests of the Society may be suspended by the Board until the next general meeting when he may be expelled as provided in the Act.
18. Subject to Section 102 of the Act, after payment of any amount due to the Society, or to any contingent liability to the Society, all amounts paid on shares or deposits by members whose membership has been terminated shall be paid to them in order of termination, but only as funds are available.
19. The Society shall keep a register of its members in accordance with the provisions of the Act.

SHARES

20. In accordance with Section 30 (1) of the Act, the par value of one share shall be \$5.00.
21.
 - (a) In accordance with the provisions of Section 10 of the Act, a member shall pay and thereafter maintain contributions to the value of twenty-four (24) qualifying shares.
 - (b) A member whose name was entered in the Society's register of members prior to the enactment of this By-Law, shall within the first six (6) months of enactment of this By-Law, pay and thereafter maintain contributions to the value of twenty-four (24) qualifying shares.
22. Shares may be transferred in accordance with Section 48 & 49 of the Act, but no transfer shall be registered until a transfer fee of \$5.00 has been paid.
23. Subject as hereinafter provided the amount of any share or the amount paid on any share may be withdrawn at any time provided that the Board shall have the right at any time to require members to give seven (7) days notice in writing or in any given emergency such additional notice as the Board may fix, of his intention to do so.
24. Where a member's liability to the Society exceeds his savings, such savings may only be withdrawn in accordance with the Society's loan policy.
25. If the whereabouts of any member are not known to the Society and no claim is made within one year from the date of his last transaction with the Society, the Board may transfer his share or interest, after deducting any sum due to the Society to an unclaimed Share Account. Any sums remaining unclaimed in this account for five years may be transferred to the Reserve Fund.

MEETINGS OF MEMBERS

26. The supreme authority of the Society shall be vested in a general meeting of members at which every member has the right to attend and vote on all questions except the member is on suspension.
27.
 - (a) Members shall vote by a show of hands or a secret ballot as determined by the meeting.
 - (b) Meetings of members shall be convened and held in accordance with the provisions of the Act.

- (c) General meetings of members shall be held from time to time at the discretion of the Directors.
28. A special general meeting may be convened at any time by the Board on receipt of a demand stating the object of the proposed meeting, signed by not less than fifty (50) members of the Society, and it shall be the duty of the Board to convene such meeting within twenty (20) days of the receipt of demand giving not less than ten (10) days notice of any such meeting.
29. (1) The annual general meeting shall be convened by the Board not later than three months after the end of the financial year of the Society. At least ten (10) days' notice shall be given before any such general meeting is held.
- (2) Notwithstanding the provisions of By-Law 29(1) the Registrar, on receipt of a written request from the Board, may authorize the Society to hold the Annual General Meeting at any date not later than six (6) months after the end of the financial year of the Society.
- (3) The functions of the annual general meeting shall be:
- (a) to confirm the minutes of the previous annual general meeting and of any intervening special general meeting;
 - (b) to consider the accounts and reports presented by the Board for the preceding year, together with the report on the auditor;
 - (c) to allocate surplus from the previous year, subject to the Act, Regulations and these By-Laws;
 - (d) to elect Directors, a Credit Committee and a Supervisory Committee for the ensuing year;
 - (e) to appoint an auditor;
 - (f) to deal with any other general business of the Society.
30. (1) At least ten (10) days notice of any general meeting shall be given in any of the following ways:

- (a) By a written notice handed to each member or posted to him at his registered address.
- (b) By a notice published in a prominent place and in not less than two (2) issues of any daily newspaper.

QUORUM

- 31. (1) For the purpose of any general meeting, a quorum shall consist of fifty (50) members, provided that when a meeting is summoned by the Registrar any members present at such meeting shall be deemed to form a quorum.
- (2) If within one hour after the time fixed for any meeting other than a meeting convened by the Registrar, the members present are not sufficient to form a quorum such meeting shall be considered as dissolved if convened on the demand of members. In all other cases it shall stand adjourned to a date not more than thirty (30) days hence and at a time and place to be determined. For reconvening an abortive meeting at least three days' notice shall be given.
- (3) If at the reconvened meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall form a quorum.

THE BOARD OF DIRECTORS

- 32. (1) Subject to the provisions of the Act, the general direction and management of the Society shall be entrusted to a Board consisting of nine (9) members. Five (5) shall form a quorum.
 - (a) The Board shall at its first meeting, to be held within seven (7) days of the date of the Annual General Meeting elect from its own members a President, a Vice-President, a Secretary and a Treasurer.
 - (b) Meetings of the Board shall be called on the order of the President or a majority of its members.
 - (c) The Board shall meet as often as the business of the Society may require and in any case not less frequent than once per month.

- (d) Minutes of the meetings of directors shall be recorded by the Secretary in the minute book and shall be signed by the Chairman or the presiding member and the Secretary and shall contain the following particulars:
 - (i) names of members present and the date of the meeting;
 - (ii) the name of the Chairman or the presiding member; and
 - (iii) a short statement of matters discussed and decisions made and a record as to whether each decision was made unanimously or by majority. Minutes of such meetings shall be communicated to the Directors not later than fourteen (14) days after the meeting or at least two (2) days prior to the next meeting.
 - (2) Without prejudice to By-Law 32 (1) (d)(iii) in the case of an extraordinary meeting minutes shall be circulated four (4) days after the date of such meeting.
- 33.
 - (1) The Board may borrow monies on behalf of the Society.
 - (2) The Board shall maintain a bank account at any bank duly registered under the Banking Act of Barbados.
 - (a) The Duties shall also include:
 - (i) the appointment of members of staff.
 - (ii) the appointment of such sub-committees as it deems necessary or the proper running of the Society's business.
 - (iii) taking all measures to provide for the management of the affairs of the Society for which no provision is specifically made in these By-Laws.
- 34.
 - (1) The Directors shall be elected at the annual general meeting of the Society in each year as herein provided. Every election shall be by ballot except where there is no contest. No member may be elected to the Board unless he holds twenty-four (24) fully paid shares in the Society and has been a member for at least six (6) months.

- (2) If there are no directors remaining the Supervisory Committee and Credit Committee, sitting jointly, shall in writing appoint directors solely for the purpose of calling a general meeting to elect members to fill the vacant directorships.

ELECTIONS

35. (1) The following shall apply to the conduct of elections for the Board of Directors, the Credit Committee and the Supervisory Committee, in keeping with Sections 56, 57, 205 and 211 of the Act and paragraph 13 of the Regulations:-
- a. Not less than thirty (30) days prior to an Annual General Meeting, the Board of Directors shall appoint a Credentials Committee of three (3) persons who are not nominees for any vacancy;
 - b. The Credentials Committee shall:
 - (i) receive all nominations ;
 - (ii) ensure that all nominees are qualified pursuant to the Act, the regulations and the By-laws; and
 - (iii) ensure that all nominees have consented to the nomination.
 - c. The Credentials Committee shall present all valid nominations at the Annual General Meeting, for the vacancies for which elections are to be held;
 - d. All elections shall be by ballot.
- (2) In the event that there is an insufficient number of persons who have been pre-nominated to fill the vacancies on the Board, Credit Committee or the Supervisory Committee, nominations may be accepted from the floor.
- (3) Where a person who has been nominated for a vacancy on the Board or any other Committee is successfully elected to the Board or that Committee, he shall be ineligible for election to any other Committee.
- 4) In addition to the provisions of By-Law 7, no member may be elected to the Board of Directors, the Credit Committee or the Supervisory Committee, unless that member:
- (a) is a citizen or resident of Barbados;

- (b) holds twenty four (24) qualifying shares;
 - (c) is not otherwise in breach of Section 57 of the Act.
36. (1) Nominated members and their consent to nomination shall be established through the following procedures:-
- i. fourteen (14) days before the date set for elections a nomination in writing by not less than four (4) members shall be given to the Society proposing the member for election; and
 - ii. the nomination must be accompanied by a letter of consent signed by that member confirming his willingness to be nominated as a candidate for the Board of Directors, the Credit Committee or the Supervisory Committee.
- (2) On receipt of a nomination referred to in By-Law 36 the Secretary shall at the time of publishing notice of a general meeting of members, include in the notice a statement that the member nominated has offered himself for election to the Board of Directors, the Credit Committee or the Supervisory Committee.
37. (1) The Board of Directors shall appoint a person who is not a member of the Board, the Credit Committee or the Supervisory Committee nor a candidate for any vacancy, to chair the elections.
- (2) The Chairman of Elections shall:-
- i. make any announcements of the withdrawal of candidates or the absence of candidates vying for the Board of Directors, the Credit Committee or the Supervisory Committee;
 - ii. declare the voting process open;
 - iii. manage the voting process and ensure that at the conclusion of voting for election to the Board of Directors, the Credit and Supervisory Committees that all ballot boxes are sealed in his presence;
 - iv. receive and secure all remaining unused ballot books and ballot papers;

- v. manage the ballot counting process in the pre-designated counting area;
- vi. manage the process for any additional voting required in the event of a tied vote; and
- vii. announce the results of the elections for the Board of Directors, Credit Committee and Supervisory Committee

TENURE OF OFFICE

38. (1) Each member of the Board of Directors, the Credit Committee and the Supervisory Committee shall hold office until his successor is elected or appointed and may be eligible for re-election.
- (2) Directors shall be elected at the Annual General Meeting and may hold office for two (2) consecutive terms of three (3) years each, before retiring for a minimum of one (1) year providing that at least three (3) members shall retire each year.
- (3) Members of the Supervisory and Credit Committees shall be elected at the Annual General Meeting and may hold office for two (2) consecutive terms of three (3) years each, before retiring for a minimum of one (1) year, providing that at least one (1) member shall retire each year.

ROTATION OF DIRECTORS

39. (1) Where persons are to be elected for varying terms, the member receiving the highest number of votes cast, is to be declared elected for the longest or longer term as the case may be.
- (2) Where two (2) or more candidates receive an equal number of votes, the members present may by resolution provide that a second ballot be cast or where the meeting does not decide to hold a second ballot to break the tie, the Chairman of Elections shall draw lots and the candidate whose lot is drawn, is to be declared elected for the longest or longer term.

- (3) Where candidates are elected unopposed, the members present may by resolution provide that a ballot be cast to determine the term of office for each member or where the meeting does not decide, the Chairman of Elections shall draw lots to determine the tenure of office for each candidate.

TERMINATION OF OFFICE

40.
 - (1) The Board of Directors, the Credit Committee, the Supervisory Committee, or any member thereof, may be removed from office before expiration of their or his term of office, by a three-fourths (3/4) majority of the members present at a Special General Meeting and voting with respect to a special resolution presented at that meeting, at which ten (10) days notice specifying the intention to propose the resolution has been given.
 - (2) Any such Board, Committee or a member thereof must be informed in writing of the charge against him at the time of the notice and at such meeting, shall have reasonable opportunity to answer such charge. At such meeting, the members shall proceed to the election of a new Board, new Credit Committee, new Supervisory Committee or new member. Any member so elected, shall be subject to retirement at the same time as if he had become a member of the Board, Credit Committee or Supervisory Committee on the day in which the member in whose place he is elected, was last elected.
41.
 - (1) A member of the Board, the Supervisory Committee or Credit Committee shall be deemed to have vacated office as provided for pursuant to the Act, Regulations and By-Laws; or
 - (2) he becomes destitute or delinquent with his creditors, including this Society or any other co-operative society and such delinquency continues for a period of ninety (90) days; or
 - (3) fails to attend three (3) consecutive meetings of the Board, the Supervisory Committee or the Credit Committee without giving satisfactory explanation to the Board or the relevant committee within seven (7) days of his absence from the third meeting.
42. Where there is any vacancy among the Directors, the directors then in office may exercise all of the powers of the Board and shall where no more than four vacancies exist, fill the vacancy within fourteen (14) days until the next Annual General Meeting.

43. The Board shall appoint from its members such other sub-committees as it thinks fit. In the exercise of its functions these sub-committees shall have the powers assigned by the Board, the Act, Regulations, and these By-Laws.

DISCLOSURE OF INTEREST

44. A director or officer or senior management personnel of the Society:
- (a) who is a party to a contract or proposed contract with the Society; or
 - (b) who is a director or an officer of any body or has an interest in any body that is a party to a contract or proposed contract with the Society must disclose in writing to the Society or request to have entered in the minutes of meetings of the Board the nature and extent of his interest.
45. The disclosure required by By-Law 44 must be made, in the case of a director of the Society;
- (a) at the meeting at which a proposed contract is first considered;
 - (b) if the Director was not then interested in a proposed contract, at the first meeting after he becomes so interested;
 - (c) if the Director becomes interested after a contract is made, at the first meeting after he becomes so interested; or
 - (d) if a person who is interested in a contract later becomes a director of the Society, at the first meeting after he becomes a director.
46. The disclosure required by By-Law 44 must be made, in the case of an officer or senior management personnel of the Society who is not a director,
- (a) forthwith after he becomes aware that the contract or proposed contract is to be considered, or has been considered, at a meeting of directors of the Society;
 - (b) if the officer becomes interested after a contract is made, forthwith after he becomes so interested; or

- (c) if a person who is interested in a contract later becomes an officer of the Society forthwith after he becomes an officer or senior management personnel.

- 47. The Director, officer or senior management personnel of the Society must disclose in writing to the Society, or request to have entered in the minutes of meetings of directors, the nature and extent of such interest forthwith after the Director, officer or senior management personnel becomes aware of the contract or proposed contract.

- 48. The Director shall not vote on any resolution to approve a contract in which he has declared an interest.

- 49. A contract between the Society and one or more of its directors, officers or senior management personnel, or between the Society and another body of which a director, officer or senior management personnel of the Society is a director or officer or in which he has an interest, is neither void nor voidable by reason only of that relationship.

SECRETARY AND TREASURER

- 50. (1) The Secretary shall:
 - (i) attend all meetings of the Society and the Board;
 - (ii) keep the minutes of any meeting of the Society or Board;
 - (iii) conduct any correspondence on behalf of the Society;
 - (iv) keep charge of all records, books, papers and other documents of the Society;
 - (v) issue notices for all meetings of the Board and general membership of the Society in accordance with the Regulations and By-Laws;
 - (vi) sign and execute, jointly with the President, all deeds and conveyances of real or personal property and such other documents as the Board may specify;

- (vii) perform such other duties as are prescribed by the By-Laws or authorised by the Board; and
 - (viii) summon all meetings as provided in the Regulations.
- (2) The Treasurer shall:
- (i) receive all monies due and payable to the Society and issue receipts for the same;
 - (ii) deposit all monies received in the name of the Society in such bank or depository as specified by the Board;
 - (iii) sign all cheques, notes, bills of exchange and other documents necessary to effect the business of the Society;
 - (iv) record all transactions effected by the Society in the books provided for the purpose;
 - (v) keep charge of all documents, books and vouchers for all payments made and receipts issued on behalf of the Society;
 - (vi) prepare the annual statements of accounts, balance sheet, monthly financial statements and other statements as the Board may request;
 - (vii) keep separate all monies belonging to the Society;
 - viii) produce a current statement of the Societies monies on demand; and
 - (ix) make payments as authorised by the Board and obtain receipts for the same.

DISCIPLINES/DISMISSAL OF INTERNAL AUDITOR

- 51. The Internal Auditor shall report to the Supervisory Committee.
- 52. The Internal Auditor shall only be disciplined or dismissed on the majority vote of each elected Committee.

CREDIT COMMITTEE

53. (1) The Credit Committee shall consist of three (3) members, none of whom shall be a member of the Board, the Supervisory Committee or an officer or employee of the Society.
- (2). Any member of the Credit Committee shall in addition to By-Law 41, be deemed to have vacated his office if he fails to perform any of the duties allotted to him as a member of the Committee pursuant to sections 206 and 209 of the Act, regulations or By-Laws.
- (3) Any vacancy on the Committee shall be filled by the Board, but such member shall hold office only until the next Annual General Meeting, at which a member shall be elected to fill the vacancy for the unexpired term.
- (4) The Credit Committee may be removed from office by a special resolution made in a Special General Meeting called for that purpose if it fails to submit a report to the Board pursuant to Section 209 (1) (c) of the Act.
- (5) The Committee shall choose from its number a Chairman and a Secretary. These offices shall not be held by the same person.
- (6) The Secretary of the Committee shall prepare and maintain full and correct records of all actions taken by the Committee and shall submit a report to the Board pursuant to Section 209 (1) (c) of the Act. The Report shall state:-
- a. the number of loan applications received;
 - b. the number and category of loans approved;
 - c. the security obtained, if any, for such loans;
 - d. applications denied;
 - e. the number and amount of delinquent loans

- (7) The Credit Committee shall hold such meetings as the business of the Credit Union may require but not less frequently than once per month. Due notice of such meetings shall be given to other members of the Committee by the Secretary of the Committee.
 - (8) A majority of the Credit Committee constitutes a quorum.
54. (1) Subject to Section 206 of the Act, the Credit Committee shall:-
- a. consider and approve applications for loans upon such terms and conditions as specified by the Board in its Loan Policy and Procedures;
 - b. make recommendations to the Board in respect of the Loan Policy and Procedures to be followed in the granting of loans;
 - c. monitor through reports from the Society's internal auditor and other officers, loan procedures used by the Society.
 - d. consider reports that are submitted to it from Loans Officers pursuant to By-Law 54 (3);
 - e. perform such other duties as are prescribed under the Act, the Regulations and these By-Laws.
- (2) The Credit Committee may delegate the Chief Executive Officer, the Manager charged with responsibility for loans, or other employee(s) of the Credit Union to approve loans to members upon such terms and conditions as the Board specifies.
- (3) Any person(s) authorized under paragraph (2) to approve loans, shall submit a written report to the Credit Committee in accordance with section 208 (3) of the Act, stating the number of applications received; the number of loans granted; the security, if any, obtained for such loans ; and the number of loans referred to the Credit Committee. Such report shall become a part of the records of the Credit Committee.
- (4) A loan not approved by a Loans Officer shall be subject to review by the Credit Committee.

- (5) No individual shall have authority to disburse funds of the Society for any loan which has been approved by him in his capacity as a Loans Officer.
- (6) The Credit Committee and or the Loans Officer as applicable, shall enquire carefully into the character and financial condition of each applicant for a loan and his sureties to ascertain his ability to repay fully and promptly any obligation incurred and to determine whether the loan sought is for a purpose which will be to the economic, social or financial benefit or advancement of the applicant.
55. (1) No loan shall be made unless approved by:-
- a. the Credit Committee; or
 - b. the Extra-ordinary Credit Committee; or
 - c. an employee(s) authorized under By-Law 54 (2); or
 - d. the In-house Loans Committee which shall comprise of:-
 - i. the Chief Executive Officer
 - ii. the Manager of Operations
 - iii. the Finance Manager
 - iv. the Branch Operations Officer
 - v. the Senior Financial Services Representative -Underwriting
- (2) An Extraordinary Credit Committee shall comprise the members of the Board, the Credit Committee and the Supervisory Committee and shall be convened if an Officer, Director, Credit Committee member, Supervisory Committee member or employee, requires a loan in excess of his total holdings in shares, deposits and accumulated earnings or if any loan is referred to it by the Credit Committee.
- (3) A quorum of the Extraordinary Credit Committee shall be a simple majority of the Board, the Credit Committee and the Supervisory Committee sitting together. A meeting of the Committee is not properly constituted unless a quorum of the members of the Credit Committee is present. At such meetings, loans shall be approved by a vote of two-thirds (2/3) of the members present.
- (4) (a) For the purposes of this paragraph, "fiduciary relationship" means a relationship where a person is legally appointed and authorized to hold assets in trust for another person.

- (b) No member of the Credit Committee, the Board, the Supervisory Committee or any other person who has been authorized to approve loans, shall be present at the discussion of, or approval of, a loan to himself, to a person for whom he is proposed as surety, or any other person with whom he has a fiduciary relationship.

SUPERVISORY COMMITTEE

- 56. (1) The Supervisory Committee shall consist of three (3) members, none of whom shall be a member of the Board, the Credit Committee or an employee of the Society.
 - (2) Any member of the Supervisory Committee shall in addition to By-Law 41, be deemed to have vacated his office if he fails to perform any of the duties allotted to him as a member of the Committee.
 - (3) A vacancy on the Committee shall be filled by the remaining members of the Committee who may appoint a qualified member until the next Annual General Meeting at which a member shall be elected to fill the vacancy for the unexpired term.
- 57. The Supervisory Committee shall choose from its number a Chairman and a Secretary. These offices shall not be held by the same person.
- 58. (1) The Supervisory Committee shall meet at least once a month to perform the duties as provided in the Act, regulations and By-Laws and to:-
 - a) appraise the policies and operating procedures and make any recommendations to the Board and to the Credit Committee;
 - b) confirm the cash instruments, property and securities of the Society;
 - c) monitor the management of the Society;
 - d) verify the assets of the Society and monitor whether the assets are properly protected;
 - e) receive and investigate any complaints made by any member affecting the proper management of the Society;

- f) at least once a year, cause the accounts of members to be verified with the records of the Society;
 - g) ensure that all advances, loans, deposits and other transactions involving Directors, committee members and employees, are in keeping with the Act, the Regulations, By-Laws and Policies of the Society; and
 - h) attest to the monthly returns filed in compliance with Section 127(2) of the Act.
- (2) In the process of their examination, the Committee shall audit a sample of the applications for loans made during the period and satisfy themselves that for each of those sample loans, an application is on file and that those loans state the purpose for which the loans are made, the description of the security offered, if any, and that they bear the signature of approval of the Credit Committee, authorized Loan Officer(s) or **the In-house Loan Committee**, that a loan agreement have been prepared for those loans and that they are properly filled out and signed by the borrowers.
- (3) Due notice of each meeting shall be given to the other members of the Committee by the Secretary. A majority of the members of the Committee shall constitute a quorum.
- (4) Within twenty-one (21) days of the end of each month, the Treasurer or Manager shall submit for attestation by the Supervisory Committee, the monthly returns as required by Section 127(2) of the Act.
- (5) The Supervisory Committee shall keep minutes of its meetings and shall in accordance with Section 216(2) of the Act:-
- a) within seven (7) days of each meeting report the results thereof in writing to the Board; and
 - b) submit a written report to the Annual General Meeting of the members of the Credit Union.
59. (1) If in the opinion of the Supervisory Committee, the funds, securities or other property of the Society have been misappropriated or misdirected, or in the event that the By-Laws of the Society, the Act or the Regulations have been contravened by the Board of Directors, the Credit Committee or a member

thereof or an officer or employee engaged by the Board, the Supervisory Committee shall act in accordance with Sections 215 of the Act.

- (2) Where any violation, misconduct, malpractice, misappropriation or misdirection involves an employee of the Society, the Supervisory Committee shall forthwith inform the Registrar in writing and the Board shall take action as appropriate.

60. (1) Any Supervisor shall be deemed to have vacated his office if:

- (a) he resigns by giving notice to the Supervisory Committee in writing; or
- (b) he ceases to be qualified in accordance with By-Law 21 (a)&21 (b);or
- (c) without due excuse approved by the Supervisory Committee he fails to attend three (3) consecutive meetings;
- (d) without due excuse approved by the Board he becomes delinquent in his repayment to the Society and such delinquency continues for a period of ninety (90) days.

- (2) In the event of a vacancy, the remaining Supervisors shall fill such vacancy by the election of his successor.

LOANS TO MEMBERS

61. The Society shall make loans to its members only and for provident and productive purposes. All loans made shall be applied by the borrowing members to such purpose as has been approved.
62. The terms and conditions on which loans may be made to members shall be fixed by the Board from time to time provided always that the interest shall be computed on the monthly unpaid balance of the loan.
63. No loan shall be made to any member who is not in good standing, or is otherwise a defaulter, except as provided in By-Law 68 (g).
64. A member may repay his loan prior to maturity in whole or in part on any business day of the Society.
65. A member failing to pay any installment of a loan at the time fixed shall, unless the time has been extended, pay such fine as the Board may from time to time determine.
66. If a member fails to pay an installment of a loan within the time allowed in the instrument provide for in By-Law 68 (f), and if no extension of time has been granted, or if any other event specified in the instrument occurs, then the principal sum and the interest thereon and all other moneys owing shall become due and payable as prescribed in the instrument.
67. Members in general meeting may from time to time fix the maximum loan limit which may be lent to any member. This limit is fixed at six hundred thousand dollars (\$600,000).
68. Loans shall be made and granted in accordance with the following provisions:
 - (a) Members who wish to obtain a loan shall submit an application to the Credit Committee stating the amount and the purpose for which the loan is required, the terms for which it is asked, whether it is desired to repay it by installments, and the names of any proposed sureties or any other security which is offered subject to the Act.
 - (b) The Credit Committee or authorized staff shall consider at a meeting every application for a loan, and if that Committee is satisfied with the trustworthiness

of the applicant, the sufficiency of the security offered in accordance with existing policies, and the prospects of advantage to the borrower in the way of increased production or economy or otherwise, it may sanction the loan.

- (c) A member of the Credit Committee or other officer or an employee who applies for a loan or who is proposed as surety for a loan must withdraw while the relevant application is being discussed. If there is a difference of opinion concerning the granting of a loan, the voting shall be taken by ballot. The proceedings with regard to loans at committee meetings shall be kept secret, and any member of the Committee or officer of the Society infringing this By-Law, shall be liable to immediate expulsion or dismissal.
- (d) At an Extraordinary Credit Committee Meeting nine (9) persons shall form a quorum provided that a quorum of the Credit Committee is present. The loan shall be approved by a two-thirds majority vote.
- (e) Notwithstanding the provisions of By-Law 68 (b) loans may be granted on personal security in accordance with an annual budgeted line of credit.
- (f) When a loan is approved, the borrower and his sureties shall execute an instrument in writing setting out the terms of repayment of the loan and containing such other terms and conditions as the Credit Committee may consider necessary.
- (g) Where a member is in default in the payment of a loan or of an installment of a loan, and does not satisfy the Credit Committee that such default is due to a good cause, such a member shall not be entitled to receive another loan from the Society, except a share secured loan, until such time as the borrowing rights are restored by the Board.
- (h) If by reason of sickness or some other cause, a member finds that he will be unable to discharge his obligations to the Society, and notifies the Secretary in writing before a loan is due, the Credit Committee may extend the time fixed for payment on such conditions as it thinks fit.
- (i) Where the Credit Committee is satisfied that a member of the Society who has obtained a loan has applied the proceeds thereof to a purpose other than the purpose which is stated in the application therefore under By-Law 68 (a), the Board may, by notice in writing to the debtor, demand repayment of the loan forthwith.

- (j) Where a loan or an installment of a loan has not been paid on the date on which it became due; and no extension for the payment thereof has been given to the debtor by the Credit Committee under By-Law 68 (h), the Board shall take steps for the recovery of the loan or installment of a loan:
 - (i) by applying any monies standing to the credit of members towards the payment of that debt; or
 - (ii) any other action which the Society deems necessary including recourse to the Law Courts.
69. For the purpose of By-Laws 66 and 68 interest shall be deemed to be an installment of a loan and shall be deemed to be due as specified in the instrument provided for in By-Law 68 (f).

RESERVE FUND

70. The Society shall create and maintain a Reserve Fund in accordance with the provisions of the Act.
71. The Reserve Fund shall not be lent to members nor be used or applied except as provided in the Act and the Regulations.

DIVIDEND AND BONUS

72. (1) The Society in annual general meeting shall declare a dividend, out of the net profits after setting aside the prescribed statutory reserves, provided that no dividend shall be greater than 2% above the savings rate set by the Central Bank of Barbados.
- (2) In order to qualify for a dividend or bonus, a member must retain his membership throughout any intervening period between the close of the financial year to which the dividend or bonus relates, and the date of record for that financial year.
- (3) For the purpose of determining members entitled to a dividend or bonus, the date of record shall be fifty (50) days following the end of the financial year in respect of which the dividend or bonus is to be paid, or such other date as the Board may prescribe, giving at least ten (10) days notice to the membership.

73. All dividends and bonus shall be credited to members' deposit accounts, and shall be calculated on the minimum quarterly balance provided always that a member shall be deemed to have one fully paid share for each \$5.00 paid in before the end of the preceding financial year.
74. The Society may make contributions to any charitable purpose or to a common good fund if a dividend of not less than four percent (4%) has been approved.
75. The remaining net profits of the Society may be distributed as a bonus among the members who have borrowed from the Society during the accounting year in proportion to the interest paid by them during the year.

INVESTMENTS AND FUNDS

76. The Society may invest its funds as provided by the Act.

ANNUAL ACCOUNTS AND REPORTS AND AUDITS

77. The Directors of the Society, in keeping with the provisions of the Act, shall:
 - (1) cause the Society's books to be audited annually;
 - (2) cause the annual financial statements and accounts of the Society to be prepared and presented to the annual general meeting of members.

SEAL AND EXECUTION OF DOCUMENTS

78. The Society shall have a seal which shall not be affixed to any instrument except by the authority of a resolution of the Board and in the presence of the President and the Secretary. The President and Secretary or Treasurer shall sign every instrument to which the seal of the Society is so affixed in their presence.
79. Any other instrument required to be signed on behalf of the Society shall be sufficiently executed if signed by the Secretary or President or such person as the Board may appoint for that purpose.

BOOKS AND FORMS

80. The Society shall keep the following records namely:
- (a) a register of members;
 - (b) an attendance register;
 - (c) a cash book;
 - (d) a general ledger;
 - (e) a personal ledger;
 - (f) a register of loans;
 - (g) a Minute Book each for the Board, the Credit Committee, the Supervisory Committee and any other sub-committee appointed by the Board;
 - (h) forms of loan agreements;
 - (i) a file containing a copy of the Act, Regulations and these By-Laws;
 - (j) payment vouchers.

INSPECTION OF BOOKS

81. The records of the Society shall be open to the inspection of any member or person having an interest in the funds of the Society, but no person other than the member himself, a member of the Board or any one of the Supervisors or officers of the Co-operative Department, shall be allowed to see the personal account, loan agreement or passbook, or the register of papers relating to the loan of any member without the consent of such member in writing.

DISPUTES

82. All disputes shall be determined in accordance with the provisions of the Act or any regulations made thereunder.

AMENDMENT OF RULES

83. (1) These By-Laws may be amended by resolution passed at a general meeting or a special meeting called for that purpose by three-fourths (3/4) majority of the members present and voting at the meeting.
- (2) A copy of every resolution passed under paragraph (1) above shall be forwarded to the Registrar together with three copies of the amendment.

VOLUNTARY DISSOLUTION

84. (1) The Society may be dissolved by a special resolution of the members pursuant to Section 145 of the Act.
- (2) The funds of the Society shall be distributed in accordance with Section 159 of the Act, in the event of dissolution.

SCHEDULE OF AMENDMENTS OF BY-LAWS

By-law 2	Amendment registered 12 th day of March 1998
By-Law 4	Amendment registered 2 nd day of June 1995
By-law 8	Amendment registered 9 th day of August 1996
By-law 13	Amendment registered 12 th day of March 1998
By-law 24	Amendment registered 12 th day of March 1998
By-law 62	Amendment registered 9 th day of August 1996
By-law 63	Amendment registered 18 th day of December 1996
By-law 66	Amendment registered 12 th day of March 1998
By-law 69	Amendment registered 12 day of March 1998
By-law 71	Amendment registered 18 th day of December 1996
By-law 67	Amendment registered 18 th day of August 1998
By-law 13	Amendment registered 26 th day of February 2001
By-law 16	Amendment registered 26 th day of February 2001
By-law 41	Amendment registered 22 nd day of July 2002
By-law 53 (4)	Amendment registered 22 nd day of July 2002
By-law 55	Amendment registered 22 nd day of July 2002
By-law 60 (1)	Amendment registered 22 nd day of July 2002
By-law 62	Amendment registered 22 nd day of July 2002
By-law 67	Amendment registered 22 nd day of July 2002
By-law 68(g)	Amendment registered 22 nd day of July 2002
By-law 72	Amendment registered 22 nd day of July 2002
By-law 36	Amendment registered 10 th day of June 2008
By-law 37	Amendment registered 10 th day of June 2008
By-law 38	Amendment registered 10 th day of June 2008
By-law 39	Amendment registered 10 th day of June 2008
By-law 40	Amendment registered 10 th day of June 2008
By-law 41	Amendment registered 10 th day of June 2008
By-law 53	Amendment registered 10 th day of June 2008
By-law 54	Amendment registered 10 th day of June 2008
By-law 55	Amendment registered 10 th day of June 2008
By-law 56	Amendment registered 10 th day of June 2008
By-law 57	Amendment registered 10 th day of June 2008
By-law 58	Amendment registered 10 th day of June 2008
By-law 59	Amendment registered 10 th day of June 2008
By-law 21	Amendment registered 18 th day of June 2008
By-law 35	Amendment registered 18 th day of June 2008