

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



BY-LAWS OF SGM

Approved at AGM on 05 Aug 2023

 Please consider the environment before printing

SGM was formerly known as Syarikat Guru Melayu Koperatif, i.e. Singapore Malay Teachers' Co-operative Limited (or "SMTCL"), Date of registration: 07.09.1931 (UEN: S31CS0008K) and registered under the Co-operative Societies Act Cap 62, Republic of Singapore.

With effect from 05 Aug 2023, its name was approved during AGM to be amended to Singapore Muslim Teachers' Co-operative Limited.

TABLE OF CONTENTS

1.	Name, Address and Area of Operations	4
2.	Interpretation.....	4
3.	Objects.....	7
4.	Membership: Rights and Liabilities	8
4.1	Qualifications for membership	8
4.2	Criterion for membership	8
4.3	Exercising membership rights.....	11
4.4	Liability of member limited by shares.....	12
4.5	Liability of past member and of estate of deceased member for debts of the Society	12
4.6	Right of member to withdraw from and/or continue with the Society.....	12
4.7	Nomination.....	13
4.8	Transfer of shares or interest where member dies or lacks capacity	13
4.9	Expulsion of member	15
5.	Organisation and Management	15
5.1	General meeting	15
5.2	Annual general meeting	15
5.3	Extraordinary general meeting	16
5.4	Functions of annual general meeting.....	16
5.5	Quorum at general meeting.....	17
5.6	Voting at general meeting	17
5.7	Minutes of general meeting	18
5.8	Virtual Meetings	19
6.	Constitution of the Board of Directors.....	20
6.1	Board of Directors	20
6.2	Eligibility for membership of the Board of Directors, or to be key employee.....	21
6.5	Functions of the Board of Directors	22
6.6	Appointment of Officers of the Society	24
6.7	Disqualifications for chief executive officer, chief financial officer and chief investment officer, etc.....	24
6.8	Mandatory induction course for appointed officers	24
6.9	Duties and Responsibilities of the Officers of the Society	24
6.11	Meetings of the Board of Directors.....	27
6.12	Liability of the Members of the Board of Directors.....	28
6.13	Disclosure of interests in transactions, property, offices, etc.	28
6.14	Restrictions relating to honoraria, etc., of members of the Board of Directors and employees.....	28
7.	Audit of the Society	29
7.1	Duties of auditor	29
7.2	The Audit and Risk Committee of the Society	29
7.3	Internal Auditors.....	30
8.	Property and Funds of the Society	31
8.1	Capital.....	31
8.2	Ordinary Shares.....	32
8.3	Permanent Shares	32
8.4	Subscription Capital	33
8.5	Restrictions on Borrowing and Loans to Members	33

8.6	Investment of funds.....	34
8.7	Contribution to Central Cooperative Fund	34
8.8	Distribution of net surplus.....	34
9.	Books and Documents of the Society.....	36
10.	Patron, President and Vice-President.....	37
11.	General Matters.....	37

1. NAME, ADDRESS AND AREA OF OPERATIONS

- 1.1 The Society shall be called Singapore Muslim Teachers' Co-operative Limited.
- 1.2 The registered address of the Society shall be at 785 Geylang Road, Singapore 389673. Every change of address shall be notified to the Registrar and to any non-members who may be creditors of the Society.
- 1.3 The areas of operations of the Society shall be in the Republic of Singapore.
- 1.4 The Society's registration number is S31CS0008K, Date: 7 September 1931.

2. INTERPRETATION

- 2.1 In these By-Laws, unless the context otherwise requires:
 - (a) "Act" means the Cooperative Societies Act 1979 or any amendment thereto for the time being in force in Singapore;
 - (b) "allowance" means the remuneration paid to a member of the Board of Directors of the Society in consideration of his voluntary services rendered to the Society on a regular basis pursuant to Section 65 of the Act;
 - (c) "Audit and Risk Committee" means the audit committee of the Society as prescribed in in section 36 of the Act;
 - (d) "Board" or "Board of Directors" means the governing body of the Society which is responsible for the management of the affairs of the Society;
 - (e) "By-Laws" means the by-Laws of the Society;
 - (f) "Central Co-operative Fund" means the fund established under Section 71 of the Act;
 - (g) "chief executive officer" means the highest ranking executive appointed by the Board to run the affairs of the Society;
 - (h) "Common Good Fund" means a fund that is used for the benefit of the members of the Society and may also be used for educational, medical, social or charitable purposes;
 - (i) "deposit" means money received on current or deposit account and include subscription capital, but does not include:
 - (I) a deposit that is paid pursuant to a hire-purchase agreement or that is referable to the provision of services or to the giving of security; and
 - (II) such other deposit as may be prescribed.

- (j) “dividend” means a portion of the net surplus of the Society distributed among the members in the proportion to either or both of the following:
 - (i) the paid-up share capital held by the members in the Society;
 - (ii) the subscription capital held by the members in the Society.
- (k) “employee” means an individual who is a staff of the Society, whether or not under a contract of service with the Society or appointed by the Board;
- (l) “financial service” means receiving deposits, granting loans, or such other service of the financial nature as may be prescribed, other than in relation to the carrying on of insurance business within the meaning of the Insurance Act 1966;
- (m) “General Reserve Fund” means a fund that is not marked for any specific purposes and it can serve as a buffer to absorb unanticipated losses which may arise from the Society’s operations or investments;
- (n) “honorarium” means a portion of the net surplus of the Society distributed among some or all of the members of the Board of Directors in consideration of their services which would not otherwise be remunerated;
- (o) “key employee” means an individual who holds any of the following appointments, or who purports to act in any of the following capacities, whether or not for reward;
 - (i) a chief executive officer (whether called general manager or otherwise);
 - (ii) a chief operating officer;
 - (iii) a chief financial officer;
 - (iv) a chief investment officer;
 - (v) an appointment, analogous to any appointment mentioned in paragraph (i), (ii), (iii) or (iv);
- (p) “mandatory induction course” means any mandatory induction course that is applicable to a member of the board of directors, or an officer of the Society and is specified on the RCS website;
- (q) “member” means any person duly admitted to the membership of the Society in accordance with the By-laws;
- (r) “net surplus” means the remaining portion of the surplus after provisions have been made for Central Co-operative Fund and the Singapore Labour Foundation in accordance with Section 71 of the Act;

- (s) “officer” includes a chairman, deputy chairman I, deputy chairman II, deputy chairman III, member of the Board of Directors, chief executive officer, member of any committee constituted under the By-Laws, employee, internal auditor, liquidator or any other person empowered under the Act, the Rules or the By-Laws to give directives with regard to the business of the Society or to supervise such business;
 - (t) “ordinary share” means an ordinary share issued under Section 66A of the Act;
 - (u) “patronage refund” means a portion of the surplus of the Society distributed among the members in proportion to the volume of business done by them with the Society from which the surplus of the Society was derived;
 - (v) “permanent share” means a permanent share issued under Section 66B of the Act;
 - (w) “RCS website” means the website of the Registry of Cooperative Societies at <https://www.mccy.gov.sg>;
 - (x) “Registrar” means the Registrar of the Co-operative Societies appointed under Section 3(1) of the Act, and includes a Deputy Registrar, an Assistant Registrar or a public officer appointed under Section 3(1) of the Act, exercising such functions, duty or power of the Registrar as is delegated to the Deputy Registrar, Assistant Registrar or public officer (as the case may be) under Section 3(2) of the Act;
 - (y) “Rules” means the Co-operative Societies Rules 2009 or any rules made under the Act for the time being in force in Singapore;
 - (z) “subscription capital” means a regular obligatory saving deposit made by members which is intended to serve as a guarantee capital for loans taken or guaranteed by a member and which may not be withdrawn except for such specific purposes and under such conditions as are laid down in the By-Laws or except on a termination of membership;
 - (aa) “surplus” means the economic results of the Society as shown in the audited financial statements of the Society after provisions have been made for depreciation and the bad debts;
 - (bb) “virtual meeting technology” means any technology that allows a person to participate in a meeting without being physically present at the place of meeting.
- 2.2 Where there is a reference to a number of clear days between 2 events, that number of days is exclusive of the days on which those 2 events happen; and
- 2.3 Words importing the masculine gender shall include the feminine gender, and words importing the singular shall include the plural.

3. OBJECTS

3.1.1 The objects of the Society shall be:

- (a) to promote economic interest of its members which are in accordance with Islamic and cooperative principles;
- (b) to encourage thrift, co-operations, self-help and mutual assistance among its members;
- (c) to provide financial services to members;
- (d) to establish and operate such cooperative schemes, ventures and projects.

3.1.2 In furtherance of its objects, the Society shall be at liberty:

- (a) to appoint or to act as representative and agents for the purpose of carrying on the business of the Society;
- (b) to raise funds by obtaining loans from the members and non-members and deposits from members and their immediate family members subject to the Act and the By-Laws;
- (c) to purchase, lease, rent, hold, hire, develop, mortgage, sell, or otherwise acquire, deal with or otherwise acquire, deal with dispose of such movable or immovable properties or any portion thereof as maybe required for use as shops, offices or for any other purposes of the Society for the conduct of its business and welfare of the cooperative movement;
- (d) to frame administrative policy and rules and such other regulations as may be required for the proper conduct of the Society's business;
- (e) to invest the funds of the Society in accordance with Section 69 of the Act;
- (f) to establish funds out of the net surplus of the Society for, inter alia, the education of its members and their children and to provide members and their children with financial grant in time of bereavement or other hardship, at the discretion of the general meeting in accordance with the Act and these By-Laws;
- (g) to sustain, maintain and operate the 2 childcare centres or other educational development centres, or provide other social or community services as deemed necessary for the benefit of both members and non-members;
- (h) to do all other things as may be necessary, incidental or conducive to the attainment of any of the objects of the Society.

4. MEMBERSHIP: RIGHTS AND LIABILITIES

4.1 Qualifications for membership

4.1.1 The qualifications for membership of the Society shall be open to all persons, who shall –

- (a) in the case of an individual, that the individual –
 - (i) satisfies the criteria for membership set out in By-law 4.2.1 or By-law 4.2.2 (as the case may be);
 - (ii) be 16 years of age or above;
 - (iii) be citizens or residents in Singapore; and
- (b) in the case of an institution, that it is a co-operative society or is a trade union.

4.1.2 Membership shall consist of:

- (a) Ordinary Members who shall each hold a minimum of 10 shares at \$1 per share and who shall pay a minimum monthly subscription in accordance with By-law 4.2.6(c).
- (b) Associate Members who shall each hold a minimum of 10 shares at \$1 per share and who shall pay a minimum monthly subscription in accordance with By-law 4.2.6(c).
- (c) Senior Members who shall each hold a minimum of 100 shares at \$1 per share but who shall not pay minimum monthly subscription in accordance with By-law 4.2.6(c).
- (d) Institutional Members who shall each hold a minimum of 1,000 shares at \$1 per share but who shall not pay the minimum monthly subscription in accordance with By-law 4.2.6(c).

4.2 Criterion for membership

- 4.2.1 (a) Subject to By-law 4.1.1(a), ordinary membership shall be open to:
- (i) all grades of Muslim teachers who are serving in or have retired from the Singapore Educational Service, the National Institute of Education, Institute of Technical Education, Government Aided Schools, Independent Schools and Institutions of Higher Learning;
 - (ii) all grades of Muslim teachers who are serving in other educational bodies registered with the Ministry of Education, Ministry of Social and Family Development, or Majlis Ugama Islam Singapura (MUIS);

- (iii) all Muslim students of the National Institute of Education and of the National Institute of Early Childhood Development who are undergoing any course that qualifies them to teach professionally in the Singapore Education Service and at pre-school childcare centres in Singapore;
 - (iv) (provided they are Muslim) all other teachers and persons in teaching roles in the education industry, including but not limited to freelance tutors for tuition agencies, relief teachers, Asatizah Recognition Scheme (ARS)-certified teachers, trainers, flexi-adjunct lecturers, coaches, facilitators and anyone in the education industry (as approved by the Board of Directors); and
 - (v) all employees of the Society and its childcare centres who are in teaching roles.
- (b) Subject to By-law 4.1.1(a), associate membership shall be open to:
- (i) parents, step-parents, spouse, child, adopted child, step-child, brother, step-brother, sister or step-sister of an Ordinary Member who must be under full time employment at the point of application;
 - (ii) all employees of the Society and its childcare centres who are in non-teaching roles; and
 - (iii) all Muslim employees in the education industry not being teachers or not being in teaching roles, excluding those falling within the definition of “workman” in the Employment Act 1968.

4.2.2 A working person, who is qualified under By-law 4.2.1(a) and 4.2.1(b) may apply to be an Ordinary Member or Associate Member. Subject to By-laws 4.1.1(a) and 4.6.4(a), a retired person who is qualified under By-law 4.2.1(a)(i), or a person who is aged 60 and above may apply to be a Senior Member.

4.2.3 Application for membership shall be submitted on a form prescribed by the Board and shall be accompanied by the purchase of shares and payment of entrance fee specified in By-law 4.1 and By-law 4.2.6(a) provided that such payment shall be refunded where an application for membership has been rejected.

4.2.4 The Board shall have the power to approve or reject any application without assigning any reason therefor provided that an applicant so rejected may appeal in writing to a general meeting of the Society.

4.2.5 The approval or rejection of any application shall be notified to such applicant without delay.

4.2.6 Subject to the provisions of the Act, the following dues shall become payable on admission to membership:

- (a) entrance fee \$30.00 (Dollars Thirty);

- (b) in the case of an Ordinary Member or Associate Member, purchase of at least 10 shares in the Society;
 - (c) in the case of an Ordinary Member or Associate Member, a minimum subscription of \$10.00 (Dollars Ten) per month in accordance with By-law 8.4.1;
 - (d) in the case of a Senior Member, purchase of at least 100 shares in the Society;
 - (e) in the case of each institutional member, purchase of at least 1,000 shares in the Society;
 - (f) Except as provided in paragraph (g), a member cannot hold more than 20% of the share capital of the Society.
 - (g) A member may hold more than 20% of the share capital of the Society, if the Registrar grants written approval for the Society to issue more than 20% of its share capital to that member; and
 - (h) By-laws 4.2.6(f) and 4.2.6(g) do not apply to an institutional member who is another co-operative society or a trade union.
- 4.2.7 The Board may in its sole discretion permit members to pay all their dues to the Society through such payment method as the Board sees fit.
- 4.2.8 Every member who has been admitted to the membership of the Society shall, on payment of the entrance fee and/or purchase of required shares, be deemed to have acquired all the rights, duties and liabilities of a member of the Society as laid down in these By-Laws.
- 4.2.9 Every member shall, on admission, be provided with a copy of the By-Laws free-of-charge. Extra copies of the By-Laws may be obtained on payment of such amount as the Board may prescribe from time to time.
- 4.2.10 The Society must –
- (a) provide to each member, within 6 months after the close of each financial year, a statement of accounts (in hardcopy form or electronic form) containing particulars of each financial transaction between that member and the Society in that financial year;
 - (b) within 10 working days after receiving a member's request, provide to the member a statement of accounts (in hardcopy form or electronic form) containing particulars of each financial transaction between that member and the Society within 6 months preceding the date of receipt of the member's request.
- 4.2.11 Every member shall keep the Society informed of any change in his address and personal email. All notices posted or sent to his last known address shall be deemed to be duly served.

4.3 Exercising membership rights

4.3.1 Every Ordinary Member shall, unless otherwise disqualified under the Act or the By-Laws, have the right to:

- (a) avail himself of all services of the Society;
- (b) stand for election to office;
- (c) be co-opted to hold office in the Society;
- (d) participate at a general meeting; and
- (e) enjoy all other rights provided under the By-Laws.

4.3.2 Every Associate Member shall, unless otherwise disqualified under the Act or the By-Laws, have the right to:

- (a) avail himself of all services of the Society;
- (b) enjoy all other rights provided under the By-Laws; and
- (c) participate in a general meeting but may not stand for office.

4.3.3 Senior Members, unless otherwise disqualified under the Act or the By-Laws, shall have the right to participate in a general meeting but may not stand for election or be co-opted to hold office in the Society.

4.3.4 Associate Members and Senior Members shall not be entitled to the Common Good Fund [(Dana Kebajikan Awam (where applicable))] and Education Fund.

4.3.5 Institutional Members shall, unless otherwise disqualified under the Act or the By-Laws, have the following rights:

- (a) avail itself of all services of the Society;
- (b) enjoy all other rights provided under the By-Laws; and
- (c) participate in a general meeting.

4.3.6 Where a member lacks the capacity to manage the member's property and affairs –

- (a) if the member had created a lasting power of attorney or a leaving will conferring on a donee authority to make decisions about the member's property and affairs (either generally or for the purposes of the Act), that donee may vote on behalf of the member; or
- (b) if a deputy has been, or is deemed to have been, appointed to make decisions on the member's behalf in relation to the member's property and affairs (either generally or for the purposes of the Act), that deputy may vote on behalf of the member.

4.3.7 In By-law 4.3.6 –

- (a) “deputy”, “donee”, and “lasting power of attorney” have the same meanings as in Section 2(1) of the Mental Capacity Act 2008; and
- (b) a member lacks capacity in relation to a matter if the member lacks capacity within the meaning of Section 4 of the Mental Capacity Act 2008 in relation to that matter.

4.4 Liability of member limited by shares

4.4.1 The liability of a member present or past of the Society shall not exceed the nominal value of the shares held or subscribed by him and the nominal value of any bonus shares and bonus certificate held by him.

4.5 Liability of past member and of estate of deceased member for debts of the Society

4.5.1 The liability of a past Ordinary Member, Associate Member, Senior Member and Institutional Member for the debts of the Society as they existed on the date on which he ceased to be a member shall not continue for a period of more than two years after that date.

4.5.2 The estate of a deceased member, who is not a past member to whom By-law 4.5.1 applies, shall not be liable for the debts of the Society as they existed on the date of his death for a period of more than two years after the date of his death.

4.6 Right of member to withdraw from and/or continue with the Society

4.6.1 Membership shall cease by:

- (a) resignation subject to By-law 4.6.2;
- (b) permanent removal of residence beyond Singapore;
- (c) expulsion subject to By-law 4.9;
- (d) termination as a student of the National Institute of Education or the National Institute of Early Childhood Development provided that he is able to secure employment in institutions stipulated in By-laws 4.2.1(a)(i) and (ii) within such time as the Board may determine; or
- (e) death.

4.6.2 Any member who is not liable to the Society as a borrower or surety may resign from the Society by giving 3 months’ notice of resignation in writing. The Board may accept a shorter notice of resignation at its discretion. Such member shall not be compelled to pay any subscription during the period of notice. The effective date of cessation of membership by resignation shall be upon the expiry of the 3 months’ notice or such shorter notice approved in writing by the Board, as the case may be. During the period of notice such member shall not be eligible to vote or to stand for

election to office or to incur fresh liabilities with the Society. If a member does not claim any outstanding net amount after twelve (12) months from the date of his resignation, and the Society has made efforts to locate him, the amount will be transferred to the Ex-Member Fund (i.e. the fund comprising the savings of members who become uncontactable after twelve (12) months). If the said amount is not claimed by the member for a further period of four (4) years (ie. five (5) years after the date of his resignation), the Society will transfer the said amount to the Donation Fund.

4.6.3 Any Ordinary Member or Associate Member who is on study leave or sabbatical leave or whose post is under suspension may, if approved by the Board, continue to pay monthly subscription and interest but suspend repayment of principal on the loan but the member shall still enjoy the full rights as a member.

4.6.4 Rights of Senior Member and Member continuing to be Ordinary Member:

- (a) An Ordinary Member who retires from his employment may opt to become a Senior Member or remain as an Ordinary Member only if he is free from all liabilities as borrower, subject to the prior approval of the Board.
- (b) An Ordinary Member opting to remain as such under By-law 4.6.4(a) shall continue his monthly subscription. Such member shall be eligible for all rights of membership.
- (c) An Ordinary Member who retires from employment and becomes a Senior Member under By-law 4.6.4(a) may withdraw all or portion of his subscription capital and convert the balance, if any, to ordinary shares in the Society.
- (d) Ordinary members retaining their ordinary memberships under By-law 4.6.4(a) may stand for election to serve on the Board of Directors.
- (e) All members shall be eligible to apply for loans.

4.7 Nomination

4.7.1 A member of the Society may in writing nominate a person in the presence of at least 2 witnesses, to whom on the death of the member the Society may transfer the share or interest.

4.7.2 The Society shall keep a register of all persons so nominated.

4.8 Transfer of shares or interest where member dies or lacks capacity

4.8.1 On the death of a member, the Society may transfer the share or interest of the deceased member –

- (a) to the person nominated by the member in accordance with section 45 of the Act;

- (b) if there is no person so nominated, to such person as may appear to the Board of Directors of the Society to be the legal personal representative of the deceased member; or
 - (c) if either of those persons referred to in paragraphs (a) and (b) are not qualified under this Act or under the by-laws of the Society for membership, to such other person who is so qualified, to be specified within 6 months after the death of the deceased member by the nominee or legal personal representative, as the case may be.
- 4.8.2 The Society may pay all other moneys due to the deceased member from the Society to such nominee or legal personal representative, as the case may be.
- 4.8.3 Where the Board of Directors of the Society is satisfied that an individual (being a member or a person claiming through a member) lacks capacity to manage the individual's property and affairs and that it is just and expedient to do so, the Society may pay or transfer the individual's share or interest, or the value of all the moneys due to the individual from the Society, to a person whom the Board of Directors is of the view is the proper party to receive the same on the individual's behalf.
- 4.8.3A A payment or transfer cannot be made under By-law 4.8.3 where the individual lacks capacity to manage the individual's property and affairs, and –
 - (a) there is in force a lasting power of attorney conferring on a donee authority to make decisions about the individual's property and affairs (either generally or for the purposes of this Act); or
 - (b) a deputy is or is deemed appointed to make decisions on the individual's behalf in relation to the individual's property and affairs (either generally or for the purposes of this Act).
- 4.8.4 The value of the share or interest of a member mentioned in By-law 4.8.1, or of an individual (being a member or a person claiming through a member) shall be represented by the sum actually paid by the member to acquire the share or interest unless the by-laws provide the calculation thereof otherwise.
- 4.8.5 All transfers and payments made by the Society in accordance with this section shall be valid ad effectual against a demand made upon the Society by another person.
- 4.8.6 In this section –
 - (a) “deputy”, “donee” and “lasting power of attorney” have the same meanings as in Section 2(1) of the Mental Capacity Act 2008; and
 - (b) an individual lacks capacity in relation to a matter if the individual lacks capacity within the meaning of Section 4 of the Mental Capacity Act 2008 in relation to that matter.

4.9 Expulsion of member

- 4.9.1 A member who contravenes any of the provisions of the Act, the Rules or the By-laws or acts in any way detrimental to the interests of the Society may be expelled by the Board, provided that he is given a reasonable opportunity to show cause as to why he should not be expelled. An expelled member may appeal in writing to the Society –
- (a) at least 21 clear days before the next general meeting and the appeal against the expulsion shall be heard at the next general meeting; or
 - (b) at least 21 clear days before the following general meeting and the appeal against the expulsion shall be heard at the following general meeting.
- 4.9.2 On the cessation of membership by death, the amount due to the member after the deduction of any amount owed by him to the Society shall be paid to him, to his nominee or his legal representative, as the case may be, at once without profits, or after the last day of the financial year, with the dividend found due thereon, at the discretion of the member or his nominee or his legal representative.
- 4.9.3 The net amount standing to the credit of the expelled or resigned member shall only be refunded to him after three months from the date of the expulsion or resignation. An expelled or resigned member shall not be entitled to any dividend for the year in which his expulsion or resignation took place. If the member does not claim the outstanding amount after three months from the date of expulsion or resignation, and the Society has made effort to locate him, the amount will be transferred to the Ex-Members Fund.

5. ORGANISATION AND MANAGEMENT

5.1 General meeting

- 5.1.1 The supreme authority of the Society shall be vested in the general meeting of the members.
- 5.1.2 There shall be two types of general meeting, Annual General Meeting and Extraordinary General Meeting.

5.2 Annual general meeting

- 5.2.1 An Annual General Meeting shall be convened by the Board and shall be held as soon as practicable but not later than 6 months after the end of the financial year, unless the approval of the Registrar has, within the said period of 6 months, been obtained to extend that period.
- 5.2.2 Notice of every general meeting shall be sent to each member (or delegate) entitled to attend the general meeting, at least 15 clear days prior to the date of the general meeting. The notice shall state the matters for discussion and the resolutions to be proposed and no other subject shall be discussed without the consent of the majority of the members present and voting at such general meeting.

- 5.2.3 A copy of each of the following documents shall be made available to every member (and/or to every delegate) entitled to attend the general meeting at least 15 clear days before the date of the meeting (in hard copy or in electronic form):
- (a) the Society's annual report, audited financial statements and audit report mentioned in Section 34(1) of the Act, including every document required under this Act to be attached to those reports and statements; and
 - (b) such other document as the Registrar thinks necessary and directs to be made available.

5.3 Extraordinary general meeting

- 5.3.1 An extraordinary general meeting of the Society shall be convened by the Board of Directors whenever it thinks fit, or on receipt of a requisition for such a meeting signed by at least 20% or 60 of the members or delegates of the Society, whichever is the less, stating the objects of the meeting.
- 5.3.2 If the Board of Directors fails to convene a meeting in accordance with By-law 5.3.1 within 1 month of receiving the requisition for the meeting, the members making the requisition shall have the power to convene the meeting themselves by notice to all members of the Society stating the objects of the meeting and the fact that the Board of Directors has failed to convene the meeting.
- 5.3.3 The Registrar or his representative may at any time convene a Special General Meeting and may also direct what matters shall be discussed at the meeting.

5.4 Functions of annual general meeting

- 5.4.1 The functions of the annual general meeting of the Society shall be:
- (a) to confirm the minutes of the last annual general meeting and any other intervening general meeting;
 - (b) to consider the auditor's report, the report of the Board of Directors and any other report made by the Registrar or his representative;
 - (c) to approve the financial statements;
 - (d) to consider and resolve the manner in which any available net surplus shall be distributed or invested subject to the provisions of the Act and the By-Laws;
 - (e) to consider and to adopt any amendments to the by-Laws;
 - (f) to elect or remove members of the Board of Directors;
 - (g) to appoint the External Auditors of the Society;

- (h) to consider and determine the maximum amount the Society may borrow, subject to the provisions of the Act and the By-laws;
- (i) to consider and authorize the payment of allowance or honorarium and provision of other benefits subject to By-law 6.14.1;
- (j) to write off bad debts; and
- (k) to transact any other general business of the Society of which due notice has been given to members.

5.5 Quorum at general meeting

- 5.5.1 No business shall be transacted at any general meeting unless a quorum of the members (or delegates) is present. The quorum necessary for such transaction shall be 20% or 30 of all members or delegates qualified to vote, whichever is less.
- 5.5.2 If a quorum is not present within 30 minutes after the time fixed for a general meeting, the members or delegates present shall form a quorum, except that –
 - (a) a general meeting with such reduced quorum shall not have the power to amend the By-Laws; and
 - (b) any resolution passed at the meeting shall not be valid unless it is passed with a majority of two-thirds of members (or delegates) present.

5.6 Voting at general meeting

- 5.6.1 Ordinary Members, Associate Members, and Senior Members shall each have only one vote, irrespective of the number of shares he holds and that vote shall be exercised in person and not by proxy.
- 5.6.2 Each institutional member shall be represented by one voting delegate(s), who shall have at his disposal one (1) vote for every 1,000 shares or part thereof held by the institutional member he represents.
- 5.6.3 The institutional members shall notify the chief executive officer of the names of the delegates who are authorised to attend general meetings on their behalf.
- 5.6.4 Except as otherwise provided in the Act or in these By-laws a question referred to the members or delegates present at a general meeting shall be decided by a majority vote.
- 5.6.5 In the case of an equality of votes the motions shall be held to be lost. The chairman shall have no casting votes.
- 5.6.6 In the case of election or removal of officers, voting shall be by secret ballot.
- 5.6.7 Where it is provided in the Act or in the By-laws that a resolution shall be passed by not less than a prescribed majority of the members present and voting at a general

meeting, the resolution shall be deemed to be passed if not less than the prescribed majority of the total number of votes are cast in favour of the resolution.

5.6.8 In the case of amendment of the By-laws, a resolution to amend the By-laws shall be passed either –

- (a) by not less than three-quarters of the total number of votes at the disposal of the members present and voting at a general meeting duly summoned; or
- (b) if a referendum is held, by not less than three quarters of the votes returned, provided that the voting papers have been sent to all members and that the number of returned votes is not less than one-third of the total membership or 500, whichever is the less, and the returned votes are examined and counted under the supervision of the Registrar.

5.6.9 No By-law or amendment to a By-law of the Society shall be valid until it has been registered by the Registrar.

5.6.10 Subject to By-law 5.6.11, the By-laws and any amendment to the By-laws of the Society shall, when registered, bind the Society and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and his personal representatives to observe all the provisions of the By-laws.

5.6.11 A member of the Society shall not, without his consent in writing having been first obtained, be bound by any amendment of the By-laws registered after he became a member, if and so far as that amendment –

- (a) requires him to take or to subscribe for more shares than the number held by him at the date of registration of the amendment, or to pay upon the shares so held any sum exceeding the amount unpaid upon him at that date;
- (b) increases (in any other way) his liability to contribute to the share capital, subscription capital or loan capital of the Society;
- (c) will cause or require any shares of that member (being an institutional member) to be converted into permanent shares.

5.7 Minutes of general meeting

5.7.1 (a) Minutes of the general meeting shall be endorsed by the Board within 60 days after the date on which that general meeting is held; and

- (b) after the minutes of any general meeting of the Society have been considered and confirmed at an annual general meeting of the Society, the Board shall cause those minutes to be entered in the minute book within 30 days after the date on which the annual general meeting is held.

5.7.2 Minutes of the general meeting shall contain:

- (a) the number of members (and/or delegates) present at the meeting;

- (b) the name of the chairman who presided;
- (c) the time the meeting commenced and ended; and
- (d) all resolutions and decisions made at the meeting.

5.7.3 The minutes of each meeting shall be read or shall be taken as read previously circulated at the next meeting and, if confirmed or after amendment, signed by the chairman of that meeting and the chief executive officer, and when so signed shall be evidence of anything contained therein.

5.8 Virtual Meetings

5.8.1 The Society may hold a general meeting –

- (a) at a physical place;
- (b) at a physical place and using virtual meeting technology; or
- (c) using virtual meeting technology only.

Where the Society holds a general meeting under paragraph (b) or (c), the general meeting may be held without any number of those participating in the general meeting being together at the same place.

5.8.2 The Board may determine the format under By-law 5.8.1 and the virtual meeting technology used for the general meeting, subject to any restrictions duly laid down in a general meeting or in these By-laws.

5.8.3 Where a general meeting is held (whether wholly or partly) using virtual meeting technology;

- (a) a reference in these By-laws to any person present at, or attending, the general meeting includes a person who attends the general meeting using virtual meeting technology;
- (b) a reference in these By-laws to the vote of, or voting by, a person at the general meeting includes a vote or voting by electronic means or any other means permitted by these By-laws;
- (c) a reference in these By-laws to the right of a person to vote at a general meeting includes the right of a person present by virtual meeting technology to vote by electronic means or any other means permitted by these By-laws; and
- (d) a reference in these By-laws to members present at a general meeting being at liberty to discuss any matter includes the discussion by members present by virtual meeting technology of the matter by any means of synchronous communication that the Board may determine.

6. CONSTITUTION OF THE BOARD OF DIRECTORS

6.1 Board of Directors

- 6.1.1 (a) The control of the affairs of the Society shall be entrusted to a Board of Directors consisting of not less than 5 and not more than 15 individuals (each of whom need not be a member of the Society).
- (b) The Board shall comprise at least a majority of individuals who are independent of the Society in the manner prescribed in the Rules.
- (c) The nomination of candidates to the Board must be made on the nomination form prescribed by the Society, which shall be available to candidates at the Society's office or on its website. The completed nomination form must be signed by the candidate, his proposer and seconder. The proposer and seconder must be members of the Society. The completed form must be submitted to the Society on or before the deadline stipulated by the Society.
- 6.1.2 (a) All members of the Board shall be elected at the Annual General Meeting of the Society for a term of 3 years expiring at the third Annual General Meeting thereafter. The chairman, deputy chairman I, deputy chairman II, deputy chairman III, and other officers shall be elected by the members of the Board from among themselves within seven days from the date of the general meeting.
- (b) The chairman, deputy chairman I, deputy chairman II and deputy chairman III may not stand for re-election for consecutive terms for the same position. Any person who ceases to be chairman, deputy chairman I, deputy chairman II or deputy chairman III shall only be eligible for election to the same position after an interval of not less than two (2) years. For the avoidance of doubt, deputy chairman I, deputy chairman II, and deputy chairman III are not to be regarded as the same position.
- 6.1.3 Retiring board members shall be eligible for re-election unless otherwise restricted in the Act, Rules or By-Laws.
- 6.1.4 A motion for the election of 2 or more individuals as members of the Board of Directors by a single resolution at a general meeting shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
- 6.1.5 A resolution passed in pursuance of a motion made in contravention of By-law 6.1.4 shall be void, whether or not its being so moved was objected to at the time.
- 6.1.6 Where a resolution pursuant to a motion made in contravention of By-law 6.1.4 is passed, no provision for the automatic re-election of retiring members of the Board of Directors in default of another election shall apply.
- 6.1.7 For the purposes of this section, a motion for approving an individual's election, or for nominating an individual for election, must be treated as a motion for the individual's election.

6.1.8 If, during the term of office of the Board of Directors, a vacancy occurs in the Board, the Board may, and if the number of the members falls below 5 shall co-opt an individual (who need not be a member of the Society) to serve on the Board of Directors until the next general meeting of the Society.

6.1.9 The Board may appoint, at any time and whether or not there is any vacancy in the Board, up to 2 individuals (each of whom need not be a member of the Society) to serve in the Board until the next general meeting of the Society. The appointment must be approved by a majority of all of the existing members of the Board.

6.2 Eligibility for membership of the Board of Directors, or to be key employee

6.2.1 An individual is not eligible for membership of the Board of Directors of the Society, to be a key employee or to remain a member of the Board or a key employee –

(a) if he is below 18 years of age;

(b) if he is not –

(I) a citizen of Singapore; or

(II) subject to Section 60(2) of the Act, resident in Singapore, except with the approval of the Registrar;

(c) if he is an undischarged bankrupt (whether he was adjudicated bankrupt by a Singapore court or a foreign court having jurisdiction in bankruptcy);

(d) except with the Registrar's written approval, if he has been convicted, whether in Singapore or elsewhere, of any offence (not being an offence under the Act) involving fraud or dishonesty;

(e) if he has been convicted of an offence under the Act;

(f) if he has been dismissed as an employee of a co-operative society;

(g) except with the Registrar's written approval, if he has previously been removed by the Registrar from the Board of Directors of any society, or suspended by the Registrar under Section 94(1) or 94A(1) of the Act; or

(h) he becomes ineligible under any of the By-laws.

6.2.2 The Board shall suspend a member of the Board or a key employee from being a member of the Board or a key employee, respectively, if any proceedings are instituted against the member of the Board or the key employee in respect of any offence involving fraud or dishonesty.

6.2.3 Except with the Registrar's written approval, an individual is not eligible to be re-elected or co-opted as a member of the Board, if the individual fails to complete such training, or comply with such other requirements, as may be specified in the Rules within such time as may be specified in the Rules.

- 6.2.4 A member of the Board shall cease to hold office if –
- (a) he becomes ineligible for membership of the Board in accordance with By-law 6.2.1;
 - (b) he passes away;
 - (c) he becomes legally or mentally unsound;
 - (d) he gives notice of resignation to the Board;
 - (e) he is removed by a general meeting; or
 - (f) he fails to be present at three consecutive meetings of the Board without satisfactory reasons acceptable to the Board.
- 6.3 A member of the Board, who resigns under By-law 6.2.4(d) shall not be eligible for election to the Board until after an interval of not less than one year.
- 6.4 A member of the Board who ceases to be a member under By-law 6.2.4(e) or (f) shall not be eligible for election until after an interval of not less than two years.

6.5 Functions of the Board of Directors

- 6.5.1 The Board shall have the power to appoint committees or sub-committees from among themselves or the employee or the members of the Society to be in charge of the daily efficient functioning of the Society or for any other purposes which it may deem fit.
- 6.5.2 The Board of Directors shall represent the Society before all competent public authorities and in all dealings and transactions with third persons, with power to institute or defend suits brought in the name of or against the Society and, in general, direct and supervise the business and the property of the Society, and shall exercise all the necessary powers to ensure the full and proper administration and management of the affairs of the Society, except those powers reserved for the general meeting of members and subject to any restrictions duly laid down in a general meeting or the By-laws.
- 6.5.3 Without limiting the generality of By-law 6.5.2, the duties and the powers of the Board of Directors are:
- (a) to consider and approve or reject applications for membership of the Society;
 - (b) to consider and approve or reject applications for additional shares in the Society;
 - (c) to call for and regularly examine reports from committees or sub-committees or officers or employees which will disclose the true position of the Society, its operations and financial conditions;
 - (d) to appoint committees or sub-committees;

- (e) to keep members informed of the progress of the Society and encourage interest and a sense of ownership on the part of the members;
 - (f) to present to the Annual General Meeting of the Society, an annual report on the activities of the Society during the preceding financial year, together with the audited financial statements of the Society and the auditor's report for that year, and such other documents as the Registrar may direct;
 - (g) to prepare and present to the Annual General Meeting of the Society a proposal for the distribution of any net surplus accrued during the preceding financial year, in accordance with the Act and the By-Laws;
 - (h) to make a report to the Annual General Meeting of the work of the Board of Directors during the preceding financial year with such recommendations as it considers necessary to maintain or improve the services provided by the Society to the Members;
 - (i) to consider and take immediate action on matters reported by the Registrar, the Audit and Risk Committee or the auditor;
 - (j) to consider and approve or reject application for loans subject to the provisions laid down in Section 67 of the Act and these By-Laws;
 - (k) to exercise any or all of the powers conferred in these By-Laws;
 - (l) to sanction additional expenditure up to a maximum, as may be prescribed by members at a general meeting, in excess of the approved budget for any one year;
 - (m) to define the duties of employees of the Society and fix their remuneration if any;
 - (n) to appoint delegates or representatives to represent the Society in the Singapore National Cooperative Federation or other such organization in which the Society may have interest;
 - (o) to elect or nominate representatives to attend conferences, seminars, training course and meeting related to Cooperative movement;
 - (p) to expel any member in accordance with By-law 4.9.1; and
 - (q) to carry on the business of the Society generally and to frames rules for the conduct of such business as may be necessary.
- 6.5.4 A full and correct record shall be kept of all proceedings of the Board of Directors in carrying out their duties, and the records shall be available for inspection by the Registrar and by the auditor.
- 6.5.5 Where the Board of Directors appoints an individual as a full-time chief executive officer of the Society –

- (a) all the duties of the secretary and treasurer shall be delegated to the chief executive officer; and
- (b) where all duties of the secretary and treasurer are so delegated, the Society shall operate without electing a secretary or a treasurer, or both.

6.6 Appointment of Officers of the Society

6.6.1 Appointment of chief executive officer and chief financial officer of the Society: For the purpose of Section 59B(1) of the Act, the Society must –

- (a) appoint a chief executive officer (whether called a general manager or otherwise); and
- (b) appoint a chief financial officer, or engage, for the purposes of discharging the function of a chief financial officer, a person who is chosen by the Society and approved by the Registrar in writing.

6.7 Disqualifications for chief executive officer, chief financial officer and chief investment officer, etc.

6.7.1 The same individual may hold any 2, but not all 3, of the following offices in the Society:

- (a) chief executive officer;
- (b) chief financial officer;
- (c) chief investment officer.

6.7.2 The chief executive officer, chief financial officer, or chief investment officer of the Society must not be the chairman of the board of directors of the Society.

6.8 Mandatory induction course for appointed officers

6.8.1 Every chief executive officer or chief financial officer of the Society, must within one year starting on the date of his or her appointment to that office, complete the mandatory induction course applicable to that office.

6.8.2 A chief executive officer or chief financial officer who contravenes By-law 6.8.1 is not eligible to remain in that office after the end of the one-year period mentioned in that subsection.

6.9 Duties and Responsibilities of the Officers of the Society

6.9.1 Chairman

The duties and responsibilities of the Chairman shall include the following:

- (a) to provide leadership to the Board as to how its functions and responsibilities should be carried out;

- (b) to preside at all general meetings of the Society and all meetings of the Board of Directors;
- (c) to exercise general supervision over the officers and employees of the Society;
- (d) to represent the Society for any purposes the Board of Directors may decide;
- (e) to certify or sign appropriate documents, returns and statements required under the Act, the Rules, the By-Laws or any direction of the Board of Directors; and
- (f) to perform such other duties specified in these By-Laws or entrusted him by the Board of Directors.

6.9.2 In the absence of the chairman, his duties shall be carried out by the deputy chairman I or the deputy chairman II or the deputy chairman III or in the absence of both chairman and the deputy chairmen, by any other person elected by the majority of those present at that meeting.

6.9.3 Chief Executive Officer

The duties and responsibilities of the Chief Executive Officer shall include the following:

- (a) directing the Society in keeping with the vision outlined for the Society by the Board of Directors;
- (b) partnering with other staff to grow the Society, strengthen it and ensure its sustainability;
- (c) representing the Society as required, including attendance of important functions, industry events and public meetings;
- (d) working closely with the CFO (Chief Financial Officer) to prepare annual budgets, complete risk analysis on potential investments, and advise the Board of Directors with regard to investment risk and return;
- (e) working closely with Human Resources (HR) regarding hiring practices, payroll and benefit disbursement;
- (f) overseeing quality control throughout the Society, establishing goals for each department in partnership with the supervisors;
- (g) attending all meetings of the Society and of the Board of Directors and to carry out all the instructions of the Board;
- (h) maintaining, correctly and up-to-date, all records, papers and registers of the Society;

- (i) managing the business and property of the Society;
- (j) recording or causing to be recorded the whole of the transactions of the Society in the book prescribed for the purpose;
- (k) signing on behalf of the Board of Directors and conduct its correspondence;
- (l) be solely responsible for the processing and approval of General Savings withdrawal, Personal Surety Loans amounting to not more than \$15,000. Such approval shall adhere to the guidelines governing Loans;
- (m) summoning and attending the general meeting and meeting of the Board of Directors and to record the proceedings of such meeting in the minutes book;
- (n) submitting all minutes of meeting and such information, returns and statements required under the Act or called for by the Registrar within the prescribed period;
- (o) taking charge of all transactions of the Society including all moneys received by the Society from a bank, members or others and to make disbursements in accordance with the directions of the Board of Directors;
- (p) preparing or causing to be prepared all receipts, vouchers, financial statements and documents required by the By-Laws or called for by the Board of Directors;
- (q) be responsible for the proper and the punctual keeping of all accounts and the books of accounts of the Society; and
- (r) conducting the ordinary business of the Society and perform all the duties entrusted to him by the Board of Directors or specified in these By-laws; and
- (s) to perform all or any of the duties of the secretary or treasurer as may be entrusted to him by the Board.

6.9.4 The duties of the secretary shall include the following –

- (a) to maintain, correctly and up-to-date, all the records, papers and registers of the Society;
- (b) to keep an inventory of the property belonging to the Society;
- (c) to sign on behalf of the Board and conduct its correspondence;
- (d) to summon and attend the general meetings and meetings of the Board and to record the proceedings of such meetings in a minutes book;
- (e) to submit all minutes of meetings and such information, returns and statements required under the Act or called for by the Registrar within the prescribed period; and

- (f) to conduct the ordinary business of the Society and perform all the duties entrusted to him by the Board or specified in these by-laws.

6.9.5 The duties of the treasurer shall include the following –

- (a) to take charge of all financial transactions of the Society including all moneys received by the Society from a bank, members or others and to make disbursements in accordance with the directions of the Board;
- (b) to prepare or cause to be prepared all receipts, vouchers, financial statements and documents required by the By-laws or called for by the Board;
- (c) to be responsible for the proper and punctual keeping of all the accounts and books of accounts of the Society; and
- (d) to perform all the duties entrusted to him by the Board or specified in these By-laws.

6.10 The offices of chairman and chief executive officer shall not be held by one and the same person.

6.11 Meetings of the Board of Directors

6.11.1 The Board of Directors shall meet as often as the business of the Society may require and any case not less frequently than once in every 3 months.

6.11.2 Notice of every meeting of the Board shall be sent to each member of the Board at least 7 clear days prior to the date of the meeting.

6.11.3 The quorum for a meeting for the Board of Directors shall be half the number of its members.

6.11.4 Decisions shall be taken on a simple majority of votes and the chairman shall have no casting vote.

6.11.5 No member of the Board of Directors shall vote on any matter in which he is individually interested.

6.11.6 Minutes of every meeting of the Board of Directors shall be recorded by the chief executive officer in the minute book within 60 days after the date on which the meeting is held and shall include:

- (a) the number and names of those present;
- (b) the names of the chairman of the meeting; and
- (c) a brief record of business done and decisions taken including whether decision taken unanimously or by majority.

6.12 Liability of the Members of the Board of Directors.

6.12.1 In the conduct of the affairs of the Society, a member of the Board of Directors shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office.

6.12.2 Where the Board of Directors has appointed a person as a chief executive officer or a manager or a committee or sub-committee to administer and manage the affairs of the Society, such appointment shall not absolve the Board of Directors from its responsibility for the proper directions of the affairs of the Society.

6.13 Disclosure of interests in transactions, property, offices, etc.

6.13.1 Subject to this section, every member of the Board who is any way, whether directly or indirectly, interested in a transaction or proposed transaction with the Society shall as soon as practicable after the relevant facts have come to his knowledge declare the nature of his interest at a meeting of the Board of Directors of the Society.

6.13.2 Every member of the Board who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as a member of the Board shall declare at a meeting of the Board the facts and nature, character and extent of the conflict.

6.13.3 The declaration referred to in By-law 6.13.2 shall be made at the first meeting of the Board held:

(a) after he becomes a member of the Board; or

(b) If he is already a member of the Board, then after he commenced to hold office or possess the property referred to in that subsection,

as the case requires.

6.13.4 The chief executive officer shall record every declaration under this section in the minutes of the meeting at which it was made.

6.14 Restrictions relating to honoraria, etc., of members of the Board of Directors and employees

6.14.1 A member of the Board, who is not an employee of the Society, may receive honorarium or allowance (but not both) and other benefits from the Society if, and only if, the payment of such honorarium or allowance and the provision of any such benefits have been authorized by a resolution to that effect passed by a general meeting of the Society.

6.14.2 An employee of the Society shall not decide his own remuneration.

7. AUDIT OF THE SOCIETY

7.1 Duties of auditor

7.1.1 Subject to Section 33(1) and (2) of the Act, the books and accounts of the Society shall be audited by an external auditor at least once a year. The auditor shall inspect and audit the accounts and other relevant records of the Society and shall forthwith draw the attention of the Registrar and the Society to any irregularity disclosed by the inspection and audit that is, in his opinion, of sufficient importance to justify his so doing.

7.1.2 The external auditor shall report –

- (a) whether the financial statements give a true and fair view of the financial transactions and the state of affairs of the Society; and
- (b) particulars of non-compliance with any accounting standard or requirement referred to in Section 34(5) of the Act, the reasons and effects of the non-compliance, and such other information and explanation as will give a true and fair view of the financial transactions and the state of affairs of the Society; and
- (c) such other matters arising from the audit as he considers should be reported.

7.1.3 The external auditor shall state in his report whether –

- (a) proper accounting and other records have been kept; and
- (b) the receipt, expenditure and investment of moneys and the acquisition and disposal of assets by the Society during the year have been in accordance with the Act, the Rules, and these By-laws.

7.1.4 The external auditor may at any other time report to the Registrar and the Society upon any matters arising out of the performance of the audit.

7.1.5 The external auditor has the right to appear and be heard at any meeting of the Audit and Risk Committee and shall appear before the Audit and Risk Committee when required to do so by the Audit and Risk Committee.

7.1.6 The audit of the accounts of the Society shall include an examination of and report on overdue debts, if any, and an examination of and report on the valuation of the assets and liabilities of the Society.

7.1.7 An external auditor shall have the powers prescribed under the Act. The appointment of the external auditor shall not exceed 5 consecutive years.

7.2 The Audit and Risk Committee of the Society

7.2.1 The Society shall have an audit committee known as the Audit and Risk Committee.

- 7.2.2 An Audit and Risk Committee shall be appointed by the Board and shall be composed of at least 3 individuals (who may but need not be members of the Board), each of whom shall be independent of the Society in the manner prescribed in the Rules. At least one member of the Audit and Risk Committee must possess such qualifications, training or experience as may be prescribed in the Rules.
- 7.2.3 If a member of the Audit and Risk Committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below three, the Board shall within three months of the event, appoint such number of new members as may be required to make up the minimum number of 3 members.
- 7.2.4 The functions of the Audit and Risk Committee shall be:
- (a) to review:
 - (I) with the external auditor, the audit plan;
 - (II) with the external auditor, his audit report;
 - (III) the assistance given by the officers of the Society to the external auditor;
 - (IV) the scope and results of the audit procedures; and
 - (V) the financial statements of the Society and, if the Society becomes a parent society, the consolidated financial statements to the Audit and Risk Committee by the Society or the parent society, and thereafter to submit them to the members of the Board of Directors of the Society or the parent society;
 - (b) to nominate a person or persons as external auditor; and
 - (c) any such other functions as may be agreed to by the Audit and Risk Committee and the Board of Directors of the Society.
- 7.2.5 Upon the request of the external auditor, the chairman of the Audit and Risk Committee shall convene a meeting of the Audit and Risk Committee to consider any matter the auditor believes should be brought to the attention of the members of the Board, or the members of the Society.
- 7.2.6 The Audit and Risk Committee may regulate its own procedure and in particular, the calling of meetings, the notice to be given of such meetings, the voting and proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.

7.3 Internal Auditors

- 7.3.1 Subject to By-law 7.3.4, two or more internal auditors shall be elected yearly by members at the Annual General Meeting of the Society.
- 7.3.2 The functions of internal auditors shall include but not be limited to –

- (a) Review the adequacy and effectiveness of the society's internal controls;
- (b) Review the Society's compliance with its By-laws and relevant regulatory requirements;
- (c) Review the society's compliance with its approved policies and processes;
- (d) Report to the Audit and Risk Committee the findings arising from the reviews; and
- (e) Provide recommendations to the Audit and Risk Committee on the possible corrective and preventive actions to address any findings from its reviews.

7.3.3 An internal auditor may be paid an allowance by the Society for the performance of his duties.

7.3.4 The Board may recommend to the general meeting the appointment of any organisation or firm as internal auditor. If approved by the general meeting, the election of internal auditor under By-law 7.3.1 shall be dispensed with.

8. PROPERTY AND FUNDS OF THE SOCIETY

8.1 Capital

8.1.1 The funds of the Society shall consist of:

- (a) entrance fees which shall not be refundable except in cases where an application for membership has been rejected;
- (b) ordinary shares subscribed and paid up by members;
- (ba) permanent shares subscribed and paid up by institutional members
- (c) as a credit society –
 - (i) subscription capital; and
 - (ii) other deposits from members which shall be withdrawable subject to conditions laid down in the by-laws;
- (d) deposits or loans from non-members subject to such restrictions as are laid down in the Act and in the by-laws;
- (e) Common Good Fund; and
- (f) General Reserve Fund.

8.1.2 The issue of bonds or debentures by the Society shall be subject to the approval of the Registrar.

8.1.3 The use of the Society's funds shall be in line with the objects of the Society.

8.2 Ordinary Shares

8.2.1 The Society shall issue ordinary shares.

8.2.2 Every member on application of the membership purchases such number of shares as may be prescribed for his membership category under these By-laws. The members may, at any time, purchase more shares subject to By-law 4.2.6.

8.2.3 The member may withdraw or transfer the ordinary shares which the member is required to hold under By-law 8.2.2 only when the member ceases to be a member of the Society.

8.2.4 Where a member of the Society holds ordinary shares of the Society in excess of the minimum number the member is required to hold under By-law 8.2.2, the member may withdraw or transfer the excess shares in accordance with the Act and the by-laws of the Society.

8.3 Permanent Shares

8.3.1 The Society shall issue permanent shares only to an institutional member, subject to Section 66B of the Act.

8.3.2 An institutional member of the Society must obtain the written approval of the Registrar to be entitled to subscribe, in accordance with the By-laws of the Society for permanent shares issued by the Society, if the institutional member is a credit society.

8.3.3 A permanent share issued by the Society to an institutional member of the Society –

- (a) cannot be withdrawn by that institutional member; and cannot be converted to an ordinary share; but
- (b) may, with the approval of the Board of Directors of the Society and in accordance with the Act and the by-laws of the Society, be transferred by that institutional member to another institutional member of the Society.

8.3.4 The Society –

- (a) may, with the written approval of the Registrar, buy back a permanent share issued by the Society under this section; but
- (b) cannot be required to buy back that share.

8.3.5 The Society, on buying back a permanent share issued by it under this section may –

- (a) hold that share;

- (b) with the approval of the Board of Directors of the Society and in accordance with the Act and the by-laws of the Society, transfer that share to an institutional member of the Society; or
- (c) cancel that share.

8.4 Subscription Capital

8.4.1 Every Ordinary Member and Associate Member shall subscribe a minimum amount of \$10.00 (Dollars Ten) per month to the Subscription Capital. The maximum amount shall be solely determined by the Board from time to time.

8.4.2 A member's subscription shall not be withdrawable, except on cessation of membership or in accordance with By-law 4.6.4(c), provided that a member may, with approval of the Board make up to three withdrawals during his term of the memberships, each circumstance which fulfils all the following conditions:

- (a) his membership is of at least 5 years standing;
- (b) his subscription balance is not less than \$4,000.00 (Dollars Four Thousand);
- (c) he shall apply the sum withdrawn for the purchase of a house/flat/land for his use, or for the Haj Pilgrimage and Education expenses for himself, his spouse or his children or otherwise to alleviate financial hardship;
- (d) he is not liable to the Society as borrower or surety; and
- (e) he has given 1 month's notice in writing

8.4.3 A member may, by giving notice to the Board of Directors, transfer any amount of his subscription not exceeding \$500.00 (Dollars Five Hundred) as fully paid shares valued at par.

8.4.4 The Society shall introduce various saving schemes as the Board may determine from time to time. The Board shall frame the Administrative Policy and Rules governing such saving schemes as it may deem fit.

8.5 Restrictions on Borrowing and Loans to Members

8.5.1 The Society shall have power to take loans from non-members, provided that the Society shall determine from time to time at a general meeting the maximum liability which it may incur in loans from non-members. The Society shall obtain approval from the Registrar on the maximum liability which it may incur in loans from non-members.

8.5.2 The Society shall have power to take loans or deposits from members and their immediate family members provided that the Society shall determine from time to time at a general meeting the maximum liability which it may incur in loans or deposits from members and their immediate family members.

- 8.5.3 The Registrar may, at any time, reduce either or both of the maximum liabilities determined under By-laws 8.5.1 and 8.5.2 or impose such conditions (either or both of the maximum liabilities as the Registrar thinks necessary).
- 8.5.4 The immediate family members referred to in these By-laws are as prescribed in the Rules.
- 8.5.5 The Society shall not a grant a loan to any person except:
- (a) a member of the Society or his immediate family member;
 - (b) an employee of the Society; or
 - (c) another society that is not a member of the credit society, with written approval of the Registrar.

8.6 Investment of funds

- 8.6.1 The Society may invest or deposit its funds in accordance with any restrictions on investment contained in written directions issued by the Registrar.

8.7 Contribution to Central Cooperative Fund

- 8.7.1 The Society shall contribute –
- (a) 5% (or such other rate as may be prescribed in the Rules) of the first \$500,000 of the surplus resulting from the operations of the Society during the preceding financial year to the Central Cooperative Fund; and
 - (b) 20% (or such other rate as may be prescribed in the Rules) of any surplus in excess of \$500,000 from the operations of the Society during the preceding financial year to the Central Cooperative Fund or the Singapore Labour Foundation as the Society may opt.

8.8 Distribution of net surplus

- 8.8.1 The financial year of the Society shall begin on the 1st January and end on the 31st December.
- 8.8.2 The remainder of the surplus of the Society after the contributions referred to in By-law 8.7.1 may be distributed in one or more of the following ways at the discretion of the general meeting;
- (a) subject to Section 72(2) of the Act, by payment of a dividend not exceeding 10% pro rata on the amount of shares, subscription and bonus shares held by members as at the end of the financial year for which the net surplus is distributed;
 - (b) by payment of a rebate or patronage refund to members in proportion to the volume of business done by them with the Society from which the surplus of the Society is derived;

- (c) by payment of honoraria to some or all of the members of the Board in consideration of their services which would not otherwise be remunerated subject to Section 65((1) of the Act and By-law 6.14.1 of the by-laws;
- (d) by contribution to the Common Good Fund;
- (e) by contribution to an Education Fund;
- (f) by contribution to a charitable organisation;
- (g) by contribution to the Staff Welfare and Incentive Compensation Plan Fund;
- (h) by contribution to the Donation Fund;
- (i) by contribution to the Building Repair Fund; and
- (j) in any other manner as approved by the general meeting in accordance with the provisions of the Act and the By-Laws.

8.8.3 A member whose name appeared in the books of the Society on the last day of the financial year shall be eligible to draw dividend on shares and bonus shares when declared subject to any restrictions imposed in these By-Laws. The dividend payable shall be paid on pro-rata basis dividend when declared and shall be credited to the General Savings Account of the member unless the member makes a claim to the Society.

8.8.4 A member holding bonus certificates shall only be entitled to claim payment out of the funds of the Society after 5 years from the date when the bonus certificate was issued. No interest or dividend shall be paid to such bonus certificates.

8.8.5 A member holding bonus shares shall only be entitled to claim payment out of the funds of the Society after 10 years from the date when the bonus shares were issued. A member or a past member shall be eligible to draw dividend on the bonus shares when declared.

8.8.6 The minimum number of shares prescribed in By-laws 4.1.2(a) – 4.1.2(d) shall not be withdrawable except on cessation of membership in accordance with By-law 4.6.1. Shares in excess of the prescribed minimum may be withdrawable and transferable, subject to the provision of the Act and any limitations laid down in the By-Laws. The value of the shares withdrawn shall not exceed the nominal value of the shares or the book value as shown in the last audited statement of financial position, whichever is the less.

8.8.7 The Board shall open or cause to open in the name of the Society such accounts with any bank registered under the Banking Act to which all money received shall be deposited.

8.8.8 All cheques drawn on such accounts shall have a validity period not exceeding 180 days. All cheques, each of more than \$15,000, shall be signed by 3 out of 4 members of the Board authorized by the Board of Directors of the Society.

- 8.8.9 All cheques drawn for Secured Loans, Unsecured Loans and General Savings withdrawals, amounting not more than \$15,000 shall be signed by the Manager and his assistant. In the absence of the Manager and his assistant, the cheques shall be signed by any two of the members of the Board as assigned by the Board of Directors of the Society. All payments shall be correctly made and properly authorized in accordance with the direction of the Board.
- 8.8.10 All payments drawn on such account may also be paid directly to the members' bank accounts by the inter-bank GIRO and such payments shall be deemed to be made with the members' consent.
- 8.8.11 Receipts shall be issued for all moneys paid to the Society. The chief executive officer or any other officer authorized by the Board may sign receipts for a sum up to \$300. Receipts for sums in excess of \$300 are to be signed by the chief executive officer and any other officer authorized by the Board.
- 8.8.12 The Society shall as soon as practicable but not later than 6 months after the close of the financial year submit to the Registrar one copy of the audited financial statements of the Society and the audit report for the year.
- 8.8.13 The Board shall from time to time, authorize the maximum amount of cash which may be retained by any officer at any one time.

9. BOOKS AND DOCUMENTS OF THE SOCIETY

- 9.1 The following books and documents shall be kept
- (a) Register of members and their nominees;
 - (b) Register of shares, bonus certificates, and bonus share;
 - (c) Register of subscription capital;
 - (d) Cash Book;
 - (e) Journals and Ledgers;
 - (f) Inventory of Society's assets;
 - (g) Loan and Deposit Register;
 - (h) Minutes Books;
 - (i) Copy of the Act, the Rules and the By-Laws;
 - (j) Administrative Policies, Written Directions and Rules governing the different funds of the Society; and
 - (k) Any other books and documents that may be found necessary or prescribed by the Registrar.

- 9.2 The Society shall keep a copy of the Act, the By-Laws, the Rules and a list of members of the Society open to inspection by the members free of charge, at all reasonable times at the registered address of the Society.

10. PATRON, PRESIDENT AND VICE-PRESIDENT

- 10.1 The Board may invite a distinguished person in the government to be a patron of the Society. The Patron shall have the right to attend all meetings of the Society, the Board and any committee or sub-committee, but shall have no voting power. He shall have no financial responsibility or liability in the respect of the debts of the Society.
- 10.2 The Board may invite one or more reputable citizen preferably from Education Service to fill the positions of President and vice-president of the Society. They shall be honorary members of the Society and shall advise the Board on its administration. They shall have the right to attend all meetings of the Society, the Board, and any committee or sub-committee but shall have no voting power. They shall have no financial responsibility or liability in respect of the debts of the Society. The President may preside at all meeting of the Society when present. In his absence, the vice-president shall preside when present.

11. GENERAL MATTERS

- 11.1 Disputes concerning requirements of the Act relating to the constitution, election of officers or conduct of the general meeting may be referred to the Registrar in the manner provided in the Act.
- 11.2 These By-Laws are supplementary to the provisions of the Act and the Rules. The Society shall be governed by the Act, the Rules, Written Directions, and the By-Laws read together. Nothing in these By-Laws shall have any power to limit the authority of the Registrar.
- 11.3 The By-Laws of the Society, shall, when registered, bind the Society and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and for his personal representative to observe all the provisions of the By-Laws.
- 11.4 No act of the Society or the Board or any officer shall be deemed to be invalid by reason only of the existence of any defect in the constitution of the Society or of the Board or of any committee or sub-committee in the appointment or election of an officer or on the ground that such officer was disqualified for his appointment.