

**TRANQUILLITY CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

“BYE-LAWS”

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TRANQUILLITY CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

INTERPRETATION

1. (a) In these Bye-Laws unless the context otherwise requires;

“Act” means the Co-operative Societies Act, 1971 and any amendments thereto.

“Board” means the Board of Directors.

“Commissioner” means the Commissioner for Co-operative Development.

“Regulations” means the Co-operative Societies Regulations, 1971.

“Rules” means the rules as provided for in Bye-Law 28 of these Bye-Laws.

The masculine imparts the feminine and the singular imparts the plural and vice versa.

- (b) These Bye-Laws are supplementary to the provisions of the Act and Regulations and the Society shall be guided by the Act, Regulations, and Bye-Laws read together.

NAME AND ADDRESS

- 2. The Society shall be called “Tranquillity Credit Union Co-operative Society Limited”. The registered address shall be NP House, Sea Lots, Port-of-Spain or at such other place as the Board from time to time decide.

In the event of any change of the registered address, notice of such change shall be sent to the Commissioner within thirty days.

OBJECTIVES

3. The object of the Society shall be:-
 - (a) To improve the economic and social conditions of its members by:-
 1. Promoting thrift and savings among its members.
 2. Providing loans to members for provident and productive purpose, including Mortgage Loans.
 3. Providing other services as the Board sees fit from time to time.
 - (b) Encourage the spirit and practice of self-help and co-operative ideas by:-
 1. Education of members in co-operative principles and practice.
 2. Affiliation or collaboration with any other co-operative society or organisation.

- (c) To do all such lawful things as are incidental or conducive to the attainment of the above objects.

MEMBERSHIP

4. (a) Qualification

All persons (including non-permanent persons) 16 years and over and within the employ of Shell Trinidad Limited, Trinidad & Tobago Petroleum Company, the Trinidad & Tobago National Petroleum Marketing Company Limited and their subsidiaries, the Tranquillity Credit Union, and the NP Employees Consumer Co-operative Society Limited, shall be eligible for membership.

- (b) Provided, however, those members who are no longer employed as in (a) above, may retain their membership at the discretion of the Board.

- (c) Members who are in receipt of a pension, and have separated from their place of employment by means of voluntary separation and/or retrenchment, can retain membership at the discretion of the Board.
- (d) Members' spouses and members' children may become members at the discretion of the Board.

ADMISSION

- 5. (a) Application for membership shall be made in writing to the Secretary for decision of the Board. Determination of all applications for membership shall be by ballot and two negative votes shall disqualify the applicant from membership.
- (b) If any application is successful,

membership shall commence from the date of payment of an entrance fee of Twenty Dollars (\$20.00) and the value of one full share. All such entrance fees shall go to the Reserve Fund.

- (c) A copy of these Bye-Laws shall be given to each member on the approval of his application for membership.

TERMINATION

- 6. (a) Membership shall be terminated by death or insanity of a member or by his resignation or expulsion in accordance with these Bye-Laws or by loss of qualification required under Bye-Law 4.
- (b) A member shall have the right to resign from the Society provided that he is not indebted to the Society directly or indirectly.

EXPULSION

7. If any member violates these Bye-Laws or otherwise acts in a manner prejudicial to the interest of the Society, the Board may after a hearing make a report within thirty (30) days to a Special or Annual General Meeting which shall have power to terminate his membership after the member is given an opportunity to speak in his defense.
 - (a) The Board may, by a two-thirds majority vote of its members present at a meeting convened for the purpose, expel from the Society any member who has acted in any manner contrary to the best interest of the Society. A concise statement in writing of the grounds alleged for such expulsion must first have been served upon the member and he must also have been given a reasonable opportunity of being heard in his own defense.

- (b) An appeal against the findings of the Board may be made by an expelled member to the next General Meeting of the Society on fifteen (15) days prior notice in writing to the Secretary.

A majority of the members present may confirm or reverse the expulsion order.

LIABILITY

8. The liability of a member for debts of the Society shall be limited to his share capital.
9. Share shall be valued at \$5.00 each and may be paid for weekly, fortnightly or monthly.

TRANSFER

10. (a) Shares may be withdrawn or transferred from one member to another. A written application will be approved by the

Board, upon payment of a fee of Twenty Dollars (\$20.00) for each such transfer or withdrawal.

All withdrawals/transfers shall be in the form prescribed by the Board.

- (b) All share transactions shall be at par value.
- (c) On the death of a member, the Board may transfer his shares to the person nominated by him if qualified to be a member or to the heir or legal representative if so qualified.
- (d) If the whereabouts of any member is not known to the Society and no claim is made within one year from the date of his last transaction with the Society, the Board may transfer his share or interest after deducting any sum due to the Society to

an Unclaimed Share Account. Any sums remaining unclaimed in this account for four (4) years may be transferred to the Reserve Fund.

WITHDRAWAL

11. A member may withdraw any portion of his share capital not otherwise pledged to the Society on demand except that the Board may require notice of a period not exceeding six months of his intention to withdraw the whole or any part of such share capital.

DEPOSITS

12. (a) In order that the Share Capital may be relatively permanent and subject to few withdrawals, a member may deposit money in sums of not less than one dollar (\$1.00) at any one time.

- (b) On the first day each quarter, interest at the rate fixed by the Board shall accrue on savings deposits. Interest so accrued will thereafter attract interest as in the case of an actual deposit. No interest shall be paid on fractional parts of one dollar.

STATEMENTS

13. (a) Payments on account of shares, deposits repayment of loans, interest or files shall be evidenced by computerized, quarterly statements.

NOMINATIONS

14. (a) Every member of the Society shall in writing under his hand and attested by two and delivered to the office of the Society during his life time, nominate any one person or more persons to whom

or to whose credit the share or interest or the value of such shares or interest, may in the event of his death be paid or transferred. A member may from time to time revoke or vary such nomination in writing under his hand similarly attested and delivered.

All such nominations, revocations or variations shall be recorded in a register of members.

- (b) The nominator shall, in respect of every share and deposit account, pay \$20.00 for the registering of every nomination after the first revocation or variation.

PAYMENT TO NOMINEE

- (c) On receiving satisfactory proof of the death of the nominator, the Board of Directors shall pay to the nominee, in a

manner directed by the nomination, the sum representing the full value of the Shares and the sum held on deposit less any sum due to the Credit Union. Entry of such payments shall be made in the proper book and thereupon the value so dealt with shall be extinguished.

- (d) Provided further the Society shall, unless prevented by order of a court of competent jurisdiction pay to such nominee or nominees or legal personal representative as the case may be, a sum not exceeding five thousand dollars (\$5,000.00) due to the deceased member from the Society. This sum shall fall into his estate and be subject in all respects to the laws relating to the inheritance including the requirement to pay estate duty.

CAPITAL

15. The capital of the Society shall be composed of:
- (i) Shares (an undetermined number of shares to the value of five dollars (\$5.00) each)
 - (ii) Deposits from members.
 - (iii) Realised surpluses.
 - (iv) Loans.

GENERAL MEETINGS

16. The supreme authority of the Society shall be vested in properly constituted General Meetings of members at which every member has the right to attend and vote on all questions.

17. The Annual General Meetings shall be held as early as possible and not later than one month after receipt from the auditor of his report. At least seven (7) days' notice of the meeting shall be given to all members. The notice shall state the time, and place of the meeting, and the business to be transacted.

18. A Special General Meeting shall be held at any time on the request of the President, the Board, the Supervisory Committee, the Commissioner or his representative or on receipt by the Secretary of a written requisition signed by not less than 10% of the members or 30 members whichever is less. Fourteen days' written notice of the meetings shall be given to all members.

QUORUM

19. (a) The quorum for any General Meeting shall be 10% of the members or thirty

(30) members, which is less. No proxies shall be allowed.

- (b) If a quorum is not present on the expiration or an hour after the time fixed for such a meeting, an adjournment shall be taken to a date not less than fourteen (14) days thereafter and members shall be notified accordingly at least five (5) days before the date thereof; such notification to be made in the same way as provided in the case of a General Meeting.

If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum. The decision of the adjourned meeting shall be final irrespective of the number of persons present constituting a quorum.

20. Save as provided in Bye-Law 57, decision at

General Meetings shall be made by a majority of the votes recorded by members present. Each member shall have but a single vote whatever his share-holdings, and there shall be no voting by proxy.

POWERS AND DUTIES

21. The powers and duties of the Annual General Meeting shall be:

- (a) To elect by ballot a Board of Directors, a Credit Committee and Supervisory Committee as set out by Bye-Laws 22, 30 and 34. The Board and Committee Members can either be re-elected or replaced.
- (b) To elect two substitutes each for a period until the next Annual General Meeting. The substitute will take office if any seats on the Board and Committees become vacant during the year.

- (c) To consider accounts and reports presented by the Board and Committees for the preceding year together with any comments thereon made by the auditor and/or the Commissioner.
- (d) To approve or disapprove the allocation of surplus from the previous year subject to act, regulations there under and these Bye-Laws.
- (e) To approve the budget for the current financial year.
- (f) To approve or disapprove any rules made by the Board under Bye-Law 28.
- (g) To appoint an auditor for the ensuing term, from a panel approved by the Commissioner.
- (h) To deal with any other business duly brought forward.

BOARD OF DIRECTORS

Composition

22. (a) The Board of Directors shall consist of 12 members to serve for a term of three (3) years and to be elected at an Annual General Meeting, none of whom shall be eligible for service on the Credit Committee.
- (b) At every Annual General Meeting of the Society one third of the Directors for the time being or, if their number is not a multiple of three, then the number nearest to but not exceeding one third, shall retire from office. A Director retiring from office shall retain office until the close of the meeting.
- (c) The Directors to retire at any Annual General Meeting shall be those who

have been longest in office since their last election, but as between Directors whose last election took place on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for election.

ELECTION

23. The Board shall at their first meeting to be held within twenty-one (21) days of the Annual General Meeting, elect from their own members, the Executive Officers of the Society.

EXECUTIVE OFFICERS

24. (a) The Executive Officers of the Board shall be a President, a Vice-President, a Secretary, an Assistant Secretary, and a Treasurer.

- (b) If the Board employs a Manager he shall perform the duties of Treasurer of the Society and he may also perform the function as Secretary.
25. The President of the Society shall on the request in writing of the Commissioner summon a Special Meeting of the Board at which the Commissioner or his representative shall attend and discuss any matter touching the affairs of the Society.
26. The Commissioner or his representative shall at all times be entitled to a seat at meetings of the Board and take part in deliberations therefore but shall not vote.

POWERS AND DUTIES

27. The Board of Directors shall be entrusted with the general management of the affairs of the Society and shall exercise all the powers of the

Society except those reserved to the General Meeting of the members and in particular shall have the following powers and duties.

- (a) To decide upon application for membership and suspension or expulsion of members.
- (b) To appoint the Manager of the Society.
- (c) To fix salary ranges for jobs in the Society.
- (d) To determine the rate of interest on savings deposits and on loans to members, and recommend dividends on share holdings, consistent with the Act and Regulations.
- (e) To determine the maximum amount which may be lent to a member, with or without security.

- (f) To have charge of investments other than loans to members.
- (g) To fix the amount of the bond on fidelity guarantee required of all financial officers.
- (h) To appoint an Education Committee in accordance with Bye-Law 36.
- (i) To designate the bank or banks in which funds of the Society shall be deposited.
- (j) To appoint sub-committees and specify their area of operations.
- (k) To take all measures to provide for the management of the affairs of the Society for which no provision is specifically made in these Bye-Laws.

28. The Board shall have the power to make such

rules for the conduct of the affairs of the Society as to them from time to time may seem necessary, and would not be repugnant or contradictory to the Bye-Laws of the Society, and shall cause a book to be kept open at all times for inspection by members or any person or persons authorized by the Commissioner, containing all such rules. No such rules shall be valid unless ratified at a General Meeting.

DUTIES OF EXECUTIVE OFFICERS

29. (1) TREASURER

The duties of the Treasurer shall be:

- (a)** To prepare for consideration of the Board and Committees such budgets and financial statements as they may require.
- (b)** To sign cheques and other documents of the Society if necessary together with the

other persons appointed by the Board.

- (c) To ensure safe keeping of the liquid cash and to deposit within twenty-four hours after receipt, all funds in his possession in the bank or banks prescribed except such sums as permitted by the Board of Directors. All banking accounts shall be in the name of the Society.
- (d) To serve as the General Manager of the Credit Union under the direction of the Board of Directors.
- (e) To superintend the working of the office and business and to be responsible for the proper and punctual keeping of books, and accounts, register and other documents of the Society.
- (f) To perform such lawful duties as may be assigned to him by the Board.

(2) PRESIDENT

It shall be the duty of the President to preside at meetings of the Board of Directors, to countersign all notes and other instruments drawn by the Society and to perform such other duties as appertain to his office. The President shall serve for a term of three consecutive years.

During the succeeding year, the President shall be eligible to serve on any committee or any other position. The President shall be eligible for re-election at the end of the succeeding year.

(3) VICE -PRESIDENT

It shall be the duty of the Vice-President to perform the duties of the President in the event of the absence or disability of that officer and such other duties as may be assigned to him by the Board.

(4) SECRETARY

The Secretary shall keep correct records of the meetings of the members and of the Board. He shall give due notice of all meetings in the manner prescribed by the Bye-Laws, and shall, perform all other duties incidental to his office and such other duties as may be assigned to him by the Board of Directors.

In the performance of his duties the Assistant Secretary shall assist him.

CREDIT COMMITTEE

Composition

30. The Committee shall consist of five members elected by members at each Annual General Meeting, none of whom shall be eligible to serve on the Board of Directors. A Chairman and a Secretary shall be chosen by and from the Committee at their first meeting after each

Annual General Meeting. The Secretary shall prepare and keep a full and correct record of all action by the Committee.

31. The Committee shall meet once a week. Additional meetings shall be held time to time as business may require.
32. The Committee shall inquire carefully into the financial position of borrowing members and their endorsers so as to ascertain their ability to repay fully and promptly the obligations assumed by them, and ascertain whether the loan promised will be of benefit to the borrower. The Committee shall determine the terms upon which the loan shall be repaid.
33. When there is pending more loan applications that can be granted with the funds available, the Credit Committee shall refer such applications to the Board for determination.

SUPERVISORY COMMITTEE

Composition

34. (a) The Supervisory Committee shall consist of three members, to be elected annually by the members at their Annual General Meeting, none of whom shall be eligible for service on the Board or Credit Committee. No member shall serve for more than three consecutive years. A Chairman and a Secretary shall be chosen by and from the Committee at their first meeting after each Annual General Meeting.

Duties

- (b) The Supervisory Committee shall make an examination of the affairs of the Credit Union, including an audit of its book at least semi-annually and, if necessary,

convene a Special General Meeting and submit its report at such meetings.

- (c) Make an annual report of its audit and submit the same to the Annual General Meeting of the members.

35. The members of the Supervisory Committee shall keep themselves fully informed as to the financial condition of the Society by examining, at least every six months, the share and deposit accounts and loan balances, the securities, cash and accounts and all applications for loans made during the period under examination, satisfy themselves that for each loan, proper documents are on file and that each application embodies the purpose for which the relative loan was made and the security offered, and bears the approval of at least three members of the Credit Committee. At least one member of this committee shall attest the balance sheet required to be submitted to the Commissioner.

EDUCATION COMMITTEE

Composition

36. The Board shall at its first meeting after the Annual General Meeting, appoint a Committee of five persons who may also be members of any other Committee, to be known as the Education Committee. This Committee will advise and act in collaboration with the leaders of discussion groups, assist in the provision and maintenance of a library for the use of members of the Society and arrange for the purchase of books and magazines particularly in relation to the Co-operative Movement.

37. The Chairman and a Secretary shall be chosen by and from the Committee at its first meeting after its appointment. The Committee shall be empowered to co-opt persons to be members who shall take part in all discussion but shall

not have the right to vote.

38. The Committee shall from time to time submit to the Board a requisition to cover the cost of literature, etc. and be careful to see that the amount allocated is used for the purpose for which it is intended. The use of the books and magazines shall be open to all members.

39. The members of the Committee shall meet at least once a quarter and shall continue to serve until replaced. The Committee shall make arrangements for lectures and discussions and use its best endeavours generally to stimulate interest in the activities of the Society. The Committee shall also make every effort to bring about co-operation between this and all other Co-operative Societies. The Committee shall submit a report on its activities to the Board.

GENERAL RULES FOR THE BOARD AND COMMITTEES

40. The Board and Committees shall meet as often as the business of the Society may require but not less than once each month.
41. A majority of members shall constitute a quorum at any Board or Committee meetings.
42. If within half an hour of the time fixed for any Board or Committee meeting the members present are insufficient to form a quorum, the meeting shall be adjourned by those present to a fixed day, and the members shall be notified accordingly. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present should be a quorum. The decision of the adjourned meeting shall be final irrespective of the number of members present.

43. If any member fails to attend three (3) consecutive meetings of the Board or Committees without tendering a valid and proper excuse to the satisfaction of Board or Committees, his office shall be declared vacant and the vacancy filled by a substitute as provided by Bye-Law 21(b)
44. Subject to the provisions of Bye Laws 34(d) and 48(c) decisions at Board and Committee meetings shall be made by a majority of the members present and voting. Every member shall have one vote only, except that the member presiding in the event of an equality of votes shall have a casting vote. No Board or Committee member shall be present when any matter is being decided in which he has direct interest.
45. No person under the age of eighteen (18) years shall be allowed to serve on the Board, Credit Committee or the Supervisory Committee.

46. All transactions of the Society with its members and all information respecting their personal affairs shall be held in the strictest confidence by all members of the Board or Committees of the Society.
47. In their conduct of the affairs of the Society, the Board and Committee members shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts contrary to the law, the regulations, the Bye-Laws and any rules made under Bye-Law 28.
48. A Board or Committee member shall cease to hold office if he:
- (a) Ceases to be a member of the Society.
 - (b) Applies for bankruptcy, or is declared bankrupt.

- (c) Becomes of unsound mind.
 - (d) Is employed by the Board and is in receipt of a salary or wage, provided that the granting to a member of an honorarium or allowance approved by the Board or by the General Meeting shall not be deemed to disqualify such member from a seat on the Board or Committees as the case may be.
 - (e) Is convicted of any offence involving dishonesty.
49. Meetings of the Board shall be called on the order of the President or a majority of its members.
50. Vacancies occurring on the Board, Credit and Supervisory Committees shall be filled from the substitutes elected at the Annual General Meetings.

LOANS

51. (a) The Society may make loans exclusively to its own members and solely for a provident or productive purpose. Interest on such loans shall be outlined in a policy document which shall be recommended by the Board of Directors and approved by the membership at a Special General Meeting.
- (b) No loans shall be made except on written application signed by the member desiring the loan, showing name of applicant, date, amount required, time and method of repayment and the purpose for which the loan is required.
- (c) Unless otherwise provided herein or in the Loan Policy, no loan shall be made unless approved by at least three members of the Credit Committee who are present

at the meeting at which the application is considered. The Board may, however, appoint Loan Officers from time to time and specify their ability.

- (d) No loan shall be made to a member, who is indebted to the Society on two separate loans, neither of which is secured by a mortgage or charge on property owned by the member.

- (e) No loan to an Officer of this Society shall exceed the amount of his holdings in the Society as represented by shares, deposits and accumulated dividends and interest therein nor may any Officer endorse for borrowers beyond the amount of his holdings as aforesaid; provided however that a loan (or an endorsement) in excess of such holdings may be made (or accepted) if approved by the vote of a two-thirds majority of the other members of

the Board and Credit and Supervisory Committee sitting together or with the consent in writing of all the members other than the borrowing officer.

- (f) No member may whilst indebted to the Society or whilst continuing to be liable as an endorser or guarantor for another member, withdraw any money or portion of money paid in on his share or deposits so as to leave to his credit in the Society on such shares and deposits a sum which is less than that owing by such member personally or than that sum the subject of the endorsement or guarantee except with the written approval of the Board.

FINANCIAL YEAR

- 52. The financial year of The Society shall begin on the first day of January each year and end on the last day of December following.

SEAL

53. The common seal shall bear legibly engraved on it the registered name of the Credit Union. It may be applied to documents by order of the Board, entered on their minutes, and its due application shall be attested by two members of the Board present at the time. It shall be in the custody of the Secretary.

DISTRIBUTION OF SURPLUS

54. Out of the net surplus of the Society, 10% shall be credited to the Reserve Fund and not more than 5% to an Education Fund. From the remaining net surplus the General Meeting shall have power to order the following payments:

- (a) Dividends shall have no limits or ceilings on the amount paid to shareholders. A minimum of 2% of dividends shall be credited to members' shares annually.

- (b) A bonus (rebate) on interest paid by members, such bonus (rebate) shall be applied towards reducing the loan principal on the day the bonus is declared, if at that time the member has not repaid his loan in the Society.
 - (c) Honorarium to Secretary, Treasurer and such other persons as the Board may recommend.
 - (d) The balance of the net surplus may be used at the discretion of the General Meeting for the constitution of a dividend equalization fund, special reserve fund for bad debts, education fund, building fund or carried forward to the succeeding year.
55. Dividends may be credited to member's shares, deposits or loans.

RESERVE FUND

56. The Reserve Fund shall be indivisible and no member shall be entitled to any specified share thereof. The Reserve Fund may be used in the business of the Society, only with the approval of the Commissioner. The Reserve Fund may also be used against bad debts of the Society if approved at a General Meeting and finally approved by the Commissioner.

AMENDMENTS

57. (a) Amendments to these Bye-Laws shall be made by resolution passed at a General Meeting by three-fourths (3/4) majority of the members present and voting at a meeting specially called for the purpose.
- (b) If a resolution under paragraph (a) above is not passed by such three-fourths majority votes, the same resolution

may, unaltered, be proposed at a Special General Meeting convened not less than one month and not later than two months after the General Meeting where it was first proposed and at this Special Meeting the resolution shall be valid and effective if a simple majority of members present vote in favor of the resolution.

- (c) A copy of every resolution passed under paragraph (a) and (b) above shall be forwarded to the Commissioner together with three copies of the amendment. Such amendment shall be of no effect until approved by the Commissioner.

INVESTMENTS

58. The Society may invest or deposit its funds:
 1. In any bank approved by the Commissioner.

2. In any securities issued or guaranteed by the Government of Trinidad and Tobago.
3. In the shares or on the security of any other Society, provided that no such investment shall be made in the shares of any Society other than the one with limited liability; or
4. In any other manner permitted by the Commissioner.

NOMINATIONS COMMITTEE

59. The Board of Directors shall appoint a Nominations Committee consisting of three persons of reputable character. Persons eligible to be selected to sit on this Committee must not hold any position on the Board of Directors, Credit Committee or Supervisory Committee.

NOTES

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