

BY LAWS OF THE CITIPORT CREDIT CO-OPERATIVE LIMITED

1. NAME, ADDRESS AND ORGANISATION

- 1.1 The Society shall be called the Citiport Credit Co-operative Limited.
- 1.2 The registered address of the Co-operative shall be at 218 Pasir Panjang Road #02-03 ICON@Pasir Panjang, Singapore 118579. Any change of address shall be notified to the Registrar and to any non-members who may be creditors of the Co-operative.
- 1.3 The area of operation of the Co-operative shall be in Singapore.

2. INTERPRETATION

- 2.1 In these By-laws, unless the context otherwise requires: -
- (a) "Act" means the Co-operative Societies Act (Cap. 62) or any amendments thereto for the time being in force in Singapore;
 - (b) "Rules" means the Co-operative Societies Rules 2009 or any rule made under the Act for the time being in force in Singapore;
 - (c) "By-laws" means the by-laws of the Co-operative;
 - (d) "Chief Executive Officer" means the highest-ranking executive appointed by the Board to run the affairs of the Co-operative;
 - (e) "Common Good Fund" means a fund that is used for the benefit of the members of the Co-operative and may also be used for educational, medical, social or charitable purposes;
 - (f) "Co-operative" means the Citiport Credit Co-operative Limited;
 - (g) "Registrar" means the Registrar of Co-operative Societies appointed under section 3(1) of the Act and includes a Deputy Registrar, an Assistant Registrar or a public officer appointed under section 3(1) of the Act, exercising such function, duty or powers of the Registrar as is delegated to the Deputy Registrar, Assistant Registrar or public officer (as the case may be) under section 3(2) of the Act;
 - (h) "Board" or "Board of Directors" means the governing body of the Co-operative, which is responsible for the management of the affairs of the Co-operative;
 - (i) "Officer" includes a chairman, vice-chairman, secretary, assistant secretary, treasurer, assistant treasurer, members of the Board of Directors, chief executive officer, member of any committee constituted under the By-laws, employee, internal auditor, liquidator or any other person empowered under the Act, the Rules or By-laws to give directives in regard to the business of the Co-operative or to supervise such business;
 - (j) "Member" means any person duly admitted to the membership of the Co-operative in accordance with the By-laws;
 - (k) "Employee" means an individual who is a staff of the Society, whether or not under a contract of service with the Society or appointed by the Board of Directors;
 - (l) "Central Co-operative Fund" means the fund established under Section 71 of the Act;
 - (m) "Subscription Capital" means a regular obligatory savings deposit made by members which is intended to serve as guarantee capital for loans taken or guaranteed by a

member and which may not be withdrawn except for such specific purposes and under such conditions as are laid down in the By-laws or except on a termination of membership'

- (n) "Allowance" means the remuneration paid to a member of the Board of Directors of the Co-operative in consideration of his voluntary services rendered to the Co-operative on a regular basis pursuant to section 65 of the Act;
- (o) "Honorarium" means a portion of the net surplus of the Co-operative distributed among some or all of the members of the Board of Directors in consideration of their services which would not otherwise be remunerated;
- (p) "Surplus" means the economic results of the Co-operative as shown in the audited financial statements of the Co-operative after provisions have been made for depreciation and bad debts;
- (q) "Net Surplus" means the remaining portion of the surplus after provisions have been made for the Central Co-operative Fund and the Singapore Labour Foundation in accordance with section 71 of the Act;
- (r) "Dividend" means a portion of the net surplus of the Co-operative distributed among the members in proportion to the subscription capital held by them in the Co-operative;
- (s) "Patronage Refund" means a portion of the net surplus of the Co-operative distributed among the members in proportion to the volume of business done by them with the Co-operative from which the surplus of the Co-operative was derived;
- (t) "General Reserve Fund" means a fund that is not marked for any specific purposes and it can serve as a buffer to absorb unanticipated losses which may arise from the Co-operative's operations or investments;
- (u) "Audit Committee" means the audit committee as prescribed in section 36 of the Act;
- (v) "Deposit" means money received on current or deposit account and includes subscription capital, but does not include:
 - (i) a deposit that is paid pursuant to a hire-purchase agreement or that is referable to the provision of services or to the giving of security; and
 - (ii) such other deposit as may be prescribed;
- (w) "financial service" means receiving deposits, granting loans, or such other service of a financial nature as may be prescribed, other than in relation to the carrying on of insurance business within the meaning of the Insurance Act (Cap. 142);
- (x) "key employee" means an individual who holds any of the following appointments, or who purports to act in any of the following capacities, whether or not for reward –
 - (i) a chief executive officer (whether called general manager or otherwise);
 - (ii) chief operating officer;
 - (iii) a chief financial officer;
 - (iv) a chief investment officer;
 - (iv) an appointment analogous to any appointment mentioned in paragraph (i), (ii), (iii) or (iv);
- (y) Where there is a reference to a number of clear days between 2 events, that number of days is exclusive of the days on which those 2 events happen.

- (z) Words importing the masculine gender shall include the feminine gender and words importing singular shall include the plural.

3. OBJECTS

3.1 The object of the Co-operative shall be: -

- (a) to promote the economic interest of its members;
- (b) to encourage thrift, co-operation, self-help and mutual assistance amongst its members;
- (c) to provide financial service to members;
- (d) to assist members in reducing the cost of living and improving their economic position; and
- (e) to establish and operate such co-operative schemes, ventures and projects.

3.2 In furtherance of these objects, the Co-operative shall be at liberty –

- (a) to appoint or to act as representatives and agents for the purpose of carrying on the business of the Co-operative;
- (b) to invest the funds of the Co-operative in accordance with section 69 of the Act;
- (c) to raise funds by obtaining loans from the members and non-members and deposits from members and their immediate family members subject to the Act and the By-laws;
- (d) to purchase, lease, rent, hire, hold, develop, mortgage, sell or otherwise acquire, deal with or dispose of such movable or immovable properties or any portion thereof as may be required for use as shops, offices or for any other purposes of the Co-operative for the conduct of its business and the welfare of the co-operative movement; and
- (e) to frame administrative policy and rules and such other regulations as may be required for the proper conduct of the Co-operative's business; and
- (f) to do all other things as may be necessary, incidental or conducive to the attainment of any of the objects of the Co-operative.

4. LIABILITY OF MEMBERS

4.1 The liability of a member, present or past, of the Co-operative, shall not extend to a sum exceeding \$100.

4.2 The liability of a past member for the debts of the Co-operative, within the limitation of By-laws 4.1, as they existed on the date on which he ceased to be a member shall not continue for a period of more than two years after that date.

4.3 The estate of a deceased member, who is not a past member to whom By-laws 4.2 applies shall not be liable for debts of the Co-operative as they existed on the date of his death for a period of more than two years after that date.

5. MEMBERSHIP

5.1 Membership of the Co-operative shall **consist of:**

- (a) Ordinary members who are monthly-rated employees of the PSA Corporation and its subsidiaries, Maritime Port Authority ("MPA") and port-related companies; and
- (b) Associate members who are Ordinary member's spouse, legal children or siblings.

5.2 An individual person applying for the membership of the Co-operative shall:

- (a) be 16 years of age or above;
- (b) be a citizen of Singapore or resident in Singapore; and
- (c) not already be a member of any society whose primary object is to grant loan to its members;

6. ADMISSION

6.1 Application for membership shall be submitted on a form prescribed by the Board and shall be accompanied by payment of entrance fee specified in By-law 8.1.

6.2 Admission to membership shall be considered by the Board subject, in case of rejection, to an appeal to a general meeting. The Board shall have power to accept or reject an application without assigning any reason.

6.3 For the admission to membership by the general meeting, a majority of two thirds of those voting shall be necessary.

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

7 RIGHTS AND OBLIGATIONS OF MEMBERS

7.1 Every member who has been admitted to the membership of the Co-operative shall, on payment of the entrance fee, be deemed to have acquired all the rights, duties and liabilities of a member of the Co-operative as laid down in these By-laws.

7.2 Deleted

7.3 Every member shall, on admission, be provided with a copy of the By-laws free of charge. Extra copies of the By-laws may be obtained on payment of \$2.00 per copy.

7.4 The Co-operative must –

- (a) provide to each member, within 6 months after the close of each financial year, a statement of accounts (in hardcopy form or electronic form) containing particulars of each financial transaction between that member and the Co-operative in that financial year.
- (b) within 10 working days after receiving a member's request, provide to the member a statement of accounts (in hardcopy form or electronic form) containing particulars of each financial transaction between that member and the Co-operative within 6 months preceding the date of receipt of the member's request

7.5 Every member may in writing nominate one person in the presence of at least two witnesses, to whom sums due to the member shall be paid on his death.

7.6.1 Every member shall, unless otherwise disqualified under the Act or the By-laws, have the right to: -

- (a) avail himself of all services of the Co-operative; and
- (b) enjoy all other rights provided under the By-laws.

7.6.2 Only Ordinary members shall have the right to:

- (a) participate at a general meeting;
- (b) stand for election to office; and
- (c) be co-opted to hold office in the Co-operative

8. OBLIGATION PAYMENT BY MEMBERS

8.1 The entrance fee shall be \$10.00 and shall not be refundable, except in cases where an application for membership has been rejected.

8.2 The minimum monthly subscription shall be \$10.00. The rate of Subscription shall not be changed more than twice in any one financial year without the consent of the Board. However, the Board may exercise powers to change the rate of subscription when necessary subject to Section 16(2) of the Act.

8.3 All monthly payments due to the Co-operative by members shall be recoverable by deduction from the monthly salary through their respective employers who shall forward all sums deducted to the Co-operative. Alternatively, the payments shall be by Interbank GIRO.

8.4 Deleted

8.5 Deleted

8.5.1 A member may be allowed to withdraw his subscription less \$500/- to make part settlement of his outstanding loan with the Co-operative.

8.6 Deleted

8.7 A member may be permitted to withdraw part of his subscription in times of financial difficulties arising from prolonged illness subject to the relevant rules of the Common Good Fund.

8.8 When a member proceeds on leave, due to prolonged illness as referred to in By-law 8.7, the Board shall decide what subscription, specific deposit, instalment of loan and interest, if any, he shall pay while on leave.

8.9 Every member shall contribute \$1.00 per month (or such other amount as the Board may decide from time to time) towards the Common Good Fund.

9. CESSATION OF MEMBERSHIP

9.1 Membership shall cease by:

- (a) resignation subject to By-laws 9.2, 9.3 and 9.4;
- (b) permanent removal of residence beyond Singapore;
- (c) expulsion subject to By-laws 9.8 and 9.9;

- (d) termination or resignation of service, subject to By-law 9.6.1;
 - (e) death;
- 9.2 Any member who is not liable to the Co-operative may resign from the Co-operative on giving 3 months' notice of resignation in writing. The Board may accept a shorter notice of resignation at its discretion. The effective date of cessation of membership by resignation shall be upon the expiry of the 3 months' notice or such shorter notice accepted by the Board, as the case may be. During the period of notice, such member shall not be eligible to vote or to incur fresh liabilities with the Co-operative.
- 9.3 Any member, who is indebted to the Co-operative either as a borrower or surety, may give 3 months' notice of his intention to resign from the Co-operative. Such notice shall be invalid unless at the end of the 3 months' notice he is free from all liabilities to the Co-operative either as a borrower or surety.
- 9.4 Any member, who at the time of submitting his resignation is indebted to the Co-operative as borrower and whose total subscription is equal to or greater than the amount of loan outstanding, may be allowed to offset this amount against the said subscription (provided that half of the loan last taken had been paid through monthly deduction). The balance, if any, shall be paid to him only after a period of 12 months has elapsed since the date of resignation. The Board may, under exceptional circumstances, pay the balance in a shorter period
- 9.5 On cessation of membership by insanity, permanent removal of residence beyond Singapore, termination or resignation of service or death, the amount due to the member after deduction of any amount owed to him to the Co-operative shall be paid to him, his nominee or his legal personal representative, as the case maybe, at once without profits, or after the last day of the financial year, with the dividend found due thereon at the discretion of the member or his nominee or his legal representative.
- 9.6.1 If a member having 2 years of continuous membership resigns; retires or is retrenched from his employment, he may with the permission of the Board continue as a member and continue his subscription leaving the amount to his credit in the Co-operative and receive his share of the annual dividend on his subscription as provided for in the By-laws.
- 9.6.2 A resigned or retrenched member shall be eligible for loan. However, they must provide documentary proof that they are gainfully employed and provide at least two sureties who are also gainfully employed. The Board shall have the right to reject such application or request for new sureties. A retired member shall not be eligible for loan nor shall they be eligible to stand sureties for loans.
- 9.6.3 Members retaining their membership under this By-law shall make arrangement themselves for the prompt payment of all their dues to the Co-operative.
- 9.7 If a member is dismissed or removed from his employment or is declared a bankrupt, he shall be deemed to have ceased to be a member of the Co-operative.
- 9.8 The Board shall have power without reference to the general meeting to expel any member whose payments to the Co-operative are more than two months in arrears or may at their discretion, impose a fine not exceeding \$5/- for every month in which a member is more than two months in arrears provided the member has been given a written notice of the intention to expel him or to impose such fine on him and that he has been given a reasonable opportunity to show cause why he should not be expelled or fined.
- 9.9 If a member contravenes any provision of the Act or the Rules or the By-laws or acts in any way detrimental to the interests of the Co-operative, he may be expelled by a vote of not less than two thirds of the members present and voting at a general meeting upon a charge of which he is informed in writing by the Board at least one week before the meeting.

9.10 The net amount standing to the credit of an expelled member shall only be refunded to him after twelve months from the date of the expulsion. An expelled member shall not be entitled to any dividend or interest for the year in which his expulsion took place.

10. SPECIFIC DEPOSIT

10.1 In addition to the monthly subscription, every member may make a monthly deposit.

10.2 The deposit shall not be less than \$10.00 per month and the amount of the monthly deposit shall not be varied more than twice in any financial year.

10.3 The rate of interest to be fixed by the Board from time to time shall not exceed 10% per annum. Interest shall be paid annually on 1st January and shall be calculated on the minimum annual balances, provided that balances do not fall below \$50/-. Such interest shall not be paid in cash but shall be credited to the depositors' account.

10.4 Deposits shall be withdrawable at any time.

10.5 One month's notice in writing shall ordinarily be given of the withdrawal of deposit but the Board may, at its discretion accept a shorter notice.

10.6 In addition to subscription capital and specific deposits, a member may place fixed deposits with the Co-operative, subject to such regulations as may be prescribed by the Board.

11. LOANS

11.1 The Co-operative shall not make a loan to any person other than a member of the Co-operative. Any member wishing to apply for a loan shall submit an application on the form prescribed by the Board. If so, required he shall be present at the meeting of the Board when his loan application is considered and shall be prepared to answer all questions relevant to his application.

11.2 Every member shall be eligible for a loan or to stand surety for a loan irrespective of his age provided that no member, who has been a member for less than six months, shall be eligible for a loan or to stand surety for a loan without the approval of the Board. A contract entered into by a minor with the Co-operative, whether as principal or surety shall be enforceable at law or against such member notwithstanding his minority.

11.3 Loans shall be limited to the amount allowed in the written direction on unsecured loans issued by the Registrar, applicable to the Co-operative.

11.4 Urgent loans for unforeseen expenditure amounting to one month's gross income of the borrower or \$3,000/- whichever is the less maybe approved by a sub-committee. In approving such urgent loans, the sub-committee shall take into account all other loans extended to the member by the Co-operative. The sub-committee shall comprise the chairman and two other members of the Board. All urgent loans shall be submitted to the Board at its next meeting for ratification.

11.5 Loan together with interest shall be payable over a period to be fixed by the Board but shall not exceed one hundred and twenty months. Repayment will commence from the month following that in which the loan was granted. A loan on the security of the 90% paid up subscription may be repaid in one hundred and twenty months. A borrowing member may repay a loan in whole or in part at any time before that date.

11.6 Under exceptional circumstances the Board may approve postponement or reduction of any loan repayment, provided that no application for postponement or reduction shall be considered without the consent of the sureties.

11.7 Loans up to the amount of the members' subscription balance shall be granted on the personal security of the borrowing member while loans in excess of his subscription balance

shall be granted on the personal security of the borrowing member and / or two or more sureties who are members or non-members acceptable to the Board.

- 11.8 Deleted by amendment to by-laws registered on 16 May 2005.
- 11.9 It shall be the duty of the Board to see that fresh surety is provided or that the loan is immediately recalled in full whenever any of the existing sureties dies or ceases to be a member, or is otherwise ineligible to continue his surety-ship, provided that the original surety shall not be released from liability until a new surety has been approved by the Board or full payment of the loan has been made.
- 11.10 A borrower, who fails to inform the Board of the death or inability of his sureties to fulfill his obligation, will be liable to have his loan recalled at once.
- 11.11 Loan shall only be disbursed to a member after complete execution of the loan agreement. Disbursement of a loan shall be made in the name of the borrower by "Account Payee Only" cheque, "Order" cheque or electronic bank transfer.
- 11.12 The rate of interest to be charged on loans shall be fixed from time to time by the Board but shall not exceed 6% per annum and shall be payable in equal monthly installment in the same period as the principal.
- 11.13 Loans shall be given only for useful or necessary purpose approved by the Board. The purpose for which a loan is required shall be clearly and truly stated in the application for loan. The Board shall ensure as far as practicable that the loan is properly used for the purpose for which it was granted. If it is misapplied, the Board shall have the power to recall the loan in full within one month with interest and in addition to impose a fine of 50 cents for each \$10/- of the loan
- 11.14 It shall be entirely within the power of the Board to refuse a loan to limit the amount and to object to a particular member as surety. No member may claim a loan as a matter of right.
- 11.15 A loan shall normally fall due at once and be recovered with interest without delay and without any reference to the term for which it was granted if:-
- (a) the membership of the borrower ceases for any reason whatsoever or the Board has good reason to believe that the membership of the borrower is likely to cease for any reason whatsoever;
 - (b) one of the sureties ceases to be eligible to continue as surety and the borrower fails to provide another surety to the satisfaction of the Board;
 - (c) the loan is used for any other purpose than that for which it was granted;
 - (d) any loan installment becomes overdue for more than two months;
 - (e) the position of the borrower is considered doubtful; and
 - (f) a member retires from his employment and wishes to remain a member under By-laws 9.6.1.
- 11.16 When a member is granted a loan or becomes a surety for a loan, he shall agree to the deduction of installments and interest from his salary by his employer and he shall sign for the full amount of his salary as if such deduction had not been made. Alternatively, he shall agree for the deductions to be by Interbank GIRO. He shall authorize his employer to pay over the Co-operative any balance of his salary which may be due to him, on cessation of his membership, if the Co-operative makes a claim thereafter.

11.17 When any installment of a loan whether principal or interest becomes overdue for more than two months, it shall be the duty of the Board to recover the balance of the loan with interest from the sureties.

12. FUNDS OF THE CO-OPERATIVE

12.1 The funds of the Co-operative shall consist of:-

- (a) subscription capital;
- (b) General Reserve Fund;
- (c) Deposits from members;
- (d) Common Good Fund;
- (e) Entrance fees
- (f) Any other funds approved by members at the Annual General Meeting in accordance with the provisions of the Act and these By-laws.

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

12.2 The funds of the Co-operative may be invested in accordance with section 69 of the Act.

- 12.3
- (a) An annual contribution from the net surplus of the Co-operative, as approved by the general meeting;
 - (b) Donations may be accepted to the Common Good Fund

13. FINANCIAL MATTERS

13.1 The financial year of the Co-operative shall begin on 1st January and end on 31st December.

13.2 The Co-operative shall contribute:

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

13.3 The remainder of the surplus of the Co-operative may be distributed in one or more of the following ways at the discretion of the general meeting:

- (a) subject to section 72(2) of the Act, by payment of a dividend not exceeding ten percent pro rata on the amount of subscription standing to the credit of members on the previous 31st December for which the net surplus is distributed;
- (b) by payment of a rebate or patronage refund to members in proportion to the volume of business done by them with the Co-operative from which the surplus of the Co-operative was derived;
- (c) by payment of honoraria to some or all of the members of the Board in consideration of their services which would not otherwise be remunerated subject to section 65(1) of the Act and By-law 14.21;

- (d) by a contribution to a Common Good Fund;
 - (e) by a further contribution to the General Reserve Fund; and
 - (f) subject to section 73 of the Act, by payment of bonus certificates pro rata on the amount of subscription standing to the credit of the members on the last day of the financial year preceding the year of the declaration of the bonus certificates;
 - (g) in any other manner as approved by the general meeting in accordance with the provisions of the Act and these By-laws.
- 13.4 A member whose name appeared in the books of the Co-operative on the last day of the financial year shall be eligible to draw dividend when declared subject to any restrictions imposed in these By-laws.
- 13.5 Dividend shall be credited to the subscription account of the member unless the member applied within one month from the date of the declaration of the dividend for the dividend to be paid to him.
- 13.6 A member holding bonus certificates shall only be entitled to claim payment out of the funds of the Co-operative after five years from the date when the bonus certificates were issued. No interest or dividend shall be paid on such bonus certificates.
- 13.7 Receipts shall be issued for all monies paid to the Co-operative. The treasurer or any other officer authorised by the Board may sign receipts for a sum up to \$500/-. Receipts for sums in excess of \$500/- are to be signed by the treasurer and any other officer authorised by the Board.
- 13.8 The Board shall open or cause to be opened in the name of the Co-operative such account with any bank registered under the Banking Act to which all monies received shall be deposited as soon as possible after the receipt.
- 13.9 All cheques drawn on such accounts shall be signed by the Chairman, the Treasurer and any one member of the Board so authorised by the Board from time to time. All cheques drawn by the Co-operative shall have validity not exceeding 180 days. All payments shall be correctly made and properly authorised in accordance with the direction of the Board.
- 13.10 The Board shall from time to time authorize the amount of cash which may be retained by any officer at any one time.
- 13.11 The Co-operative shall have power to take loans from non-members, provided that the Co-operative shall determine from time to time at a general meeting the maximum liability which it may incur in loans from non-members. The Co-operative shall obtain approval from the Registrar on the maximum liability which it may incur in loans from non-members.
- 13.12 The Co-operative shall have power to take loans or deposits from members and their immediate family members provided that the Co-operative shall determine from time to time at a general meeting the maximum liability which it may incur in loans or deposits from members and their immediate family members
- 13.13 The Registrar may, at any time, reduce either or both of the maximum liabilities determined under By-laws 13.11 and 13.12 or impose such conditions (either or both of the maximum liabilities as the Registrar thinks necessary.
- 13.14 The immediate family members referred to in these By-laws are as prescribed in the Rules.

14. ORGANISATION AND MANAGEMENT OF THE CO-OPERATIVE

- 14.1 The supreme authority of the Co-operative shall be vested in the General Meeting of members, at which every Ordinary member has a right to attend and to vote provided always that he is not in default to the Co-operative. No Ordinary member shall vote on any matter in which he is individually interested.
- 14.2 There shall be two kinds of general meetings, Annual General Meeting and Extra-Ordinary Meeting.
- 14.3 An Annual General Meeting shall be convened by the Board and shall be held as soon as practicable, but not later than six months after the end of the financial year, unless the approval of the Registrar has, within the said period of six months, been obtained to extend that period.
- 14.4 An Extra-Ordinary Meeting shall be convened by the Board whenever it thinks fit or on receipt of a requisition for such a meeting signed by at least 20% or sixty of the Ordinary members of the Co-operative, whichever is the less, stating the objects of the meeting.
- 14.5 If the Board fails to convene a meeting in accordance with By-law 14.4 within one month after receiving the requisition for the meeting, the Ordinary members making the requisition shall have power to convene the meeting themselves by notice to all Ordinary members of the Co-operative stating the object of the meeting and the fact that the Board has failed to convene the meeting.
- 14.6 The Registrar or his representative may at any time convene a Special General Meeting and may also direct what matters shall be discussed at the meeting.
- 14.7.1 Notice of every general meeting shall be sent to each Ordinary member entitled to attend the meeting and to the Registrar at least 15 clear days, prior to the date of the general meeting. The notice shall state the matters for discussion and the resolution to be proposed and no other subject shall be discussed without the consent of the majority of the Ordinary members present and voting at such general meeting.
- 14.7.2 A copy of each of the following documents must be made available to every Ordinary member (and/or to every delegate) entitled to attend the annual general meeting, at least 15 clear days before the meeting: –
- 14.7.2(a) the Co-operative's annual report, audited financial statements and audit report mentioned in section 34(1) of the Act, including every document required under the Act to be attached to those reports and statements; and
- 14.7.2(b) such another document as the Registrar thinks necessary and directs to be made available.
- 14.8 The functions of the Annual General Meeting of the Co-operatives are:-
- (a) to confirm the minutes of the last Annual General Meeting and any other intervening general meeting;
 - (b) to consider the auditor's report, the reports of the Board and any report made by the Registrar or his representatives;
 - (c) to approve the financial statements;
 - (d) to consider and resolve the manner in which any available net surplus shall be distributed or invested subject to the provisions of the Act and the By-laws;
 - (e) to consider and adopt any amendments to the By-laws;

- (f) to elect or remove members of the Board;
- (g) to elect a panel of three internal auditors;
- (h) to appoint the external auditors of the Co-operative;
- (i) to consider and authorise the payment of allowance or honorarium and provision of other benefits subject to By-law 14.21;
- (j) to consider and determine the maximum amount the Co-operative may borrow subject to the provisions of the Act and the By-laws;
- (k) to write off bad debts;
- (l) to approve estimates of expenditure for the following year; and
- (m) to transact any other general business of the Co-operative of which due notice has been given to Ordinary members.

14.9.1 No business shall be transacted at any general meeting unless a quorum of Ordinary members is present. The quorum necessary for such transaction shall be 20% or 30 of all Ordinary members qualified to vote, whichever is less.

14.9.2 If a quorum is not present within 30 minutes after the time fixed for a general meeting, the Ordinary members present shall form a quorum, except that a general meeting with such reduced quorum shall not have the power to amend the By-laws and that any resolution passed at the meeting shall not be valid unless it is passed with a majority of two-thirds of the Ordinary members present.

14.10.1 Except as otherwise provided in the Act or in these By-laws a question referred to the Ordinary members present at a general meeting shall be decided by a majority of votes.

14.10.2 Each Ordinary member shall have only one vote and that vote shall be exercised in person and not by proxy. In the case of an equality of votes the motion shall be held to be lost. The chairman shall have no casting vote.

14.10.3 In the case of election or removal of officers, voting shall be by secret ballot.

14.10.4 Where it is provided in the Act or in these By-laws that a resolution shall be passed by not less than a prescribed majority of the Ordinary members present and voting at a general meeting, the resolution shall be deemed to be passed if not less than the prescribed majority of the total number of votes are cast in favour of the resolution.

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

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

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

- 14.10.7 Subject to By-law 14.10.8, the By-laws and any amendment to the By-laws of the Co-operative shall, when registered, bind the Co-operative and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and his personal representatives to observe all the provisions of the By-laws.
- 14.10.8 A member of the Co-operative shall not, without his consent in writing having been first obtained, be bound by any amendment of the By-laws registered after he became a member, if and so far, as that amendment increases his liability to contribute to the subscription capital of the Co-operative;
- 14.10.9 Minutes of the general meeting shall be endorsed by the Board within 60 days after the date on which that general meeting is held;
- 14.10.10 After the minutes of the general meeting have been considered and confirmed at an Annual General Meeting, the Board shall cause those minutes to be entered in the minute book within 30 days after the date on which the Annual General Meeting is held,
- 14.11.1 Minutes of the general meeting shall contain: -
- (a) the number of Ordinary members present at the meeting and the name of the chairman who presided;
 - (b) the time the meeting commenced and ended; and
 - (c) all resolutions and decision made at the meeting.
- 14.11.2 The minutes of each meeting shall be read or shall be taken as read if previously circulated at the next meeting and if confirmed or after amendment, signed by the chairman of that meeting and the secretary and when so signed shall be evidence of anything contained therein.
- 14.12.1 The control of the affairs of the Co-operative shall be entrusted to a Board of Directors consisting of not less than five and not more than ten members.
- 14.12.1 (b) The Board shall comprise at least a majority of individuals who are independent of the Co-operative in the manner prescribed in the Rules.
- 14.12.1 (c) The nomination of candidates to the Board must be made on the nomination form prescribed by the Co-operative, which shall be available to candidates at the Co-operative's office or on its website. The completed nomination form must be signed by the candidate, his proposer and seconder. The proposer and seconder must be Ordinary members of the Co-operative. The completed form must be submitted to the Co-operative on or before the deadline stipulated by the Co-operative.
- 14.12.2 All members of the Board of Directors shall be elected at the Annual General Meeting. One-third of the existing Board shall retire annually and the said member shall be eligible for re-election. The Board shall be representative as far as possible of all departments of the PSA Corporation and its subsidiaries
- 14.12.3 A motion for the election of 2 or more individuals as members of the Board by a single resolution at a general meeting shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
- 14.12.4 A resolution passed in pursuance of a motion made in contravention of By-law 14.2.3 shall be void, whether or not it's being so moved was objected to at the time.
- 14.12.5 Where a resolution pursuant to a motion made in contravention of By-law 14.2.3 is passed, no provision for the automatic re-election of retiring members of the Board in default of another

election shall apply

14.12.6 A motion for approving an individual's election, or for nominating an individual for election, must be treated as a motion for the individual's election.

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

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

14.13.1 An individual is not eligible for membership of the Board of Directors of the Co-operative, to be a key employee or remain a member of the Board or a key employee: -

- (a) if he is under 18 years of age;
- (b) if he is not:
 - (i) a citizen of Singapore; or
 - (ii) subject to section 60(2) of the Act, resident in Singaporeexcept with the approval of the Registrar;
- (c) if he is an un-discharged bankrupt, (whether he was adjudicated bankrupt by a Singapore court or a foreign court having jurisdiction in bankruptcy);
- (d) except with the Registrar's written approval, if he has been convicted, whether in Singapore or elsewhere, of any offence (not being an offence under the Act) involving fraud or dishonesty;
- (e) if he has been convicted to an offence under the Act;
- (f) if he has been dismissed as an employee of a co-operative society;
- (g) except with the Registrar's written approval, if he has previously been removed by the Registrar from the Committee of Management of any society, or suspended by the Registrar, under section 94(1) or 94A(1) of the Act; or
- (h) if he becomes ineligible under any of the By-laws of the Co-operative.

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

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

14.14.1 A member of the Board of Directors shall cease to hold office if: -

- (a) he becomes ineligible for membership of the Board in accordance with By-law 14.13;
- (b) he becomes legally or mentally unsound;
- (c) he gives notice of resignation to the Board;

- (d) he is removed by a general Meeting;
- (e) he fails to be present at three consecutive meetings of the Board without satisfactory reasons acceptable to the Board; or
- (f) he passes away.

14.14.2 A member of the Board who resigns under By-law 14.14.1(c) shall not be eligible for election to the Board until after an interval of not less than one year.

14.14.3 A member of the Board who ceases to be a member under By-laws 14.14.1(d) and (e) shall not be eligible for election until after an interval of not less than two years.

14.15.1 The Board shall, immediately after their election to the Board and in any case within seven days from the date of the general meeting, meet to elect from among themselves, a chairman, vice chairman, and honorary secretary, and honorary treasurer and such other officers as it deems fit.

14.15.2 The Board shall be empowered to appoint a secretary and a treasurer or an assistant secretary or an assistant treasurer from among the employees of the Co-operative who, in such case, shall not be a member of the Board of Directors but shall have the right and duty to attend all meetings of the Board.

14.15.3 The Board shall have the power to appoint committees or sub-committees from among themselves to be fully responsible for the daily efficient functioning of the Co-operative or for any other purposes which the Board may deem fit

14.16.1 The Board of Directors shall represent the Co-operative before all competent public authorities and in all dealings and transaction with third persons, with powers to institute or defend suits brought in the name of or against the Co-operative and, in general, direct and supervise the business and property of the Co-operative and shall exercise all the necessary powers to ensure the full and proper administration and management of the affairs of the Co-operative, except those powers reserved for the general meeting of members and subject to any restriction duly laid down in a general meeting or in the By-laws.

14.16.2 Without limiting the generality of By-law 14.16.1, the duties and powers of the Board of Directors are: -

- (a) to consider and approve or reject applications for membership of the Co-operative;
- (b) to call for and regularly examine reports from committees or sub-committees or officers or employees which will disclose the true position of the Co-operative, its operations and financial conditions;
- (c) to appoint committees or sub-committees;
- (d) to keep members informed of the progress of the Co- operative and encourage interest and a sense of ownership on the part of the members;
- (e) to present to the Annual General Meeting of the Co-operative an annual report on the activities of the Co-operative during the preceding financial year, together with the audited financial statements of the Co-operative and the auditor's report for the year and such other documents as the Registrar may direct;
- (f) to prepare and present to the Annual General Meeting of the Co-operative a proposal for the distribution of any net surplus accrued during the preceding financial year, in accordance with the Act and the By-laws;
- (g) to make a report to the Annual General Meeting of the work of the Board during the preceding financial year with such recommendations as they deem necessary to maintain or improve the service provided by the Co-operative to the members;

- (h) to consider and take immediate action on matters reported by the Registrar, the audit committee or the auditors
- (i) to consider and approve or reject application for loans subject to the provision laid down in section 67 of the Act and these By-laws;
- (j) to exercise any or all of the powers conferred in these By-laws;
- (k) to sanction additional expenditure up to a maximum, as may be prescribed by members at a general meeting, in excess of the approved budget for any one year; and
- (l) to carry on business of the Co-operative generally and to frame rules for the conduct of such business as may be necessary.

14.16.3 A full and correct record shall be kept of all proceedings of the Board in carrying out their duties and the records shall be available for inspection by the Registrar and by the auditors.

14.16.4 The Board may appoint, on such terms and conditions as it thinks fit, a chief executive officer to administer and manage the affairs of the Co-operative and may employ such other persons as the Board considers necessary to assist the manager in the discharge of his duties. Where a full-time chief executive officer is appointed, any or all duties of the secretary or treasurer, or both may be delegated to such chief executive officer and where all duties of the secretary or treasurer or both are so delegated, the Co-operative may operate without electing a secretary or a treasurer or both. The office of the secretary and treasurer may be held by one and the same person.

14.17 The Board shall meet as often as the business of the Co-operative may require and, in any case, not less frequently than once in every three months. Notice of every meeting of the Board shall be sent to each member of the Board at least 7 clear days prior to the date of the meeting.

14.18 The quorum for a meeting of the Board shall be half of the number of its members. Decision shall be taken on a simple majority of votes. The chairman shall have no casting vote. No member shall vote on any matter in which he is individually interested.

14.19 Minutes of Board Meetings shall be recorded by the secretary in the minute book within 60 days after the date on which the meeting is held and shall include: -

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

14.20.1 In the conduct of the affairs of the Co-operative, a member of the Board shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office.

14.20.2 A member of the Board who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the Co-operative shall as soon as practicable after the relevant facts have come to his knowledge declare the nature and extent of his interest at a meeting of the Board.

14.20.3 A member of the Board who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as a member of the Board shall declare at a meeting of the Board the fact and nature, character and extent of the conflict. The declaration shall be made:

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

- (b) if he is already a member of the Board, then after he commenced to hold office or to possess the property,

as the case requires.

14.20.4 The secretary shall record every declaration made pursuant to By-laws 14.20.2 and 14.20.3 in the minutes of the meeting at which the declaration was made.

14.20.5 Where the Board has appointed a person as a chief executive officer or a committee or sub-committee to administer and manage the affairs of the Co-operative, such appointment shall not absolve the Board from its responsibility for the proper direction of the affairs of the Co-operative.

14.21. A member of the Board, who is not an employee of the Co-operative, may receive an honorarium or allowance (but not both) and other benefits from the Co-operative, provided that the payment of an honorarium or allowance and the provision of any such benefits have been authorised by a resolution to that effect passed by a general meeting of the Co-operative

14.22 No member of the Board shall, during his terms of office, be granted loan in excess of his paid-up subscription. He shall not be allowed to stand as a surety for any loan.

14.23.1 The duties of the chairman shall include the following: -

- (a) to provide leadership to the Board as to how its functions and responsibilities should be carried out;
- (b) to preside at all general meetings of the Co-operative and all meetings of the Board;
- (c) to exercise general supervision over the officers and employees of the Co-operative;
- (d) to represent the Co-operative for any purposes as the Board may decide;
- (e) to certify or sign appropriate documents, returns and statements required under the Act, the Rules, the By-laws or any direction of the Board; and
- (f) to perform such other duties specified in these By-laws or entrusted to him by the Board.

14.23.2 In the absence of the chairman, his duties shall be carried out by the vice-Chairman or in the absence of both the chairman and vice Chairman by any other person elected by a majority of those present at the meeting

14.24 The duties of the secretary shall include the following: -

- (a) to maintain correctly and up-to-date all the records, papers and registers of the Co-operative;
- (b) to keep an inventory of the property belonging to the Co-operative;
- (c) to sign on behalf of the Board and conduct its correspondence;
- (d) to summon and attend the general meetings and meetings of the Board and to record the proceedings of such meetings in a minute book;
- (e) to submit all minutes of meetings and such information, returns and statements required under the Act or call for by the Registrar within the prescribed period; and
- (f) to conduct the ordinary business of the Co-operative and perform all the duties entrusted to him by the Board or specified in these By-laws.

14.25 The duties of the treasurer shall include the following: -

- (a) to take charge of all financial transactions of the Co-operative including all monies received by the Co-operatives from a bank, members or others and to make disbursement in accordance with the directions of the Board;
- (b) to prepare or cause to be prepared all receipts, vouchers, financial statement and documents required by the By-laws or called for by the Board;
- (c) to be responsible for the proper and punctual keeping of all the accounts and books of account of the Co-operative; and
- (d) to perform all or any of the duties of the secretary or treasurer as may be entrusted to him by the Board.

14.26 The duties of the chief executive officer shall include the following: -

- (a) to manage the business and property of the Co-operative;
- (b) to attend all meetings of the Co-operative and of the Board and to carry out all the instructions of the Board;
- (c) to record or cause to be recorded the whole of the transaction of the Co-operative in the books prescribed for the purpose; and
- (d) to perform all or any of the duties of the Secretary or Treasurer as may be entrusted to him by the Board.

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

14.28 Where the Board appoints a person as a chief executive officer of the Co-operative, the duties of the secretary or the treasurer of the Co-operative may be modified or altered by the Board, taking into account the duties assigned by the Board to the chief executive officer.

15. BOOKS AND DOCUMENTS OF THE CO-OPERATIVE

15.1 The following books and document shall be kept: -

- (a) Register of members and their nominees;
- (b) Register of members' liabilities as borrowers and sureties;
- (c) Cash book showing the daily balances;
- (d) Journals, pass books, stock book, furniture and equipment register and book of bonds;
- (e) Inventory of the Co-operative's assets;
- (f) Ledgers including general ledger and personal ledgers or index card of each member;
- (g) Minutes Books;
- (h) Register of application for loans and Register of loans;
- (i) Subscription Capital Register;

- (j) Specific Deposit Register; and
 - (k) Copy of the Act, the Rules and the By-laws;
 - (l) Administrative policies and rules governing the different funds of the Co-operative; and
 - (m) Any other books and documents that may be found necessary or prescribed by the Registrar.
- 15.2 The Co-operative shall keep a copy of the Act, the Rules, the By-laws and a list of members of the Co-operative open to inspection by its members free of charge, at all reasonable times at the registered address of the Co-operative.

16. THE AUDITORS AND THE AUDIT COMMITTEE

- 16.1 Subject to section 33(1) and (2) of the Act, the books and accounts of the Co-operative shall be audited by an external auditor at least once a year. The auditors shall inspect and audit the account and other relevant records of the Co-operative and shall forthwith draw the attention of the Registrar and the Co-operative to any irregularity disclosed by the inspection and audit that is, in his opinion, of sufficient importance to justify his so doing
- 16.2 The external auditors shall report: -
- (a) whether the financial statements give a true and fair view of the financial transactions and the state of affairs of the Co-operative;
 - (b) particulars of non-compliance with any accounting standard or requirement referred to in section 34(5) of the Act, the reasons and effects of the non-compliance, and such other information and explanation as will give a true and fair view of the financial transactions and the state of affairs of the Co-operative; and
 - (c) such other matters arising from the audit as he considers should be reported.
- 16.3 The external auditors shall state in his report whether: -
- (a) proper accounting and other records have been kept; and
 - (b) the receipt, expenditure and investment of monies and the acquisition and disposal of assets by the Co-operative during the year have been in accordance with the Act, the Rules and these By-laws.
- 16.4.1 The external auditors may at any other time report to the Registrar and the Co-operative upon any matters arising out of the performance of the audit;
- 16.4.2 The external auditor has the right to appear and be heard at any meeting of the audit committee and shall appear before the audit committee when required to do so by the audit committee.
- 16.5 The audit of the accounts shall include an examination of and report on overdue debts, if any and an examination of and report on the valuation of the assets and liabilities of the Co-operative.
- 16.6 An external auditor shall have the powers prescribed under the Act. The appointment of the external auditor shall not exceed 5 consecutive years.
- 16.7.1 Subject to By-law 16.7.3 a panel of 3 internal auditors shall be elected yearly by and from among members at the Annual General Meeting of the Co-operative
- 16.7.2 The functions of the internal auditors shall include but not limited to –

- 16.7.2 (a) Review the adequacy and effectiveness of the society's internal controls;
- 16.7.2 (b) Review the Co-operative's compliance with its By-laws and relevant regulatory requirements;
- 16.7.2 (c) Review the Co-operative's compliance with its approved policies and processes;
- 16.7.2 (d) Report to the Board the findings arising from the reviews; and
- 16.7.2 (e) Provide recommendations to the Board on the possible corrective and preventive actions to address any findings from its reviews.
- 16.7.3 The Board may recommend to the general meeting the appointment of any organisation or firm as internal auditor. If approved by the general meeting, the election of internal auditor under by By-law shall be dispensed with.
- 16.8 An internal auditor may be paid an allowance by the Co-operative for the performance of his duties.
- 16.9 An audit committee shall be appointed by the Board and shall be composed of at least 3 individuals (who may but need not be members of the Board), each of whom must be independent of the Co-operative in the manner prescribed in the Rules. At least one member of the audit committee must possess such qualifications, training or experience as may be prescribed in the Rules.
- 16.10 If a member of the audit committee resigns, dies or for any other reason ceases to be a member with the result that the number of members is reduced below 3, the Board shall, within 3 months of that event, appoint such number of new members as may be required to make up the minimum number of 3 members.
- 16.11 The functions of the audit committee shall be:
- (a) to review:
 - (i) with the external auditor, the audit plan;
 - (ii) with the external auditor, his audit report;
 - (iii) the assistance given by the officers of the Co-operative to the external auditor;
 - (iv) the scope and results of the audit procedures; and
 - (v) the financial statements of the Co-operative and, if any, the consolidated financial statements submitted by the Co-operative's subsidiary;
 - (b) nominate a person or persons as external auditor; and
 - (c) any other functions as may be agreed to by the audit committee and the Board.
- 16.12 Upon the request of the external auditor, the chairman of the audit committee shall convene a meeting of the audit committee to consider any matter the external auditor believes should be brought to the attention of members of the Board, or the members, of the Co-operative.
- 16.13 The audit committee may regulate its own procedure and, in particular, the calling of meetings, the notice to be given of such meetings, the voting and proceedings thereat, the keeping of minutes and the custody, production and inspection of such minutes.

17. PRESIDENT AND VICE PRESIDENT

- 17.1 The Board may invite one or more citizens who enjoy good public standing to fill the positions of president and vice presidents of the Co-operative. They shall be honorary members of the Co-

operative and shall advise the Board on its general administration. They shall have a right to attend all meetings of the Co-operative and the Board, but shall have no financial responsibility or liability in respect of the debts of the Co-operative. The president shall preside at all meetings of the Co-operative when present. In his absence the vice president may preside when present.

18. GENERAL

- 18.1 Every member shall keep the Co-operative informed of any changes in his address. All notices posted or sent to his last known address shall be deemed to be duly served
- 18.2 Disputes concerning requirements of the Act relating to the constitution, election of officers or conduct of general meetings may be referred to the Registrar in the manner provided in the Act.
- 18.3 These By-laws are supplementary to the provisions of the Act and the Rules. The Co-operative shall be governed by the Act, the Rules and the By-Laws read together. Nothing in these By-Laws shall have power to limit the authority of the Registrar conferred in this act.
- 18.4 The By-laws of the Co-operative shall, when registered, bind the Co-operative and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and his personal representatives to observe all the provisions of the By-laws.
- 18.5 No act of the Co-operative or the Board or any officer shall be deemed to be invalid by reason only of the existence of any defect in the constitution of the Co-operative or of the Board or of any committee or sub-committee in the appointment or election of an officer or on the ground that such officer was disqualified for his appointment.