

**OPERATING
AGREEMENTS**

**GREEN COWRY CO-
OPERATIVE SOCIETY
LIMITED**

AGREEMENTS OF THE GREEN COWRY CO-OPERATIVE SOCIETY

1. INTERPRETATIONS

All words and expressions used in these agreements are how the members of Green Cowry Cooperative Society have agreed to run the affairs and business of the Cooperative. Only the bye of the Cooperative shall supersede this agreement in any matter where both are not in agreement.

- 1.1 "Financial Year" means the period of twelve months beginning on 1st January and ending on 31st December, the same year.
- 1.3 "Bye-Laws" means the registered bye-laws made by a society in exercise of any power conferred by this law and it includes a registered amendment of the bye-laws.
- 1.4 "Officer" includes a President, General Secretary, Treasurer, Vice President, Financial Secretary, and Ex-officio members of committee or other persons empowered under the regulations of bye-laws to give directions with regards to the business of this society.
- 1.5 "Regulations" means regulations made under this agreement as amended from time to time.
- 1.8 "Management Committee" means the governing body of a registered society to whom the general management of its affairs is entrusted.
- 1.9 "Member" includes a person admitted to membership of the society in accordance with the bye-laws and regulations.
- 1.10 "Bonus/Dividend" means a share of the profit(s)/surplus of the society dividend among its members in proportion to the volume of business done with the society by them from which the appropriated surplus of the society were derived.

2. NAME, ADDRESS AND AREA OF OPERATION

- 2.1 The cooperative shall be called **GREEN COWRY CO-OPERATIVE LTD.**
- 2.2 The word 'society' shall hereinafter mean and represent GREEN COWRY CO-OPERATIVE LTD.

2.3 The registered address of the Society shall be **1105 Empress Street, Regina Saskatchewan, S4T 5E4.**

2.4 The area of operative of the Society shall be **within Canada**

3. OBJECTIVES OF THE SOCIETY

The objectives of the society are to promote the economic interests of its members and especially:

3.1 To encourage regular savings amongst members so that each member may cultivate the habit of making savings at least once monthly, with a view to building up funds for their individual future use.

3.2 To stock consumer and producer goods for distribution to members and non-members, (with priority to members) at fair and reasonable price.

3.3 To acquire acres of land for sale or Estate development to meet the housing needs of members or for industrial purposes as a form of investment for the economic benefit of members.

3.4 To undertake or invest **in high rated debt Instruments (such as T/Bills, Bonds etc)**

3.5 To invest in Real Estate and Housing developments for the acquisition of its members and other interested parties.

3.6 To undertake and invest in new ventures beneficial to its members and the society as approved by the Management Committee. These include Project Financing, Feasibility Studies etc.

3.7 To raise capital through shareholdings by members in the society to undertake such other activities as are necessary for the attainment of these objectives.

3.8 To engage in any other economic or social activity as may be approved by the general meeting of members.

3.9 To manage financial portfolios carefully by investing in stocks but guided by the decisions of members. In this way, the society shall become part owners of multinationals, Banks etc.

3.10 To seek loans for industrial/housing development from Banks, the cooperative circle and other financial institutions;

3.11 To secure wholesale mortgage, either for on-lending to members or for housing development and let or sell such dwelling on mortgage basis;

3.12 To do anything within the law and enter into any transaction which in the Society's opinion is necessary to ensure the proper performance of its functions or the attainment of the above listed objectives.

3.13 To take measures that would promote among the members the spirit of thrift, mutual help and self-help.

4. MEMBERSHIP AND LIABILITY

4.1 MEMBERSHIP ELIGIBILITY: The membership of the Society shall be open to:

- i. Persons that are 18 years and older;
- ii. Productively engaged in a legitimate business/work/activities, or must have permission to do so where restrictions apply.

4.2 CONDITION FOR MEMBERSHIP

An individual who is eligible to be a member and who has applied for membership of the Society in the prescribed form, may be admitted as member by the committee on complying with the following conditions. He/She has;

- i. Applied in writing by completing a membership form laid down by the society and his/her application is approved by the committee of the society in pursuance of the powers conferred on it on behalf of the Society
- ii. Fulfilled all other conditions laid down in the Bye-laws;
- iii. Fully paid the value of the minimum allotted shares of the society, along with his application for membership;
- iv. Paid the entrance fee along with the application for membership;
- v. Furnished such other undertakings/declarations, in the prescribed forms as are required under any law for the time being in force and such other information as is required under the bye-laws of the society along with the application for membership.

4.3 ADMISSION OF MEMBERS

- (a) Application for membership shall be made by obtaining a Membership/Entrance Form, which on completion shall be submitted to the Secretariat of the society.
- (b) All application for membership shall be approved by the Management Committee. Every member shall on admission be required to sign the Membership card and personal ledger.

- (d) Every application for membership shall be accompanied with a non-refundable entrance fee, which shall be determined from time to time by the Management Committee and specify among other things, the minimum monthly savings to be made by the applicant, which shall also be determined by the Management Committee from time to time.

4.4 MEMBERSHIP PRIVILEGES AND RIGHTS

Members shall have right to;

- i. Vote and be voted for at the General Election of the Society
- ii. Know the affairs of the society.
- iii. Transfer shares or interest in the society, subject to other provisions of the Agreement/Bye Law.
- iv. Tender voluntary resignation of his membership
- v. Refer disputes between him and the society to the appropriate authority for the decision.
- vi. Get refund of share money on amalgamation, division, conversion etc
- vii. Receive profits and dividends
- viii. Members who patronize the businesses of the Cooperative shall have a cash discount for their patronage as will be approved by the Board from time to time.

4.5 LIABILITY OF MEMBERS AND PAST MEMBERS

- 4.4.1 The liability of members for debts incurred by the society shall be determined by the appointed liquidator by the Directors.
- 4.4.2 A past member shall be liable for the debts of the society, as they existed on the date when he ceased to be a member for a period of two years from the date on which he ceased to be a member, and
- 4.4.3 The estates of a deceased member shall be liable for the debts due by the society as they existed as at the date of his demise for a period of two years after his death.

4.6 NOMINEES:

Every member shall in writing nominate one person to whom his shares or interest shall be transferred to in the event of such member's death or becoming permanently insane. The member may at any point in time change his nominee (Next of Kin). The name and address of the nominee shall be entered in the register of members and the member shall sign all alterations. If not admitted to membership the nominee shall in case of death or permanent insanity of the member be paid the value of the share or interest less any sum due to the

society. Even when the nominee is a member of the society he/she cannot continue but the interest shall be paid in full to him/her.

4.7 TERMINATION/WITHDRAWAL OF MEMBERSHIP

Membership shall be terminated by:

- i. Death
- ii. Permanent insanity
- iii. Voluntary withdrawal

Withdrawal of Membership

- a. Subject to the provisions of the agreement/bye-laws of the society, a member may withdraw from the society after giving six months' notice to the Secretary of his intention to resign his membership of the society.
- b. No resignation of a member shall be accepted by the society unless the member has paid in full his dues, if any to the society and has also cleared his liability, if any, as surety to any other member or otherwise.
- c. Any member, whose resignation has been accepted by the society, may demand refund of the share capital held by such member or deceased member and the co-operative society shall, subject to the provisions of the bye-laws, refund the amount from the date of acceptance of the resignation or as the case may be, the date of demand by the heir or legal representative of the deceased member.
- d. In all cases where share capital is to be refunded, valuation of the shares to be refunded shall be made in accordance with the provisions, market dictate and the outstanding share values.

4.8 VALUATION OF SHARES

- a. Where a member cease to be a member thereof, the sum representing the value of his share or interest in the share capital of the society to be paid to him or his nominee, heir, or legal representative, as the case may be, shall be ascertained in the following manner, namely:-
- b. It shall be the amount arrived at by a valuation based on the financial position of the society as shown in the last audited balance-sheet preceding the cessation of membership.
- c. The amount so ascertained shall not exceed the actual amount received from the exiting member in respect of such share or interest.

4.9 RE-ADMISSION INTO MEMBERSHIP

Any past member who is still interested may re-apply for membership after a reasonable interval of not less than 6 calendar months from date of withdrawal from the society.

4.10 EXPULSION:

A member may be expelled for

4.11 Conviction on a criminal offence involving dishonesty like fraud, financial impropriety, etc and

- ✚ Misconduct or other acts contrary to the stated objectives of the society or to the interests of the Co-operative Movement.

When membership terminates owing to death, permanent insanity or expulsion, the society shall pay as in the former to the nominee/beneficiary, or if none has nominated to the legal representative and/or in the latter to the expelled member, the sum of his credit less any sum due to the society.

4.11 DUES TO MEMBERS

Any money due on any account from this society to a member or past member shall first be offset from the member's credit or liability he has sureties.

4.12 MEMBERSHIP REGISTER

Every member on admission and on payment of the appropriate entrance fees shall sign or thumbprint the membership and attendance register as an evidence of membership. By this he acquires the right of full participation in the affairs of the society and assumes all obligations relating thereto.

5. CONSTITUTION AND DUTIES OF GENERAL MEETING

5.1 POWERS OF THE GENERAL MEETING:

The ultimate authority under the law in all the affairs of this society shall be the general body of members who shall from time to time meet to review and direct the work of the society.

5.2 QUORUM

The presence of at least one fifth or 15 members shall be necessary for the disposal of any business at the general meeting. If no quorum is formed at a meeting, an adjournment may be made for a period not less than 7days or more than 15days. Thereafter, the number of members present at any such adjournment shall form a quorum.

5.3 THE ANNUAL GENERAL MEETING

The Annual General Meeting shall be held within the first and second quarters of the succeeding year after the Annual Statement of Accounts have been prepared and approved by the Director.

5.3.1 DUTIES OF THE ANNUAL GENERAL MEETING

These shall include:

- ✚ Receiving a report on the preceding year's operations of the society with the Statement of Account from the Management Committee.
- ✚ Dealing with any communication received from the Director.
- ✚ Election of the Management Committee members for the ensuing year;
- ✚ Other matters as presented by the Management Committee.

5.4 THE DUTIES OF THE ORDINARY GENERAL MEETING

When necessary an Ordinary General Meeting shall:

- ✚ Suspend or remove from office, any officer or member of the committee in accordance with these Bye-Laws.
- ✚ Confirm the expulsion of members.
- ✚ Amend or repeal any existing Agreement/Bye-Laws or enact a new Agreement/Bye-Law in accordance with Bye-Law;
- ✚ Dispose of any other business duly brought before it.

5.6 MEETINGS:

5.6.1 Place and Time of Members Meetings

- a) Meetings of the Members of the Cooperative are to be held at a time and place as determined by the Board.
 - b) The notice of a Members meeting shall contain the time, date, and location of the meeting in a form determined by the Directors.
 - c) The Cooperative may host a members' meeting using electronic means if determined by the directors.
 - d) The Cooperative shall host an annual meeting once per year within 6 months of financial year end.
- (e) All resolutions for the purpose of
- (i) Removing a Management Committee Member
 - (ii) Amending the provisions of this Agreements/Bye-Laws

- (iii) As the Management Committee shall from time to time decide shall be by special resolution.

5.7 EXTRA-ORDINARY GENERAL MEETING/SPECIAL BUSINESS

- (a) An extra-ordinary general meeting may be called at any time by majority of the Management Committee or on a request from the Director or from not less than one-fourth of the members of the society.
- (b) Only the advertised object of such proposed meeting shall be transacted or discussed at such meeting.
- (c) Where the Director convenes such meeting he may direct what matters shall be discussed at the meeting and may not need to give 21days notice as in Bye-Laws 5.6(a) above.

5.8 VOTING

- a) Voting at all Members meetings shall be conducted by a show of hands. Voting may be conducted by ballot or electronic means as approved by the Board from time to time.
- b) If five or more Members request that a decision be decided by secret ballot, the Cooperative must accommodate the request.
- c) A resolution that is not approved by a majority shall be defeated.
- d) In the event of a tie, the chair shall cast a deciding vote if they have not already voted.
- e) In the event of a tie and the chair has voted, the resolution is defeated.
- f) Members may appoint a proxy to act in a representative capacity at a meeting of the Cooperative, by executing a form authorized by the Board for that purpose. The form must be executed by the Member and their appointed representative.

6. THE MANAGEMENT COMMITTEE

6.1 Qualifications of Directors

- a) No Member of the Cooperative is eligible to serve on the Board of Directors if that person is:
 - i. Not an individual.
 - ii. Not a Member of the Cooperative.
 - iii. Less than 18 years old.
 - iv. Is incapable, in accordance with the Act; and
 - v. Party to an undischarged bankruptcy.
 - vi. Willing to adhere to the Directors code of conduct.

6.2 COMPOSITION AND POWERS OF THE MANAGEMENT COMMITTEE

- 6.2.1 Subject to the Law, the Regulations and these Agreements, the day-to-day administration of this society shall be vested in the Management Committee. It also shall have power to create sub-committee/functional committees to which it may delegate parts of its functions provided that a member of the committee shall head such functional committees.
- 6.2.2 It shall consist of active members over the age of 18 years and shall be elected by the General Meeting at the Annual General Meeting.
- 6.2.3 The Management Committee shall consist of at least seven members including the **Presidents, Vice President, General Secretary, Treasurer, Financial Secretary, Assistant General Secretary and Two Ex-Officio Members** who shall be the Immediate Past President and General Secretary. Where such members become re-elected or rejects the positions, the slot shall be made open to any of the Immediate Past Management Committee Members or any member of the society.
- 6.2.4 Any member aspiring for the position of the Management Committee must have been duly registered and showed commitment both financially and otherwise.
- 6.2.5 The Management Committee shall have power to lay down administrative rules and procedures for the smooth running of the society provided such rules and procedures do not violate or contravene the spirit and letters of the Law, Regulations and these Bye-Law.
- 6.2.6 It shall have the power to appoint new Management Committee member to fill any casual vacancy arising out of death, resignation, retirement or removal of a member of the Committee.
- 6.2.7 Where the committee fills a casual vacancy, the person may be approved by the General Meeting or at the next Annual General Meeting and if not so approved, he shall forthwith cease to be a Management Committee Member.
- 6.2.8 The Annual General Meeting shall have the power to increase or reduce the number of Management Committee members generally and may determine in what rotation the Management Committee members shall retire provided that such reduction shall not bring the number below five.
- 6.2.9 The tenure of office for a Management Committee member shall be for a maximum of eight (8) years for a term of four (4) years. He shall resign at the AGM of the second year in office but shall be eligible for re-election, for the position in accordance with the Bye Law.

6.3 REMOVAL OF MANAGEMENT COMMITTEE MEMBERS

- 6.3.1 A Director shall cease to hold office if that Director:
- i. Dies;
 - ii. Resigns;
 - iii. No longer meets the qualifications set out in section 6.1(a); or
 - iv. Is removed from office.
- 6.3.2 If there is a vacancy on the Board resulting from a situation set out in subsection 6.3.1), and the Board still has quorum, the Board may appoint a Director to fill the vacancy or call a meeting of the Members to elect a new Director. If a vacancy results in the Board's inability to achieve quorum, the Board must call a special meeting for the purpose of electing Directors.
- 6.3.3 Failing to elect the maximum number of allowed Directors or increasing the maximum number of Directors does not give the Board the authority set out in subsection 6.2.2).
- 6.3.4 A Director may be removed from office by ordinary resolution of the Members at a special meeting. The Director will be provided an opportunity to address the meeting or submit a written statement to the Cooperative explaining their opposition to the resolution.
- 6.3.5 A vacancy created by the removal of a member of the Management Committee under this section shall be filled at the meeting at which he is removed or subsequently as a casual vacancy.

6.4 PROCEEDING OF THE MANAGEMENT COMMITTEE

- 6.4.1 The Management Committee members may meet for the dispatch of business and generally regulate their meetings as they deem fit.
- 6.4.2 Any question arising at any meeting shall be decided by a majority of votes and in the event of an equality of votes, the chairman shall have a second or casting vote.
- 6.4.3 A member of the Management Committee may at any time summon a meeting of the committee so long as such request is supported by a simple majority of members of the committee.
- 6.4.4 A resolution in writing signed by all the members of the committee shall be valid and effectual as if it had been passed at a meeting of the Management Committee duly convened and held.
- 6.4.5 Each member of the committee shall be entitled to a vote each at the Management Committee Meetings.

- 6.4.6 The quorum necessary for the transaction of the business of the Management Committee shall be one third (1/3). The committee members present in a particular meeting if there is a quorum may elect a chairman for the meeting in the absence of the President of the society.
- 6.4.7 Where the Management Committee is unable to act because a quorum cannot be formed, the General Meeting may act in place of the committee.

6.5 HONORARIUM AND OTHER PAYMENTS

- 6.5.1 The honorarium of the Management Committee members shall from time to time be determined by the society at its general meeting and such honorarium shall not be more than 5% of the net surplus (before charging the honorarium) of the society for any particular year. The amount will be shared by all the Management Committee members in proportions to be agreed within them.
- 6.5.2 The Management Committee members may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Management Committee or any functional committee of the Management Committee or the General Meeting of the society or in connection with the business of the society.
- 6.5.3 The mileage rate for Directors' expenses shall be the rate used by the Government of Canada.
- 6.5.3 The honorarium payment to the Management Committee members shall be part of the appropriation from its surplus.
- 6.5.4 The Cooperative shall indemnify any individual who is or was a Director or officer of the Cooperative or who acts or acted at the Cooperative's request against all costs, charges, and expenses incurred by the individual in respect of any civil, criminal, administrative, investigative, or any other proceeding related to the individual's association with the Cooperative.

6.6 DUTIES OF MANAGEMENT COMMITTEE MEMBERS

Without prejudice to the general powers conferred on the committee by these Bye-Laws, it is hereby expressly declared that the committee shall exercise the following powers and duties for and in the name of the society.

- 6.5.1 To stand in a fiduciary relationship towards the society and shall observe the utmost good faith towards the society in any transaction with it or on its behalf.
- 6.5.2 To at all times act in the best interest of the society so as to preserve its assets, further its business and promote the purposes for which it was formed and in such

manner as a reasonable and ordinarily skillful committee member would act in the circumstances.

- 6.5.3 To ensure that products offered by the society are of good quality and high standards of workmanship
- 6.5.4 To admit new members and to keep a register of members correctly and up to date.
- 6.5.5 To prepare and lay before the general meeting a profit and loss account, audited balance sheets and the budget.
- 6.5.6 To consider the audit and inspection reports of the Auditor and the Director of Co-operative Services
- 6.5.7 To purchase, sell, build upon, lease, mortgage or exchange any property or land and to enter into any contracts and settle the terms thereof.
- 6.5.8 To ensure safe custody of the society's property.
- 6.5.9 To pay all such expenses, including travelling expenses as are properly incurred by any committee member or person co-opted to the committee or sub-committee in the execution of his duties.
- 6.5.10 To issue new and transfer old share.
- 6.5.11 To enter into contracts on behalf of the society.
- 6.5.12 A Management Committee member shall exercise his powers as specified in these Bye-Laws and such exercise shall not constitute a breach of duty, if it affects a members or paid employees of the society adversely.
- 6.5.13 A Management Committee member shall not delegate the powers vested upon him/her under any provisions of these Bye-Laws in such a way and manner as to constitute an abdication of duty.
- 6.5.14 No provisions where contained in these bye-laws or in any contract shall relieve any Management Committee member from the duty to act in accordance with this section or relieve him/her from any liability incurred as a result of any breach of the duties conferred upon him/her under this section
- 6.5.15 Members of the Management Committee shall conduct the affairs of the society in line with Law, Regulations and these Bye-Laws.
- 6.5.16 To ensure the maintenance of true and accurate accounts of all monies received and expended and all the assets and liabilities of the society.

- 6.5.17 The committee shall lay before the Annual General meeting an Income and Expenditure Account and the audited Balance Sheet for acceptance and otherwise.
- 6.5.18 The committee shall examine the accounts, sanction the contingent expenditure and ensure the maintenance of the prescribed registers.
- 6.5.19 The committee shall consider the Inspection Report of the Government Co-operative staff and take corrective actions.
- 6.5.20 The committee shall summon General Meetings.
- 6.5.21 The committee shall assist in the inspection of the books by any person authorized to do so
- 6.5.22 **Engagement of Paid Officers:** The committee may engage the services of paid officers to assist it carry out its duties.
- 6.5.23 The Management Committee shall be in sole charge of legal proceedings by or against the society or committee or its officers or employees in all matters concerning the affairs of the society.

6.6 CONFLICTS OF DUTIES AND INTERESTS

- 6.6.1 A Management Committee member shall not allow his personal interests conflict with official duties as a committee member under these Bye-Laws.
- 6.6.2 A Management Committee member shall not either in the course of the management of the affairs of the society or in the utilization of the society's resources/property make any secret profit or other unexplainable benefits.
- 6.6.3 A Management Committee member shall be accountable to the society for any secret profit made by or any unexplainable benefit derived contrary to the provisions of subsection 6.6.2
- 6.6.4 Any Management Committee member or an officer having resigned from the society shall be accountable and can be lawfully restrained from misusing corporate information about the society which he was privy to by virtue of his previous position.
- 6.6.5 Where prior to the transaction a Management Committee member discloses his interests to the General Meeting before the transaction and before the profits are made, he may escape liability, but he shall not escape liability if he discloses only after the profits are made. In this case, he shall account for the profits

6.8 LEGAL POSITION OF MANAGEMENT COMMITTEE MEMBERS

Management Committee members are jointly and severally responsible for the society's money and properties in their care and as such must account for the money over which they exercise control and shall refund any money (s) improperly paid away and shall exercise their powers honestly in the interest of the society as a whole and not in their own or sectional interests.

Board: The President, Vice President, Financial Secretary, General Secretary and the Treasurer shall be the Directors of the society. It shall be their duty to sign on behalf of the society all cheques and legal documents including those concerned with the transfer of funds, acquisition and disposal of properties.

6.9 DUTIES OF OFFICERS OF THE SOCIETY

Unless otherwise stated or directed by the General Meeting, the following officers of the society shall have the following duties assigned to their offices:

6.9.1 President:

- (a) He shall preside at all the General and Management Committee Meetings of the society.
- (b) He shall have powers to convene meetings.
- (c) He shall ensure the proper management of society's activities.
- (d) He shall have decisive vote in case of a tie-vote.
- (e) He shall chair the meetings of the credit committee.

6.9.2 Vice-President:

- (a) Shall in the absence of the President chair the meetings of the society and have all powers of the President.
- (b) In the absence of the President and Vice President, a member of the Management Committee shall be elected chairman of the meeting.
- (c) Shall perform other functions as directed by the President and the Management Committee.

6.9.3 Treasurer

- (a) Shall keep the records of income and expenditure of the society.

- (b) Shall keep the records of payment on loans and membership forms accruing to the society.
- (c) Shall lodge all funds accruing to the society in the designated bank.
- (d) Shall be a member of the credit committee.
- (e) Shall prepare and submit to the Management Committee the annual accounts and statement and certify copies of entries in the books under section 32 of ordinance.
- (f) Shall perform other duties as directed by the Management Committee.

6.9.4 General Secretary:

- (a) Shall keep and maintain correctly and up-to-date the prescribed books and register.
- (b) Shall procure from borrowers the due execution of bonds with security.
- (c) Shall be the head of the secretariat of the society.
- (d) Shall prepare all receipts, vouchers and documents required by the regulations or Bye-Laws or called for the Management Committee.
- (e) He shall sign on behalf of the society and conduct all its correspondence.
- (f) Shall be a member of the credit committee.
- (g) Shall summon and attend all the General and Management Committee meetings
- (h) Shall prepare the secretary's report for the Annual General Meeting.
- (i) Shall perform other functions as directed by the Management Committee.

6.9.5 Assistant General Secretary:

- (a) Shall in the absence of the General Secretary perform the functions of the General Secretary.
- (b) Shall attend and record all the proceedings of the meetings of the Management Committee.
- (c) Shall assist General Secretary in the preparation of the Secretary report to the general meetings.

- (d) Shall assist the General Secretary in the running of the society's secretariat.
- (e) Shall perform other functions as directed by the General Secretary and the Management Committee.

6.9.6 Financial Secretary

- (a) Shall keep records of income and expenditure of the society.
- (b) Shall keep records of payment on loans and membership forms accruing to the society.
- (c) Shall be a member of the credit committee.
- (d) Shall perform other duties as directed by the Management Committee.

6.9.7 The Secretariat:

- (a) The society shall have a secretariat where its activities shall be coordinated.
- (b) The secretariat shall be supervised by the General Secretary and other Management Committee members.
- (c) The secretariat shall employ officers who will work in the secretariat on the day-to-day running of the activities of the society.
- (d) Appropriate entry point and conditions of service for any employed staff shall be determined by the Management Committee from time to time.
- (e) Staff shall be entitled to remuneration, allowances and incentives as agreed to by the Management Committee.
- (f) Staff shall be considered for confirmation as a full staff after two years of service.
- (g) The management shall put in place comprehensive staff policy to spell out in clear terms the understated codes such as;
 - 1. Procedure for employment.
 - 2. What should be the staff strength.
 - 3. Entitlement like:
 - i. Remuneration
 - ii. Annual Leave and Bonus

Incentive

- i. Maternity leave – 12months
- ii. Paternity leave – 8 weeks
4. Order of hierarchy of line staff.
5. To whom do they report to.
6. Disciplinary measure to erring staff.
7. Procedure for disengagement of staff.

6.10 CRIMINAL CHECK FOR OFFICERS AND EMPLOYEES

Every officer or employee of the society who receives or pays out money on behalf of the society shall before assuming his duties furnish a criminal and background check. In addition, the society may also take References from its paid employees who handle cash or stocks on behalf of the society.

6.11 REMOVAL OF MEMBERS OF THE MANAGEMENT COMMITTEE

A member of the Management Committee shall cease to hold office if he:

- 6.11.1 Ceases to be a member of the society.
- 6.11.2 Becomes of unsound mind.
- 6.11.3 Becomes a paid-staff of the society.
- 6.11.4 Is convicted on major criminal offence, and
- 6.11.5 Acts in a manner prejudicial to the interest of the society and he is removed by a majority vote of 2/3 of members present and voting at a special general meeting. The society may fill any vacancy arising from death.

7.1 CREDIT COMMITTEE

7.1.1 COMPOSITION OF CREDIT COMMITTEE

The credit committee shall consist of at least 5 members appointed by the Management Committee under the leadership of Treasurer.

7.1.2 DUTIES OF CREDIT COMMITTEE

- (a) To process application for loans against the background of the financial conditions, previous record of borrowing, purpose of loans, ability to repay fully and promptly and thereafter recommend for the approval of the Management Committee.
- (b) To decide on the terms of repayment of loans granted.
- (c) To call for at regular intervals, comparative statements of delinquent loans and reasons for them in order to evaluate the quality of our worth.

7.2 BUILDING COMMITTEE

7.2.1 COMPOSITION OF BUILDING COMMITTEE

There shall be a building committee which shall consist of at least five (5) members appointed by the Management Committee and the leadership of the committee shall also be appointed by the Management Committee

7.3.2 DUTIES OF BUILDING COMMITTEE

- (a) Shall be responsible for acquisition of landed properties for the benefit of the cooperative or its members.
- (b) Shall ensure that landed properties to be bought are free of any encumbrances.
- (c) Shall be responsible for processing all title documents of the society's land.
- (d) Shall set guidelines for the management and maintenance of all properties in the society's estate.
- (e) Shall render a quarterly report on the operations and finances of the committee to the Management Committee.

7.3 CONSUMER COMMITTEE

7.3.1 CONSTITUTION OF CONSUMER COMMITTEE

There shall be a consumer committee which shall consist of at least five (5) members appointed by the Management Committee and the leadership of the committee shall also be appointed by the Management Committee.

7.3.2 DUTIES OF CONSUMER COMMITTEE

- (a) To arrange for the purchase of commodities like daily-use household goods and appliances etc
- (b) To arrange for the sale of commodities thus purchased to members and consumers in general at reasonable market prices.
- (c) To promote a shopping floor that will be accessible to members and the general public.
- (d) To render a quarterly report on the operations and finances of the committee to the Management Committee.

8. CREATION OF FUNDS

8.1 SOURCES OF FUNDS

The funds of the society shall comprise of:

- 8.1.1 An unlimited number of shares of the value of \$2.00 each.
- 8.1.2 Entrance fees proceeds from sales of membership forms;
- 8.1.3 Savings of members as defined in Bye-Laws;
- 8.1.4 Surplus arising out of the business of the society;
- 8.1.5 Miscellaneous sources as approved by the Board

8.2 EMPLOYMENT OF FUNDS

The fund of the society shall be devoted only to the promotion of the stated objectives of the society or any other activity permitted in these Bye-Laws and any other purposes approved by the General Meeting and the Board.

8.3 SHAREHOLDING

- 8.3.1 Every member must hold at least 50 shares at a nominal value of \$2.00 per share which shall not be transferrable. The minimum shareholding can be increased or decreased by the decision of the general meeting as the business of the society may demand.

8.3.2 Members who do not pay the full value of the minimum shareholding by the due date shall not be entitled to any bonus from the investment of the share capital.

8.3.3 A member can hold any number of shares in excess of the minimum shareholding but not exceeding 5000 units or as authorized by the Board.

8.4 WITHDRAWAL OF SHARES

Shares shall not be withdrawn unconditionally but if at the end of the financial year of the society's financial situation is favourable, the Management Committee may repay to any member whose membership was terminated during the year a sum not exceeding the amount paid by him on account of shares. Provided that not more than five percent of the total paid share capital shall be thus paid out in one year without the Director's permission.

8.5 LIMIT ON SHAREHOLDING

No Member shall hold more than one fifth of the number of shares actually paid up by all members, by inheritance or otherwise possess more than the maximum holding permitted, the Management Committee may sell the excess or buy them for disposal by the society.

8.6 ENTRANCE FEES/RE-ENTRY FEES

Every member on joining the society shall pay an entrance fee as may be determined by the Management Committee from time to time. While any member who had earlier resigned/withdrew his membership can only be re-admitted during the following financial year after not less than 12 calendar months outside the membership of the society and payment of re-entry fee' which shall also be decided by the Management Committee from time to time.

8.7 COMPULSORY SAVINGS

8.7.1 Every member shall make regular thrift savings, minimum of which shall not be below **\$100.00 (One Hundred Dollar)** per month.

8.7.3 The rate of Dividend payable on total investment shall be determined after the surplus has been ascertained and necessary reserves created.

8.7.5 No member can withdraw part or whole of his savings except on withdrawal of membership.

9 USE AND CUSTODY OF FUNDS

9.1 INTERNAL FUNDS

The funds of the society may be held in the form of:-

- (a) A reserve fund
- (b) A depreciation fund
- (c) An insurance fund
- (d) Current or Savings Accounts or cash Term Deposit or Federal Government Treasury Bill.
- (e) Stock of shares or goods.

9.2 USE OF FUNDS

The funds of the society shall be applied only for the furtherance of its stated objectives in accordance with these Bye-Laws.

9.3 INVESTMENT

Such funds of the society as are not required for current use may be invested in any manner permitted by Law and Regulations and approved by the Director.

9.4 OPERATION OF BANK ACCOUNT

The society shall operate a Bank Account. Before money is withdrawn from the Bank, the cheques of withdrawal slip shall be signed by at least two of the Directors.

10.1 SUPPLY OF CONSUMER GOODS

10.1.1 The society shall purchase for supply to members such household equipment on consumer items as are necessary for the improvement of member's living condition.

10.1.2 The society shall also stock domestic and personal requirements including foodstuff for sale to members.

11. DISPOSAL OF SURPLUS

11.1.1 **APPROPRIATION:** At the close of each financial year, the excess of the society's income over expenses shall be appropriated to the following funds:-

11.1.2 **Reserve Fund:** Not less than 25% of surplus revenue must be placed into a reserved fund.

11.1.3 20% of the surplus may be directed by the board as specified in the Bye Law.

11.1.4 Not more than 5% of the surplus revenue shall be allocated to the Board as Honoraria.

11.1.5 Dividend on member's savings, share capital shall not be more than 50% of the net surplus.

11.2 DIVIDEND

The committee shall determine the dividend payable on shares and savings, provided that the appropriated net surplus for dividend shall not be less than 50%. No dividend shall be paid if any overdue claim to a depositor or lender remains unsatisfied. A lien shall be placed on such dividend and applied to service such outstanding loan.

11.3 RESERVE FUND

The reserve fund is indivisible and no member is entitled to claim from it, it shall not be utilized in the business of the society, but shall be deposited or invested in accordance with of the Law and subject to the written permission of the Director.

11.4 AUDIT AND SUPERVISION FEES

Audit and supervision fees are the rate assessed by the Director and paid annually by the society to any recognized body approved by the Board.

12. BOOKS OF ACCOUNTS

12.1 PRESCRIBED BOOKS OF INSPECTION

Accounts and records shall be maintained in the forms prescribed by law and shall include the following: -

12.1.1 A membership and attendance register showing the name, address, specimen signature and occupation of every member, the number of shares held by him, the date of his admission to membership, the nominee appointed and the member's attendance at general meeting.

12.1.2 A cashbook showing the receipt, expenditure and balance on each day on which business is done.

12.1.3 General Ledger.

12.1.4 Personal Ledger accounts for each member, depositor and creditor.

12.1.5 Loan register showing installments for repayment for loans

12.1.6 Minute book for proceedings of general and Management Committee Meeting.

12.1.7 Register of shares payment.

12.1.8 Such other record as may be prescribed by the Board.

12.2 INSPECTION OF BOOKS

The books, accounts, register and papers of the society shall be open at all reasonable times for the inspection of members and of any accredited Co-operative official provided that no person other than Officer or Committee member of the society or a Co-operative Official shall be allowed to see the personal account of any member without that member's consent. Copies of the Law, the regulations and of these bye-laws shall be available for inspection at the Registered Address of the society at all reasonable hours.

12.3 ANNUAL STATEMENT

12.3.1 The society shall prepare yearly in such form as may be prescribed by the Director:

- ✚ An account showing the income and expenditure for the year; and
- ✚ A balance sheet.

12.3.2 The account shall be due for submission on or before the 31st day of December or such other date as the Director may direct and a copy of each account shall be sent to the Director for approval within such time as the Director may direct.

13. LIQUIDATION:

13.1 The society shall not be liquidated except in accordance with the law.

13.2 On the dissolution of the society, the reserve fund and other funds of the society shall be applied, first in discharging the liabilities of the society and secondly in the repayment of the savings and share capital paid up.

14. MISCELLANEOUS PROVISIONS

14.1 DISPUTES

Any dispute arising in or concerning the society and its members or past members shall first be referred to the Minister of Agriculture and Agri-Food for settlement by arbitration under the provision of section 351 of the Canada Cooperative Act.

14.3 SEAL

The Management Committee shall hold in safe custody the seal of the society on behalf of the Board. The seal shall be of a pattern approved by the Director, documents shall be sealed by at least two of the Board.

14.4 SURCHARGE

The general meeting of the society may impose surcharge on members not exceeding One hundred dollar (\$100.00) in anyone case for flagrant or repeated contravention of the bye-laws.

15 AMENDMENT OF BYE-LAWS

- a) The Members may, by special resolution, amend the agreements at a duly called Members meeting.
- b) A special resolution amending the agreements that does not receive the required approval from the Members shall be defeated.
- c) An agreement or amendment will come into force on the day it is approved by the Members.

16. CERTIFICATION

I hereby certify that the foregoing Agreements of the **GREEN COWRY CO-OPERATIVE LIMITED**.

Note: GREEN COWRY CO-OPERATIVE LIMITED has been registered under the Federal Cooperative Societies Law, of Canada, in the year 2024 with registration No.1601941-2.

.....
General Secretary

.....
President