

# Fijian Teachers Association Co-operative Thrift Limited

By Laws

FTACTL

2017



REGISTERED BY - LAWS

REGISTRAR OF CO-OPERATIVES

Date Registered 04 JAN 2013

# FIJIAN TEACHERS ASSOCIATION COOPERATIVE THRIFT LIMITED

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# Fijian Teachers Association Cooperative Thrift Limited

## By Laws

### 1.0 Name:

The name of the Association shall be;

Fijian Teachers Association Co-operative Thrift Limited

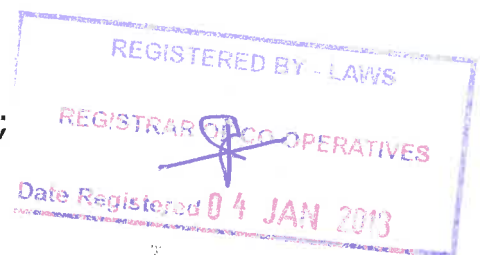
### 2.0 Address:

The registered office of the Co-operative shall be;

68 Knolly street Suva. P.O Box 14464 Suva.

**Email address: enquiries@ftactl.com.fj**

**Phone: 3318156 Fax: 3318157 mobile 7084301 / 9921106**



### 3.0 Objects: The objects of the Co-operative shall be:

- (a) To promote thrift among its members;
- (b) To receive the savings of its members either as payment on shares or deposit;
- (c) To encourage Thrift and Savings amongst members providing them an opportunity for accumulating their savings and deposits and creating a source of funds from which loans can be available for provident or productive purposes;
- (d) To promote the economic and social interests of its members by providing efficient and effective services to meeting needs of members;
- (e) To raise funds by means of borrowing from banks or other lending institutions to meet capital development projects subject to the restrictions provided for under By Law 12.1;
- (f) To venture into any commercial activity;
- (g) To do all other things that are incidental to or necessary for the attainment of the above objects.

#### 4.0 Area of operations:

The area of operations shall be;

The Republic of Fiji Islands

#### 5.0 Membership

5.1 The membership shall consist of:

- (a) Persons who are financial members of the Co-operative;
- (b) Persons who have submitted applications that have been approved by registration;
- (c) Persons admitted in accordance with these By Laws;
- (d) Retired members of the Fijian Teachers Association who have opted to continue their membership in the co-operative.

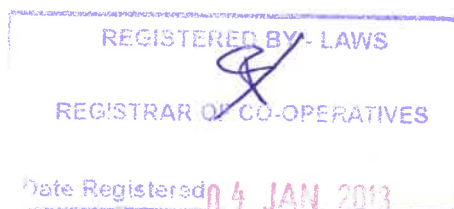
5.2 Every member of the Co-operative must be:

- (a) A member of the Fijian Teachers Association or Retired Fijian Teachers Association Member (RFTA)
- (b) Of the age of 18 years and upwards
- (c) A Citizen or Resident of Fiji
- (d) A good character and sound mind
- (e) Not to be an un discharged bankrupt at the time of admission

5.3 Application for membership shall be made through the Co-operative Office and shall be endorsed by the Cooperative Board who may grant or refuse admission.

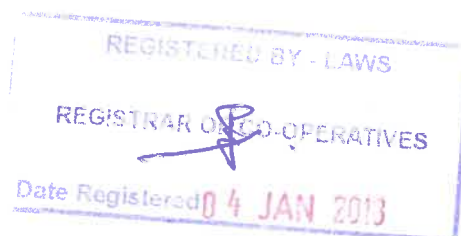
5.4 Be admitted following the procedure provided by the Cooperative; and

5.5 Membership be finalise after the payment of the minimum share capital of \$20.00 (Twenty dollars) or as directed by the Cooperative that is necessary to be paid on admission according to the by-laws.



## **5.6 Rights and Duties of Members**

- (a) participate in the general meetings, in decisions taken at such meetings and in voting;
- (b) use the services and facilities of the co-operative in accordance with its by-laws;
- (c) be elected to the organs of the co-operative namely the Board, the Supervisory Committee and any sub-committees subject to the provisions of the Act and the by-laws of the co-operative;
- (d) be informed by the members of the Board during general meetings or other meetings about the functioning of the co-operative;
- (e) consult, at the registered office, the co-operative's by-laws, rules, registers, minutes of general meetings, annual reports and balance sheets, audit reports and the inventory;
- (f) call for a Special General Meeting according to the provisions of Section 56 of the Act;
- (g) call for an inquiry to be held into the constitution, organisation, working and financial situation of the co-operative, according to the provisions of Section 85 of this Act;
- (h) participate, under the conditions and according to the modalities set out in the by-laws, in the distribution of surplus, if any, at the end of the financial year;
- (i) withdraw from the co-operative in accordance with the provisions laid down in the Act and the by-laws of the co-operative;
- (j) claim refund of his or her share or shares upon termination of membership; and
- (k) any other rights provided for in the by-laws of the co-operative.



## 5.7 Duties of Members



It shall be the duty of every member joining a co-operative to-

- (a) abide by the provisions of the Act, the regulations and the by-laws of the co-operative, and with the decisions taken in due form by the General Meeting and by the Board of the co-operative;
- (b) use the services and facilities of the co-operative for all or part of the transactions that may be carried out through it, if specified in the admission form at the time of his or her joining the co-operative, or in a contract made in accordance with Section 25 of the Cooperative Act;
- (c) pay the fines imposed upon him or her under the by-laws for infringement of the by-laws or of his or her contracts for carrying out transactions with the co-operative;
- (d) subscribe and pay-up shares or make any other payments provided for in the by-laws;
- (e) abstain from any act detrimental to the interests of the co-operative;
- (f) fulfil his or her financial obligations towards the co-operative in the event of bankruptcy under the conditions and within the limits provided for by this Act and in the by-laws.

## 5.8 Withdrawal from Co-operative

- (a) A member may withdraw from the corporative by giving notice which shall not exceed one year. Withdrawal shall be decided and disposed of by the Board, the expelled member may appeal to the next General Meeting whose decision shall be final. Provided that such appeal shall not suspend the effects of the decision.

## 5.9 Expulsion of Member

- (a) The expulsion of a member may be ordered by the Board or by the General Meeting if a member carried out or attempted to carry out an act seriously detrimental to the co-operative or if he or she failed to respect any or all the duties stipulated in Section 5.7 of this By Law.
- (b) The expulsion of a member shall be decided by the board which shall include:

- (i) a period of notice of at least two months;
- (ii) a written notification thereof stating the reasons for the expulsion; and
- (iii) the member's right to defend himself or herself before the Board or the General Meeting prior to the decision.

5.10 Membership shall be terminated by:

- (a) Death
- (b) Permanent insanity
- (c) Expulsion as provided for in By laws 5.9
- (d) Retirement, Migration or dismissal of membership from Fijian Teachers Association. However retired members may continue to be member of the co-operative subject to the approval by the board.

5.11 On the death of a member a co-operative may pay the share or interest of that member to the person nominated in accordance with Section 31 of the Act or if there is no person so nominated, to the person as may appear to the Board to be the heir or personal representative of the deceased member, or pay to such nominee, heir or personal representative, as the case may be, a sum representing the value of the member's share or other interest in the capital of the co-operative as determined in accordance with the regulations or the by-laws of the co-operative.

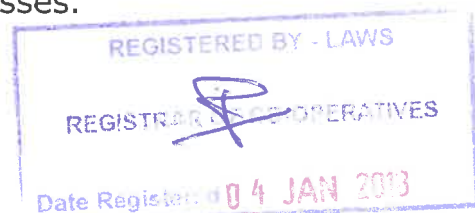
5.12 All transfers and payments made by a co-operative in accordance with the provisions of Section 5.11 shall be valid against any demand made upon the co-operative by any other person.

5.13 Where the member of a co-operative is or becomes of unsound mind the provisions of Section 5.11 shall apply.

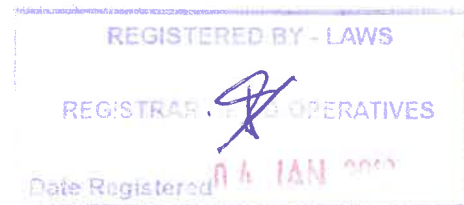
5.14 The co-operative shall furnish to the Commissioner of Estate and Gift Duties, in the prescribed form, a return of all transfers and payments made by it under the provisions of Section 5.11, 5.12, 5.13, without the production of probate or the letter of administration within two months of such transfers and payments having been made.

5.15 **Appointment of Nominee**

- (a) Every appointment of a nominee by any member of the co-operative shall be made in writing signed by the member in the presence of two attesting witnesses.



- (b) No member of the co-operative with the share capital shall be entitled to appoint more than one nominee, unless that member holds more than one share.
- (c) In any case where more than one nominee is appointed by any member, the number of shares to be transferred or the exact proportion of the amount available that is to be transferred to each of these nominees shall be specified at the time of the appointment.
- (d) Every appointment of a nominee shall be recorded in the register of members.
- (d) For the purpose of a transfer to a nominee provided that the nominee qualifies to be a member, the value of any share or interest shall be represented by the sum actually paid for the share or interest by the member holding it.
- (e) Where any money is paid to a nominee who is a minor, a receipt given either by the minor or by his or her guardian shall be sufficient discharge to the registered cooperative.



## General Meeting

- (a) The General Meeting shall represent all the members and shall be the supreme organ of deliberation and decision making of the co-operative and its decisions shall be binding on all members, even on those absent or dissenting.
- (b) There shall be four types of general meetings:
  - (i) the First General Meeting;
  - (ii) the Annual General Meeting;
  - (iii) the Ordinary General Meeting, if any;
  - (iv) the Extraordinary General Meeting convened for special reasons.

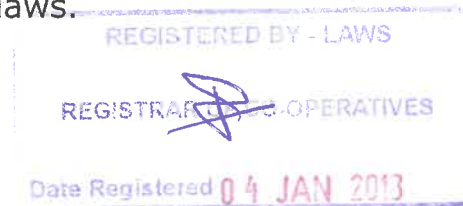
### (c) The First General Meeting

- (i) The First General Meeting shall be held as soon as possible after registration.
- (ii) The functions of the First General Meeting shall be:
  - i. to reconfirm or elect the members of the Board and the officers of the co-operative in relation to the Founders' Meeting;
  - ii. to appoint the auditors for the coming financial year;
  - iii. give directives to the Board and confer upon it and the manage, if any, powers required for the smooth running of the co-operative;
  - iv. determine the maximum amount the co-operative may borrow from banks or public or private credit institutions subject to the



- approval of the Registrar in consultation with the National Co-operative Federation;
- v. determine the maximum amount of investments and deposits and their conditions;
  - vi. in the case of fully registered co-operatives examine and adopt the work programme, the budget and the cash-flow forecast for the next financial year;
  - vii. decide on the volume of business to be carried out by the co-operative with non-members, where appropriate;
  - viii. decide on all other matters that are duly submitted to it or that are provided for in the by-laws.

**(d) The Annual General Meeting**



- (i) The Board shall convene the Annual General Meeting of a co-operative once in every year within six months from the end of the financial year which shall be the 31<sup>st</sup> December in each year.
- (ii) In the absence of an Annual General Meeting convened by the Board, the Supervisory Committee, if any, or the members themselves shall have the power to convene the Annual General Meeting.
- (iii) After approval of minutes of the preceding Annual General Meeting and the examination of reports of the Board, the Supervisory Committee, if any, and the auditor, the Annual General Meeting shall, as appropriate:
  - i. approve the accounts, or if the accounts are not approved, cause the secretary to notify the Registrar who shall consider the matter and make his or her decision hereon, and such decision as to the correctness of the accounts shall be final and conclusive;
  - ii. discharge or refuse to discharge board members of their responsibility for the preceding financial year;
  - iii. amend the by-laws;
  - iv. elect and dismiss members of the Board and members of the Supervisory Committee; determine their functions within the limits of the provisions of the Act, the by-laws and appoint the auditors;
  - v. give directives to the Board and confer upon it and the manager, if any, powers required for the smooth running of the co-operative;

- vi. determine the maximum amount the co-operative may borrow from banks or public or private credit institutions with the approval of the Registrar in consultation with the National Co-operative Federation;
- vii. determine the maximum amount of investments and deposits and their conditions;
- viii. examine and adopt the work programme, the budget and the cash flow forecast for the net financial year;
- ix. decide on the volume of business to be carried out by the co-operative with non-member users, where appropriate;
- x. determine the manner in which the net surplus of the financial year shall be distributed and fix the interest rates to be paid on shares and savings deposits;
- xi. decide on the refusal of admission and the recommendation for expulsion of members as proposed by the Board;
- xii. order an inquiry in accordance with the provisions of Section 85 of the Act; and
- xiii. decide on all other matters that are duly submitted to it or that are provided for in this by-laws.

(e) The deliberations of the Annual General Meeting called upon to examine and approve the annual accounts shall be void if they are not preceded by the presentation of the report of the Supervisory Committee and of the audit report as prescribed in Section 82 of the Co-operative Act.

**(f) Ordinary General Meeting**



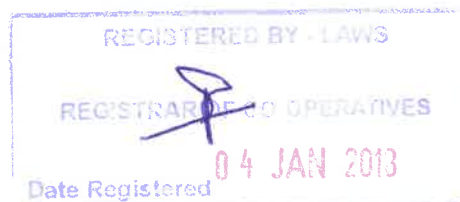
(i) The by-laws of the co-operative may provide for regular Ordinary General Meetings in addition to the mandatory Annual General Meeting

(ii) These meetings may, as appropriate:

- i. review general progress and policies of the co-operative;
- ii. decide on the refusal of admission and the recommendation for expulsion of members as proposed by the Board;
- iii. examine and adapt the work programme, the budget and the cash flow forecast for the current financial year;
- iv. order an inquiry in accordance with the provisions of Section 85 of the Co-operative Act
- v. decide on all other matters that are duly submitted to it or that are provided, for in this by-laws.

**(g) Special General Meeting**

- (i) A Special General Meeting may be convened whenever the **Board** or the Supervisory Committee, if any, deems it necessary for the smooth running of the co-operative, and it shall also be convened when, at least one-fourth or one hundred members whichever is the less, so requested in writing.
- (h) The Special General Meeting may decide on the following matters:
- (i) dissolution of the co-operative;
  - (ii) amalgamation with another co-operative;
  - (iii) division or transfer of the co-operative;
  - (iv) amendment of by-laws
  - (v) conversion of the co-operatives to any other legal form;
  - (vi) election of new Board members in case of vacancies in the Board, if the number of Board members fall below a critical number set in this by-laws;
  - (vii) discussion of any other matter duly submitted by the Board, the Supervisory Committee or members, where the Special General Meeting is convened upon member's request.
- (i) Procedures at all General Meetings
- (i) A General Meeting shall be convened by the Board and it shall be announced at least **twenty-one days** before the date set for the meeting, by public notice at the cooperative's registered office, by personal invitation or by any other methods that guarantee that all members have been duly notified.
  - (ii) The invitation shall state the date, time and place as well as the agenda of the meeting.
  - (iii) The agenda of the General Meeting shall
    - i. be determined by the Board except when convened by the Supervisory Committee or at the request of members;
    - ii. also include all matters submitted to the Board at least seven days before the General Meeting in writing, signed by at least ten members.
  - (iv) Only matters on the agenda may be considered during



General Meetings and the deliberations and voting on approval of a two-thirds majority of those present, when the final agenda is adopted.

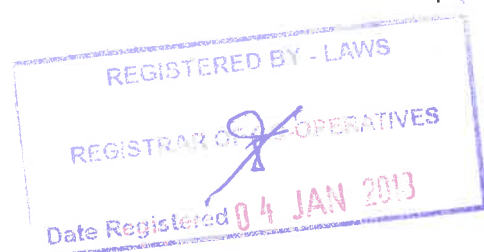
- (v) The Chairperson of the General Meeting shall organise and conduct discussions in accordance with this by-law of the co-operative.
- (vi) The Chairperson, may, upon the decision of the General Meeting, adjourn the session and on resumption, deliberations shall relate only to matters that were left unsettled.
- (vii) Deliberations shall be declared void if an attendance sheet with the full names of members present is not drawn up and countersigned by the Chairperson of the General Meeting
- (viii) The Secretary of the meeting shall keep the minutes of the meeting which shall be signed by the Chairperson of the General Meeting in the minute-book kept at the registered office of the co-operative and they shall be read and adopted at the opening of the next General Meeting.

**(j) Quorum at General Meetings**

- (i) The General Meeting may only take valid decisions when the number of members present is at least equal to one-fourth all members or one hundred members whichever is the less.
- (ii) If the quorum is not reached, a second General Meeting shall be convened at the same place with the same agenda within the next fifteen days and at this meeting valid decisions may be taken irrespective of the number of members present or represented.

**(k) Voting rights at the General Meeting**

- (i) Each individual member of a primary co-operative shall have only one vote in the affairs of the co-operative, irrespective of the number of shares he or she holds and such vote shall be exercised in person and not by proxy.



**(I) Voting procedure at General Meeting**

- (i) Decisions at the General Meeting shall be taken by the majority of votes cast, except for decisions specified in the Co-operative Act for which a higher minimum percentage is prescribed and in case of equality of votes, the Chairperson of the meeting shall have casting vote.
- (ii) Voting shall be by show of hands or in any other form as prescribed in the by-laws:
- (iii) Voting in election for candidates for the Board, the Supervisory Committee, the Chairperson and the Vice-Chairperson shall be by secret ballot.
- (iv) The Chairperson of the Board shall preside at the General Meeting and, in the absence of the Chairperson, the Vice-Chairperson and should both of them be unable to attend, the General Meeting shall elect a Chairperson for the session. The General Meeting shall appoint a Secretary.

**7.0 The Board**

7.1 The Board shall be the administrative and management body of the cooperative and it shall;

- (a) exercise such powers as shall be delegated to it in accordance with the Cooperative Act and by the General Meeting;
- (b) prepare and convene General Meetings, appoint a manager if necessary and may dismiss such a manager

7.2 The Board shall:

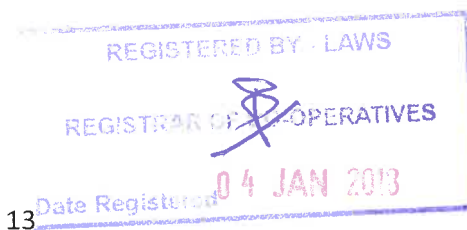
- (a) comply with the provision of the Cooperative Act, as well as with the by-laws of the Cooperative and shall ensure that they are applied;
- (b) convene the General Meeting as requested by the Cooperative Act and this By Laws;
- (c) keep, or cause to be kept, precise and accurate accounts and a correct record of the assets and liabilities of the Cooperative ;
- (d) hear reports on settlement of accounts and the progress reports of office-bearers assigned with special responsibilities in particular the Chairperson, the Manager and the Treasurer;
- (e) present to the Annual General Meeting a management

report as well as duly certified accounts in accordance with the provisions of the Cooperative Act;

- (f) present to the Annual General Meeting a programme of activities and the budget for the next financial year;
- (g) give all necessary assistance to persons appointed to audit the accounts of the Cooperative;
- (h) take all necessary measures to safeguard the funds, assets, stocks and property of the Cooperative;
- (i) ensure that sums borrowed do not exceed the ceiling fixed by the general meeting;
- (j) appoint sub-committees where these could not have been foreseen at the Annual General Meeting;
- (k) implement all decisions taken by the General Meeting;
- (l) keep members periodically informed of the affairs of the Cooperative ;
- (m) develop Cooperative Policy that further unpack details about procedures, process, loan criteria, investments, accounts of the Corporative.
- (n) comply with the laws in force in Fiji.

### **7.3 Composition of Board and term of office**

- (a) The Board shall consist of nine (9) members elected by the General Meeting from among the members and number of Board members shall be three or multiples of three.
- (b) Term of office of Board members shall be three years. At the end of each term, one-third of the Board members shall step down from office on a "first in first out basis". A Board member shall be eligible for re-election for a maximum of two terms after which a Board member has to vacate office for at least one term.
- (c) Any vacancy of the Board as a result of death, resignation, expulsion or withdrawal or for any other reason shall be filled at the next Annual General Meeting.



#### **7.4 Eligibility for membership of Board**

No person shall be eligible for membership in the Board of the Co-operative or remain a member of such if he or she -

- (a) is under eighteen years of age,
- (b) is an undischarged bankrupt;
- (c) has been convicted of an offence involving dishonesty or immorality and has been sentenced to imprisonment;
- (d) has been convicted of an offence under the Cooperative Act;
- (e) has been dismissed as an employee of a cooperative;
- (f) has been found to have previously misused or mismanaged the funds of a cooperative;
- (g) takes part directly or indirectly, permanently or occasionally in any activity competitive with that of the Cooperative.
- (h) minimum contribution is not up to date with accordance to periodic deduction agreement.
- (i) is defaulting in his/her loan payments or loan payment period
- (j) Be an active continuing financial member for at least 2 years

#### **7.5 Honorary Services of Board Members**

The services of Board members shall be honorary, provided that;

- (a) reasonable expenses incurred by a Board member in the performance of his or her duties authorised or ratified by the Board within the limits of the budget adopted by the General Meeting, may be reimbursed or advanced.
- (b) A member of a Board may receive an honorarium or, if he or she is an honorary secretary or treasurer, an allowance from the Cooperative:
- (c) Provided that the payment of an honorarium or allowance has to be authorised by a resolution to that effect passed by a General Meeting of the Cooperative.

#### **7.6 Office-Bearers of Board**

- (a) The Chairperson of the Board and the Vice-Chairperson shall be elected by secret ballot be it by the General Meeting or by the Board.
- (b) The Board may appoint, on such terms and conditions as it thinks fit, a manager or managers who may or may not be a member of the Cooperative to administer and manage the affairs of the Cooperative and may employ such other persons as the Board considers necessary to assist a manager in the discharge of his or her duties:

Provided that a manager, who is a member of the Cooperative, shall not be eligible to be a member of the Board.

### **7.7 Disqualification from Board**

A Board member shall cease to hold office if –

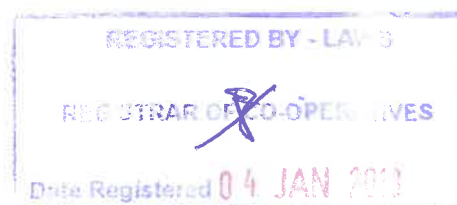
- (a) He or she falls outside the eligibility criteria prescribed herein
- (b) He or she resigns by notice in writing;
- (c) Except in a workers co-operative he or she accepts any salary or payment from the Cooperative other than an honorarium or allowance authorized by Cooperative Policy Section 6.0 -6.4 (b).
- (d) such member has absented himself or herself from two consecutive meetings without the leave of the Chairperson; A co-operative may remove any Board member before the expiration of his or her term of office by a resolution of its members passed at a General Meeting for which due notice was given of the intention to propose the resolution.

### **7.8 Meetings of the Board**

- (a) The Board shall meet when convened by its Chairperson and, in his or her absence, by the Vice-Chairperson as often as the interests of the co-operative shall require and at least once every three months. It shall be convened on the request of one third of its members or on request of the Supervisory Committee.
- (b) It shall validly conduct its business when at least one half or at least three whichever is the higher, of its members are present.
- (c) Decisions of the Board shall be taken by a majority of votes cast and in case of equality of votes; the Chairperson shall have a casting vote.
- (d) Minutes of Board meetings shall be entered into a special register signed by the Chairperson and the secretary of the meeting.
- (e) Minutes shall be read and approved at the next meeting and comments arising therefrom shall be recorded in the minutes of that meeting.

### **7.9 Liability of members of the Board**

- (a) In the conduct of the affairs of Cooperative the members of the Board shall exercise the prudence and diligence of ordinary persons of business and shall be jointly and severally liable for any losses sustained through any of their actions which are contrary to the Cooperative Act, the by-laws or the directives of the General Meeting:
- (b) Provided that if in any proceedings to recover from a person mentioned in this Section any amount for which he or she is liable and it appears that he or she has acted honestly and reasonably and ought fairly to be excused in whole or in part he or she may be relieved wholly or partly from personal liability.



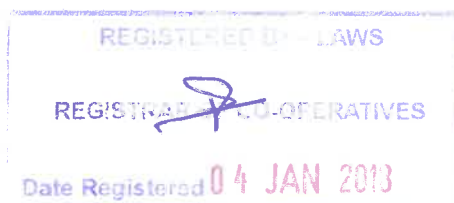


### **7.10 Sub-Committees**

- (a) The board may set up sub-committees charged with advising and assisting the Board. The three subcommittees established by the Board are Finance, Policy and Human Resource Committee, Loans and Security Committee and Loan Recovery Committee. The composition, terms of reference and functioning of such committees shall be defined in the Cooperative Policy.
- (b) The board may appoint members who are not members of the board into the subcommittees.
- (c) Sub-Committee members shall be appointed by the Board or elected at the Annual General Meeting according to the by-laws.

### **7.11 Powers of the Manager**

- (a) The Manager or managers shall be appointed by the Board.
- (b) The Manager shall perform his or her duties under the authority and control of the Board and he or she shall represent the Cooperative in dealings with third parties within the limits of the powers conferred upon him or her.
- (c) He or she shall be responsible, in particular, for:
  - i) implementing the business policy defined by the Board;
  - ii) drafting the programme of activities and the budget of the cooperative and submitting the same to the Board for approval;
  - iii) ensuring the judicious handling of funds, the correct use of property and maintenance of equipment, the internal organisation of services, the keeping of proper and accurate accounts;
  - iv) drawing up periodical management reports;
  - v) preparing the accounts of the financial year or of any other period as required and defined by the Board.
- (d) The Board shall delegate to the Manager in writing, such powers as shall be necessary for the proper discharge of his or her duties.
- (e) Apart from exceptional cases, the Manager shall attend meetings of the Board in an advisory capacity.
- (f) The Manager shall be responsible for staff management, within the limits of the budget approved by the Board and all members of staff shall be placed under his or her authority.



### **7.12 Duties of Chairperson**

The Chairperson shall preside at all General Meetings and all meetings of the Board and shall perform the other duties conferred upon him or her by the by-laws. Some of the duties involved are:

- (a) ensure that the rules regarding the custody of the assets of the co-operative are strictly observed by those responsible ;
- (b) ensure that both Board and General Meetings are held regularly and that extra meetings are called immediately when the necessity arises ; and
- (c) intervene and settle disputes and difficulties which arises in the day to day business of the co-operative.

### **7.13 Duties of Secretary**

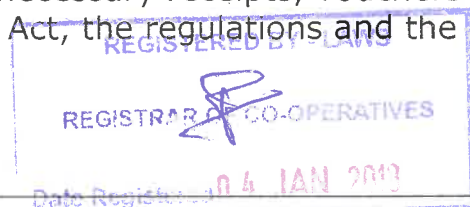
The Secretary shall be appointed by the General Meeting and shall serve the Cooperative on a regular basis and shall carry out the duties:-

- (a) maintain, or cause to be maintained, correctly and up-to-date the Cooperative ;
- (b) registers, books and papers other than the financial accounts of the Cooperative;
- (c) summon and attend the General Meetings and meetings of the Board and to record the proceedings in the minute book; and
- (d) conduct and sign its correspondence on behalf of the Board.

### **7.14 Duties of Treasurer**

The treasurer shall be appointed by the General Meeting and shall serve the Cooperative on a regular basis and shall carry out the duties conferred upon him or her:-

- (a) maintain, or cause to be maintained, correctly and up-to-date the Cooperative's accounts and accounting records;
- (b) take charge of all financial transactions of the co-operative and to secure the safe-keeping of the Cooperative's funds;
- (c) prepare, or cause to be prepared, all necessary receipts, vouchers and accounts required by the Cooperative Act, the regulations and the by-laws.



## 8.0 Supervisory Committee

There shall be a Supervisory Committee for the Co-operative as the co-operative has have more than fifty (50) members.

### 8.1 Composition of the Supervisory Committee

- (a) The Supervisory Committee shall consist of three members.
- (b) Members of the Supervisory Committee shall be deemed elected by the General Meeting and directly responsible to it under the same procedures and conditions as the Board.
- (c) Board members or employees of the Cooperative cannot be elected to serve on the Supervisory Committee of the Cooperative.  
One member of the Supervisory committee must be the President or any other executive of the Fijian Teachers Association who meets the board eligibility criteria stipulated in 7.4.

### 8.2 Functions and powers of the Supervisory Committee

- (a) The Supervisory Committee shall be responsible for ensuring that the affairs of the Cooperative are conducted in accordance with the by-laws and the resolutions adopted at the general meetings.
- (b) In the exercise of its functions in terms of subsection of this Section, the Supervisory Committee; shall-
  - i. supervise the operations of the Board ;
  - ii. examine the accounts of the Cooperative at regular intervals of not less than once every quarter ;
  - iii. reveal to the Board and to the members of the Cooperative or to the Registrar any discrepancies that may occur in the management of the Cooperative;
  - iv. ensure the validity of the balance sheet and any other financial statements and returns;
  - v. present at the Annual General Meeting a special report on the management and financial situation of the Cooperative including any violations of these by-laws; and
  - vi. approve any loans made to the members of the Board by the Cooperative.
- (c) The members of the Supervisory Committee may be present at meetings of the Board.
- (d) The Supervisory Committee shall have full access to all the books, accounts and documents, financial or otherwise, of the Cooperative and shall have the power to summon any person to produce any information or such books, accounts or documents as may be necessary.
- (e) The Supervisory Committee may, in the performance of its duties, make use of the services of an expert or a specialised institution for a limited

period of time or for a specific task subject to financial resources being available for this purpose.

- (f) The rules of procedure for meetings of the Supervisory Committee shall be similar to Board meetings.
- (g) Should a serious event threaten the existence of the Cooperative the Supervisory Committee shall be empowered to convene a Special General Meeting or to order an inquiry in accordance with Section 86 of the Cooperative Act.

### **8.3 Meetings of the Supervisory Committee**

- (a) The Supervisory Committee shall meet at least four times in a year.
- (b) In fulfilling its duties members of the Supervisory Committee shall have the right to the same allowances and reimbursements of expenses as is approved for Board members.
- (c) The Supervisory Committee shall elect amongst itself appropriate office-bearers and shall keep proper minutes of meetings which minutes shall be available to members of the Board.

### **9.0 Conflict of Interest:**

- 9.1 A member, board member or employee of the co-operative shall disclose his or her interest in any material contract or transaction or proposed material contract or transaction with the Co-operative.

### **10.0 AUDIT**

- 10.1 The Co-operative shall as soon as practicable, but not later than six months after the end of the financial year; submit to the Registrar an annual report on its activities during the year together with two certified copies of the audited financial statements of the Cooperative and the auditor's report for that year after they have been approved by the Annual General Meeting.
- 10.2 The Co-operative shall:
  - (a) keep its accounts in commercial form and in accordance with the policies and standards of the Fiji Institute of Accountants;
  - (b) keep separate accounts for business with members and business with non-members, where applicable;
  - (c) ensure that all accounts are drawn up and audited after the end of the financial year in accordance with the provisions of the Act and by-laws;

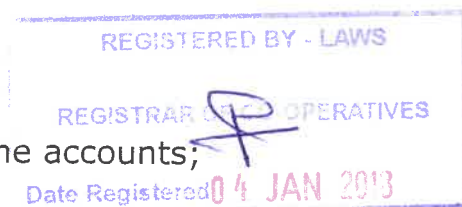
- (d) keep proper accounts and records of its transactions and affairs and shall do all things necessary to ensure that all payments out of its moneys are correctly made and properly authorised and that adequate control is maintained over its expenditure and assets; and
  - (c) keep all accounts and records in such manner that members and the auditor can have access to them and such accounts and records shall truly reflect the financial situation of a the co-operative.
- 10.3 (a) The co-operatives shall cause their accounts to be audited at least once every year which shall be carried out by an Auditor approved by the Registrar.
- (b) Persons duly authorised as Auditors under subsection (a) of this Section shall have free access to all books, accounts, stocks, securities, minutes and documents of the co-operative and may question any member of the Board, director, manager, employee or member of the co-operative whom they consider capable of supplying information on the activities and functioning of the co-operative and such persons shall be bound to furnish all information requested of them to the duly authorised auditors.
  - (c) Any person having family links of the first degree of sanguinity with any member of the Board or persons having business relations with the co-operative or any member or employee of the co-operative may not be appointed to audit the accounts of the co-operative.

#### **10.4 Duty of the Auditor**

- (a) The Auditor shall audit the accounts and other relevant records of the co-operative and shall draw the attention of the Registrar and the co-operative of any irregularities disclosed by the audit that is, in the opinion of the auditor, of sufficient importance to justify his or her so doing.
- (b) The financial statements prepared by the co-operative after the close of the financial year shall be audited and reported on by the Auditor.

(c) The Auditor's report shall include-

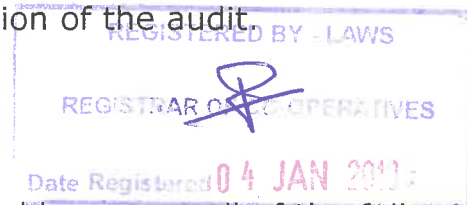
- (i) the result of the audit of the accounts;



- (ii) a statement whether in the opinion of the auditor proper accounting and other records have been kept and whether the receipts, expenditure and investment of moneys and the acquisition and disposal of assets by the co-operative during the year have been in accordance with the provisions of this Act and the by-laws and minutes of the co-operative;
- (iii) a statement of any transactions and special agreements between the co-operative and its members not specified in the by-laws and any special agreements between the co-operative and a third party likely to cause damage to the co-operative;
- (iv) an appraisal of the management of the co-operative and the functioning of its organs.

### **10.5 Power of the Auditor**

- (a) The Auditor may consult the Supervisory Committee any time during the audit and shall inform the Chairperson of the Board and the Supervisory Committee of the findings of his or her work after completion of the audit.



## **11.0 Finance**

11.1 The capital of the Cooperative shall be raised by any or all of the following:

- (a) loans and deposits
- (b) any other source as determined by the Executive Committee
- (c) shares subscribed and paid-up by each member shall only be withdrawable after termination of membership or on the withdrawal of membership, while share subscribed in excess of this minimum contribution maybe withdrawable or transferable, subject to the provisions of the Co-operative Act and to any restrictions laid down in this by-laws;
- (d) reserves formed by allocating of surplus at the end of the financial year which shall be indivisible share capital of the Cooperative
- (e) grants, donations and other contributions in cash or kind from public or private donor organizations. Provided that the Registrar shall be informed by donors of the amount of the grant, donation or other contributions including the names of beneficiaries within two months providing grant, donations or contributions.
- (f) Capital borrowed from members in the form of voluntary saving deposits, from other co-operatives or banks and public or private credit institutions, or from any other technical or financial assistance organization subject to the conditions and restrictions as are provided for by these by-laws;

- (g) Other contributions by members to the equity capital of the Cooperative.
- (h) Any saving deposits credited to members' accounts shall or can be used as security for their loans and will not be withdraw able until such time the members' debt is cleared.

11.2 The authorized capital of the Cooperative shall be one hundred thousand dollars (\$100,000) divided into 100,000 shares of one (\$1.00) dollar each. Further share allotment of \$1020 shall be payable over salary deductions over 2 years. After receipt of the total of \$1040 allotment of 1040 shares, a share certificate shall be issued to a member.

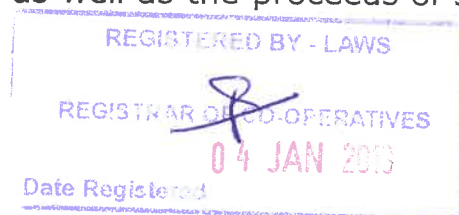
11.3 The liability of a member for the debts the Cooperative shall not exceed the nominal value of the shares held by the member. The minimum number of shares to be held by each member shall be twenty dollars (\$20.00). However debts in excess of the nominal shares shall be given on case by case basis with the provision of additional security.

## 12.0 Investments

12.1 The Cooperative shall invest or deposit its funds and no investments above \$100,000 shall be made without the prior approval of the Supervisory Committee or the General Meeting.

12.2 The board shall be the trustees of the funds of the Cooperative. Subject to the provisions of any applicable laws, the board shall have full powers to invest and reinvest the funds of the Cooperative, and to hold, purchase, sell, assign, transfer or dispose of any of the securities and investments in which such moneys shall have been invested, as well as the proceeds of such investments and such monies.

## 13.0 Shares



13.1 All shares shall be fully paid up prior to allotment provided that at least ten percent of the minimum share contribution (**or as determined by the Board**) shall be payable on admission to the Cooperative.

13.2 The funds of the Cooperative shall be applied only to the furtherance of its stated objects in accordance with the by-laws.

13.3 The Co-operative shall receive deposits and loans from members and non-members only in such extent and under such conditions as prescribed in these by-laws.

**13.6** The Cooperative shall from time to time fix at a General Meeting the Maximum liability it may incur in loans or deposits whether from members or non-members, the figure so fixed shall be subject to the approval of the registrar and in consultation with the National Cooperative Federation. The cooperative shall not receive loans or deposits which will make its liability exceed **50% of its Accumulated funds.**

**13.7** When the funds of the Co-operative are kept in the Bank, Cheques shall be signed by the Chairman conjointly with either **Treasurer or any other appointed employee of the Co-operative.**

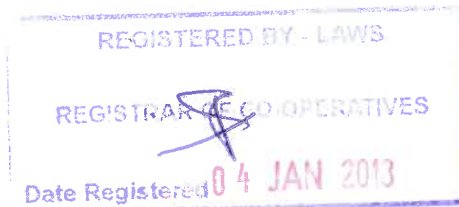
**13.8** Any contract or legal undertaking that the co-operative enters into with any financial institutions or any organization shall be signed by the Chairperson, Secretary and Treasurer.

#### **14.0 Loans**

14.1 All loans, renewal of loans, extension agreements, deferrals of payments, or releases or substitutions of security on loans to members shall be evidenced by a written form which contains all the information required by the Cooperative.

14.2 It is the responsibility of the Board to approve or disapprove applications for loans from members. The Board may delegate all or part of this power to a loans and security committees, or loan officer and such delegation may include the authority to further delegate duties.

#### **15.0 Distribution of Surplus**



15.1 After the statutory contribution to the reserve fund has been made in accordance with Section 100 of the Cooperative Act, the remainder of the surplus resulting from the operation of the cooperative during the financial year together with any surplus carried forward from preceding years shall be utilized for any or all of the following purposes;

- (a) Interest paid on share capital which shall not exceed 20 percent;
- (b) Incentive bonus paid to employees and workers of the cooperative;
- (c) At least ten percent of its net surplus to an educational fund of the cooperative;
- (d) May distribute a part of its net surplus among the members in the form of bonus share or cash dividend.
- (e) Allocations to any special funds as approved by the General Meeting.

15.2 In the case of loss incurred during a financial year, no surplus shall be distributed to members during the following years until the losses have been covered.



## **16.0 Reserve Funds**

16.1 The Cooperative shall maintain a reserve fund which shall be used in such manner as prescribed in the by-laws and section 100 of the Co-operative Act. At least 50% of its surplus for the first four years resulting from the transaction of the cooperative with its members during the financial year shall be credited to the reserve fund and 30% thereafter.

The fund shall;

- (a) be utilized in the business of the co-operative; or
- (b) be applied to meet occasional deficiencies incurred by the co-operative;
- (c) be invested.

16.2 The Co-operative's reserve funds shall not be distributable to members.

16.3 The Board shall have the final approval for the creation or use of any reserve funds as per the co-operative Act.



## **17.0 Settlement of Disputes**

17.1 If a dispute concerning the by-laws, election of officers, conduct of meetings, management or business of a co-operative arises-

- (a) among members, past members and persons claiming through members, past members and deceased members;
- (b) between a member, past member or persons claiming through a deceased member, and the co-operative, its Board or any other officer of the co-operative;
- (c) between the co-operative or its Board and any other officer of the co-operative;
- (d) between the co-operative and any other co-operative,

such dispute may be referred, after due attempts to settle the issue by local informal mediators, to the Registrar or directly to the Co-operative Tribunal constituted under Section 116 of the Act for decision.

17.2 Without prejudice to the generality of subsection 17.1

- (a) a claim by a co-operative for a debt or demand due to it from a member, past member or the nominee or legal representative of a deceased member, whether such debt or demand is admitted or not; and

(b) a claim by a member who was a guarantor of a loan against the member whose loan he or she guaranteed resulting from the repayment by the guarantor of the loan to the co-operative, for the repayment of the amount by the borrower, shall be deemed to be disputes concerning the business of the co-operative within the meaning of subsection (1) of this Section

17.3 The Registrar shall, on receipt of a reference under subsection (1) of this Section have regard to the nature and complexity of the dispute, and decide whether

(a) to settle the dispute himself or herself; or

(b) to refer the dispute to the Co-operative Tribunal.

17.4 Where the Registrar decides to settle the dispute himself or herself and gives a ruling thereon which aggrieves a party to the dispute, that party may, within 30 days of the date of the Registrar's ruling, appeal to the Co-operative Tribunal and the Co-operative Tribunal shall make a decision within two months of receiving the appeal and that decision shall be final and conclusive.

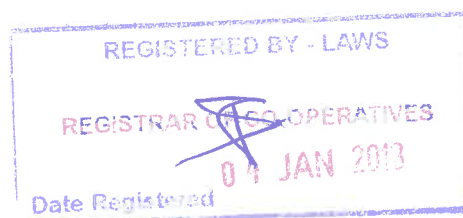
17.5 Where the Registrar decides to refer the dispute to the Co-operative Tribunal according to the provision of subsection 17.3 (b) of this Section, the Co-operative Tribunal shall deliberate on the case and make a decision within two months and that decision shall be final and conclusive.

17.6 Where the parties to a dispute refer a case to the Co-operative Tribunal directly according to the provisions of subsection 17.3 (b) of this Section the Co-operative Tribunal shall deliberate on the case and make a decision within two months and that decision shall be final and conclusive.

## 18.0 Amendment of By Law

18.1 Any amendments of the By Laws, including a change of name, shall be by a special resolution of the members passed at a general meeting convened for that purpose by at least two-thirds of the members present and voting according to the procedure laid down in the by-laws.

18.2 The Co-operative shall within 30 days from the passing of an amendment of the by-laws, shall send to the Registrar two certified copies of the amendment for registration which shall have no effect until it is so registered.



## **19.0 Offences**

19.1 It shall be an offence under the Co-operative Act if-

- (a) a co-operative or an officer, an employee or a member thereof wilful; neglects or refuses to do an act or furnish information required for the purposes of the Act by the Registrar or a person duly authorised on that behalf by the Registrar, as the case may be;
- (b) a co-operative, or an officer, or an employee or a member thereof wilfully makes a false return or furnishes false information;
- (c) a person wilfully or without reasonable excuse disobeys any summons, requisition or lawful written order issued under the provisions of this Act or does not furnish information lawfully required from him or her by a person authorised to do under the provisions of this Act.
- (d) a person acts or purports to act as a member of the Board when not entitled to do so;
- (e) a co-operative or an officer or an employee or a member wilfully performs an act which requires the consent or approval of the Registrar without having first obtained the consent or approval;
- (f) a co-operative or an officer or a member thereof wilfully neglects or refuses to do an act which is required by or under this Act to be done;
- (g) a co-operative or an officer or a member wilfully thus or causes to be done an act prohibited by or under this Act;
- (f) a co-operative or an office or member wilfully destroys or conceals any documents, books or records lawfully required from him or her by a person authorised to do so under the provisions of this Act.

## **20.0 General**

20.1 In the event of the liquidation of the Cooperative, the assets, including the reserve funds, shall be applied first to the costs of liquidation, then the discharge of all deposit liabilities to its depositors, then to the discharge of all other liabilities of the Cooperative, the payment of all share capital held by members and then the payment to members of a dividend or bonus at a rate not exceeding 20% for any period during which no dividend or bonus was in fact paid.

20.2 The Co-operative Board shall provide a lending and savers policy to clearly guide the Co-operative operations and good governance.

20.3 That the Co-operative shall remain a subsidiary of the Fijian Teachers Association and shall not at any time disassociate itself from the Fijian Teachers Association.



## **Definitions**

The definitions of terms used herein are:

"Act" refers primary to the Co-operatives Act, 1996.

"allowance": (1) in relation to a service co-operative means the remuneration paid to the chairperson, secretary, treasurer or any other member of co-operative in consideration of their voluntary services rendered to the co-operative on a regular basis;

"annual general meeting" means the general meeting convened once in every financial year where the members exercise the functions stipulated in Section 54 of the Act;

"Board" means the Board of directors of the FTACTL, to which the management of the affairs of the cooperative is entrusted;

"Bonus" means a share of the surplus of a registered co-operative divided among its members in proportion to the volume of business done with the co-operative by them from which the surplus was derived;

"by-laws" means the registered by-laws of a co-operative made according to the provisions of this Act and includes a registered amendment of the by-laws;

"co-operative" means an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled organisation, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate, which is provisionally or fully registered under this Act as a primary or secondary co-operative, apex organisation or the National Co-operative Federation registered according to the provisions of this Act:

"dividend" means a portion of the net surplus of a co-operative distributed among the members in proportion to the paid-up share capital held by them in the cooperative;

"employee" means all persons employed by a co-operative and receiving a salary for work done in the co-operative;

"first degree of sanguinity" means family relations of the first degree namely father, mother, son, daughter, brother or sister;

"honorarium" means a portion of the net surplus of a co-operative divided among some or all of the members of the Board of a co-operative in consideration of their services which would not otherwise be remunerated;

"liability" means unlimited liability or liability limited by shares or guarantee as prescribed in the by-laws of a co-operative;

"member" means an individual person, registered co-operative or association joining in the application for the registration of a co-operative, and a person, registered co-operative or association admitted to membership of a co-operative after registration in accordance with the provisions of this Act and the by-laws of the co-operative;

"National Co-operative Federation" means the co-operative established under Section 47 of this Act to represent all co-operatives at the national level;

"net surplus" means the pre-tax surplus after provisions have been made for the statutory reserve fund as stipulated in Section 100 of this Act;

"officer" of a co-operative includes a Chairperson, Vice-Chairperson, Secretary, Treasurer, Manager or any other elected or appointed members of a Board or Committee empowered by this Act, the by-laws or the rules to give directives in regard to the business of the co-operative or to supervise such business;

"primary co-operative" means a registered co-operative consisting of individual persons or associations as members;



