



BYE-LAWS

OF THE

MARIGOT

COOPERATIVE CREDIT UNION LIMITED

No.1-2023

Contents

I.	NAME AND LEGAL STATUS	4
II.	INTERPRETATION	4
III.	REGISTERED ADDRESS	5
IV.	OBJECTIVES	6
V.	CAPITAL, FUNDS AND LIABILITY	6
VI.	MEMBERSHIP	7
VII.	SHARES	10
VIII.	SAVINGS AND DEPOSITS	10
IX.	PASSBOOKS, RECEIPTS AND DISBURSEMENTS	11
XI.	QUORUM	14
XII.	ELECTIONS	15
XIII.	TENURE OF OFFICE	16
XIV.	TERMINATION OF OFFICE	17
XV.	FIT AND PROPER	18
XVII.	CONFLICT OF INTEREST	19
XVIII.	BOARD OF DIRECTORS	21
XIX.	CREDIT COMMITTEE	25
XX.	SUPERVISORY COMMITTEE AND COMPLIANCE	27
XXI.	JOINT COMMITTEE MEETINGS	28
XXII.	NOTICES	28
XXIII.	LOANS	30
XXIV.	DELINQUENT LOANS	33
XXV.	RESERVE FUND	33
XXVI.	FINES	34
XXVII.	DIVIDENDS	34
XXVIII.	INVESTMENT OF FUNDS	34
XXIX.	BANKING ACCOUNT	35
XXX.	ANNUAL ACCOUNTS, REPORTS AND AUDITS	35

XXXI.	POWER TO BORROW	35
XXXII.	FINANCIAL YEAR	35
XXXIII.	SEAL AND EXECUTION OF DOCUMENTS	36
XXXIV.	RECORDS AND FORMS	36
XXXV.	INSPECTION OF RECORDS	37
XXXVI.	DISPUTES	37
XXXVII.	DISSOLUTION	37
XXXVIII.	AMENDMENT TO THE BYE-LAWS	37
XXXVIII.	EMPLOYMENT	38

SCHEDULE – Share Transfer

**UNDER THE TERMS AND PROVISIONS OF THE CO-OPERATIVE SOCIETIES ACT NO. 02
of 2011**

(Chapter 78:03 of the 2017 Revised Laws of Dominica)

BYE-LAW NO.1

Bye-Laws relating generally to the conduct of the affairs of -

THE MARIGOT CO-OPERATIVE CREDIT UNION LIMITED

BE IT ENACTED as the general Bye-Laws of the **Marigot Co-operative Credit Union Limited** (hereinafter called "the Society") as follows: -

**BYE-LAWS OF THE
MARIGOT CO-OPERATIVE CREDIT UNION LIMITED**

(Hereinafter referred to as "the Society")

PREAMBLE

Established as a Co-operative Financial Institution by its founding fathers in the village of Marigot, the Marigot Co-operative Credit Union Limited was officially registered under and in accordance with the provisions of the Co-operative Ordinance 1949 as a Credit Union on 28th September 1955. As from the 14th day of June 1999 the Marigot Co-operative Credit Union Limited Acquired the La Soie Co-operative Credit Union Limited. **As from the 26th day of April 2014, the Marigot Co-operative Credit Union Limited Acquired the Woodford-Hill Co-operative Credit Union Limited and the Calibishie Co-operative Credit Union Limited to form the Marigot Co-operative Credit Union Limited ("the Society")** whose Bye-Laws shall be these Bye-Laws.

I. NAME AND LEGAL STATUS

- 1. Under the terms and provisions of the Laws of the Commonwealth of Dominica, the name of the Society shall be "MARIGOT CO-OPERATIVE CREDIT UNION LIMITED". The duration of the Society shall be unlimited.

II. INTERPRETATION

- 2. In these Bye-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 bodies corporate.

In these Bye-Laws

"Act" means the Co-operative Societies Act, No. 02 of 2011 (Chapter 78:03 of the 2017 Revised Laws of Dominica and includes any amendments thereto;

"Age of Maturity" refers to the age of a person 18 years;

"Acquired Societies" means those Co-operative Societies previously known as: The Woodford-Hill Co-operative Credit Union Limited, the Calibishie Co-operative Credit Union Limited and the La Soie Co-operative Credit Union

"Board" means Board of Directors;

"Bye-Laws" means the registered Bye-Laws made by the Society in exercise of any power conferred by the Act and includes registered amendments of these Bye-Laws;

"Loans", means money lent by the Society in accordance with the Act, Regulations and the Bye-Laws to a member who agrees to repay the sum lent, along with interest, at some future point in time;

"Manager", means the person(s) including the General Manager appointed by the Board to manage the day-to-day affairs of the Society;

"Member" means a registered member of the Society;

"Minister" refers to the "Minister responsible for Finance."

"Regulations", means the Co-operative Societies Regulations S.R.O. No. 26 of 2001 and any subsequent amendments thereto;

"Registrar" refers to the Director of the Financial Services Unit.

III. REGISTERED ADDRESS

3. The registered address of the Society shall be: Weirs, Marigot. Commonwealth of Dominica W.I or at any other place as may from time to time be determined by the Society.

4. The Society shall inform the Registrar of its intention to change its registered address at least one month prior to the change being made.

IV. OBJECTIVES

5. The objectives of the Society shall be:

- a) To promote thrift and prosperity among members by providing ways and means whereby savings can be accumulated and shares in the Society can be acquired.
- b) To educate members on co-operative principles and the efficient management of their financial affairs.
- c) To create a source of credit available to members out of their savings and other funds of the Society, on reasonable terms and conditions, for provident and productive purposes; and ensure repayment thereof.
- d) To provide financial and other developmental services to members and to contribute towards social, non-profit, charitable, or cultural causes in Dominica as funds permit.
- e) To establish and promote co-operative developmental programmes with other co-operative societies in the interest of members and general development of the country.
- f) To comply with the Act and other legislation enacted in the Commonwealth of Dominica from time to time.
- g) To undertake all other acts that are incidental or conducive or consequential to the attainment of the above objectives.

V. CAPITAL, FUNDS AND LIABILITY

6. The capital and funds of the Society shall be unlimited and shall be raised by means of:

- a) members' subscriptions to shares;
- b) the savings or deposits of members or non-members;
- c) other co-operative societies;
- d) interest on loans to members;
- e) entrance fees, other fees and charges, fines, interest on loans and investments; and
- f) Financial contributions from members and other sources, as may be approved by the Board and or the General Manager and or the Registrar.

7. Each member of the Society shall hold a minimum of one share. Each share of the Society shall be of the par value of Eastern Caribbean fifty dollars (EC\$50.00) and the maximum number of shares which may be held by each member shall be subject to the provisions of the Act, the Regulations and the Bye-Laws.

8. Subject to the provisions of the Act, Regulations and Bye-Laws of the Society, fixed deposits may be received from members or non-members at such rates and on such terms and conditions as the Board of Directors may from time to time determine taking into consideration the guidance established by the Eastern Caribbean Central Bank.

9. Subject to as hereinafter provided, the Board may, without sanction of a General Meeting, borrow or raise money from any source in any manner the Board thinks fit, provided that this sum does not exceed the maximum liability ceiling, if any, set by the previous Annual General Meeting and in accordance with the Act, Regulations, these Bye-Laws and the financial Services Unit Act.

10. The members at a general meeting shall, in accordance with the provisions of the Act and Regulations, from time to time fix the maximum amount which the Society may at any one time owe in respect of deposits and loans.

11. The funds of the Society may be applied only to the following purposes, namely:

- a) operational expenses;
- b) loans to its members for provident or productive purposes;
- c) such charitable, social, educational, cultural and developmental purposes as the Board may agree; and
- d) any other purpose authorized by the Act, Regulations and these Bye-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.

VI. MEMBERSHIP

13. In order to qualify for membership, a natural person shall:

- a) be a resident of the Commonwealth of Dominica or a citizen of the Commonwealth of Dominica or any other Caricom Member State;
 - b) not be an undischarged bankrupt;
 - c) not be of unsound mind;
 - d) except in the case of a junior cooperative, be over fifteen years of age.
- 2) A registered co-operative society is also qualified to be a member of the Society.

14. Any person who meets the required qualifications and is desirous of becoming a member shall apply to the Officer so authorized by the Board stating his name, residence, occupation and such other information as the Board may require in accordance with Anti-Money Laundering Legislation and the Co-operative Societies Act.

15. Applications for membership shall be addressed to the Board of Directors but shall be presented at the branch offices or registered office of the Society. The Application for membership must be made in writing on the prescribed form and accompanied by photo identification.

- a) every applicant for membership must be vetted by the society as part of the application process.
- b) Should the applicant not be successful, the Officer so authorized by the Board shall: provide written notification to the applicant of the reason (s) for the rejection and where necessary and appropriate, state the requirements for application for membership.
- c) The approval of applicant for membership shall be undertaken by the officers so authorized by the board
- d) Inform the next general meeting of the rejections which the meeting shall either uphold or alter.

16. Every applicant for membership shall pay a non-refundable application fee of twenty dollars (\$20.00), Eastern Caribbean Currency, or such fee as may be determined by the Board.

17. (a) On approval of membership application by the Officer so authorized by the Board and after purchase of at least one (1) share, an applicant shall be registered as a member of the Society and shall be entitled to all rights and privileges of membership subject to the laws of the Commonwealth of Dominica.

(b) Should the application for membership be disapproved, the applicant will be refunded all monies (except application fee of \$20.00) including share payments made as part of the application.

(c) Joint accounts: subject to the by- laws, where individuals have separate and independent membership of the credit union, joint accounts may be held. A person who has the necessary qualification for members and are desirous of becoming joint members may apply in writing to the secretary of the Board. The application shall state residence and occupation of each person, whether the tenancy will be joint tenancy in common and shall contain such other information as the Board from time to time may decide. 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 persons comprising the joint membership. The approval of the applicant for membership shall be under taken by the Board of Directors and their membership card shall be signed by the Board Secretary or Chairman and witnessed by another member of their family, the society or the staff. Every application for membership shall 'pay such entrance or membership fee not exceeding \$50.00 or as the Board may from time-to-time fix. The applicant upon acceptance and payment of that one share shall be enrolled as a member and shall be entitled to any of the rights or privileges of membership.

18. A person ceases to be a member of the Society:

- a) on death;
- b) on ceasing to hold at least one share in the Society;
- c) on the compulsory acquisition of his share pursuant to Section 119 of the Act;
- d) on expulsion from the Society as provided in Sections 31 or 32 of the Act;
- e) if, subject to as hereinafter provided, he ceases to be qualified in accordance with By-Law 13;
- f) on written submission from Member, terminating his membership subject to the approval of the Board.
- g) if he/she applies for bankruptcy or is declared a Bankrupt

h) is convicted by a court of law of any serious financial crimes including money laundering

19. (1) A member may have his membership terminated by the Board in accordance with Section 31 of the Act where at least two-thirds (2/3) vote of the directors present at a meeting called for that purpose order the termination of such member of the Society where the member is guilty of any of the following:

- a) failure to fulfill financial obligations due to the Society;
- b) is convicted of a criminal offence involving dishonesty; or
- c) in the opinion of the Board and after due investigation, acts in a manner which may be detrimental to the interest of the Society.

(2) Where a member is guilty of any of the matters listed in By-Law 19(1) (a) to (c) above, the Board may by notice in writing suspend a member for a period not exceeding three months if it is satisfied that the member is guilty of misconduct.

(3) Notwithstanding By-Law 19(1) above, a member may be terminated by a vote of at least two-thirds (2/3) of the members present at a general meeting once the charge has been communicated to that member in writing at least ten (10) days before the date of the meeting.

20. Subject to the Act, a member whose membership has been terminated may appeal the termination pursuant to Section 34 of the Act.

21. Subject to the provisions of the Act, after settling any financial obligations due to the Society, all amounts held to the credit of a member who withdraws or whose membership has been terminated, together with any interest accrued on those amounts shall be paid.

- a) No member shall resign from the Society while he is a borrower, and endorser (co-maker), or a guarantor on any loan due to the society.

22. The Society shall keep a Register of all members in accordance with Section 28(2) of the Act wherein shall be entered:

- a) The name, address, occupation, account number, email address and date of birth of each member;
- b) The date on which each member's name was entered on the Register;
- c) Date on which a person becomes a member;
- d) Date on which a person ceases to be a member;
- e) Number and value of shares held by member;
- f) Any other pertinent identification information as specified by the Board.

VII. SHARES

23. Payment for shares shall be made together with application for membership. Once the application for membership has been approved, shares cannot be withdrawn but are transferable.

a.) shares shall be of the value of \$50.00 until changed by the Bye-Laws

24. All applications for transfer of shares shall be made on the Form contained in the Schedule to these Bye-Laws.

25. The application for transfer of shares shall be accompanied by a processing fee of \$5.00 per transfer, except in the case of a transfer from the account of a deceased person.

26. A transfer of shares can only be made to a member of the Society or any other person who meets the requirements of membership with the Society.

(a.) no person who is indebted to the society or who is the guarantor of a loan made by the Society shall transfer all of his shares without the prior written consent of the society's board or the duly authorized representative.

Co-Operative Society's Act No: 2 of 2011 Section Act 31 (2 a) page 48.

27. A transfer of shares shall not bind the Society until notified in writing by the transferor and unless the transfer complies with the Bye-Laws of the Society.

VIII. SAVINGS AND DEPOSITS

28. Any single savings or deposits of EC ten thousand dollars (EC\$10,000.00) and over, or any amount outside (higher) of the member's normal saving pattern will be required to fill out a written declaration of the source of funds. MCCU reserves the right to request a declaration of source of funds in the following situation:

- (a) Any transaction deemed suspicious by the employee receiving the transaction(s)
- (b) Any amount that is inconsistent with the member's saving pattern

29. Notwithstanding By-Law 28 above, the Society will scrutinize all savings and deposits as required by Anti-Money Laundering Legislation, or any other law operating in the Commonwealth of Dominica, and may require a subsequent written declaration of source of funds where it deems necessary.

30. Savings and deposits may be received in the name of a minor or in trust for a minor who is a child or ward of a member, in such way or manner as the Board may determine.

31. (1) The Society may receive deposits from a minor and pay to such minor such deposit together with the interest accrued thereon.

(2) Savings and deposits received in the name of a minor shall be held for the exclusive right and benefit of the minor and free from the control or lien of all other persons except creditors, and shall be paid as follows:

- a) to the legal guardian, prior to the minor attaining the age of majority (18 years); provided that the Society may make payment directly to the minor,
- b) or person (s) who opened the account, or in the event of their death, their personal representative (provided that the society may make payment directly to the beneficiary or his /her parent or guardian)
- c) if in its opinion a case of hardship exists in relation to the minor; payment will be made to the guardian
- d) The threshold for commercial members will be based on their pattern of deposit.

(3) Where a member opens a deposit account in the form of "A in trust for B" or "A for B" where B is a minor, withdrawals from that account can only be made by the member (or in the event of his death by his named beneficiary on his membership card or in the absence of a duly executed membership card, his executors or administrators.

(4) The Society may receive deposits directly from a minor and pay to such minor such deposits with the interest accrued thereof.

32. Notwithstanding these Bye-Laws, term deposits may be accepted from a member or non-member for a term not exceeding five (5) years and upon such terms and conditions as set out in the Act and the policy.

33. Fixed deposits for a term exceeding five (5) years shall require the approval of the Board.

34. The Board shall fix the rate of interest payable on savings and deposits from time to time.

35. No member may withdraw any pledged savings below the amount of his total liability to the Society as borrower, co-maker or guarantor without the approval of the Board.

IX. PASSBOOKS, RECEIPTS AND DISBURSEMENTS

37. Shares acquired or transferred, and money paid in or out on account of savings, interest, entrance fees, fines, transfer fees or any other transaction shall be evidenced by an appropriate voucher or receipt. Each voucher or receipt shall identify the person receiving or paying out on behalf of the Society and the money represented thereby.

(a) Where a member transfers shares to another person, he shall notify the society by depositing his pass book and the share transfer notice with the society, where the transferee is a member, the society may require him or her to submit his passbook so that the transfer may be noted thereon.

38. When passbooks are used, the member's permanent official record for all transactions shall be the entries in the passbook; every entry in the passbook shall be initialed by the person receiving and paying out the money represented there by.

39. When statements of account plan are used, the member's permanent official record for transactions shall be the statement of account which will itemize all transactions, and which must be issued to each member at least quarterly, in person, via email or through postage.

40. In the absence of the passbook or statement of account, the member's permanent official record for transactions shall be a computer-generated receipt. If in the event a computer-generated receipt cannot be provided, then a manual receipt shall be issued.

41. If a passbook is lost, destroyed or stolen, immediate notice must be given to the Society. Written application must be made for the issuance of a duplicate book; the cost of which shall be borne by the member.

X. MEETINGS OF MEMBERS

42. The supreme authority of the Society shall be vested in the general meeting of members at which every member has a right to attend and vote on all matters concerning the business of the Society.

43. Meetings of members shall be convened and held in accordance with Sections 36 to 50 of the Act.

44. At least ten (10) days' notice of any general meeting of members shall be given in accordance with the Act before any such meeting is held.

45. Special Meetings may be held from time to time, at the discretion of and at a place determined by the Board. **Place of Meeting:** Special Meetings may be held in Person, Online or Hybrid.

46. The Annual General Meeting of members shall be held within four (4) months after the end of the financial year unless authorized by the Registrar, upon a written request by the Board to convene the meeting at a date no later than six (6) months after the end of the financial year.

47. The business of the Annual General Meeting shall be to: -

- a) Confirm the minutes of the previous Annual General Meeting and of any intervening Special General Meeting.
- b) Receive, consider and if approved, adopt the Annual Report of the Board, Credit Committee, Supervisory and Compliance Committee for the year ended.
- c) Receive, consider and if approved, adopt the financial statements, together with comparative statements presented by the Board for the year ended.
- d) Receive, consider and approve the Auditor's Report or, if accounts are not approved, to cause the Directors to forthwith notify the Auditor of any error or misstatement.
- e) Allocate the surplus from the preceding year.
- f) Amend, modify or amplify, if necessary, the Bye-Laws of the Society provided that due notice as here under provided for shall have been given.
- g) Elect Directors, Credit Committee and Supervisory and Compliance Committee members for the ensuing term.
- h) Appoint an Auditor for the ensuing year.
- i) Hear and decide upon any complaints brought by members aggrieved by a decision of the Society, provided that notice of such complaint to be brought before the meeting has been given to the Secretary in writing within thirty (30) days from the date of notification of the decision.
- j) Transact any other appropriate business of the Society.

48. A Special General Meeting of members may be convened at any time by the Board and on receipt of a demand stating the object of the proposed meeting signed by at least fifty (50) Members or 15% of the general membership whichever is less.

49. The Registrar may at any time call a special general meeting for the purpose of enabling members to secure any information regarding the affairs of the Society that they are entitled to receive and to deal with any matters affecting the Society.

50. Notice of any General Meeting or Special General Meeting shall be deemed to have been given by:
- a) sending notice by mail to members at addresses on the Register of members; or,
 - b) publishing the notice in not less than two issues of a newspaper published and circulated in Dominica or by posting the notice in a place or through any medium of communication, which in the opinion of the Board, is prominent and accessible to members.
51. The accidental omission to give notice to or the non-receipt of a notice by any member shall not invalidate the meeting. Providing that the majority of members present received notification
52. The President of the Board, or in his absence the Vice-President or in the absence of both, any other Director elected by a majority of those present shall preside at the Annual or Special General Meeting.
53. Minutes of the Meetings shall be entered or recorded in the Minute Book and signed by the Secretary and when confirmed signed by the Chairman and shall contain: -
- a) The number and names of the members present at the meeting and the name of the President or the person who presided at the meeting.
 - b) The date and the times the meeting commenced and ended;
 - c) The total number of members on the date on which the meeting was held; and
 - d) All resolutions passed or decisions made at the meeting.
 - e) There shall be detailed resolutions for policies and contractual matters and the resolution should indicate the voting i.e. those against and abstentions.

XI. QUORUM

55. A quorum at any Annual General or Special General meeting shall be fifty (50) or 15% *of the general membership*, whichever is less, present at the commencement of the meeting.
56. (1) Where a quorum is not present sixty (60) minutes after the time fixed for the commencement of a general meeting of members;
- a) the members present may adjourn the meeting to a time and place to be determined by the Board but not later than 30 days after the date of the adjourned meeting and shall not transact any other business; or
 - b) the Registrar or his representative may direct that the meeting proceeds if he is satisfied that the meeting was convened in accordance with the Act and that the members present were properly notified and constitute at least 75% of the amount required for a quorum.

(2) If at the adjourned meeting, there is no quorum, the members present constitute a quorum and may proceed with the meeting.

57. Subject to the Act, the Regulations, and these Bye-Laws, for the purpose of making decisions concerning the business of the Society, a majority of the members present and casting votes at a meeting shall decide all questions.

58. Subject to the Act, the Regulations and these Bye-Laws, the Chairman of the meeting shall have the right to vote and in the event of a tie, shall be entitled to a second or casting vote.

XII. ELECTIONS

59. The following procedures shall apply to the conduct of elections in keeping with Sections 36-40, 53, 72 and 73 of the Act and the Regulations:

- a) Not less than thirty (30) days prior to each Annual General Meeting, the Board shall appoint a Nominating Committee of three (3) persons of which no more than two (2) may be members of the existing Board.
- b) No member eligible for re-elections shall sit on the Nominating Committee.
- c) The Nominating Committee shall present its report to the meeting. The Nominating Committee shall propose one member for each vacancy to be filled and present an appropriate biography of the person nominated.
- d) After the nominations have been placed before the members, the person conducting the elections shall call for nominations from the floor. The persons nominating members from the floor shall present to the membership a brief profile of no less than one minute, of the persons so nominated.
- e) All elections to the Board and other Committees shall be by secret ballot or using an electronic voting system where there are more nominations than vacancies.
- f) Where the number of nominees does not exceed the number of persons to be elected, the person conducting the elections shall declare all the nominees duly elected, once such persons accepts respective nominations .

60. No member shall be elected to the Board, the Credit Committee or the Supervisory and Compliance Committee unless the member:

- a. is at least eighteen (18) years old;
- b. is a citizen or resident of the Commonwealth of Dominica or a member from a CARICOM country;
- c. is not bankrupt;

- d. has not been sentenced by a Court in any country for any criminal offence involving fraud or dishonesty;
- e. is not an employee or officer of any other Credit Union or employed or serving at senior management or executive level at any similar financial institution;
- f. has been a member of the Society for at least one (1) year;
- g. is not a delinquent borrower and is otherwise in good financial standing;
- h. is not involved in any activity which is deemed to bring the Society into disrepute;
- i. has not made an arrangement with his creditors;
- j. has not been convicted of an offence under the Money Laundering (Prevention) Act or the Suppression of the Financing of Terrorism Act;
- k. has not been convicted of an offence under this Act;
- l. has not been convicted on indictment of an offence in connection with the promotion, formation or management of a body corporate;
- m. has not been a director of a failed co-operative society of the same type;
- n. is not of unsound mind and has been so found by a Court (or relevant certifying practitioner or body) in Dominica;
- o. has not been suspended, removed or prohibited from serving as an officer or director of a financial institution, including a credit union by a supervisory authority;
- p. is not an employee of the Registrar or is a partner or employee of the Society's auditor; and
- q. has transacted business with the Society within the last twelve consecutive months.
- r. Meets the guidelines for a Fit and Proper Person as set out in the Financial Services Unit Act. Section 27 of Act No. 18 of 2008 of the Laws of the Commonwealth of Dominica and subsequent amendments thereto.
- s. Is not a minister of Government, a Member of Parliament or a Permanent Secretary

XIII. TENURE OF OFFICE

61. Subject to By-Law 62 and unless he resigns or is removed in accordance with the Act, a Director or a member of the Credit Committee or a member of the Supervisory and Compliance Committee shall hold office until the conclusion of the meeting in which his successor is elected.

62. A Director or a Committee member may hold office for no more than two (2) consecutive terms or an aggregate of no more than six (6) years before retiring for a minimum of one (1) year before he can be nominated to the Board or any Committee.

63. Where persons are to be elected for varying terms, the member receiving the higher or highest number of votes cast is to be declared elected for the longer or longest term.

(a) where two (2) or more candidate receives 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, the chairman shall draw lots and the candidate whose lot is drawn is to be declared elected for the longest or longer term

(b) 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 candidate or where the meeting does not decide, the chairman shall draw lots to determine the tenure of office for each candidate.

64. When persons are co-opted, the co-opted member shall serve the remaining period of the member's tenure until the next AGM. Considered as having served a first term and becomes eligible for a second term of no more than three years.

- i. no term of office shall exceed three (3) years

XIV. TERMINATION OF OFFICE

65. Any member of the Board, Supervisory and Compliance or Credit Committee shall be deemed in the opinion of the Board to have vacated that office of the member: -

- a) resigns by giving notice to the Board or to the relevant Committee;
- b) applies for bankruptcy or is declared bankrupt;
- c) becomes of unsound mind and has been so found by a Court (or relevant certified professional or body) in the Commonwealth of Dominica;
- d) is convicted of any criminal offence involving dishonesty and has not received a pardon or had his conviction expunged;
- e) fails to attend three consecutive meetings without valid written excuse;
- f) is guilty of any other action which would bring the Society into disrepute;
- g) fails without valid excuse to perform any of the duties allotted to him as an officer;
- h) is removed from office in accordance with Section 90 of the Act; or
- i) is no longer qualified in accordance with the Act and these Bye-Laws.
- j) Is in receipt of a political appointment

66. Any member of the Board or other Committees may be removed from office before the expiration of his term or the period of office by a two-third (2/3) majority of the members present at a Special General Meeting at which at least ten (10) days-notice has been given specifying the proposed resolution to be passed.

67. Any such member or officer, whose removal from office is contemplated, must be informed in writing of the charges against him at the time of the notice and at such meeting, shall have reasonable opportunity to answer such charges. Where the officer is removed from office, the members present at such meeting

shall proceed to elect a replacement to fill the vacancy. Any member so elected shall be subject to the original retirement date of the member he replaces.

GOVERNANCE

XV. FIT AND PROPER

68. Further to the provisions of sub-section 53(4) of the Act, every person who is a director or is likely to become a director, committee member or manager of a co-operative society, must be a person deemed fit and proper to hold the particular position which he holds or is likely to hold.

69. If any person is assessed and determined by the Board and the Registrar not to be a fit and proper person to hold the position of director, committee member or manager; and/or does not satisfy the minimum criteria for fitness to serve as a director, committee member or manager pursuant to Sections 53(4) and 72 of the Act and any applicable section of the Bye-Laws and any other Credit Union Regulations, then such person is prohibited from holding the office.

(1). To maintain the integrity and independence of the Board of Directors, Supervisory and Compliance and Credit Committee and to ensure that there is no political interference, bias or favoritism on these committees;

- (a) A person holding a position in Parliament, Cabinet or any elected or appointed political position shall not be nominated and/or elected to be a member of the Board of Directors, Credit Committee or Supervisory and Compliance Committee of the Marigot Co-operative Credit Union while holding the political position and can be eligible to serve after a five (5) year period of absence from that political position.

XVI. UNFIT OFFICERS

70. Pursuant to sections 31 and 32 of the Act and in addition to sub-section 53 (4) of the Act,

- (1) A person may not be elected or appointed for office or may be removed from elected office by the members and shall no longer constitute part of the management of a co-operative society where-
 - (a) He has committed an offence contrary to the Act, the Anti-money Laundering (Prevention) Act, the Proceeds of Crime Act, the Financial Services Unit Act and the Suppression of Terrorism Act and any pertinent law and regulation
 - (b) He has contravened the Bye-Laws of his co-operative society;

- (c) Being a Board or committee member, he has violated his fiduciary trust;
 - (d) He operates in direct competition with his co-operative society;
 - (e) He is a dormant member; or
 - (f) He is a member in default with regard to his shares and loan(s).
- 2) Without prejudice to the generality of Section 20 of this Bye-Law, regard may be given also to the previous conduct and activities in business or financial matters of a person in question and, in particular, to any evidence that he has
- (a) Committed an offence involving fraud or other dishonesty or violence;
 - (b) Contravened any provision made by or under an enactment designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of banking, insurance, investment or other financial services or the management of companies or against financial loss due to the conduct of a discharged or undischarged bankrupt;
 - (c) Engaged in any business practices appearing to the Registrar to be deceitful or oppressive or otherwise improper whether unlawful or not, or which otherwise reflect discredit on that person's method of conducting business;
 - (d) An employment record which leads the Registrar to believe that the person carried out an act of impropriety in the handling of his or her employer's business; or
 - (e) Engaged in or been associated with any other business practices or otherwise conducted himself in such a way as to cast doubt on his competence and soundness of judgment.
- 3) A person found to be ineligible for election or appointment, or who is removed from office under sub-regulation (1) or (2) may appeal to the Registrar/Supervisor and, if dissatisfied with the decision of the Registrar/Supervisor, the Tribunal established under Section 195 of the Act, in either case within twenty-one days of the declaration; and the members' and the Registrar/Supervisor's decision shall stand, respectively, until a determination is made by the Tribunal.

XVII. CONFLICT OF INTEREST

71. (1) A Director, officer or employee of the Society who is:
- a) a party to a contract or decision with the Society or
 - b) a Director or an Officer of any Body or has an interest in a body that is a party to a contract or proposed contract with the Society shall disclose in writing to the Society or request to have entered in the Minutes of any meeting where the said contract is being considered, the nature and extent of his interest.
- (2) Any Director whose interest is likely to be affected whether directly or indirectly by a decision of the Board on any matter whatsoever shall disclose the nature of the interest at the first meeting of the Board at which he is present after the relevant facts have come to his knowledge.
- (3) A disclosure under this Section shall be recorded in the minutes of the Board meeting, and after the disclosure, the Director making the disclosure shall, unless the Board otherwise directs, not be

present, nor take part in the deliberation, and in any event shall not vote at any meeting when such matter is being decided by the Board.

- (4) For the purpose of this Section, where the interest of the spouse or children of the Officer is likely to be affected directly or indirectly by a decision of the Board on any matter, the interest shall be deemed to be the interest of that Director.

72. In the case of a Director, the disclosure required by By-Law 71 above shall be made:

- a) At the meeting at which the proposed contract is first considered;
- b) If the Director was not then interested in the proposed contract, at the first meeting after which 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.

73. In the case of a Committee member or employee of the Society, the disclosure required in By-Law 71 above shall be made:

- a) Forthwith after he becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of the Directors of the Society;
- b) If the officer or staff become interested after the contract is made, forthwith after he becomes so interested; or
- c) If a person who is interested in a contract later becomes an officer or employee of the Society, forthwith after he joins the services of the Society.

74. Subject to Section 82(1) of the Act, no Director, Committee member or employee shall be present at a meeting or take part in any discussions to consider or vote on a resolution to approve a contract in which he has a personal interest.

75. A contract approved by the Directors or members in which a Director, Committee member or employee disclosed a material interest which was reasonable and fair to the Society at the time it was approved, is neither void or voidable by reason only of the relationship, or by reason only that a Director, Committee member or employee with an interest in the contract is present at, or is counted to determine the presence of a quorum at a meeting of the Board or a Committee appointed by the Board that authorized the contact.

76. (1) A Director, Committee Member or Employee shall, before taking part in any business of the Society disclose any personal interest, whether directly or indirectly in that business.

(2) Any person referred to in By-Law 76(1) above, shall be excluded from being present and participating in any discussion related to the matters in which his interest exists.

(3) The phrase "personal interest" referred to in By-Law 76(1) above includes any:

- a) family interest;
- b) business interest; or
- c) family, business or close social relationship with a person who has an interest in the transaction.

MANAGEMENT

XVIII. BOARD OF DIRECTORS

77. Subject to the provisions of the Act and the Regulations, the general direction, control and management of the Society shall be entrusted to the Board of Directors.

78. The Board shall be elected at the Annual General Meeting and shall be no less than nine (9) and not more than thirteen (13) members, in keeping with the provisions of the Act, none of whom shall be an employee of the Society or a financial institution or entity offering similar line of services

79. The Board shall direct and control the affairs of the Society and shall act for and on behalf of the Society and be responsible for the general development and performance of the Society in execution of the following duties: -

- a) to review applications for membership of the Society and approve applications for membership where necessary and adjudicate on the exclusion or expulsion of members;
- b) to determine from time to time the maximum amount to be advanced on loans with or without security and to determine the interest rates on loans. When by action of the Board, the interest rates on future loans are reduced, similar action may be taken with regard to interest rates on unpaid balances of existing loans;
- c) to fix, from time to time, subject to the approval of the Registrar the amount of fidelity insurance which shall be required of all officers and employees handling money and shall authorize the payment of the premium or premiums therefore by the Society;
- d) to recommend dividends, to determine the rate of interest on deposits, and to recommend amendments to the Bye-Laws;
- e) to fill vacancies on the Board and the Credit Committee;
- f) to determine from time to time subject to Section 7 of the Bye-Laws of the Society, the maximum number of shares that may be held by any member.
- g) to authorize and supervise investments of the Society other than loans to members;
- h) to appoint the person with whom the Treasurer shall have joint control of the securities;
- i) to employ, fix the compensation and prescribe the duties of such employees as may be necessary;

j) to make, ratify and implement policies for the efficient functioning of the Society.

80. (1) The Board shall meet as often as the business of the Society may require, but no less than once per month. Due notice of such meetings shall be given to the Directors by the Secretary.

(2) Place of Meeting: Meetings of Directors and any Committee may be held in person, online or hybrid, providing that the meeting can be held in confidence.

81. A simple majority of Directors shall constitute a quorum of the Board.

82. The Agenda for the meeting shall be set by the President of the Board and shall be circulated at least five days prior to the date of the meeting.

83. Minutes of Meetings of the Board shall be recorded by the Secretary or a substitute in absence of the Secretary, in the Minute Book and shall be signed by the President or a Director deputizing for the President and by the Secretary and shall contain the following particulars: -

- a) The names of the persons present and the date of the meeting;
- b) The name of the President or other presiding Director; and
- c) Statements of all matters discussed, and decisions made and a record as to whether each decision was made unanimously or by a majority to include the number that voted for and against when a resolution is passed by the Board.

84. Where there are vacancies on the Board and there is a quorum of Directors, the remaining Directors may exercise all the powers of the Directors or may call a special meeting of the Board for the purpose of appointing members to fill any such vacancy until the next Annual General Meeting.

85. Where the membership of the Board falls below the number required for a quorum, the remaining Directors shall call a Special General Meeting for the purpose of electing members to fill such vacancies.

86. Where there are no Directors, twenty-five (25) members may appoint in writing, at least five (5) persons as Directors for the purpose of calling a Special General Meeting to elect members to fill the vacancies.

87. Subject to Sections 57 and 58 of the Act, the Board may appoint from among its members any Committee that it considers necessary and may by resolution delegate to any such Committee such powers that it considers necessary for the efficient conduct of the affairs and business of the Society.

88. A Committee appointed by the Board that has specific powers delegated to it, subject to Sections 57 and 58 of the Act and these Bye-Laws must consist of at least one (1) Director and shall exercise these powers consistent with the Act as designated by the Board, for a tenure of one (1) year or the duration to the next annual general meeting.

89. Subject to By-Law 9, the Board may borrow from any source and on such security and terms of repayment as it considers fit provided that the total amount borrowed does not exceed the maximum liability limit which was fixed by a resolution of members at a General Meeting and approved by the Registrar.

90. At the first meeting of the Board or any other meeting called for that purpose, which shall be held within ten (10) days of the Annual General Meeting or Special Meeting whereby the election of officers to serve on the Board occurred, the officers shall elect from among themselves, a President, a Vice President, a Secretary and a Treasurer who shall constitute the Executive of the Board.

91. (1) the duties of the President shall be: -

- a) To preside at meetings of the members and of the Board;
- b) To sign and execute jointly with the Secretary, all deeds and conveyances of real or personal property and such other documents as the Board may specify;
- c) To perform such other duties as customarily pertains to the office of the President or as he may be directed to perform by resolution of the Board which shall not be inconsistent with the Act, the Regulations, and these Bye-Laws; and
- d) To perform such other duties as the Act and Regulations may require to be performed as the President of the Board.

(2) The duties of the Vice President shall be: -

- a) In the absence or disability of the President or his refusal to act, to perform the duties of the President and such other duties as the Board may from time to time prescribe.

Secretary

(3) The duties of the Secretary shall be: -

- a) To attend meetings of the Board, General and Special Meetings of the Society;
- b) To keep Minutes of meetings of the Board and of the Society;
- c) To conduct any correspondence on behalf of the Society;
- d) To keep charge of all records, books, papers and other documents of the Society;
- e) To issue notices for all meetings of the Board and general membership of the Society, in accordance with the Regulations and Bye-Laws of the Society;

- f) To 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; and
- g) To perform such other duties as are prescribed by the By- Laws or as directed by resolution of the Board, which are not inconsistent with the Act and these By- Laws.

Treasurer

(4) Subject to such limitations and control as may be imposed by the Board, the duties of the Treasurer shall be: -

- a) To receive all monies due and payable to the Society and issue receipts for the same;
- b) To deposit all monies received in the name of the Society in such bank or depository as specified by the Board;
- c) To sign all cheques, notes, bills of exchange and other documents necessary to affect the business of the Society;
- d) To record all financial transactions effected by the Society in the books provided for the purpose;
- e) To keep charge of all documents, books and vouchers for all payments made, and receipts issued on behalf of the Society;
- f) To prepare the annual statements of account, balance sheet; monthly financial statements and other statements as the Board may request;
- g) To prepare and forward to the Registrar such financial and other reports as may be required;
- h) To keep separate accounts of all monies belonging to the Society;
- i) To produce a current statement of the Society's monies held on demand;
- j) To make payments as authorized by the Board and obtain receipts for same;
- k) To ensure that all promissory notes, drafts, negotiable instruments drawn in favor of the Society are properly prepared; and
- l) To perform such other duties pertaining to the office of Treasurer.

92. The Board may employ a General Manager, Branch Managers and Accountants and may authorize them or another senior employee to perform, or generally assist with any of the duties assigned to the Treasurer and Secretary, including the signing of cheque, security of all documents, receipts and management of the Society 's Financial Account.

93. During the absence or disability of any Director or Credit Committee member or his refusal to act, the Board may appoint another member to act temporarily in his stead.

XIX. CREDIT COMMITTEE

94. The Credit Committee shall be elected at the Annual General Meeting and shall consist of a minimum of five (5) and not more than 13 members, none of whom shall be a member of the Board, or the Supervisory and Compliance Committee or an employee of the Society.

95. (1) Any member of the Credit Committee shall in addition to By-Law 65 be deemed to have vacated his office if:

- (a) he fails to attend three (3) consecutive meetings of the Committee without, in the discretion of the Board, having a reasonable cause; or
- (b) he fails to perform any of the duties allotted to him as a member of the Committee.

(2) The Board may fill any vacancy on the Credit Committee, but such member shall hold office until the next Annual General Meeting of the credit union. At which time the co-opted member or another member may be elected to fill the vacancy.

96. The Credit Committee may be removed from office by a special resolution made at a General or Special General Meeting called for that purpose if it fails to submit a report to the Board pursuant to Section 62 (l) (c) of the Act or fails to submit its annual report to the membership at the Annual General Meeting.

97. The Credit Committee shall choose from among their members a Chairman and a Secretary. The same person shall not hold these two offices at any one time.

98. The Credit Committee shall prepare and maintain full and correct records of all action taken by the Committee and shall submit a monthly report to the Board pursuant to Section 62(l)(c) of the Act. The report shall state as follows:

- a) The number of loan applications received;
- b) The number, value and category of loans granted;
- c) The security obtained, if any, for such loans;
- d) The number of applications denied;
- e) The number and amount of delinquent loans;
- f) The action or actions taken to follow-up delinquent loans;

99. The Credit Committee shall hold such meetings as the business of the Society may require but at least once per month. Due notice of such meetings shall be given to the other members of the Committee by the Secretary.

100. A simple majority of members of the Credit Committee shall constitute a quorum.

101. (1) The Credit Committee shall consider all applications for loans, make recommendations when necessary to the Board in respect of the Loan Policy of the Society and shall, subject to the authorization of the Board, approve loans to members upon such terms and conditions as specified by the Board.

(2) The Credit Committee may upon such terms and conditions as the Board may specify authorize the Manager and Loans Manager or employee of the Credit Union to approve loans to members.

(3) Any person authorized by the Board to approve loans shall submit a written monthly report to the Credit Committee stating the number of applications received, the number and value of loans granted, and the security obtained, if any, and the number of loans denied. Such report shall become a part of the records of the Credit Committee.

(4) No individual (acting on his own) shall have authority to disburse funds of the Society for any loan which he has written up or approved.

102. The Credit Committee and Loans Officer shall carefully inquire into the character, financial condition and sureties of each applicant for a loan to ascertain the ability of the member to repay fully and promptly any obligation incurred by, and to determine whether the loan sought is for a provident or productive purpose and will be of profitable benefit to the applicant. The Loans Officer shall endeavor to assist applicants with alternatives if their applications are unsound.

103. (1) Subject to Section 61 of the Act, no loan shall be made unless approved by the Credit Committee, by the Board or by any individual authorized by the Board or the Credit Committee to approve loans to members.

(2) No member of the Credit Committee, the Board, the Supervisory and Compliance Committee or any employee shall be present at the discussion for the approval of or approve a loan to himself or to a person for whom he is proposed as surety or any other person with whom he has a fiduciary relationship.

104. When more loan applications are pending than can be granted disbursement with the available funds, preference shall be given in all cases, to applications for smaller loans, if the need and credit factors are nearly equal.

XX. SUPERVISORY AND COMPLIANCE COMMITTEE

105. The Supervisory and Compliance Committee shall be elected at the Annual General Meeting and shall consist of a minimum of five (5) and not more than thirteen (13) members, none of whom shall be a member of the Board, the Credit Committee, or an employee of the Society or any other similar Society.

106. Any vacancy on the Supervisory and Compliance Committee may be filled by the remaining members of the Supervisory and Compliance Committee who may appoint a qualified member until the next Annual General Meeting at which time such member may be elected to fill the unexpired term of the member who was initially elected.

107. The Supervisory and Compliance Committee shall choose from among its members a Chairman and a Secretary. The same person shall not hold these two offices at any one time.

108. The Supervisory and Compliance Committee shall meet at least once a month. The duties of the Supervisory and Compliance Committee shall include to:

- a) examine the books of the Society at least twice per year;
- b) scrutinize and appraise the policies and operating procedures and, wherever necessary, to make recommendations to the Board and the Credit Committee;
- c) confirm the cash instruments, property and securities of the Society;
- d) confirm the shares, deposits and other balances or holdings of members;
- e) monitor the management of the Society;
- f) when necessary, assign work to the internal auditor;
- g) liaise with the external auditor;
- h) audit the functions of management and staff;
- i) audit the asset, liability management and liquidity of the Society;
- j) pay particular attention to the risk management of the Society;
- k) verify the assets of the Society and monitor whether the assets are properly protected;
- l) receive and investigate any complaints made by any members affecting the proper management of the Society;
- m) at least once a year cause a random sample of the pass books and accounts of members to be verified with the records of the Society;
- n) ensure that all advances, loans, deposits and other transactions involving Directors, Committee members and employees are in keeping with the Act, Regulations, Bye-Laws and Policies of the Society; and
- o) comply with all other functions, duties or tasks provided for under the Act.

109. The Secretary shall give due notice of meetings to all members of the Supervisory and Compliance Committee. A majority of the members of the Committee shall constitute a quorum.

110. In the process of their examination, the Supervisory and Compliance Committee shall:

- a) scrutinize applications for loans made during the period and satisfy itself that for each loan granted, an application, is on file and that each application states the purpose for which the loan was approved, the description of the security offered, if any, and that it bears the signatures of approval of the Credit or Sub-Committee of the Board; and
- b) examine loan contracts and satisfy itself that each contract is properly completed and signed by the borrower.

111. The Supervisory and Compliance Committee shall keep Minutes of its meetings and shall in accordance with Section 66(l) of the Act do as follows:

- a) within seven days (7) of each meeting report on the results in writing thereof to the Board; and
- b) submit a written report to the Annual General Meeting of the Society.
- c) Ascertain that all actions and decisions of the Board, committees, management and staff relating to the affairs of the Co-operative societies are in accordance with this act, the regulations, the bylaws and the approve standards and policies of the Co-operative Society.

112. At the request of the Supervisory and Compliance Committee, the Board shall assign the services of the Compliance Officer, any member of staff of the Society, contracted individuals or a company, to work on or conduct special assignments or projects and the outcome of any such assignment or project shall be forwarded to the Supervisory and Compliance Committee for formal presentation to the necessary authority or authorities.

113. If in the opinion of the Supervisory and Compliance Committee, any Director, officer, or employee of the Society is guilty of a flagrant violation of the provisions of the Act, Regulations or the Bye-Laws or any misconduct or malpractice or misappropriation or misdirection of the funds, securities or other property of the Society, the Supervisory and Compliance Committee shall forthwith inform the Board and the Registrar in writing.

114. Consequential to By-Law a person may be removed or reinstated from office as provided in Section 68 of the Act.

(a) Members of the Supervisory and Compliance Committee may attend meetings of the Board and all other Committees of the Co-operative Society as observers barring any conflict of interest.

XXI. JOINT COMMITTEE MEETINGS

115. A Joint meeting of the Board, Credit and Supervisory and Compliance Committees shall be held no less than once a quarter. The Secretary of the Society shall be responsible for arranging this meeting. The quorum for commencing such a meeting shall be a simple majority of the Committee.

XXII. NOTICES

116. The Directors shall meet at least once every month. In addition, the President or Secretary may at any time convene a meeting of the Directors whenever he considers that the business of the Society so requires. The President or Secretary shall convene a special meeting of the Directors within seven days of a request in writing addressed to him by at least three Directors. Subject to Section 85 (4) of the Co-operative

Societies Act, the notice of a meeting of the Directors need not specify the purpose of or the business to be transacted at the meeting.

117. Notice of a meeting of the Directors shall be served not less than five days (exclusive of the day on which the notice is delivered or issued but inclusive of the day for which notice is received) before the meeting is to take place. A Director may in any manner waive notice of a meeting of the Directors and attendance of a Director at the meeting of Directors shall constitute a waiver of notice of the meeting except where a Director attends a meeting for the expressed purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

118. It shall not be necessary to give notice of a meeting of the directors of newly elected or appointed directors for a meeting held immediately following the election of directors by the members or the appointment to fill a vacancy among the directors.

119. Method of giving notice: Any notice or other documents required by the Act, the Regulations, or the Bye-Laws sent to any member, director or auditor may be delivered personally, sent by prepaid mail or online to any such person at his latest address as shown in the records of the Society or in the latest notice filed under Section 69 or 77 of the Act, and to the auditor at his business address. Notwithstanding, and subject to the Electronic Transaction Act No. 19 of 2013 and any other applicable law or regulation governing electronic communication, by a resolution by directors, any such notice or other document may also be provided by electronic mail or any other electronic form or record provided that;

- (a) There is a resolution by directors allowing the notice or document to be transmitted in electronic form or record;
- (b) The person to whom access is required to be provided to consent to accessing the information in that format;
- (c) The originator of the electronic record states that the receipt of the electronic record is to be acknowledged; and
- (d) The intended recipient addressee has acknowledged receipt or received is received by the sender

119. (1) Notice of the meeting of the Board of Directors and Credit Committee shall be sent to the Secretary of the Supervisory and Compliance Committee in compliance with Section 119(a) of the Bye-Laws

- a. The Supervisory and Compliance Committee be notified at least five (5) days prior to the convening of the said meeting.

119. (2) Notice of the annual general meeting of the Dominica Co-operative Societies League shall be forwarded to all Committees of the Marigot Co-operative Credit Union and that every Committee shall be informed and represented at the League's annual general meeting.

119. (3) Representation of the Marigot Co-operative Credit Union at any function shall be held by serving volunteers.

XXIII. LOANS

120. Loans shall be made only to members and other co-operative societies and for provident or productive purposes. Proceeds of loans shall be applied only to the purpose for which the loan was approved.

121. The terms and conditions on which loans may be made to members and other co-operative societies shall be fixed from time to time by the Board, provided always that in no case shall a sum be lent to any member or co-operative greater than ten percent (10%) of the aggregate of the Society's share capital, retained earnings and statutory reserves i.e., its institutional capital.

122. The Board shall fix the rates of interest on loans from time to time and the interest payable on loans shall be calculated on the daily balance.

123. An applicant who wishes to obtain a loan shall submit an application on the forms provided by the Society and shall state the amount, the purpose for which the loan is required, the source from which he expects to repay the loan, the proposed repayment schedule, the name(s) of proposed sureties, the details of any security being offered and any other information as may be required by the Society.

124. The Credit Committee shall conduct the following functions/tasks at all meetings:

- a) Consider at a meeting every application for a loan, and if the Committee is satisfied with the trustworthiness of the applicant, the sufficiency of the security offered, the loan is for a provident or productive purpose in keeping with By- Law 5(3), it may, if authorized by the Board, approve the loan or shall, if not authorized, recommend any approval as required of the loan to the Board.
- b) No person other than members of the Credit Committee and Supervisory & Compliance Committee shall be present at any meeting of the Committee when an application for a loan is under consideration unless such other person is invited to the meeting by the Credit Committee.
- c) Further to Section 80 of the Act, the proceedings or documentation presented with regard to the application for loans at the Credit Committee meetings or Loan Officers' meetings shall be kept secret. Any member of the Committee or officer of the Society infringing this By-Law shall be liable to immediate expulsion or dismissal.

125. Loans shall be granted subject to such security and other conditions as shall be stipulated in the Loans Policy and the Act.

126. When a loan is approved, a written notice to that effect shall be sent to the applicant within seven days. Before the loan is disbursed, the applicant and his sureties shall execute in writing an instrument setting out the terms of repayment of the loan and such other terms and conditions as the Society may consider necessary.

127. Where a loan is not approved, the Society shall inform the member in writing within seven days of the reasons for non-approval.

128. On any business day a member may repay his loan prior to maturity in whole or in part, without early payment penalty. However, an early payment penalty as determined by the Board from time to time will be applied to balances on mortgage loans closed by another financial institution before the due date as per loan policy.

129. A member failing to pay any installment of a loan on the due date shall, unless extension of time had been approved, pay such fine as the Board may prescribe from time to time provided that such fine shall not exceed 1.5% of installment per month. All fines collected shall be deposited to the Reserve Fund.

130. If a member fails to pay an installment of a loan within the specified due date, the whole amount or balance of the loan then owing shall immediately become due and payable.

131. When a member is in default in the payment of a loan or fails to pay an installment of a loan and does not satisfy the Board that such default is due to good reason, such a member shall not be entitled to receive another loan from the Society during that period of default.

132. If by reason of sickness, disaster or some other good cause, a member is unable to discharge his obligations to the Society, and promptly notifies the Secretary of the Society in writing, the Board may extend the time fixed for payment on such conditions as appropriate. With the exception of Clause 101(2) of these Bye-Laws, the Credit Committee shall approve all loans, as stated in the Act.

133. Where the Society 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 or that the facts stated in the loan application were misrepresented, the Society may by notice in writing to the debtor

demand payment of the loan before the agreed date of payment and upon such demand the loan shall become immediately due and payable.

134. 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 Board, under By-Law 125 or where a loan has been made to a Director or Officer of the Society in contravention of the Act the Board shall take steps for the recovery of the same through the following action: -

- a) apply any monies standing to the credit of the member towards the payment of the debt;
- b) refer the matter to the Registrar, pursuant to Section 195(1) of the Act;
- c) exercise any rights arising by law pursuant to Sections 112 and 195(7) of the Act: or
- d) provide collection through third party;
- e) take any other action which the Board may deem necessary.

135. For purposes of By-Law 127, interest shall be deemed to be part of an installment of a loan.

136. All applications for loans and the reports of the Credit Committee there-on shall be filed as permanent records of the Society.

137. (1) With the exception of savings covered loans, applications for loans made by a Director, committee member or employee of the Credit Union submitted to and must be decided upon by the Board.

(2) Where:

- (a) 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 Board, under By-Law 125; and
- (b) a loan has been made to a director or officer of the Society in contravention of Section 121(3) and 121 (4) of the Act, the Board shall take steps for the recovery of same by:
 - (i) applying any monies standing to the credit of the member towards the payment of the debt;
 - (ii) referring the matter to the Registrar pursuant to Section 195(1) of the Act;
 - (iii) exercising any rights arising by law pursuant to Sections 112 and 195(6) of the Act: or
 - (iv) any other action which the Board deems necessary.

XXIV. DELINQUENT LOANS

138. At the end of each financial year the Board shall cause a list of all delinquent and doubtful loans to be made available at the registered office of the Society for any examination required by the Credit Committee, the Supervisory and Compliance Committee and the Auditor.

XXV. RESERVE FUND

139. The Society shall where the annual audit indicates a net surplus create a Reserve Fund in pursuance to the provisions of Section 125 of the Act. All membership dues, transfer and other fees and fines shall also be credited to the Reserve Fund.

140. The Reserve Fund, which must be maintained in the form of a liquid asset in accordance with Section 125 of the Act, may only be used with the permission of the Registrar.

141. The statutory and other reserves shall not be less than ten percent (10%) of the Society's total assets.

142. The Reserve Fund shall be the indivisible property of the Society and may be applied with the sanction of the Registrar to meet bad debts or losses sustained through extraordinary circumstances over which the Society has no control.

143. The Reserve Fund shall not otherwise be disturbed except in liquidation and shall be placed in a separate account which will be disclosed on the annual financial statement.

144. Deposit Guarantee Facility

Further to Section 120 (2a) of the Act,

- (1) The Credit union may participate in a deposit guarantee fund or facility, funded by pooled resources to assist in insuring members' deposits against loss and to strengthen consumer confidence in the safety, soundness and competitiveness of participating credit unions.
- (2) Where a deposit guarantee fund or facility is established, it may be administered by the Apex body or a central credit union, but in accordance with the rules for its operations and growth set by the participating credit unions.

XXVI. FINES

145. The Board shall have power to impose on members the fines prescribed by these Bye-Laws and which shall be added to the Reserve Fund of the Society. Any fine thus imposed shall be considered as a debt due by the members concerned to the Society and shall be collected as such.

XXVII. DIVIDENDS

146. (1) The members at an Annual General Meeting may declare dividends out of the net surplus after setting aside the prescribed reserves and retiring all or any part of a deficit it has previously incurred except where the shareholders, through resolution, have approved an investment program through agreement with the regulators that would allow for the declaration of dividends on agreed terms and conditions. No dividend payable shall be greater than three percent (3%) above the savings rate set by the Eastern Caribbean Central Bank.

(2) A dividend shall be paid only on shares fully paid up before and during the dividend period provided always that a member shall be deemed to have fully paid his ownership share except where the shareholders, through resolution, have approved an investment program through agreement with the regulators that would allow for members to purchase shares within such program.

(3) The member must inform the Society which of his account at the Society that his dividend should be credited.

XXVIII. INVESTMENT OF FUNDS

147. The Society shall invest its funds in accordance with Section 120 of the Act and the Investment Policy of the Marigot Co-operative Credit Union.

XXIX. BANKING ACCOUNT

148. The Board shall select one or more reputable financial institutions in which the bank accounts of the Society shall be kept. All cheques shall be signed and endorsed on behalf of the Society by two signatories as authorized by the General Manager.

XXX. ANNUAL ACCOUNTS, REPORTS AND AUDITS

149. The Board shall comply with the provisions of Part VIII of the Act and shall:

- a) cause the books of the Society to be audited annually;
- b) approve the financial statements of the Society and place the comparative financial statements before the members at every Annual General Meeting; and
- c) send to the Registrar a copy of the Society's approved and audited financial statements together with the external auditor's report and management letter at least 10 days prior to the date of the Annual General Meeting or such shorter period as the Registrar may allow.

XXXI. POWER TO BORROW

150. Subject to the provisions of the Act and Regulations, the Board may, borrow from any source and on such security and such terms of repayment as it thinks fit and the rate of interest payable in respect thereof shall not exceed the prevailing commercial rates, provided that the total amount does not exceed the aggregate or four (4) times the retained earnings and the reserves of the Society and is within the maximum liability limit which was fixed by a resolution of members at a general meeting , and approved by the Registrar. This should be in accordance with section 120 (3) of the Co-operative Society Act.

XXXII. FINANCIAL YEAR

151. The financial year of the Society shall end on December 31.

XXXIII. SEAL AND EXECUTION OF DOCUMENTS

152. The Board shall adopt for the use of the Society, a distinctive seal bearing the name of the Society inscribed thereon. The seal shall not be affixed to any instrument except by the authority of the Board.

153. Any instrument required to be signed on behalf of the Society shall be duly executed if signed by at least two of its directors, officers or agents duly authorized by the Board.

XXXIV. RECORDS AND FORMS

154. The Society shall keep the following records and forms:

- a) a register of members;

- b) a register of depositors;
- c) a register of the Society's Directors and Officers;
- d) a personal ledger for each member;
- e) a register of loans;
- f) Loan Application Form;
- g) a file containing the Act, Regulations and the Bye-Laws of the Society;
- h) a file containing copies of every certificate issued to the Society by the Registrar and every Order of the Registrar relating to the Society;
- i) a file containing copies of the Society's monthly financial statements;
- j) a file containing the Society's share transfer register and investment reports.
- k) separate minute books for meetings of the Board, the Credit Committee, the Supervisory and Compliance Committee and any Sub-Committee appointed by the Board and meetings of members;
- l) fixed asset register;
- m) a file containing policies;
- n) a schedule of current fees and charges;
- o) a list of securities
- p) a copy of the last audited financial statements of the Society;
- q) a copy of the external auditor's report and
- r) copies of all notices of directors and notices of change of directors.

XXXV. INSPECTION OF RECORDS

155. (1) In compliance with the Act, the corporate records of the Society, as stated in Section 21(2) of the Act, shall be opened during the normal business hours of the Society, for inspection by the Registrar, members of the Society, their duly appointed agent or legal representative.

(2) No person other than the member himself, his duly appointed agent or legal representative, a member of the Board, the Credit Committee or the Supervisory and Compliance Committee, the Auditor or the Registrar, or anyone appointed by the Registrar shall be allowed to see the personal account, loan agreement or pass book or the register or papers relating to the loan of any other member without the consent of such member in writing with the exception of anyone bearing a Court Order or any legal body authorized by law permitting such inspection.

XXXVI. DISPUTES

156. All disputes shall be determined in accordance with Section 195 of the Act.

157. Any dispute affecting the business of the Society may arise: -

- a) Among members, past members and persons claiming through members, past members and deceased members;
- b) Between a member, past member or person claiming through a member or deceased member and the Society, its Board or any Officer of the Society;
- c) Between the Society or its Board and any officer or employee of the Society;
- d) Between the Society and any other Society.
- e) From a claim by the Society for any debt of demand due to it from a member or the nominee, or the legal representative of a deceased member.

XXXVII. DISSOLUTION

158. The Society may be dissolved by a resolution of three-fourths (3/4) of the members, but only in the manner provided for in Section s 165 to 169 of the Act.

159. In the event of dissolution, the funds of the Society shall be distributed in accordance with Section 179 of the Act.

160. After discharging the liabilities of the Society and the repayment of the Member Capital, Savings and Deposits, the Reserve Fund may be used for any co-operative purpose considered fit by the Registrar.

XXXVIII. AMENDMENT TO THE BYE-LAWS

161. These Bye-Laws may be amended or repealed from time to time "in accordance with Sections 51 and 52 of the Act, Regulations and these Bye-Laws.

162. No part of the Bye-Laws of the Society may be amended, rescinded or altered except at an Annual General Meeting or Special General Meeting of the Society called for that purpose.

163. Notice of any proposed alteration to the Bye-Laws shall be included on the agenda of an Annual General Meeting or Special General Meeting. The proposed amendments to the Bye-Laws of the Society shall be forwarded to the members together with the notice for the Annual General Meeting or Special General Meeting called for that purpose.

164. A member may make a proposal in the manner provided in Section 51 to make, amend, repeal, replace or confirm many Bye-Laws.

165. No alterations of these Bye-Laws shall have effect unless it is passed in accordance with Section 51(1) of the Act.

XXXVIII.EMPLOYMENT

Anyone who is to be permanently employed by the Credit Union in any Position should be within the age range of Sixteen (16) to Sixty five (65) years old.

166. Any subsequent change to the Bye-Laws of the Society as originally approved or consented to by the Registrar shall be communicated to him within sixty (60) days following the meeting at which amendments to the Bye-Laws were approved. The President and the Secretary of the Society must certify all documents as true and correct.

To establish an age of Retirement (Age limit/end of employment)

Consequently, upon amendments to the Dominica Social Security Legislation, which took effect in 2012; the pensionable age has been established and settle at the age of 65. In keeping with the established laws of the Commonwealth of Dominica Social Security Act, a person who is employed by the Marigot Cooperative Credit Union shall vacated his or her office at the age of sixty-five (65). Persons being engaged by the Marigot Cooperative Credit Union after the age of retirement shall be on a consultive basis for a period of not more than one (1) year.

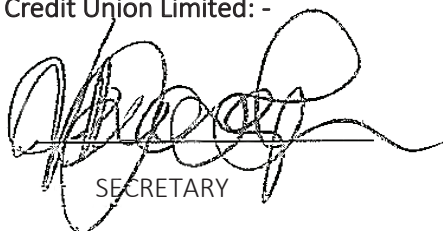
Further, all loans to members be repaid before or by the age of seventy-one (71) and at the age of seventy-one (71) a member cannot open a Member Retirement account (MRA) and if they have a MRA it must be closed at the age of seventy-one (71). Additional loans given to members over the age of seventy-one (71) must be a share covered loan according to policy.

These Bye-Laws were passed at the Special General Meeting of the Marigot Co-operative Credit Union Limited held at **Woodford Hill Primary School, Woodford Hill, Commonwealth of Dominica on the Sunday 26th February, 2023.**

Signed for on behalf of the Marigot Co-operative Credit Union Limited: -



PRESIDENT



SECRETARY

DATE:

SCHEDULE

MARIGOT CO-OPERATIVE CREDIT UNION LIMITED

SHARE TRANSFER

I, being a member of the above-mentioned Society, hereby transfer to

.....of, of my Shares in the

said Society and hereby accept the said transfer.

This transfer is made and accepted subject to the Bye-Laws of the Society.

TRANSFEROR:

SIGNATURE PRINT NAME

TRANSFeree:

SIGNATURE PRINT NAME

In the presence of:

WITNESS.....

SIGNATURE PRINT NAME

(Date).....rrnrr