

2012

**National Workers
Cooperative Credit
Union Limited**

BY - LAWS

2012 last updated

**BYE LAWS
OF
NATIONAL WORKERS CO-OPERATIVE CREDIT UNION LIMITED**

A Credit Union (here in after referred to as “The Credit Union”) registered under the Co-operative Societies Act 1974, No. 17 of 1974 and Co-operative Societies Regulations 1974 of the Commonwealth of The Bahamas.

INTERPRETATION

“Board of Directors” or “Board” shall mean the governing body of the Credit Union, to whom the management of its affairs is entrusted and which shall be constituted in accordance with the provisions of Bye Laws 29 hereof as defined in the Co-operative Societies Act the term “Committee” is to be taken in these Bye Laws as the Board of Directors.

**ARTICLE I
NAME, OBJECTS AND POWERS**

1. The name of the Credit Union shall be National Workers Co- operative Credit Union Ltd.
2. The registered office of the Credit Union shall be Workers House situated on Harold Road or such other place in the Bahamas as may be determined from time to time by the Board of Directors and notified to the Director.
3. The objects for which the Credit Union is established are –
 - a) to promote thrift among its members by affording them an opportunity to accumulate their savings;
 - b) to create for them a source of credit for provident or productive purposes at a reasonable rate of interest;
 - c) to provide the opportunity for members to use and control their money for their mutual benefit; in accordance with Co-operative principles.

4. In pursuance of the foregoing objects the society shall have the following powers;
 - a) to draw, make , accept, endorse, discount, execute and issue Promissory Notes, Bills of-Lading, Bills of Exchange, Bills of Sale, Warrants and other negotiable or transferable instruments,
 - b) to do all the other acts and things as are incidental or conducive to or consequential upon the attainment of the above objects.

ARTICLE II QUALIFICATIONS FOR MEMBERSHIP

5. Membership in the Credit Union shall be open to members of The Bahamas Hotel Catering Workers Union and such other persons as the Board of Directors may approve.
6. Applications for membership must be made in writing on a form approved by the Board, and must be signed by the applicant.

The application form shall provide for: -

- i. The member's account number;
 - ii. Name;
 - iii. Address;
 - iv. Date of birth;
 - v. Date of approval;
 - vi. Agreement to conform to the bye laws of the Credit Union;
 - vii. Agreement to subscribe for at least **one share** and two qualifying shares;
 - viii. Whether the application was approved by the Board of Directors;
 - ix. The signature of the Secretary;
 - x. Occupation.
7. An applicant shall not be registered as a member until: -
 - a) It shall have been determined that he is eligible for membership under Article II, Rule 5, of these bye laws.

- b) His application for membership shall have been approved by the affirmative vote of a majority of the Directors present at the Meeting at which the application is acted upon.
- c) He shall have qualified as a member by paying an Entrance Fee of \$10.00.
- d) All over the counter persons are required to deposit a minimum of \$130.00 in order to have the account opened.

Entrance fee	\$10.00
Qualifying Shares	\$100.00
1 st Week Contribution	\$20.00
- e) An account number is assigned as a means of identifying his Account with the Credit Union.

Rights of Membership

- 8. No member may resign while a borrower, an endorser or a guarantor of any loan due to the Credit Union. A member who withdraws all his shareholding ceases to be a member.
- 9. A member may be expelled by a two-thirds vote of the members of the Credit Union present at a General Meeting or a Special Meeting called for the purpose, but only after an opportunity has been given to the member to be heard and only if the member has been properly notified in writing by the Board of Directors not less than fourteen days before such a meeting. On expulsion, a member shall be entitled to repayment of the amount held by him as shown by the Credit Union's books, subject to the provisions of Article III, Rule 17.
- 10. Withdrawn or expelled members shall have no further rights in the Credit Union but are not by such withdrawal or expulsion released from any liability to the Credit Union existing at the date of such withdrawal or expulsion.
- 11. Subject to such conditions as the Board of Directors may establish, a member who ceases to be within the field of membership of the Credit Union may retain his membership therein.
- 12. A person ceases to be a member –
 - a. On death,
 - b. On ceasing to hold at least one (1) share;
 - c. On his being found to be of unsound mind;

- d. On expulsion from the credit union;
 - e. On the withdrawal or transfer of all his shares;
 - f. Failure to increase his shareholding beyond one share to the satisfaction of the Board of Directors within one year shall render him liable to expulsion.
13. The Credit Union shall keep a Register to be called the “Register of Members”, Where-in shall be entered:
- a) The name, address and occupation of each member and his book or account number,
 - b) The date on which each member’s name was entered in the Register;
 - c) The date on which any member ceased to be a member.

ARTICLE III SHARES AND LIABILITY

14. The Capital of the Credit Union shall be unlimited, divided into shares of a par value of Fifty Dollars (\$50.00) each. The liability of each member, in case of liquidation, is limited to the value of the shares held by him at their nominal value.
15. The maximum amount of share which may be held by any member shall not exceed twenty percent (20%) of the total Share Capital.
16. Shares may be transferred from one member to another only by written instrument in such form as the Director may prescribe and upon payment of a fee of twenty-five cents (.25) for each transfer; such transfer shall carry dividend credits with it.
17. Money paid in on share, or instalments of shares, except for the qualifying share may be withdrawn in whole or in part on any day when the Credit Union is open for business, but the Board of Directors shall reserve the right at any time to require a member to give notice not exceeding six (6) months; provided however that no member may withdraw any shareholding below the amount of his total liability to the Credit Union as a borrower, endorser, co-maker or guarantor.

18. Members will be allowed to make up to two withdrawals from their share account per year. Thereafter, there will be a 10% fee charged.
19. The Board of Directors may establish conditions under which Christmas Club, Vacation Club and other savings programmes may be established by the Credit Union.
20. The Credit Union shall have a lien on the shares, deposits and savings, of a member, except for accounts for which he is trustee, for any sum due to the Credit Union from the said member, or for any loan endorsed by him and may apply any sum credited to the member's share deposits and savings in or towards payment of any such debt.
21. Any loan that remains DELINQUENT for more than six consecutive months shall be liquidated wholly or partially by transfer of shares for that individual. Any remaining loan balance after said transfer is made will be due for payment by the member.

ARTICLE IV DEPOSITS

22. The Board of Directors may establish rules and conditions under which a member, organization, or non-member may deposit money in the Credit Union provided such rules comply with the existing Legislation and Regulations.
 - i. Savings may be withdrawn by cheque or in cash, on any day that the Credit Union is open for business, but the Board of Directors may at any time require the depositor to give up to thirty (30) days notice of his intention to withdraw the whole or any part of his savings.
 - ii. Savings may be received in the name of a minor or in trust for a minor who is a child, grandchild or ward of a member, in such way or manner as the Board of Directors may determine.
 - iii. Savings received in the name of a minor shall be held for the exclusive right and benefit of the minor and free from the control or lien of all other persons except creditors, and shall be paid together with interest thereon, to the person in whose name the account shall have been issued. The receipt or acquaintance of the minor shall be valid and sufficient release and discharge to the Credit Union for the savings or any part thereof.

- iv. Saving will be placed on interest on the first of the month following such deposits, provided that amounts paid in on the first of any month shall be placed on interest from that date.
- v. The rate of interest payable on saving shall be fixed from time to time by the Board of Directors.
- vi. Interest is paid on all share savings accounts and the current rates based on the account balances are:
 - 1. \$ 100.00 to \$ 4,999.99 - 3%
 - 2. \$ 5,000.00 to \$ 9,999.99 - 3 ¼ %
 - 3. \$10,000.00 to \$ 19,999.99 - 3 ¾ %
 - 4. \$20,000.00 and above - 4 %

**ARTICLE V
RECEIPTS AND DISBURSEMENTS**

- 23. Money paid in or paid out on account of share, deposits, loans, interest, entrance or transfer fees or other savings shall be evidenced by an appropriate voucher or receipt or by entries in a member's pass book.
- 24. Each voucher or receipt or entry in the pass book shall identify the person receiving or paying out on behalf of the Credit Union, the money represented thereby. When pass books are used, the member's permanent official record for all transactions shall be the entries in the book. When a statement of account plan is used, the member's permanent official record for transactions shall be the statement of account, which will itemize all transactions and which must be issued to each member at least quarterly.
- 25. If a pass book is lost or stolen, immediate written notice of such fact must be given to the Treasurer and written application shall be made for the issue of a new pass book. The Directors may require the filing of an adequate bond to indemnify the Credit Union against any loss or losses resulting from the issuing of such duplicate pass book. The Directors may also require payment to the Credit Union of a reasonable charge to cover the cost of issuing a duplicate pass book.

**ARTICLE VI
LOANS**

- 26. Loans shall be made only to members and shall be made for provident or productive purposes only.

27. All applications for loans shall be on the printed form provided by the Credit Union and shall set forth the purpose for which the loan is desired, the security, if any, and such other information as the Credit Committee may require.
28. If the facts stated in the application are found to be misrepresented, or the money is used for some other purpose than that for which it was borrowed, the loan shall become immediately due and payable.
29. All applications for loans and the reports thereon by the Credit Committee shall be filed as permanent records of the Credit Union.
30. All loans granted shall be secured by the Loan Agreement of the borrower and by such other security, if any, as the Board of Directors may require.
31. Rates of interest shall be as fixed from time to time by the Directors and shall in no case exceed one (1) percent per month on the unpaid balance.
32. No Officer, member of the Board of Directors, member of the Credit or Supervisory Committee shall be allowed to borrow from the Credit Union in a total amount in excess of his share holdings, and accumulated earnings, unless approved by a unanimous decision of the members of the Board of Directors. The borrowing member shall not be allowed to take part in the meeting.
33. Loans to Board of Directors and Committee Members may be approved by the majority of Board Members present at a duly called meeting.
34. Subject to the credit policy laid down by the Board of Directors from time to time, the amount of each loan, the period of repayment, and the form and value of the security, if any, shall be determined by the Credit Committee.
35. A borrower may repay his loan prior to maturity in whole or in part on any day when the Credit Union is open for business.

ARTICLE VII

BOARD OF DIRECTORS

36. The business of the Credit Union shall be conducted by the Board of Directors, which shall be elected at the Annual General Meeting of the Credit Union and shall

consist of Nine (9) members, all of whom shall be members of the Credit Union, provided that the number of members shall hold office until his successor is elected, unless he demits office earlier or has been expelled, and shall be eligible for re-election.

37. Election of the Board of Directors shall be held in such a manner that the term of office of not more than a bare majority of the members shall expire at the same Annual Meeting.

38. A bare majority of members shall constitute a quorum, but less than a quorum may adjourn from time to time until a quorum is present.

39. At the first Annual General Meeting, a bare majority of the members constituting the Board of Directors shall be elected for a term of two (2) years and the others for term of one (1) year. Whenever the number of members of the Board of Directors is increased, one-half of such additional members shall be elected for two years and one-half for one year. Thereafter, the term of office for members shall be two years.

- i. For the purpose of these bye laws the first meeting of members after Registration of the Credit Union shall be called the First Annual General Meeting.
- ii. Any Director who, without due excuse approved by the Board, fails to attend three (3) consecutive Meeting of the Board, shall be deemed to have vacated his office.
- iii. Any vacancy on the Board of Directors shall be filled within seven (7) days by vote of a majority of the remaining Directors, but the member so elected shall hold office only until the next Annual General Meeting, at which Meeting a member shall be elected to complete the unexpired term, provided the term does not expire at the time of such meeting.
- iv. The Board of Directors shall meet as often as the business of the Credit Union may require, and in any case not less frequently than once per month. Meeting of the Board shall be summoned by the Secretary in writing. The Secretary shall also call a Meeting of the Board upon the written request of the President or in his absence, the ranking Vice-President or any three (3) members.

40. Directors are to be elected for three year terms as opposed to two year terms as of resolution at the October 19th 2007, Annual General Meeting.
41. The Board of Directors of National Worker's Co-operative Credit Union LTD. may from time to time make decisions relating to the operation of the Credit Union via proxy to the Management of the Credit Union through pooling by way of the electronic media such as facsimile, telephone, internet conferencing, email and/ or instant messaging. Documentation of such effort must be documented and brought to the next board meeting for inclusion to the minutes.
42. Minutes of Meeting of the Board of Directors shall be recorded by the Secretary and shall be signed by the President or other presiding member, and by the Secretary and shall contain the following particulars: -
43. Minutes of Meeting of the Board of Directors shall be recorded by the Secretary and shall be signed by the President or other presiding member, and by the Secretary and shall contain the following particulars: -
- a. The names of the members present and the date of the Meeting;
 - b. The name of the President or other presiding member; and,
 - c. A short statement of all matters discussed and decisions made, and a record as to whether each decision was made unanimously or by majority.
44. The Board of Directors shall have general direction and control of the affairs of the Credit Union and more particularly, shall act for the Credit Union and be responsible to it for the performance of the following duties –
- a. To act upon all applications for membership and on the exclusion or expulsion of members.
 - b. Within the provisions of the Law and the Regulations determine from time to time, the interest rate on loans.
 - c. When by action of the Board the interest rates on future loans are reduced, similar action may be taken with regard to interest rates on unpaid balances of existing loans.
 - d. To determine the maximum amounts that may be loaned with and without security to any member, the maximum maturities and terms of payment or amortization of loans to members.

- e. To fix from time to time, subject to the approval of the Director of Co-operative Department, the amount of surety bond which shall be required of all officers and employees handling money and shall authorize the payment of the premium or premiums thereof by the Credit Union.
- f. To determine the interest rate that will be paid on deposit accounts and other accounts.
- g. To fill vacancies on the Board of Directors and on the Credit Committee.
- h. To determine from time to time, subject to the Law and Regulations, the maximum number of shares that may be held by any member; and the maximum amount that any one member may have in the Deposit Account or other accounts.
- i. To determine the investments of the Credit Union other than loans to members, except to the extent that the Board may have appointed an Executive Committee to act for it in the purchase and sale of securities or the making of loans to other credit unions or both, subject to the approval of the Director.
- j. To submit the Accounts of the Credit Union for audit in pursuance of the provisions of the Law and Regulations.
- k. To authorise borrowings and discounting operations on behalf of the Credit Union subject to the provisions contained in these Rules, and subject also to the Law and Regulations.
- l. To provide for the compensation, if any, of the Treasurer.
- m. To employ, fix the compensation and prescribe the duties of such employees as may, in the discretion of the Board, be necessary and to remove such employees.
- n. To employ, fix the compensation and prescribe the duties of any Officer.
- o. To supervise the collection of loans from members and authorise the charge-off of uncollectible loans, subject to the Law and Regulation.
- p. To maintain, at all times, an active programme of co-operative education and to maintain relations with other registered co-operative organization aimed at promoting the best interest of the Credit Union and of the Co- operative Movement.
- q. To take all measures to provide for the management of the affairs of the Credit Union not provided in these Bye-Laws or in the Law or Regulations and to perform such other duties as the members in General Meeting may from time to time authorize not inconsistent with these Bye -Laws and the Laws and Regulations.

- r. To keep a copy of the latest annual Balance Sheet of the Credit Union together with the Auditor's Report, hung in a conspicuous place at Registered Office.
45. No Officers, Directors or Committee Members, other than the Treasurer, may be compensated for his service as such. This shall not be construed to prevent reimbursement of Directors and Committee Members for expenses they may incur in carrying out the duties of their offices.

ARTICLE VIII
EXECUTIVE OFFICERS, EXECUTIVE COMMITTEE,
TREASURER, AND OTHER DUTIES

46. The Executive Officers of the Credit Union shall be a President, one or more Vice President, a Treasurer and a Secretary, all of whom shall be elected by the Board of Directors in accordance with Article XII, Rule 57, and the said Officers shall hold office until their successors are elected.
- i. **PRESIDENT:** The duties of the President shall be to preside at meetings of the members and of the Board of Directors. He shall perform such other duties as customarily appertain to the office of President or as he may be directed to perform by resolution of the Board of Directors, not inconsistent with the Law and these Bye-Laws and in addition such duties as the Co-operative Societies Law and may require to be performed by the Chairman of the Committee of Management.
 - ii. **VICE –PRESIDENT:** The Vice President shall, in the event of the absence or disability of the president, perform the duties of the President and/or such other duties as the Board of Directors may from time to time prescribe.
 - iii. **SECRETARY:** It shall be the duty of the Secretary, to keep a correct record of all meetings of members, the Board of Directors, and the Officers. He shall give notice of all meetings of the members in the manner prescribed by these Rules, and shall perform such other duties as he may be directed to perform by resolution of the Board of Directors not inconsistent with the Law and these Bye-Laws.

- a. Sign all cheques, agreements, drafts and other negotiable or transferable instruments drawn by the Credit Union, as required in the process of its business.
- b. Prepare and forward to the Co-operative Department such Financial and other Reports as the Co-operative Department may require.

iv. **TREASURER:** The duties of the Treasurer, shall be as follows:-

- a. Be responsible for the safe custody of all funds, securities, valuable documents and other assets of the Credit Union.
- b. Provide and maintain a full and complete record of the Assets and Liabilities of the Credit Union in accordance with the forms and procedures.
- c. Prepare within forty (40) days after the close of each month and submit to the Board of Directors a Financial Statement showing the condition of the Credit Union as of the end of the month, including a summary of delinquent loans, and shall promptly post a copy of such monthly Financial Statement in a conspicuous place in the Office of the Credit Union, where it shall remain posted until replaced by the Financial Statement for the succeeding month.
- d. If required by the Board of Directors, prepare within forty (40) days of the close of each half-year, a Statement of the Surplus and Deficit Account and the Balance Sheet, which Statement shall be certified by at least two members of the Supervisory Committee and shall be posted in a conspicuous place in the Office of the Credit Union.
- e. Receive all moneys paid into the Credit Union and within two banking days after receipt, deposit all funds in his possession in Bank or Banks prescribed by the Board of Directors.
- f. See that all promissory notes, drafts, or any negotiable instruments drawn in favour of the Credit Union, are properly prepared.

g. Do all other such duties as pertain to the office of Treasurer.

47. The Board of Directors may appoint one or more Assistant Treasurer and authorise them to perform any of the duties devolving on the Treasurer during the absence or disability of the Treasurer or his refusal to act.

48. The Board may employ a Manager and may authorise him under the direction of the Treasurer to perform any of the duties devolving on the Treasurer, except the signing of cheques.

49. The Board may appoint an Executive Committee of not fewer than three (3) Directors to do all acts authorized by the Board of Directors, in accordance with the Law and Regulations. The President, Secretary, and Treasurer shall be Members of the Executive Committee.

- a. Every action of the Executive Committee must be submitted for ratification, to the Board of Directors, in writing not later than the first meeting of the Board after the action is taken.
- b. All matters coming before the Executive Committee shall be dealt with at a meeting at which a majority of committee members is present.
- c. During the absence or disability of any Officer, the Board of Directors may appoint another member to act temporarily in his stead.
- d. A meeting of the Officers, members of the Board of Directors, Credit and Supervisory Committee shall be held at least once a quarter. The Secretary of the Credit Union shall be responsible for the calling of the meeting.

ARTICLE IX

50. The Board of Directors shall determine the security, if any, which shall be required for cash loan and the terms upon which it shall be repaid. When there are pending more loans than can be granted with the funds available, preference shall be given in all cases to the applications for smaller loans if the need and credit factor are nearly equal.

51. No loan, except as hereinafter provided, shall be made if a majority of the Board of Directors disapprove.

52. The Board of Directors shall enquire into the character and financial position of each applicant for a loan and his sureties, if any; to ascertain his ability to repay fully and promptly the obligations incurred by him and determine whether the loan sought is for a provident or productive purpose, and will be of probable benefit to the borrower. The Board of Directors shall endeavour diligently to assist applicants in solving their financial problems.

ARTICLE X SUPERVISORY COMMITTEE

53. The Supervisory Committee shall consist of not less than three (3) members, none of whom shall be members of the Board of Directors or Credit Committee or Loan Officer or employee.

54. Members of the Committee shall be elected for one year only at each Annual General Meeting. They shall hold office until their successors are elected unless they demit office earlier or have been expelled and shall be eligible for re-election.

55. In the event of a vacancy in the membership of the Committee, the remaining members of the Committee shall fill such vacancy by appointing a member who shall hold office only until the next Annual General Meeting.

56. The Supervisory Committee shall choose from their number a Chairman and a Secretary which offices may not be held by the same person.

57. The Secretary of the Committee shall maintain and have custody of full and correct records of all actions taken by the Committee.

58. The Supervisory Committee shall :-

- i. At frequent intervals inspect the securities, cash and accounts of the Credit Union.
- ii. Make an examination of the affairs of the Credit Union at least quarterly including an audit of its books of accounts.
- iii. By unanimous vote, if it deems such action necessary to the proper conduct of the Credit Union, suspend any Officer, member of the Board of Directors or Credit Committee and within fourteen (14) days thereafter request the Board of Directors to call a Special General Meeting of the members to

take such action relative to the suspension as the members may determine;

- iv. Receive and investigate any complaint made by any member affecting the proper running of the Credit Union;
- v. By a majority of its members, request the Board of Directors to call a Special General Meeting of the members to consider any violation of these Bye-Laws or any practice of the Credit Union, which, in the opinion of the Committee is unsafe and unauthorized;
- vi. At least once a year cause the pass books and account of all members to be verified with the records of the Treasurer. The Committee shall maintain a record of such verification.
- vii. In the process of its examination and audits, the Committee shall examine all applications for loans during the period under examination and satisfy itself that for each loan made an application is on file and that application states the purpose for which the loan is made, the description of the security if any offered, and that it bears the approval of the Board of Directors.
- viii. Within sixty (60) days of the end of the half-year the Treasurer shall submit for attestation by at least two (2) members of the Supervisory Committee the statement for that half-year if he is required under Rule 35 (IV) (e) to prepare it.
- ix. The Supervisory Committee shall send a report of its activities to the Board of Directors each month.

MEETINGS OF MEMBERS

59. The Supreme authority in the Credit Union is vested in the General Meeting of members at which every member has a right to attend and vote on all questions.

60. The first general meeting of members after registration of the Credit Union shall be called the first Annual General Meeting, and shall have the same powers as are herein given to the Annual General Meeting.

61. The order of business at Annual General Meetings shall be :—

- a. Ascertainment that a quorum is present;
- b. Taking apologies for absence;

- c. Reading and approval of the Minutes of the last Annual General Meeting, and of any intervening Special General Meeting and discussion of matters arising there from;
- d. Reports of:
 - 1. Board of Directors
 - 2. Any sub-committees
 - 3. Credit Committee
 - 4. Supervisory Committee
 - 5. Treasurer and Auditor
 - 6. Disposition of surplus;
 - 7. Maximum limit of borrowing by the Credit Union
 - 8. Elections to -
 - 1. Board of Directors
 - 2. Credit committee
 - 3. Supervisory Committee
 - 4. Management of any Registered in accordance with Rule 48d.
 - 9. Ratification of appointment of professional advisors;
 - 10. Any other business;
 - 11. Adjournment

62. Each member shall have one vote only and there shall be no voting by proxy; provided that in the case of an equality of votes the President shall have a second or casting vote.

63. Any question submitted for the decision of the members present at a meeting shall be decided by a majority of votes.

64. At any meeting a resolution put to the vote shall be decided by a show of hands unless voting by ballot is demanded by at least five (5) of the members present before declaration of the result by the show of hands, and in such case, voting by ballot shall be taken.

65. The Annual General Meeting of Members shall be convened by the Board of Directors not later than two (2) months after the report on the audit of the accounts of the Credit Union for the past financial year by the Directors of Cooperatives or person authorised by him, is received by the Board of Directors.

66. The Annual General Meeting has both the right and responsibility.

- a. To consider the report of the Board of Directors on the previous years' working of the Credit Union together with the financial statements and Auditor's Report and to sanction the appropriations and distribution of any surplus;
 - b. To hear and pass upon the reports of the Credit and Supervisory Committees.
 - c. To elect members of the Board of Directors, and the Credit and Supervisory Committees, and to remove them from office in accordance with these Rules;
 - d. To elect to the management of any Registered Society such representatives as the constitution of that body may from time to time require to be elected from the Credit Union. At least fifty (50) percent of such representative shall be elected from among the serving member of the Board of the Credit Union;
 - e. To determine what amendments shall be made in the Rules;
 - f. To exercise its final authority in all other matters vitally affecting the Credit Union as a co-operative fraternal body, and as a business organization.
- 67.Special General Meetings may be called by the Board of Directors upon their own initiative, or may be called by them at the request of the Supervisory Committee, and shall be called upon the written petition of not less than twenty five (25) members. The purpose of the Special General Meeting shall be set forth in the notice and only such business as is described in the notice may be dealt with at such meetings.
- 68.At least seven (7) days before the date of any Annual or Special General Meeting, the Secretary shall post a notice of the Meeting in a conspicuous place in the office, and cause written notice thereof to be handed to each member in person or mailed to each member at his address as the same appears in the Records of the Credit Union.
- 69.A quorum at Annual or Special General Meetings shall be one-half of the total number of members or ten (10) members whichever is less when the Credit Union consists of not more than forty (40) members; or
- 70.One-quarter of the total number of members when the Credit Union consists of more than forty (40) members.

- 71.If at the expiration of one hour after the time fixed for any Annual or Special General Meeting, the members present are not sufficient to form a quorum, such Meeting shall be considered as dissolved if convened on the demand of members; in all other cases an adjournment shall be taken to seven (7) days thereafter. The same notice shall be given for the Adjourned Meeting as is prescribed in Rule 51 of these Rules for the Original Meeting.
- 72.The President of the Board of Directors, or in his absence, the Vice President, or in their absence, any other member elected by a majority of those present shall preside at the Annual or Special General Meeting
- 73.Minutes of the meetings shall be entered in the Minute book and signed by the President and Secretary, and shall contain :–
- a. The number and names of the members present at the meeting and the name of the President or of the person who presided at the meeting;
 - b. The time fixed for the meeting and the time the meeting commenced;
 - c. The total number of members on the date on which the meeting was held; and
 - d. All resolutions passed or decisions made at the meeting.
- 74.No political, sectarian or racial discussion shall be raised, or resolution proposed, either at any committee, Board, or General Meeting of Credit Union.

ARTICLE XII ELECTIONS

- 75.Not less than thirty (30) days prior to each Annual General Meeting, the Board of Directors shall appoint a Nominating Committee of three (3) members, of which not more than one (1) may be a member of the existing Board of Directors. It shall be the duty of the Nominating Committee to nominate at the Annual General Meeting One member for each vacancy for the elections are being held.
76. After the nominations of the Nominating Committee have been placed before the members, the returning officer shall call for nominating from the floor. When the nominations are closed, teller shall be appointed by the returning officer, ballots shall be distributed, the votes shall be taken and tallied by the tellers, and the results announced.

77. All elections shall be determined by a majority vote and shall be by ballot except where there is only one nominee for each vacancy.

78. Nominations shall be in the following order :-

- a. Nominations for members of the Board of Directors;
- b. Nominations for Credit Committee members;
- c. Nominations for Supervisory Committee members;
- d. Nominations for representatives to any Registered Society under Rule 49 (ii) d.

79. Members wishing to serve or serving on the Supervisory or Credit Committees must have on their share account a minimum balance of \$2,500.00 (Two Thousand Five Hundred Dollars).

80. The first two (2) persons serving on the Supervisory or Credit Committee receiving the highest amount of votes will serve for two years and the one person with the lowest amount of votes will serve for one (1) year.

81. All directors seeking to serve on the board of directors of national Workers Cooperative Credit Union Limited must have on their accounts a minimum of \$5,000.00.

82. All Members wishing to serve as Directors of The Board or Committee Members of National Worker's Co-operative Credit Union Limited must meet the Following criteria;

- i. Must be a member of the national worker's co-operative credit union ltd
- ii. Must have attended no less than three of the last five Annual General Meeting
- iii. Must have served on one of the standing committee (for member seeking to be elected to the Board)
- iv. Must possess business acumen and a basic understanding of accounting
- v. Must have a minimum share saving balance of \$2500.00 with the Credit Union
- vi. Must have a basic understanding of how Credit Union work and the Philosophy of Credit Union
- vii. Must complete a basic application form which would entail "Know Your Customer Information" as per the financial transaction reporting act

83. Be it resolved that the following subcommittee of the Board of Directors be duly formed:

- a. Human Resources Committee
- b. Marketing / New Member Committee
- c. Finance Committee
- d. Education Committee

84. Election may be by separate ballots following the same order as the nomination or if preferred, may be by one ballot.

85. Within ten (10) days after their election, the members of the Board of Directors, Credit and Supervisory Committees shall meet and elect from their number the respective officers, as follows :-

- a. Board of Directors:
 - i. President, one or more Vice Presidents, Treasurer, Secretary.
The Board may also appoint an Executive Committee
- a. Credit and Supervisory Committees:
 1. Chairman and
 2. Secretary

86. Immediately after these elections, the names and addresses of all the members of the Board, Executive Officers, and Executive Committees shall be forwarded to the Director of Co-operative societies, and to any Registered Society of which the Credit Union is a member. Within ten (10) days of any change in the Directors, Credit or Supervisory Committee members, the Registrar of Co-operative Societies and any Registered Society of which the Credit Union is a member, shall be notified in writing of such change.

ARTICLE XIII RESERVE FUND

87. 25% of the net surplus of each financial year shall be set aside as a Reserve Fund.

88. The Reserve Fund shall be the property of the Credit Union and may be applied upon the sanction of the Director of Co-operative Societies to meet

losses on loans to members and to other Credit Unions and such other losses as are authorized in accordance with the Law and Regulations.

89. The Reserve Fund shall not be distributed except on liquidation of the Credit Union or in accordance with the Law and Regulations.

90. In addition to the Reserve Fund, the Board of Directors may also authorize the establishment of any additional reserves which it deems necessary to protect the interest of members.

ARTICLE XIV DISPOSAL OF SURPLUS AND DIVIDENDS

91. The net surplus of the Credit Union as ascertained by the audit shall be applied as follows:-

- a) To pay to members a dividend not exceeding eight (8) per cent per annum on all fully paid shares provided that fully paid shares for any one month may include payment received within the first seven (7) days of that month;
- b) To pay a bonus to members in proportion to the amount of interest on loans paid by them to the Credit Union; provided that the dividend and bonus due to any member shall be placed to the credit of his share capital account in any case in which there is any unpaid balance due and owing the shares for which such member has subscribed, until balance is paid off.
- c) To promote co-operative education among member; and for any social, charitable or cultural purposes.
- d) To create any Special Reserve;
- e) To pay Honoraria.
- f) The remainder shall be utilized as the Annual General Meeting may decide.

ARTICLE XV
BANKING ACCOUNTS – DISBURSEMENT OF FUNDS –
INVESTMENTS

92.The funds of the Credit Union may be deposited in legally chartered banks operating in accordance with the laws of the Commonwealth of The Bahamas, and in central-type Credit Union organizations. Funds not used in loans to members may be invested as follows-in capital shares, obligations or preferred stock, issues of any agency or association, organized either as a Mutual Association or Membership Corporation, provided the membership or stock holding, as the case may be, of such agency or association, are confined or restricted to Credit Unions or organizations of Credit Unions, and provided the purposes for which such agency or association is organized are designed to serve or otherwise assist Credit Union operation;

- a. In investments in which Trustees are for the time being by law authorised to invest;
- b. In shares of a Co-operative Society registered under the Co-operative Societies Law in the total amount not 5% per cent of the shares and surplus of the Credit Union.
- c. In loans to or shares of other Credit Unions, but not to exceed 20% of the Credit Union's total assets;

93.The Board of Directors, by resolution, may establish a cash fund for the purpose of making change.

94.All disbursements of funds of the Credit Union except as provided in Rule 21 (ii) shall be made by cheques or other written instruments signed by the Secretary and two members of the Board of Directors so authorized.

95.All funds of the Credit Union, except for cash change funds authorized by Bye –Law 62 of this Article, shall be deposited not later than the second (2nd) Banking day after their receipt.

ARTICLE XVI
POWER TO BORROW

96.Subject to the provisions of the Law and Regulations, the Board of Directors may borrow from any source on such security and such terms of repayment as they think fit; provided that the total amount borrowed shall not exceed (50) per cent of

the Credit Union's Capital and Reserve Fund and provided that the members in Annual General Meeting by resolution have fixed the maximum liability for loans that the Board of Directors may borrow.

ARTICLE XVII FINANCIAL YEAR

97. The Financial Year of the Credit Union shall end on December 31 of each year.

ARTICLE XVIII SEAL

98. The Board of Directors shall adopt for the use of the Credit Union a distinctive Seal having the name of the Credit Union inscribed thereon.

- a. The Board of Directors shall adopt for the use of the Credit Union a distinctive Seal having the name of the Credit Union inscribed thereon.
- b. The Seal of the Credit Union shall not be affixed to any document except by the authority of a resolution of the Board of Directors and in the presence of at least two members of the Board of Directors and the Secretary or such other person as the Board of Directors may appoint for the purpose; and the two (2) members of the Board of Directors and the Secretary or other person as aforesaid shall sign every document to which the Seal of the Credit Union is affixed in their presence.

ARTICLE XIX POWERS OF NOMINATION

99. A member of the Credit Union may by writing under his hand, delivered at or sent to the Registered Office of the Credit Union during the lifetime of such member, nominate any person or persons other than officer or servant of the Credit Union (unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew, or niece of the nominator) to or among whom his property in the Credit Union whether in shares, loan, or deposits or so much thereof as is specified in such nomination if the nomination does not comprise the whole, shall be transferred at his decease.

- a. A nomination so made may be revoked or varied by any similar document under the hand of the nominator delivered or sent as aforesaid
- b. Every appointment of a nominee shall be made in the form prescribed by the Director.
- c. A notice of the right of nomination shall be sent by the Secretary to Every individual member who has not exercised this right with the notice convening the Annual General Meeting in each year, and shall be otherwise given as the Board of Directors may direct.

100. On receiving satisfactory proof of death of a nominator the Board of Directors Shall proceed in the manner laid down in Section 18 of the Act.

ARTICLE XX DISPUTES

101. Any dispute touching the business of the Credit Union which may arise :-

- a. among members, past members, and persons claiming through a member past member and deceased members; or
- b. between a member, past member, or person claiming through a member, past member or deceased member and the Credit Union, its, Board of Directors or any Officer of the Credit Union; or
- c. between the Credit Union or its Board of Directors and any officer of the Credit Union; or
- d. A claim by the Credit Union for any debt or demand due to it from a member, past member or the nominee, heir or legal representative of a deceased member, shall be deemed to be a dispute touching the business of the Credit Union.

ARTICLE XXI AMENDMENTS TO THESE RULES

102. These Rules may be amended by a resolution of the member at any Annual General Meeting or Special Meeting call for the purpose by three-fourths vote of those present and entitled to vote each member shall be provided with a copy of the proposed amendment. No amendment shall become operative until it has been approved by the Board of Director in accordance with the Law.

ARTICLE XXII
VOLUNTARY DISSOLUTION

103.The Credit Union may be dissolved by the consent of three-fourths of its members, but only in the manner provided by Law.

ARTICLE XXIII
GENERAL

104.These Bye –Laws shall be read in conjunction with the Co-operative Societies’ Act 1974, (which has been referred to in these Bye-laws as the Law) and in conjunction with the Regulations made there-under.

CERTIFICATE OF REGISTRATION OF BYE-LAWS

I certify that the foregoing Bye-Laws Nos. 1 to 104 of the NATIONAL WORKERS CO-OPERATIVE CREDIT UNION LIMITED, registered as No. _____ on _____ 2012 _____ have been registered by me.

Dated at Nassau this _____ day of _____
_____ 2012.

Director of Co-operative Development

BAHAMAS