**BYE LAWS OF THE NULGE (ANAMBRA STATE CHAPTER) THRIFTS & LOANS MULTI-PURPOSE COOPERATIVE SOCIETY LIMITED**

# INTERPRETATION

1. All words and expressions used in these Bye Laws are defined in Section 2 of the Cooperative Society Law (Cap 26 of Anambra State of Nigeria Law of 1978) shall have the meaning assigned to them in the above named section. If there shall arise any doubt regarding the meaning or intention of any of these bye laws, the matter shall be referred to the Director for a ruling. The following words or expression shall have the meaning respectively assigned to them.
2. Words importing the singular or plural number respectively include the plural and singular number; words importing the masculine gender also include the feminine gender.
3. **“Financial Year”** means the period of twelve months beginning from **1st June ending on the following 31st  May**
4. **“The Law”** means the Cooperative Society Law (Cap 26 of Anambra State of Nigeria 1978) as amended from time to time.
5. **“The Director”** means the Director of Cooperative Services, Anambra State of Nigeria.
6. **“The Regulations”** means the regulation made under the law by the Governor in Council
7. A Union means a central society established to facilitate the operations of primary multipurpose society.
8. **“The Society”** means **NULGE (Anambra State Chapter) Thrifts & Loans Multi Purpose Co-operative Society Limited.**
9. **“Member”** means any individual admitted into the society under this Bye Laws.
10. **“Officers**” Includes the President, Vice President, The Secretary, Treasurer, Financial Secretary and committee members elected by the members at Annual General Meeting.
11. **“Proxy”** means a person chosen by a member to represent them during election.
12. **“Ordinary Savings”** means a member’s regular savings through the Monthly Subscription deducted at source or by cash/cheques.
13. **“Shares”** means the stake of each member in the Society.
14. **“Dividend”** Means a share of the net surplus of the society distributed among member in proportion to their share /ordinary savings.
15. **“Surplus”** Means excess on the income over the expenditure within a financial year.
16. **“Annual General Meeting”** (AGM) means the yearly meeting of the Society in which all members are invited and officers give their account of services for the year.
17. “Ordinary General Meeting” (OGM) means the routine General Meeting which shall be held quarterly i.e. once in three months.
18. 'The Society” Means NULGE (Anambra State Chapter) Thrifts and Loans Multi-Purpose Cooperative Society.

**NAME, ADDRESS AND AREA OF OPERATIONS**:

**NAME:**

The Society shall be the **NULGE (ANAMBRA STATE CHAPTER) THRIFTS & LOANS MULTI-PURPOSE COOPERATIVE SOCIETY LIMITED.**

**ADDRESS:**

Its address shall be:

1. **Registered/ Head Office: NULGE HOUSE, SIR G.C. IBEKWE STREET EXECUTIVE BUSINESS DISTRICT AWKA**
2. **Branch Offices: Shall be located in the Headquarters of all the 21 Local Governments in Anambra State**

**AREA OF OPERATIONS**

The area of operations of the Society shall be within all the 21 Local Government Areas of Anambra State.

**Article 1:**

**OBJECTIVES**

Its objectives are to promote the social and economic interest of members especially:

1. To promote Co-operative spirit among members, work for the improvement of their living standards and encourage the development of the Cooperative investment.
2. To encourage thrift, mutual and self help among members and provide means whereby savings shall be made through contributions by members **and such savings invested in low risk ventures subject to the approval of the general meeting.**
3. To grant loans (at reasonable interest rate) to member for productive purposes. **The Committee shall put in place modalities and legal framework for the grant of such loans to members**
4. To engage in the purchase and distribution of consumer goods to members.
5. To raise capital and do such other things that are reasonable and necessary for the attainment of these objectives.
6. **To apply and obtain license for the operation of Micro Finance Bank which the society shall operate.**
7. **To engage in Real Estate investments within Anambra State and beyond.**

# Article 2:

# MEMBERSHIP AND LIABILITY

**Method of Application:**

Application for membership shall be made in writing through the Secretary and shall be disposed of by the committee who may grant or refuse admission and in case of refusal, shall state their reasons.

**Membership:**

1. The members shall comprise of individual confirmed staff **under the employment of the Anambra State Unified Local Government System, who are of good character and** over the age of Eighteen (18) years. No Person can claim admission as a matter of Right.
2. Members shall be admitted after the approval of application submitted to the committee and payment of necessary fees.
3. Every member on admission shall have his or her name in the membership Register.

**Article 3:**

**Declaration of obligation:**

Every member shall on joining the Society render to the Committee a true and complete statement of indebtedness outside the Society, also and other obligation. If so shall give full particulars of the Nature and extent of the obligation.

**Article 4:**

**Qualification for membership:**

Every member of the Society must be:

1. Employee of Local Government Service Commission.
2. Of good character and
3. Of not less than (18) Eighteen years of age

**Article 5:**

**Rights and Liabilities of Members:**

A member’s liability for the debts of the society shall extend to but shall not exceed his total number of shares.

**Liability of past Members:**

1. A past member shall be liable for the debts due by the Society, as they exited on the date when he ceased to be a member, for a period of the next Annual General Meeting (AGM) from the date of which he ceased to be a member.
2. The estate of a deceased member shall be liable for the debts of the Society as they existed at the date of his death for a period of the next Annual General Meeting (AGM) after his death.
3. Any money due to any accounts from this society to a member or a past member shall be set off in payment of any sum which he/she owes or for which he/she stands surety.

**Article 6:**

**Rights of Members**

1. **Right to Nominate**
2. Every member shall nominate in writing a person to whom in event of member’s death or permanent insanity the Society shall pay a sum representing the deceased member's share and other sum due to him/her at the time of his death.
3. Every appointment of nominee shall be entered in the Membership and Attendance Register and any alteration shall be signed by the member.
4. The member may at any time exchange his nominee.
5. If not admitted to membership, the nominee shall, in case of the death or permanent insanity of the member, be paid the value of the share or interest, less any sum due to the Society.
6. In the event of no nominee having been appointed by a deceased member the Society shall pay the afore-mentioned sums to the legal personal representation of the deceased.
7. **Restriction of Membership**

Except with the prior consent of the society no member shall be a member of another cooperative society whose primary objective is to grant loans

**Article 7:**

1. **Cessation and Resignation of Membership:**

Membership of the Society shall come to an end through the following means

(i) Death;

(ii) Permanent insanity;

1. Ceasing to hold one full share;
2. Termination
3. **Resignation** A member who wishes to resign his membership of the society shall issue a Six (6) months' notice to the effect of such resignation which shall be conveyed in writing to the Secretary, provided that the member resigning his membership is neither in debt to the Society nor surety for an unpaid debt; In case of Termination, Retirement and Redundancy, the six months may not apply; and
4. Expulsion-All entitlement to be paid after the next Annual General Meeting (AGM) Should a member for any cause cease to be qualified for a membership or **resign his** membership and Attendance Register and he shall be paid back after the next AGM, the amount of shares Capital actually paid by him together with any other amount due to him from the Society after deducting from them any amount due from the member to the Society. No member may withdraw unless he has been a member for at least two years and has given six months notice of withdrawal.
5. **Expulsion:**

A member may be expelled for:

1. Repeated failure to pay the share installment or debt due from him to the Society.
2. Conviction on criminal offence involving dishonesty;
3. Misconduct or other acts contrary to the stated objects of the Society or to the interests of the Co-operative Movement. A simple majority of votes of a general meeting shall be required for the expulsion of a member.
4. **Upon Expulsion** All entitlement due to the member expelled are to be paid **subsequently** after the next Annual General Meeting (AGM) Should a member for any cause cease to be qualified for a membership or **resign his** membership **his name shall be struck off the attendance register** and he shall be paid back after the next AGM, **the monetary value of his shares capital actually paid by him** together with any other amount due to him from the Society after deducting from them any amount due from the member to the Society. No member may resign his membership unless he has been a member for at least two years and has given six months notice of resignation.

**Article 8:**

**MEETINGS**

The society shall have and convene the following meetings accordingly.

1. Annual General Meeting
2. Extra Ordinary General Meeting
3. Ordinary General Meeting

**Article 8a: CONSTITUTION AND DUTIES OF GENERAL MEETING**

The ultimate authority under the law in the affairs of this society shall be the general body of members (General Meeting) who shall meet from time to time and at least once in three months to review and direct the work of the society.

**(i)“Quorum”**

The presence of at least 25 percent of the Total members shall be necessary for the disposal of any business at the general meeting.

# Article 8b: THE ANNUAL GENERAL MEETING

The Annual General Meeting shall be held in **June** after the annual statements of account and affairs have been prepared.

**The duties of the Annual General Meeting shall be**:

1. To receive from the Outgoing Committee a report on the proceeding years working of the Society with the statement of accounts.
2. To decide upon the disposal of the surplus in accordance with the provision of the law, the regulations and this bye - law.
3. To consider any communication received from the Director and
4. To elect the officers.

**Article 8c: Duties of Ordinary General Meeting;**

When necessary an Ordinary General Meetings shall:

1. Suspend or remove from office any officer or member of the committee in accordance with these bye-laws.
2. Confirm the admission or expulsion of member.
3. Amend or repeal any existing bye-Laws or enact a new bye-Law in accordance with the **Law**
4. Fix the rate of interest to be charged upon loans to member.
5. Ratify the appointment or dismissal of the Secretary on the recommendation of the Committee; and
6. Dispose of any other business duly brought before it.

**Article 8d: Extra-Ordinary General Meeting:-**

1. An Extra-ordinary General Meeting may be called at any time by a majority of the committee members or on request from the Director or not less than 25% of the members of the Society.

**Article 8e: Duties of Extra Ordinary General Meeting**

1. To deliberate and take decision on matters of urgency
2. To extend the tenure of officers as a matter of necessity.

**Article 8f: Attendance of Members:-**

1. It shall be the duty of every member to attend General Meeting. The General Meeting shall have power to impose fines on members who, without good reason, neglect to attend.

**Article 8g: Voting:-**

All questions shall be decided by a majority of votes of the member present and voting. Each member shall have one vote only. At all meeting, the President shall have a casting vote in addition to his ordinary vote.

**Article 9:**

**OFFICES AND OFFICERS OF THE SOCIETY:-**

**Article 9a: The Society shall have the following offices and officers accordingly**

1. **President**
2. **Vice President**
3. **Secretary**
4. **Financial Secretary**
5. **Treasurer**

**Article 9b:** **TENURE OF OFFICE**

The President, Vice President, Secretary, Financial Secretary and Treasurer shall be elected at the Annual General Meeting and shall hold office for **Two (2)** years and shall resign at the Annual General Meeting two years after election, but shall be eligible for re-election. They shall be ex-officio members of the Committee. Any vacancy arising due to the death, removal, or resignation of an officer shall be temporarily filed by a member of the Committee Meeting.

**Article 9c: EXTENSION OF TENURE OF OFFICE**

Where the Tenure of Officers of the Society has expired and for any the reason the Annual General Meeting cannot be held, the tenure of such officers can be extended until the Annual General Meeting is held and no more

**Article 9d: ELECTION OF OFFICERS:**

1. The election into the post of President, Treasurer, and Vice President shall be rotated among the three (3) categories of Staff in the Society.
2. A member must have spent 2 years in the Society before qualifying for an elective position, **provided that the promoters of the society will be elected or appointed into offices upon registration.**
3. Pursuant to Article 9c of these Bye Laws the extension of tenure of office shall only be approved at Extra-Ordinary General Meeting and such extension shall be communicated to the Director.

**Article 10:**

**FUNCTIONS OF OFFICERS**

**10 A President:**

1. He shall be the Chief Accounting Officer of the society
2. The President shall preside at all General and Committee Meetings of the Society
3. When a motion is tabled and to be resolved by voting, the President shall take part in the voting but in the event of a tie he then shall have right of a casting vote.
4. He shall have right to order the closure of a discussion and put the matter to vote.
5. He shall present an annual report of the society at the Annual General Meeting (AGM).
6. He may delegate any of his functions or powers to any of the Officers of the Society provided such is approved by the committee.
7. He shall have general control over all the affairs of the Society
8. He shall be in close association and consultation with the Members of the Committee, supervise the general administration of the affairs of the Society and endeavor to secure observance of the rules and regulations of the Society by all Members.

**10 B Vice - President:**

1. He shall cooperate with and assist the President
2. He shall be the Chairman of sub Committee that may be assigned to him by the President.
3. In the absence of the President, he shall perform the duties of the President.

**10 C Secretary:**

The duties of the Secretary shall be:

1. He shall be the chief administrative officer of the Society.
2. To oversee the keeping of Society's books honesty, punctually and accurately.
3. He shall in consultation with the President, convene the meeting of the society.
4. He shall maintain a register of membership showing information that may speed up and make more effective the book of the Society.
5. He shall attend to all correspondence of the society in consultation with the President.
6. He shall produce application for loans if any for determination by the committee as appropriate.
7. He shall submit any other business for consideration by the committee.

**10 D Financial Secretary**

1. Issuing receipts for all cash received by the Society and obtaining receipts for all payments made.
2. Producing a statement showing the loan due and unpaid for determination by the Committee Members as to the action to be taken in each case.
3. Transferring to the treasurer all monies received on behalf of the Society to the Treasurer within 48hours of receipt.

**10 E Treasurer**

The Treasurer shall oversee the following functions:

1. Advise on all financial transactions of the Society as determine by the Committee.
2. Taking charge of all money received by the Society and disbursements in accordance with the directives of the Committee and general meetings.
3. Depositing all funds received by the Society to the bank and authenticating all transactions carried out on his behalf.
4. Keeping all account books and accounting materials of the Society
5. Producing application for loan if any in conjunction with the Financial Secretary.
6. **F Trustees:**

The President, the Secretary, and the Treasurer shall be the trustees of the Society. It shall be their duty to sign on behalf of the Society all cheques and legal documents including those concerned with transfer of fund, acquisition and disposal of property of the Society.

1. **G Legal Adviser:**

There shall be a Legal Adviser for the Society to be engaged among respected and distinguished legal luminaries. He shall advise on all legal matters affecting the Society.

1. **H Bond:**

The Secretary, if paid shall be bonded in such amount and in such manner as may be decided upon by the general meeting and approved by the Director.

**Article 11**

**RESTRICTIONS ON MEMBERS'S AND SOCIETY'S BUSINESS**

1. **Non Members:**

With regards to the Society’s business a non member shall have no dealings with the business of the society.

1. **Status of Society as agent:**

In dealing with members' products, the society shall act as the agent of the members concerned. Any loss arising out of particular transactions shall be borne by the members concerned or by the members, officers or employees found to be responsible, and not by the society.

**Article 12:**

**COMPOSITION AND DUTIES OF THE COMMITTEE**

1. **Committee:**

Subject to the Law, the Bye-Laws and the resolutions of the General Meeting, the executive management of the society shall be vested in a Committee.

1. **Composition of the Committee**

The Committee shall consist of the President, Vice President, Secretary Financial Secretary and Treasurer of the Society and not more than thirteen (13) members over the age of Twenty-One (21) including the President, Vice President, Secretary, Financial Secretary, Treasurer and ordinary members who shall be elected for two years at the Annual General Meeting and shall be eligible, for re-election provided that if for any unavoidable reason the Annual General Meeting cannot be held at the appropriate time within the year, the existing Committee shall continue in office till the election of a new Committee but such election shall in no case be held later than eighteen months after the previous election of the Committee.

1. **Disqualification of Members of the Committee:**

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

1. Ceases to be a member of the society.
2. Becomes of unsound mind.
3. Lends money of his own account.
4. Becomes paid servant of the Society.
5. Become financially bankrupt.
6. Acts in manner prejudicial to the interests of the society.
7. **Meetings:**

Meeting of the committee shall be held when necessary and at least once a month. The attendance of at least seven members or 2/3 of the committee shall be required for the disposal of any business.

1. **Power and Duties:**

The Committee shall exercise all the power of the society except those reserved for the General Meeting subject to any regulation or restrictions laid down by the society in a General Meeting or in the Bye-Laws and in particular, shall have the following powers and duties:

1. To appoint, fix the salary, suspend or dismiss employees of the Society.
2. To observe in all their transactions the Laws, the Regulations and the Bye Laws, and to ensure that the resolutions of the General Meeting are carried out;
3. To keep a true account of the assets and liabilities of the Society
4. To admit new members and to keep a register of member correctly and up to-date
5. To ensure the safe custody of the Society's property.
6. To maintain true and accurate accounts and registers of all funds and products handled by the Society
7. To enter into contracts on behalf of Society
8. To ensure that the manufactured products purchased and sold are of good quality and properly packed
9. To institute and defend legal proceedings on behalf of the Society concerning the Society's affairs and
10. Generally to carry on the business of the society, to watch over the interest of the society, and to set an example of keenness and co-operative spirit to the other member of the Society.
11. **Responsibility of the Committee:**

In their conduct of the affair of the society the Committee shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts or omissions contrary to the law, the Regulation and these Bye-Laws.

**Article 13:**

**SOCIETY’S SOURCES OF FUNDS:**

The funds of the Society may be derived from:

1. Shares
2. Entrance fees
3. Commission on product sold
4. Refund of expenses and/or remuneration by Unions or government or other purchasing agencies
5. Borrowings in- term of Loans
6. Savings and fixed deposits by members
7. Surpluses arising from the business of the Society
8. Government subsidy and grant and
9. Miscellaneous approved by the Director.

(j) Every member shall pay a monthly subscription **of N500 monthly to the society, equivalent to N6000:00 yearly.**

**Article 14:**

**SHARE CAPITAL:**

**(i)** Each share in the society is valued at N5.00 per share and shall be paid up in full on allotment, or a first installment of N5000.00 may be paid in cash on allotment and the remainder may be paid at two subsequent installments. **Such paid up share capital shall not form part of savings and shall not be appropriated for the purposes of granting loan facility to members.**

**(ii) Maximum Holding:**

A member may hold any number of shares in excess of the minimum share-holding fixed in the Bye-Law provided that his total holding shall not exceed 20% of the share capital.

1. **Minimum Holding:**

Every member shall hold at least 5,000 units.

1. **Withdrawal of share:**

No member may withdrawal his shares in the society within two years after first taking them. A member may withdrawal his shares after that period provided that:

(a) He has given six months notice of withdrawal.

1. The total amount of share capital permitted to be withdrawal in any one year does not exceed 10% of the aggregate paid up share capital of the society as it was on the last day of June proceedings, and
2. There is no money or goods due from him to the society; A member who withdrawal his share capital under this bye-law shall be paid back the amount of share capital actually paid by him.
3. **Withdrawal of Ordinary Savings:**

A Member shall withdraw not more than 1/3 of his Ordinary Savings; provided that

(a) He has given one month notice of withdrawal.

1. Not indebted to Co-operative
2. 2% administrative charge shall be charged on the amount withdrawn.
3. **Transfer:**

No member shall transfer his shares.

1. **Entrance fees**

Every member on joining the society shall pay entrance fee of **N1,000:00** which shall be credited to the Reserve Fund.

1. **Commission:**

A Society which is not a member of an Exporting Union and is not paid a refund of expenses and/or remuneration by Union or Government or other purchasing agency, shall deduct from the proceeds of the sale of its members produce sufficient commission to meet its overhead expenses.

1. **Refund of Expenses and Remuneration:**

A Society may receive from Government or an Exporting Union of Which it is a member or from a produce Board, or from any other source approved by the Director, such refunds of expenses and/or remuneration for services as may be fixed.

1. **Borrowing:**

The Society shall not borrow money or accept deposits from any external source (except in accordance with the Bye-Laws of any Union of which it is a member) without the written permission of Director.

1. **Member Savings and fixed Depositor:**

Thrift Savings and fixed deposits of members shall be accepted and accounted for by the Society in accordance with the rules approved by the Director and shall be debts due to such members by the Society.

# Article 15:

# USE AND CUSTODY OF FUND

**(i) Internal Funds.**

The fund of the society may be held in the form of:

1. Reserve Fund;
2. Depreciation Fund:
3. Insurance Fund
4. Development, Education, Propaganda or other funds approved by the general meeting and Director; and
5. Current or saving bank accounts or cash.
6. **Use of Fund:**

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

1. **Current Expenditure:**

The Society overhead expenses shall be the first charge on Current Revenue.

1. **Capital Expenditure:**

Share payment, member savings and fixed deposit, loan interest, and any excess of current revenue (as defined in Bye-Law 41 above) over current expenditure, shall be available for use as capital expenditure or for making loan to members.

1. **Investment:**

Such of the funds of the society as are not required for current use may be invested in any manner permitted by these bye-laws the law and regulation approved by the Director.

**Article 16:**

**BANK ACCOUNTS**

(i) With the exception of such amount as it is essential to keep in the office or store, the liquid funds of the society shall be kept in current or saving bank account operated in manner to be mutually agreed upon by the Society, the Bank and the Director.

**(ii) Operation of Bank Accounts:**

The President, Secretary and Treasurer shall be signatories to the Society’s bank accounts. Cheques or withdrawal slip shall be signed by the signatories as provided for by **article 10F of the Bye Laws** and authorized by the Committee under the Bye Laws, and Trustees who are not literate may sign by thumbprint provided this method is approved by the bank.

**(iii) Limited of Cash in Office (Impress Account):**

Cash retained with the society shall be no more than is required for immediate working capital and shall at no time exceed such limit as shall be fixed from time to time by the general meeting or by Director.

**(iv) Safe Custody of Cash:**

Cash not invested or deposited in the bank shall be kept on the society premises in a properly built-in safe or strong box of a type approved by the Director. The content of such safe or strong box shall be accessible only with the use of two different keys, one of which shall be kept by the Secretary and the other by the Treasurer. The Secretary shall always be held responsible for the cash.

1. **Production of Cash Balance:**

The cash balance as shown in the cash book shall be produce at all general and committee meetings and on request by Director or any person authorized by him in that behalf.

**Article 17:**

**LOANS**

**Purpose of Loans:**

Loan may be granted to member's only when necessary and or for productive purposes.

**(i) Conditions Governing Loans:**

1. No loan may be granted to any member whose installments of shares are in arrears and has not made regular thrift savings
2. And on any other condition(s) agreed by the committee for that purpose.
3. The applicant shall submit a post dated cheque or standing order for repayment of the loan granted.

**(ii) Application for Loans**

1. This shall be through the Secretary and disposed of by the committee.
2. Every member applying for loan shall be subject to his repayment capacity and shall not exceed his maximum credit limit as prescribed from time to time.

**(iii) Loans to another registered society:**

With the prior approval of the Director, a loan may be granted to another Registered Society.

**(iv) Loan to Member:**

No loan shall be granted to a member within six (6) months of his/her membership except in the case of transfer of an existing loan of a past member to his/her nominee or other successors-in-title who is or becomes a member of the society.

No loan shall be granted;

1. For a period exceeding the time limit fixed by the general meeting.
2. If it would bring a member’s total indebtedness at the time of the loan to an amount exceeding his maximum credit limit.
3. Unless approved by a majority of the members of the Committee who are present at the meeting at which the application is considered.

**(v) Maximum Credit Limited:**

The maximum credit limit of each application for a loan shall be twice (2ce) of his savings bearing in mind the availability of funds, the principle of making credit available to as many members as are qualified, the sureties offered, and repayment capabilities.

**(vi) Interest on Loan to Members:**

Interest on loans to members shall be 10% on amount applied for within 24 months repayment period and 7.5 % with 12 months repayment period.

1. **Bonds, Sureties and Standing Order:**
2. **Loan Bond:** Every borrower shall execute a bond and shall furnish two sureties. No extension of the period of repayment shall be granted without the consent of the sureties. Sureties must be members of the society.
3. **Collateral Security:** Loan above One Million Naira (N1,000,000.00) shall be granted on the additional collateral security.
4. **Standing Order / Post Dated Cheque:** For regular payment of loan, the applicant is required to submit a post dated cheque or payment standing order from their bank.
5. **Electronics Loan**

Electronics loan not exceeding N100,000.00 payable with interest rate of 10% in **Six (6) months** shall be granted to members provided such loan is within the MCL and subject to availability of funds.

1. **Soft Loan**

A Soft loan of N30,000.00 only shall be granted to members payable with interest rate of 7.5% in 4 months provided such loan is within the MCL in the Society and subject to availability of funds.

1. **Duties of Sureties:**

A surety must be a reputable member of the society and shall personally guarantee:

1. Repayment of the loan if the borrower defaults
2. The correctness of the particulars on which the value of the borrower securities is based
3. That the loan is used for the purpose stated by the borrower in his application. Misuse of the loan shall be reported by the surety to the Committee immediately
4. **Commitment as Surety:**

A member's commitment as surety shall not when taken together with his own existing borrowing, exceed his maximum credit limit.

1. **Repayment:**

Short and medium terms loans are payment in accordance with the decision of the committee and as approved by the General Meeting.

1. **Overdue Loans:**
2. At any opportunities, all overdue loans shall be deducted.
3. Overdue loans shall constitute loan not paid within 24 months
4. Loan not recovered at the expiration of 24 months shall attract additional penal interest of 10% on the outstanding balance.
5. When a loan is not paid on the date due, the loan account shall at once be closed and the borrower informed of the principal and interests outstanding against him.
6. Thereafter, in any lawful manner that the committee may deem suitable.
7. **Recall of Loans:**

All loans shall be issued subject to the right of the Society to call for immediate repayment:

1. If any misapplication is proved
2. If the borrower gives an indication of resignation.
3. **Appropriation of debt payment:**

When a member from who money is due pays any sum to the Society, it shall be appropriated in following order: Firstly, payment for share capital, fines and other miscellaneous charge due by him. Secondly, to interest on loans; and Thirdly, to loan principal.

**Article 18:**

**DISPOSAL OF SURPLUS**

**(i) Appropriation:**

At the close of each financial year, the Society's expenses including the interest payable on deposits and loans from non-members and Audit and Supervision Fees due, shall be deducted from the Society's income. The net surplus shall be appropriated as follows:

1. At least one-fourth shall be carried to the Reserve Fund unless permission is given by the Director to reduce this amount.
2. The least one-tenth shall be carried to an Education Fund
3. The balance shall be utilized for one or more of the following purpose
   1. Payment of dividend on share and savings subject to Bye-Law 82
   2. Members credit 45% of which 30% (Thirty percent) will go to share and

70% (seventy percent) will go to savings

* 1. Development/Building Fund
  2. Entertainment
  3. Honorarium
  4. Provision for staff salaries.

1. **Dividend:**

Dividend shall be paid on shares and savings as may be appropriate to annual operation results, subject to Director's approval. No dividend shall be paid if any overdue claim to depositor or lender remains unsatisfied.

**(iii) Director's Approval**

The Appropriation of the net surplus shall be subject to approval by the Director and governed in all respects by the spirit and letter of the law and Regulations.

# Article 19:

# RESERVE FUND

The reserve fund is invisible and no member is entitled to claim a specified share in it. Except as otherwise decided by the general meeting, it shall be utilized in the business of the Society, but may be deposited or invested in accordance with Section 81a of the Law.

**(i) Trading Losses:**

Any loss on the year's working shall, if possible be made good from non-statutory reserve, but if that is insufficient may with the written permission of the Director and by a resolution of the Annual General Meeting be met from the Reserve Fund, in which latter case the amount withdrawn shall be restored to the Reserve Fund as soon as any surplus is earned.

**Article 20:**

**AUDIT AND SUPERVISION FEES**

**Audit and supervision fees:**

Audit and Supervision Fees at the rate assesses by the Director and published in the Anambra State of Nigeria Gazette shall be paid annually to the Anambra State Cooperative Federation Limited no later than the fifteenth of June.

# Article 21:

# BOOK AND ACCOUNTS

**(a) Prescribed Books and Records:**

Accounts and records shall be maintained in the forms prescribed by the Director and shall include the following;

1. A minute book recording the proceeding of General and Committee Meetings
2. Cash Book
3. Sale Book
4. Ledger
5. Loan register
6. Register of share payments and bonus payment
7. Personal ledger
8. Stationery and Machinery Register
9. Deposit register
10. Building and equipment register
11. Cash receipt book
12. Job register
13. Files for loan bonds, and correspondence
14. Products receipt book
15. Member and Attendance Register showing the particulars and reference of every member of the Society.

**(b) Inspection of Books:**

The books account registers and papers of the society shall be open at all reasonable times for the inspection of members and of any accredited Cooperative official provide that no person other than an officer or committee member of society or a Cooperative official shall be allowed to see the personal account of any member without that member's consent. Copies of Law, the Regulations and of these Bye-Laws shall be available for inspection at the registered address of the Society at all reasonable hours.

**(C) Pass Books:**

Each member shall be given a pass book showing particulars on his personal account with the society.

1. **Unofficial books:**

No books or accounts dealing with the affairs of the society or it members shall be kept by the secretary except those officially recognized and prescribed.

1. **This is the duty of every member:** 
   1. To insist upon obtaining from the secretary, separate printed receipt from the proper receipt book or such other form of receipt as may be approved by the director for every sum of money paid by him to the society.
   2. To sign or make his thumbprint in the proper book in token of receipt whenever any some of money is paid or repaid to him by the society.

**Article 22:**

**DISSOLUTION AND DIVISION OF THE SOCIETY**

**(i) Splitting up of the Society:**

If at any time the general body of members resolve to split into more than one society, part of the reserve fund and other funds shall be transferred to the new society or societies as may be decided by the general body which resolves on the splitting of the original society subject to the approval of the Director.

**(ii) Liquidation:**

The Society shall not be liquidated except in Accordance with Section 39 to 47 of the Law.

**(iii) Disposal of Funds:**

On the dissolution of the Society the Reserve and other Funds of the Society shall be applied.

(a) To discharging the liabilities of the Society, and

(b) To the repayment of the share capital paid up.

(c) The remainder shall be placed by the registrar in the bank until a new Cooperative Multipurpose Society with a similar area of operations is registered in which event the funds shall be credited to the Reserve Funds of the Society.

# Article 23:

# MISCELLANEOUS PROVISION

**Affiliation to Union:**

Unless there are reasons to the contrary accepted by the Director, the Society shall affiliate to a Cooperative Multipurpose Union established in its area of operations to facilitate the operation of societies.

**Disputes:**

Any dispute arising in or concerning the Society and its members or past members shall be referred to the Director settlement by arbitration under the provision of section 51 of the Law of Anambra State.

**Losses:**

Any amount of money lost by or owed to the Society and deemed to be finally irrecoverable may be written off with the permission of the Director.

**Seal:**

The Secretary shall hold in safe custody the seal of the society on behalf of the trustees. The seal shall be a pattern approved by the Director. Document shall be sealed by at least two of the trustees one of whom shall be Secretary.

**Fines:**

The General Meeting of the society shall impose fines on members not exceeding N1000.00 (One Thousand Naira) in any case, for flagrant or repeated contravention of the Bye-Law.

**HAND OVER REPORT**

A FORMAL HAND OVER REPORT STATING THE POSITION OF THE SOCIETY AND

BACKED BY NECESSARY DOCUMENTS FROM THE LAST AGM INTO THE EXTENDED

PERIOD AFTER THE END OF EVERY FINANCIAL YEAR SHALL BE PRESENTED BY THE OUTGOING EXECUTIVE OFFICERS TO THE INCOMING ELECTED OFFICERS NOT MORE THAN ONE (1) WEEK AFTER THE ANNUAL GENERAL MEETING (AGM) AND MUST BE DULY AGREED TO AND SIGNED BY BOTH PARTIES.

**Review and Amendment of Bye-Law**

The Bye Laws shall be reviewed every four years. Any amendment of or addition to these Bye-Laws shall be made by general meeting of the Society in accordance with the Regulation and shall not be valid until registered by the Director.

**Mode of operation:**

1. The Society shall continuously be funded through member's share

contributions, thrift savings and special deposits

1. Without prejudice to Article 14(iii) of these Bye-Laws the General Meeting shall have power to increase the minimum share capital payable by members as business programs may from time to time demand.
2. The Society shall provide credit facilities for member for productive purposes.
3. The society shall have power to procure loans from external sources in furtherance of its objectives.
4. The society shall engage in group farming processing and other manufacturing and distributive trade. It shall enter with other business lines in the interest of its members.
5. The Society shall join existing Co-operative Multipurpose Unions for products purposes. In appropriate cases, it can form new unions in collaboration with other Multipurpose Co-operative Societies in Anambra State subject to the approval of the Director.
6. The Society **Shall invest primarily** in Real Estate Ventures as its first line charge of investment.
7. The Society shall apply for license from regulatory bodies for the purposes of establishment and operation of a Micro-Finance Bank.

I here certify that the foregoing bye-law of the **NULGE (ANAMBRA STATE CHAPTER) THRIFTS & LOANS MULTI-PURPOSE COOPERATIVE SOCIETY LIMITED**

NO………………………………………………………………..OF…………………………………………………… ……………………………………………………………………………………………

Have been registered under Section 7 (I) of the Co-operative Societies Law (Cap. 26 of the Anambra State of Nigeria 1978)

This……………………………………………..day of……………………………………20………………….

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# Director of Co-Operative Societies