

**BY-LAWS OF THE ST. LUCIA CO-OPERATIVE CREDIT UNION LEAGUE
LIMITED**



Strength in Unity.

**A SOCIETY DULY REGISTERED UNDER THE CO-OPERATIVE SOCIETIES
ACT OF SAINT LUCIA**



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BY-LAWS OF THE ST. LUCIA CO-OPERATIVE CREDIT UNION LEAGUE LIMITED

A Society duly registered under the Co-operative Societies Act of SAINT LUCIA.

INTERPRETATION

In these by-laws unless the context shall otherwise require:

- "THE ACT"** means the Co-operative Societies Act Chapter 12.06 and Regulations made thereunder and any statutory modification thereof for the time being in force.
- "BENEFITS FROM FUND"** means the entitlement of a member society to make a claim or seek assistance from the Fund.
- "BOARD OF DIRECTORS"** or "Board" or "the Directors" means the governing body of the League constituted in accordance with the provisions of by-law 36.
- "CO-OPERATIVE SOCIETY"** means a society registered under the Act.
- "DIRECTOR"** means any individual elected to be a member of the Board in accordance with by-law 36.
- "FINANCIAL DISTRESS"** means the member society:
Is unable to satisfy its financial obligations as and when they fall due; and/or
- Is experiencing losses or potential losses that will reduce net capital to below 2% of total assets; and/or
 - Has its solvency ratio calculated by the League at below 100% and/or
 - Has had to enter into a composition with its creditors, and/or
 - Is in breach of the governing Acts and Regulations which could result in the suspension or cancellation of registration or approval of the society.
- "LEAGUE"** means the ST. LUCIA Co-operative Credit Union League Limited incorporated under the Act by these by-laws.
- "MEMBER SOCIETY"** means any Co-operative society which has been accepted to membership in the League in accordance with by-law 4.
- "REGISTRAR"** means the individual for the time being holding the office of Registrar of Co-operative Societies appointed under the Act and any subsequent act.



- “REGULATIONS”** means the regulations for the time being prescribed under the Act.
- "STABILIZATION FUNDS"** means the Fund established by the League to protect and stabilize member societies
- “SHARES”** means any withdrawable funds belonging to members of a Member society upon which dividends may be declared. This specifically does not include funds carried on a member society’s balance sheet under the category Permanent and/or Deferred Shares.
- “EX OFFICIO”** means a committee member who has the rights and privileges of a member of a committee except voting rights.

Where the context of these By-laws so permit words importing the singular number include the plural and the masculine gender the feminine and vice versa and words importing individuals include legal bodies.

NAME AND OFFICE

1. The name of the Society shall be the ST. LUCIA CO-OPERATIVE CREDIT UNION LEAGUE LIMITED.
2. The registered office of the League shall be located in the City of Castries, #8 William Peter Boulevard, Castries, SAINT LUCIA, or such other place in SAINT LUCIA as may from time to time be determined by the Board and notified to the Registrar.

OBJECTS

3. (1) The objects for which the League is established are to:
 - a) Foster the growth and welfare of Credit unions both by direct effort and co-operation with other agencies having similar objectives.
 - b) Encourage savings, wise use of Credit and prudent management of personal and family resources.
 - c) Secure active participation in the democratic processes of co-operative control at all levels and in the exercise of officer responsibility.
 - d) Provide information and guidance to Credit Unions and other co-operative leaders and personnel so that the societies they serve will offer the best possible service to members to make such opportunity equitable.
 - e) Contribute to the development of higher standards of credit union management, operation and supervision by advice and direction in the interest of members and membership of affiliated credit unions.
 - f) Establish and maintain good working relationships with the government and its agencies to assure maximum freedom of action on the part of Credit unions in the fulfillment of their responsibilities and attainment of their goals.



- g) Maintain the individual and collective autonomy of credit unions in St. Lucia.
- h) Study all legislation pertaining to Credit Unions to obtain legislation helpful to the purposes of the Co-operative Movement and to defend the Movement against adverse legislation.
- i) Extend to people everywhere regardless of race, creed, colour, religion, political affiliation, or social or economic level, the opportunity to participate in the services and benefits of Credit unions and other Co-operative societies,
 - i. Inform people everywhere of the principles, functions and objectives of credit unions and other Co-operative societies through information and education,
 - ii. Cultivate recognition and acceptance of the Co-operative Movement and
 - iii. Encourage and assist in the provision of Co-operative services wherever they are needed.
- j) Promote interest and co-operation among Credit unions and other Co-operative societies, the Caribbean Confederation of Credit Unions, the World Council of Credit Unions and its affiliates, and other Co-operative organizations.

(2) To attain these objects, the League may:

- a) Receive gifts of any kind, purchase, take on lease or in exchange, borrow, rent or otherwise acquire any land, building, easement, rights, privileges or property, (real or personal), which the League may consider necessary or convenient for the attainment of its objects, or for the purpose of investment, or trade and may sell, demise, mortgage, lend, rent out, give in exchange, use, subdivide or otherwise dispose of or utilize or deal with the same;
- b) Enter into, make and perform contracts of every kind and description with any individual firm, or association and make any arrangements with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the League's objects, or any of them, and obtain from any such government or authority any rights, privileges and concessions which the League may think is desirable to obtain and to carry out, exercise and comply with such arrangements, rights, privileges and concessions;
- c) Borrow money as provided by the by-laws of the League subject to the provisions of the Act and Regulations;
- d) Invest in any security in which trustees are for the time being by law authorized to invest;
- e) Draw, make, accept, endorse, discount, execute and issue bills of exchange and promissory notes and any other negotiable instruments;
- f) Guarantee the due payment and performance of bills of exchange, promissory notes, debts, contracts and obligations of all kinds;
- g) Conduct such central business or service as may be deemed necessary or expedient for and on behalf of its members and the financial welfare of the League;
- h) Carry on any trade or business whatsoever which can, in the opinion of the League be advantageously or conveniently carried on by the League or which may be conducive to the attainment of its objects;



- i) Co-operate with the Caribbean Confederation of Credit Unions, and all other organizations whose aims are identical, closely related or similar to those of the League, for the furtherance and protection of Credit Unions;
- j) Generally do all such other things and acts as may appear to be incidental or conducive to or consequential upon the attainment of objects of the League.

MEMBERSHIP

- 4. Membership in the League shall be limited to Credit Unions.
- 5.
 - (1) Applications for membership shall be in writing in the form prescribed by the Board, and shall be signed by the President and Secretary of the applicant who shall certify that a resolution to join the League was duly passed by a general meeting of the applicant.
 - (2) Every applicant for membership shall subscribe to the minimum amount of shares determined in accordance with by-law 9 and shall agree to be bound and to abide by the by-laws of the League.
 - (3) Every application for membership shall be presented to the next meeting of the Board following its receipt. The Board shall decide by a simple majority of its membership or quorum whether or not the application shall be accepted. Every applicant upon admission to membership shall be entitled to receive a certificate of membership.
 - (4) An applicant whose application for membership is refused shall have the right to appeal in writing to the next general meeting of the League and shall be granted right of hearing. The decision of such general meeting shall be final.
 - (5) Consequent upon a refusal for membership at subsection (4) a General Meeting shall be held within 28 days after the receipt of an appeal.
- 6. A member society may, for any of the following reasons, be suspended by a vote of not less than two-thirds of the total membership of the Board for a period not exceeding 3 months, or expelled by a vote of not less than two-thirds of the delegates present at a general meeting upon a charge communicated to the member in writing by the Board not less than thirty (30) days before the meeting which should be called no later than ninety (90) days after such violation:
 - a) Contravening any of these by-laws or any of the essential co-operative and Credit Union principles;
 - b) Failing to keep its books of account in such a way as to reflect a true and accurate record of its transactions;
 - c) Being in arrears with any annual dues, fees or other levies payable for six months after the payment of such amount was due;
 - d) Being guilty of any conduct deemed by the general meeting to be detrimental to the League or the Co-operative Movement;
 - e) Committing any breach of the Act or Regulations;

PROVIDED that the Board shall in every case ensure that prior to taking any action as aforesaid reasonable attempts are made to assist the offending member society to



remedy the cause of the said action and PROVIDED FURTHER that ample opportunity is given to the society to answer the charge.

A member society suspended by the Board shall lose all rights and privileges of membership pending the decision of the next regular or special general meeting to which such suspension shall be referred.

A member society expelled by a general meeting may re-apply for membership.

7. A member society may resign from the League upon giving three months' notice, in writing, to the Secretary of the League upon expiration of which notice such resignation shall be effective PROVIDED that no member society may resign while such member society is Liable to the League as borrower, or guarantor of any debt due to the League, and unless all dues, fees and other levies have been paid up to the effective date of resignation.
8. A member society which resigns or is expelled shall lose all rights under these by-laws with effect from the date of resignation or expulsion but such resignation or expulsion shall in no way affect the liability of such member society at the time of such resignation or expulsion.

SHARE CAPITAL AND LIABILITY

9.
 - (1) The share capital of the League shall be unlimited, divided into shares of the par value of five dollar (\$5.00) each; PROVIDED that every member society shall subscribe to at least ten thousand (10,000) such shares within such time as may be agreed with the Board and provided that the League in general meeting may, as the business of the League requires from time to time, increase the minimum shares that a member society shall hold.
 - (2) The liability of each member society in the case of liquidation shall be limited to the nominal value of the shares held by such member society in the League.
10.
 - (1) The share capital up to the minimum requirement as set out in By-law 9(1) of this by-law shall be redeemable on resignation or expulsion, or in the event of liquidation of the member society.
 - (2) Subject to By-law 11(2) Share Capital in accordance with By-law 9(1) may be redeemed in accordance with section 11(1) in whole or in part on any day that the League is open for business, but the Board of Directors shall reserve the right at any time to require a member society to give notice not exceeding six (6) months.



11. (1) Shares above the minimum requirement set out in By-Law 9(1) may, with the consent of the Board but not otherwise, be transferred from one member society to another or to any Co-operative Society eligible for membership in accordance with the regulations. Such transfer shall be in writing and in such form as the Registrar may approve but if the transferee is not a member, approval of membership must first be gained in accordance with the by-laws relating to the admission of members before the transfer can be registered.
 - (2) To facilitate the disposal of shares, the League may establish from surpluses realized, a share transfer fund to purchase shares within these by-laws. The amount of shares that can be purchased and held by the League cannot exceed 15% of the total share capital of the League. Shares purchased through this reserve must be disposed of to member societies desirous of purchasing additional shares in the League before any new shares can be issued.
 - (3) Additional shares may be sold above or below par to yield a premium or a discount. The selling price of the issued shares will be quoted by the League quarterly or as often as is determined by the Board of Directors.
 - (4) The maximum number of shares that may be issued in any one year will be based on the recommendation of the Board of Directors and approved by the Annual General Meeting.
12. On withdrawal or expulsion, a member society shall, subject to the provisions of by-law 8, be entitled to the repayment of the quoted value of shares subscribed by the member plus dividends credited thereon as shown in the books of the League at the time of withdrawal.

DEPOSITS

13. The League may accept monies on deposit from its members or from non- members in such sums, at such rates of interest on such terms and to such extent as may be determined from time to time by the Board: PROVIDED, however, that the total amount due upon all deposits shall not at any time exceed the amount authorized by the members in a general meeting.
14. The League shall have a prior and paramount lien on the shares and deposits held by a member society in the League in respect of any sum due from such member society to the League, or for any loan endorsed by such member society, and may apply any sum credited to such member society's shares and deposits in or towards payment of any such debt.

LIQUIDITY RESERVES

15. (1) a) Every member society shall maintain a liquidity reserve to meet withdrawals of monies in shares, or deposit and other liability accounts by its members and the quantum of such liquidity reserve shall be in conformity with the Act.



- b) At least 3 per cent of the liquidity reserve of every member society shall be held as unencumbered deposits in the League.
- (2) Sub-by-law (1) of this by-law, in its application to a member society with which other bodies corporate are associated, is to be read as requiring that member society to have regard to the range and scale of the business, and the composition and character of the assets and liabilities, of that member society taken together with its associated bodies, where such associated bodies are not member societies of the League. Associated bodies shall mean anybody corporate over which the member society has voting power to secure that the affairs of that body corporate are conducted in accordance with the wishes of the member society.
- (3) For the purposes of sub-by-law (1) of this by-law, deposits in the League shall include assets of an authorized character only. "Authorized" in relation to the character of assets means:
 - a) Certificates of deposits issued by institutions acceptable to the League;
 - b) Any instrument issued by the Government of ST. LUCIA, which is classified as a liquid instrument by the Eastern Caribbean Central Bank or the maturity date of which will occur within a period not exceeding nine (9) months;
 - c) Amounts deposited with the League for such period as the League may from time to time determine.
- (4) The League shall require all member societies to furnish information in such form and within such timeframe as the League may consider requisite for the purpose of ascertaining whether there is compliance with this By-law and this shall be known as the reporting requirement in respect of the liquidity reserves.
- (5) Where any member society fails to maintain a liquidity reserve in the amount and manner that it is required so to do under this By-law, or to furnish information in such form and within such timeframe as required by the League, such member society shall be non-compliant and in breach of this By-law.

LOANS

- 16. (1) The League may make loans to member societies to assist them in their business operations, on such security, at such rates of interest, on such terms of payment and on such other conditions as the Central Finance Facility Committee appointed by the League Board may determine from time to time.
- (2) The League may also with the approval of a member society assess loan applications for individuals who are members of that member society and may make loans to such member society to lend to these specific individuals on such security, at such rates of interest, on such terms of repayment and on such other conditions as the Central Finance Facility Committee appointed by the League Board may determine from time to time.



FINANCES

17. (1) Every member society subject to the Sub-by-law (3) of this by-laws shall pay annually to the League, membership dues calculated as a percentage of its total assets as at 31st December of the preceding year, at such rate as the League in consultation with the general meeting may from time to time determine, provided that no member society shall pay less than \$10,000.00 for the year nor more than \$75,000.00 provided that any newly registered Credit union be exempted from the payment of dues based on assets for three (3) years during which time dues will be calculated based on membership only.
 - (2) The annual membership dues shall be computed based on the member society's audited financial statements in respect of the immediately preceding year. Where such audited financial statements are not available by March 31, then an advance payment on account of such annual dues shall be made on the basis of the unaudited financial statements for the year or in the absence of such unaudited financial statements for the year on the basis of the total assets of that member society established by the League from available data. Where such advance payments is made, an adjustment shall be made as soon as the relevant audited financial statements are available
 - (3) Only the value of total assets less unrealized valuation or revaluation reserves shall be used for the purpose of calculating League dues.
 - (4) If such dues are not paid by the due dates the delinquent member society shall lose its right to send delegates to and to vote at any general meeting held during the time when such member society is delinquent.
 - (5) Delinquency of the member society shall cease and the rights and privileges referred to in Sub-By-law (4) shall be restored 60 days from the day of full payment of arrears of dues."
18. (1) The annual dues shall be payable as follows:
one half (1/2) by March 31;
one quarter (1/4) by June 15;
one quarter (1/4) by September 15.
 - (2) The Board may apply a discount for early payment or a premium of 5% for late payment of membership dues at such rate as it may decide from time to time.
19. At least thirty (30) days before the annual general meeting of the League, the Board shall prepare and forward to each member society an estimate of the operating expenses of the League and of the revenue from all sources for the ensuing financial year. Such estimate shall be presented to the annual general meeting.
 20. Each member society shall send a copy of its audited annual financial statement, to the League not later than fourteen (14) days after their Annual General Meeting.



FINANCIAL YEAR

21. The financial year of the League shall be from 1st January to the 31st December of each year.

GENERAL MEETINGS

22. The supreme authority in the League is vested in the general meeting at which every member society has the right to attend and vote on all questions in the manner hereinafter appearing subject to the provisions of by-law 17.
23. An annual general meeting shall be held once in every financial year for the purpose of transacting the business prescribed in by-law 24 hereof and any other business of which due notice may have been given. Not more than fifteen months shall elapse between the date of one annual general meeting of the Society and that of the next. Such general meetings shall be called "annual general meetings" and all other general meetings of the League shall be called "special general meetings". Special General Meetings may be held at any other time as may be deemed by the board.
24. The order of the business at the annual general meeting shall include:
- (1) Report of Credentials Committee
 - (2) Apologies for absence
 - (3) Minutes of last annual general meeting, and all special general meetings held subsequent thereto and discussion of matters arising therefrom.
 - (4) Reports of:-
 - a) The Board of Directors
 - b) The Supervisory Committee
 - c) The Treasurer and Auditor
 - d) Central Finance Facility
 - (5) Distribution of surplus
 - (6) Annual budget
 - (7) Fixing of maximum liability
 - (8) Elections to:
 - a) The Board of Directors
 - b) The Supervisory Committee
 - (9) Resolutions
 - (10) Any other business
25. (1) Not less than fourteen (14) days' notice shall be given to each member society of the date, time and place for the holding of every annual general meeting.
- (2) Not less than ten (10) days' notice shall be given to each member society of the date, time and place for the holding of every special general meeting. Notice of any special general meeting shall set out the purpose of the meeting and only the business specified in the notice may be dealt with at the meeting.



26. (1) Within twenty one days of the holding of its annual general meeting, each duly qualified member shall give notice in writing to the Secretary of the League specifying the full names and addresses of -
 - a) The delegates who will represent the member society at the League's annual general meeting.
 - b) All alternate delegates of the member society who will be eligible for election to the office of the League at the annual general meeting.
- (2) The notice containing the particulars prescribed in the preceding sub-section shall be signed by the Chairman or President of the member society and countersigned by the Secretary of the member society.
- (3) The notice shall be accompanied by duly completed compliance certificates for each delegate and alternate delegate signed by the Chairman or President and Secretary of the member society and countersigned by the delegate or alternate delegate indicating that he/she is not in breach of the provision of by-law 40 (2).
- (4) Any member society which fails to observe sub-by-laws (1), (2) and (3) of this by-law can have its delegates seated only with the permission of the meeting.
27. (1) Each duly qualified member society shall with a total membership of up to 8,999 shall be entitled to be represented at every General Meeting of the League by one (1) Delegate and One (1) Alternate Delegate who shall be elected in such manner as the respective member may prescribe. Two (2) Delegates and two (2) Alternate Delegates shall represent members with a total membership of 9,000 and above.
- (2) In the event of the death, resignation, recall, disqualification or inability to act of any delegate, the member society which appointed the same shall have the right to appoint a substitute; PROVIDED that the substitute shall not, by virtue of his appointment, be entitled to assume any office held by the delegate for whom he is a substitute.
28. At every general meeting at which a member society is qualified and represented, such member society shall be entitled to one vote whether such member society is represented by one or two delegates.
29. At any general meeting a simple majority of the membership, duly represented by delegates, shall constitute a quorum.
30. At its meeting immediately preceding each general meeting, the Board shall appoint a Credentials Committee to examine and report at the general meeting on the member societies duly qualified to be seated and to vote at that meeting.
31. Representatives of member societies other than delegates may, with the approval of the Chairman, speak at general meetings, but shall not be entitled to vote on any question.
32. At least thirty (30) days prior to each annual general meeting, the Board shall appoint a Nominating Committee of three (3) individuals who are members of member societies, of whom not more than one shall be a member of the existing Board. The



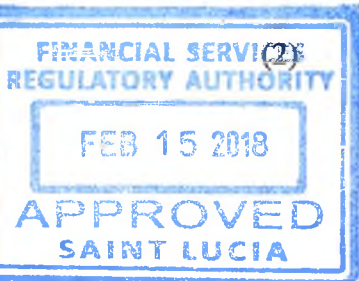
Nominating Committee shall nominate at the annual general meeting a candidate for each vacancy for which elections are being held.

33. All elections at general meetings shall be by secret ballot unless the meeting shall in any particular case unanimously decide to the contrary.
34. Special general meetings may be called by the Board or by the Supervisory Committee, and shall be called by the Board within twenty (20) days after the receipt of a request in writing addressed to the Secretary of the League by five (5) or more voting member societies.
35. Where a meeting is called by the Directors or supervisory committee, and there is no quorum after an hour, the meeting shall adjourn and be reconvened at a date, time and place to be decided by the Directors and supervisory committee as the case may be, but not more than thirty days after the date of the adjourned meeting. In this event, the members present at the second meeting shall be considered as a quorum.

BOARD OF DIRECTORS

36. The management of the affairs of the League shall be vested in a Board of Directors, which shall consist of not more than seven (7) individuals duly elected thereto at the Annual General Meeting from the delegates and alternate delegates of member societies. Not more than one delegate per member society may be elected to the Board.
37. At the first annual general meeting of the League, one-third of the Directors shall be elected for three years, one-third for two years and the remaining one-third for one year. Thereafter, Directors shall be elected for three years. Directors shall hold office until their successors are elected. Directors to retire in every year shall be those whose term had expired. A retiring Director shall be eligible for re-election only once, thereafter Directors must retire for minimum of one year.
38. At least thirty (30) days prior to the annual general meeting, the Board shall send to each member society a list of the Board's membership, showing the Credit Union membership of each Director, and indicating the vacancies to be filled.
39. Any Director may be removed from office at any time by resolution of the majority of the duly elected and qualified delegates of member societies present at any duly constituted Mineral meeting called for the purpose: PROVIDED that such Director shall be informed in writing of the charges against him at least ten (10) days before such meeting and shall have reasonable opportunity to answer such charges.
40. (1) Any director who, without due excuse accepted by the Board, fails to attend at least three (3) consecutive meetings of the Board shall be deemed to have vacated his office which shall thereupon be filled as provided in by-law 41 hereof.

A Director shall vacate his office if:



- a) He ceases to be duly elected and qualified as a delegate or alternate delegate of a member society, PROVIDED that any such Director may retain his seat on the Board until the next annual general meeting, if the member society so desires.
 - b) He becomes bankrupt or insolvent;
 - c) Unless with the approval of the Board, he participates in the profits of or engages in any business in competition with the League or any member society of the League;
 - d) He is of unsound mind;
 - e) He commits any breach of the code of ethics established for the Movement;
 - f) He is delinquent for three months or more, as a result of his own negligence, in respect of any obligation to his Credit Union or the League.
- (3) A Director who has vacated his office in accordance with By-law 40(2) (b), (c), (d), (e) or (f) shall be ineligible to serve as a Director for a period not less than one year.
41. Any vacancy on the Board shall be filled within thirty (30) days by the vote of a majority of the remaining Directors, but the Director so elected shall hold office only until the next annual general meeting at which meeting a Director shall be elected to complete the unexpired term, PROVIDED the term does not expire at the time of such meeting.
42. The Board is vested with the power and authority to purchase, lease or otherwise acquire any real and personal property. The Board may borrow to acquire real estate, upon the favourable vote of at least three-fourths of all the Directors. The title to all real, and personal property inclusive of intellectual property shall be vested in the League. The Board is vested with the authority to sell, lease, sub-lease, mortgage, pledge or otherwise dispose of any real and intellectual property that the League may own or possess upon the favourable vote of at least three-fourths of all the Directors. The Board is vested with the authority to sell, lease, sub-lease, mortgage, pledge or otherwise dispose of any personal property that the League may own or possess upon the favourable vote of at least two thirds of the Directors.

PROCEEDINGS OF THE BOARD

43. The Board shall meet together for the dispatch of business at least once in every month and subject thereto it may adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be decided, except as otherwise provided, by the vote of a simple majority. In case of any equality of votes the Chairperson shall have second or casting vote. The President and Secretary of the League on the requisition of at least three Directors shall at any time summon a meeting of the Board.
44. The quorum necessary for the transaction of the business of the Board shall be a bare majority of the Directors.



45. Subject to by-law 44, the Board may act notwithstanding any vacancy among the Directors. If the number of Directors is reduced below the number fixed by or pursuant to the by-laws as the quorum of directors, the remaining directors shall forthwith summon a general meeting of the League to fill the vacancies.
46. Every Director shall, before taking part in any business of the Board, disclose any personal interest arising out of that business and, after considering such disclosure, it shall be for the Board to decide whether such Director shall take part in discussion and vote upon the item of business in which he has disclosed an interest.
47. The Board may delegate any of its powers to committees consisting of such Director or Directors as it thinks, fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
48. No Director or Committee member shall receive compensation as a Director or Committee member; PROVIDED that this shall not be interpreted to preclude the reimbursement of any Director or Committee member for any travelling or out of pocket expenses incidental to the performance of his duties, and PROVIDED FURTHER that the League in annual general meeting may vote a sum to be paid out of the surplus and reserves of the League as honoraria to the Directors or Committee members in recognition of services performed.
49. The Board may employ a chief executive and delegate to him such powers and duties as it thinks fit. The chief executive shall attend meetings of the Board but shall not be entitled to vote on any matter.
50. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the League, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.
51. The Board shall ensure that adequate fidelity insurance is always in force to protect the League's assets.
52. The Board shall from time to time, in accordance with the provisions of the Act, cause to be prepared, audited and laid before the member societies in general meeting such accounts as are referred to in the Act.
53. The Board shall in each year appoint such delegates or representatives as may be required to any organization, to which the League is affiliated.
54. All acts done by any duly constituted meeting of the Board or of any Committee of Directors or by any individual acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or individuals acting as aforesaid or that they or any of them were disqualified, be as valid as if every such individual had been duly appointed and was qualified to be a Director.



OFFICERS

55. (1) The officers of the League shall be President, Vice-President, a Secretary, an Assistant Secretary, a Treasurer, and an Assistant Treasurer.
- (2) The President, Vice-President, Secretary, Assistant Secretary, Treasurer and Assistant Treasurer shall be elected by and from the membership of the Board at the first meeting of the Board, which shall be held within ten (10) days following the annual general meeting, and shall serve for one year, or until their successors are elected.
- (3) During the absence or disability of any officer, the Board may, appoint another Director to act temporarily in his stead.
56. Any vacancy among officers of the League or among the delegates or representatives appointed under by-law 53 shall be filled by the Board for the unexpired term.

FUNCTIONS OF OFFICERS

57. **The President shall:**
- (1) Preside at all meetings of the Board of Directors and the Executive Committee at which he/she shall have both an original and casting vote;
 - (2) Sign the minutes of every meeting at which he/she presides at the time they are confirmed;
 - (3) In conjunction with the Treasurer superintend the general administration of the affairs of the League according to the Regulations of the League;
 - (4) Convene all meetings through the Secretary.
 - (5) Be responsible for all official releases of the League to the public, press and to Members.
 - (6) Act generally on behalf of the League with the consent of the Executive.
 - (7) Be an ex officio member of all standing and special committees.
 - (8) Perform all other duties incidental to his office.
58. **The Vice-President** shall perform the duties of the President in the absence or disability or refusal of that officer to act, and such other duties as the Board or the President may assign to him from time to time.
59. (1) **The Treasurer** shall ensure that all funds of the League are kept in a bank designated by Directors who shall determine from time to time the manner in which the bank account is operated. The Treasurer shall ensure that proper books of account are kept and shall report to the Board and the annual general meeting with respect to the financial performance of the League. The Board may authorize the chief executive, or other senior employee, to perform any of the duties of the Treasurer, including the signing of cheques.
- (2) **The Assistant Treasurer** shall perform the duties of Treasurer in the absence or disability or refusal of that officer to act, and such other duties as the Board may assign to him from time to time.



60. (1) **The Secretary** shall keep a correct record of all meetings of the League and of the Board of Directors and shall give notice of all meetings. The Secretary shall sign and execute jointly with the President, all deeds and conveyances of real or personal property and such other documents as the Board may specify, and shall perform all other duties incidental to the office of Secretary.
- (2) **The Assistant Secretary** shall perform the duties of Secretary in the absence or disability or refusal of that officer to act, and such other duties as the Board may assign to him from time to time.

BOARD COMMITTEES

61. At its first meeting after each annual general meeting the Board shall appoint such committees, as it shall deem necessary. All committees so appointed shall serve until they are reappointed. The Board shall also have the power to appoint from time to time such ad hoc committees or task forces as may be necessary. During the absence or disability of any member of such committee, the Board may appoint another individual to act in his stead. All committees so appointed, shall have the power to co-opt additional members, provided that the additional number so co-opted shall not exceed the original number. The Board shall have the power to revise and over-by-law any action of any Committee appointed by it.
62. Any vacancy occurring in any committee shall be filled by the Board, except that a vacancy in the Supervisory Committee and among the co-opted members of any committee, shall be filled by the committee in which the vacancy occurs.
63. The Board shall appoint an Education Committee of not less than 5 members who shall be responsible for organizing training and educational programs at all levels of the Co-operative Movement. The Chairperson and Secretary of the committee shall be chosen from among its members.

CENTRAL FINANCE FACILITY COMMITTEE

64. The League shall establish a facility called the Central Finance Facility. The main objective of the CFF is to manage Credit Unions' and non-financial Co-operatives' (who were members before the change to Credit Union League) surplus liquidity in a manner that is beneficial to the Co-operative Movement. In addition the CFF will:
- a) Harness Co-operatives' Funds for recycling within the Co-operative Movement.
 - b) Serve as an entity for maximizing the returns on investment for Credit Union Funds.
 - c) Facilitate wealth creation for Co-operatives in the Movement.
 - d) Promote adequate liquidity levels in Credit Unions.
 - e) Make loans to members.
 - f) Engender confidence in the Co-operative Movement.



- g) Provide such other services as approved by members in general meetings.
 - h) Advance and promote the philosophy of the Co-operative Movement.
 - i) Do all lawful things as may be considered incidental or conducive to the attainment or as may be considered necessary for the discharge of its functions.
 - j) Hold, purchase, and /or take on lease in its own name any real property and may sell, exchange, mortgage, lease or build upon same or rent same with power to alter, pull down and rebuild.
65. (1) The board shall appoint the Central Finance Facility Committee which shall consist of five (5) persons as follows:
- a) Two (2) representatives appointed by the League Board one of whom shall be Chairperson.
 - b) One (1) representative of the credit union having the largest percentage of its total assets invested in the League.
 - c) Two (2) representatives, one each from the two (2) Credit Unions having the largest amount of investments in the League; PROVIDED that only Credit Unions with up to date audited annual financial statements shall qualify to have representatives on the Committee.
 - d) Any member of the Central Finance Facility Committee who, without due excuse accepted by the Committee, fails to attend at least three (3) consecutive meetings of the Committee shall be deemed to have vacated his seat which shall thereupon be filled as provided in the sub-by-law.
- (2) The amount of the investments of a Credit Union shall be determined on the basis of shares and deposits or other instruments as may be specified from time to time by the Board and notified to Credit Unions.
- (3) For the purpose of this rule
- a) The percentage of a credit union's total assets invested in the league shall be determined by dividing the average month end values of the investment instruments set out in sub-rule (2) held by a credit union's during the preceding 24 months by the average of the credit union's total assets at the end of each of the preceding two years, or by such other method as may be considered convenient; and
 - b) The amount of the investments of a credit union shall be determined on the basis of the average of the month-end values of the investment instruments set out in sub-rule (2) held by the credit union.
- (4) A Credit Union which fails to have its representative take up his appointment to the Committee within two months of being advised in writing of its selection shall be deemed to have declined the invitation and the next qualifying Credit Union shall be selected.
- (5) In the event that a Credit Union qualifies for selection of a representative in terms of both (b) and (c) of sub-by-law (1) the appointment of its representative shall be made under (b) of the sub-by-law and the second representative shall be selected from the next qualifying Credit Union.
- (6) Two of the three representatives of Credit Unions shall be appointed in



- The first year for a term of one year and the other one representatives shall be appointed for a term of two years. Thereafter, representatives shall be appointed for a term of two years.
- b) A Credit Union shall have the right to recall its representative at any time without obligation to give a reason by giving to the League two months' written notice of its intention to do so and shall also have the right to propose in writing a substitute for appointment in his place.
 - c) In the event of death, resignation, disqualification or inability or refusal to act as the representative of any Credit Union the Credit Union shall have the right to propose a substitute for appointment. Such proposal shall be made in writing and any substitute appointed shall not by virtue of such appointment be entitled to assume any office previously held by the representative for whom he is a substitute.
66. (1) The Central Finance Facility Committee shall meet as often as the business requires and a simple majority of the members shall constitute a quorum. The Committee shall be empowered to make policies governing its operations inclusive of policies with respect to investments, loans, securities and collection of debts but such policies shall be subject to the approval of the League Board.
- (2) The committee shall select from among its members a secretary.
67. The Central Finance Facility Committee shall have the authority to approve all loan applications from members of the League on such terms as have been established by the loan policy.
68. The Central Finance Facility Committee shall send a report of its activities to the Board quarterly or as otherwise specified by the Board from time to time.

STABILIZATION FUND

69. (1) The League shall establish a Fund to be known as the Stabilization Fund which will consist of:
- a) The amount of the Stabilization Fund and reserves taken over from the St. Lucia Credit Union Stabilization Society Limited on 31st August 1977, pursuant to the transfer of engagements of that Society to the League;
 - b) The contributions of member societies from time to time whether by way of donations, assessment, levy or otherwise.
 - c) The income from investment of the money in the Stabilization Fund from time to time after payment of the expense of administration of the Fund.
 - d) Such other contributions as may be received from any source.
- (2) The Board shall appoint a Stabilization Committee comprised of the President of the League, the first Vice President of the League, the Treasurer or Assistant Treasurer of the League, the General Manager of the League as an Ex Officio and up to three (3) other representatives to be named by the Board provided that



These representatives are not existing Board members of the League. The Stabilization Committee shall be delegated the authority for management of the Stabilization Fund and shall answer to the Board at intervals to be determined, until such time as the Stabilization Fund is registered as a legal entity.

- (3) Any Stabilization Committee member who is a director, committee member or a member of the management team of a member society that is in financial distress or that has been assigned an examination rating of code 4 or 5, as defined by the Stabilization Committee, shall immediately cease to be a member of the committee and thereon the board shall appoint a replacement.
 - (4) The Stabilization Fund may be dissolved at a General Meeting upon the favorable vote of at least three-fourths of all member societies. The notice of the General Meeting shall specify the intention to propose the dissolution of the Fund. The Board shall set out procedures for dissolution of the Stabilization Fund in the by-laws.
70. The objects for which the Stabilization Fund is established are to enable the League to:
- a) Assure the repayment of money invested in shares of, or deposits with a member society including declared dividends on the shares and earned interest on the deposits in the event of the liquidation of such society, up to the value of the stabilization fund;
 - b) Protect and stabilize member societies in financial difficulties by loans or advances with or without security or grants up to the capacity of the Stabilization Fund;
 - c) Take any preventative action as in the opinion of the Board may be necessary to avert financial difficulties in member societies or to recoup losses incurred by member societies or their members;
 - d) Establish and carry out technical and advisory programmes for the general welfare of member societies and the Credit Union Movement in St. Lucia;
 - e) Assume all or any of the liabilities of a member society that is in the process of liquidation, transfer of engagement or amalgamation, and to assume the assets of the member society that is in the process of transfer of engagement or amalgamation or to purchase the assets of a member society in the process of liquidation, if in the opinion of the Board, the member society requires financial assistance, up to the capacity of the Stabilization Fund;
 - f) Assist in the process of liquidation of any member society;
 - g) Re-organize, supervise and administer the affairs of a member society in accordance with the set policies of the fund
 - h) Re-organize, manage and supervise the affairs of a member society when, with the agreement of the Registrar, it has been determined that such a member society requires such assistance;
 - i) Establish and enforce standards of sound business and financial practices for member societies;
 - j) Monitor and examine member societies' financial performance.
- Promote the adoption by member societies of policies and procedures designed to control and manage risk in order to limit claims against the Fund;



- 1) Establish the requirements, frequency and form of reports to be submitted to the Fund by member societies;
 - m) Do all other acts and things as are incidental or conducive to or consequential upon the attainment of the above objects as directed by the favorable vote at a General Meeting of at least three-fourths of all member societies.
71. All member societies which at 31st August 1977 were members of the St. Lucia Cooperative Credit Union Stabilization Society Limited shall continue to contribute to the Stabilization Fund unless and until they cease to be members of the League or are liquidated, and every society which thereafter becomes a member of the League shall be required to contribute to the Stabilization Fund.

LOAN OFFICERS

72. The Board on the recommendation of the Central Finance Facility Committee may appoint one or more Loan Officers or a Loans Committee, or both. The Loans Committee may be comprised of members of staff and the Central Finance Facility Committee may delegate to such individuals or committee the authority to grant loans or Lines of Credit within such limits and subject to such conditions as may be determined by the Central Finance Facility Committee from time to time. Any loan or Line of Credit so approved must be reported to the next meeting of the Central Finance Facility Committee.

SUPERVISORY COMMITTEE

73. (1) a) Each annual general meeting shall elect a Supervisory Committee of not less than three (3) members and not more than five (5) members. In the case where three members are elected one of the members shall be elected for three years, one for two years and the other for one year. Where five members are elected, two members shall be elected to serve for three years, two for two years and the remaining members for one year.
- b) Members shall hold office until their successors are elected or have been expelled. In the event of such a vacancy, the remaining Committee Members shall appoint a replacement, and the Committee Member so appointed shall hold office until the next Annual General Meeting;
- (2) Such committee shall:
- a) Conduct such audits as it deems fit;
 - b) Within a reasonable time make any special audit which may be requested by a General Meeting or by the Board or by the Executive Committee and shall furnish a report of such special audit as outlined in the request.
 - c) At intervals, inspect the securities, cash, other assets and financial instruments of the League;
 - d) Make an examination of the operations of the League, internal systems of control and affairs
 - e) Receive and investigate any complaints made by any member society affecting the proper running of the League;



- f) Maintain and have custody of record of all actions taken by the Committee;
- (3) The Supervisory Committee may, subject to the approval of the Board, employ the services of qualified individuals to conduct audits.
- (4) By unanimous vote, the Supervisory Committee may call a Special General Meeting of member societies, in accordance with By-law 25 (2), to consider a violation of the By-laws of the League or any other practice that, in the opinion of the Committee, is unsafe or unauthorised.
- (5) The Supervisory Committee shall send a monthly report to the Board and a yearly report to the Annual General Meeting.
- (6) Any Committee member who fails to attend at least three (3) consecutive meetings of the Committee without due excuse accepted by the Supervisory Committee, shall be deemed to have vacated his office which shall thereupon be filled as provided herein.
- (7) A member of the Supervisory Committee shall vacate his office if:-
 - a) He ceases to be a member of a member society.
 - b) He becomes bankrupt or insolvent;
 - c) Unless with the approval of the Board, he engages in any business in competition with the League or any member society of the League;
 - d) He is of unsound mind;
 - e) He commits any breach of the code of ethics established for the Movement;
 - f) He is delinquent for three months or more, as a result of his own negligence, in respect of any obligation to his Credit Union or the League.
- (8) A member who has vacated his office in accordance with By-law 73 (7) shall be ineligible to serve as a Committee Member for a period not less than one year, and until the reason for his vacating his office no longer exists.

MAXIMUM LIABILITY

74. Each Annual General Meeting of the League shall fix the maximum liability which the League may incur during the ensuing financial year; PROVIDED THAT such maximum may be increased or decreased by the member societies at any special general meeting during the year and in conformity to section 36(2) of the regulations.

SURPLUS AND RESERVES

75. (1) Reserve Fund
- a) The Board, in accordance with the requirements of the Act, shall establish a reserve fund consisting of the entrance fees paid by member societies and at least twenty percent (20%) of its annual net surplus, or such lower percentage as may be permitted from time to time by the Registrar.
 - b) The reserve fund shall not be divided among the member societies in whole or in part and may only be utilized as provided in the Act and Regulations.



- (2) Distribution of Net Surplus
- (i) The Board shall recommend to the annual general meeting the manner of distribution of surplus remaining after the allocation of the statutory reserve fund, and it shall be for the Annual General Meeting to decide on such distribution which may be in one or more of the following ways:
 - a) to pay a dividend, subject to By-law 71 (2)(ii) on shares held by member societies, which shall be credited to their shares accounts so long as their shareholdings are below the minimum;
 - b) To pay a patronage dividend;
 - c) To pay honoraria;
 - d) To create any other reserves.
 - (ii) No cash payment of dividend and patronage shall be declared unless the League has attained a capital to asset ratio of at least 10% or such other percentage as may be determined by the Board from time to time in excess of 10% and that the society is in compliance to section 123 (2) (B) Of the Act.
 - (iii) Capital shall be defined as follows:
 - Shares
 - Undistributable Reserves
 - Undistributed Surplus

DISPUTES

76. Any dispute touching the business of the League which may arise:-
- a) Among member societies, past member societies and individuals claiming through member societies and past member societies;
 - b) Between a member society, past member society, or individuals claiming through a member society or past member society and the League or its Board or any officer of the League or;
 - c) Between the League or its Board and any officer of the League; or
 - d) Between the League and any member of a member society shall be referred to the Registrar as provided in the Act and Regulations.

AMENDMENTS OF BY-LAWS

77. These By-laws may, in whole or in part, be rescinded, added to, altered or amended only by a resolution passed at a general meeting by a majority of not less than three-fourths of the delegates present and entitled to vote and PROVIDED that not less than 14 days' notice of the proposed decision, addition, alteration or amendment has been duly given in accordance with these by-laws. No amendment shall become operative until it has been approved by the Regulator in accordance with the Act.



BY-LAWS

78. The Board, by a two-thirds majority, may make, amend and rescind by-laws governing any or all of its operations under these by-laws PROVIDED that such by-laws are in accordance with the provisions of the Act and Regulations.

DISSOLUTION

79. The League may be dissolved with the consent of three-fourths of its member societies and in the manner provided by the Act.
80. The St. Lucia Co-operative Credit Union League Limited was registered on 1st day of **July, 2012** by the Registrar of Co-operatives. These By-Laws were adopted on **25th** day of **November, 2017** by resolution of a General Meeting.

