THE BYE-LAWS

OF THE

AUCHI INDIGENES

MULTI-PURPOSE COOPERATIVE SOCIETIES LIMITED

CERTIFICATE NO: 01025

1. **INTERPRETATION**

i. All Words and expressions used in these byelaws and define by section 2 of the cooperative societies law cap 45 of the Bendel State of Nigeria laws 1976 (as applicable in Edo State) shall have the meaning assigned to them in the above-named sections. The following words or expressions shall have the meaning respectively assigned to them below "financial year" means the period of twelve months beginning on 1st January and ending on the following 31st December. "Laws" means the Cooperative societies Laws, Cap 45 Bendel State of Nigeria Laws 1976 as amended from time to time (as applicable in Edo state. "Director" means the registrar of Cooperative Societies Edo State Nigeria. "The Board" means the Board of Trustees appointed by the Committee on the approval of the General Assembly.

ii. "Regulation" means the Bendel state cooperative societies regulation, 1976 as amended from time to time (as applicable in Edo State).

iii. If there shall arise any doubt regarding the meaning or intention of any of these Bye Laws, the matter shall be referred to the Board of Trustees for their ruling.

2. **NAME, ADDRESS AND AREA OF OPERATIONS**

This society shall be called the **AUCHI INDIGENES Multi-Purpose Cooperative Society Limited**.

Its address shall be **3, IKHIDERO STREET, OFF KINGSLEY IMASOGIE STREET, OFF IRHIRHI ROAD, BENIN CITY, EDO STATE**.

3. **Area of Operation**: The area of operation of the society shall be **Benin City and its environs**.

4. **OBJECTIVES**

OBJECTIVES OF AUCHI INDIGENES FOR MULTI-PURPOSE CO-OPERATIVE SOCCIET

The objectives of the Society shall be:

a) To engage in thrift and credit operations for the benefit of members.
b) To procure and distribute consumer goods and commodities to members and the wider community at reasonable and competitive prices.
c) To establish and operate transport services for the benefit of members and the general public.
d) To engage in agricultural activities and undertakings, including crop and livestock production and other related agricultural ventures.
e) To undertake the processing, packaging, storage and marketing of cooperative farm products.
f) To procure, stock and distribute agricultural inputs, including fertilizers, seeds, chemicals and other farm inputs, to farmers at reasonable prices.
g) To act as representatives, distributors or agents of manufacturers and other reputable suppliers in accordance with the objectives of the Society.
h) To engage in lawful import and export activities relating to goods and commodities relevant to the objectives of the Society.

i) To acquire, develop, construct, own, lease or manage buildings and other properties for use by members and the general public.
j) To undertake any other lawful activities based on co-operative principles that will promote the economic and social interests of members and strengthen the spirit and practice of co-operation among members.

5. MEMBERSHIP AND LIABILITY

MEMBERSHIP: This membership shall consist of:

a) Persons who join in the application for registration.
b) versus admitted in accordance with these bye-laws.

6. QUALIFICATION: Every member of the society must be:

i. Ordinarily resident in Benin and its environs but a member who leaves the field of membership of this society may retain his membership therein but should no longer hold elective position in the society.
ii. Of good character
iii. Of not less than 18 years of age except in the case of the minor heir of a member and where the Board of Trustees grants exemption from this qualification.

7. ADMISSION

Application for membership shall be made in writing through the secretary and shall be disposed of by the committee, who may grant or refuse admission. Any applicant refused shall be informed that he may appeal through a member of society to the next general meeting of members, which may take such decision as it thinks fit.

Every member on admission shall sign or thumb-print the membership and attendance register.

8. LIABILITY OF MEMBERS

The liability of members to the debts of the society is limited to 2 times the nominal value of one share. The nominal value of a share is Ten Naira.

9. NOMINEES

Every member nominates in writing one person to whom should he die or become permanently insane, his shares or interest shall be transferred. The member may at any time change his nominee. The name of the nominee shall be entered in register of members and any alteration shall be signed by the member. If not admitted to membership, the nominee shall, in case of the death or permanent insanity of the member, be paid the value of the share or interest, less any sum due to the society.

10. TERMINATION OF MEMERSHIP

Membership shall be terminated by:

i. Death
ii. Permanent insanity
iii. Ceasing to hold one full share.

iv. Withdrawal after 6 months' notice conveyed in writing to the secretary, provided that the member withdrawing is neither in debt to the society nor surety for an unpaid debt and

v. Expulsion under Bye-law 11

11. EXPULSION

A member may be expelled for:

i. Repeated failure to make monthly savings as laid down in Bye-law 43
ii. Repeated failure to pay the share installments or debts due from him to the society.
iii. Conviction on a criminal offence involving dishonesty; and
iv. Misconduct or other acts contrary to the stated objects of the society or to the interests of the co-operative movement.

12. LIABILITY OF PAST MEMBERS

i. A past members shall be liable for the debts due by the society, as they exited at the date when he ceased to be a member, for a period of two years from the date on which he ceased to be a member.
ii. The estate of a deceased member shall be liable for the debts due by the society as they exited at the date of his deceased, for a period of two years after his decease.

13. DUES TO MEMBERS

Any money due on any account from this society to a member, or a past member, shall be set off in payment of any sum which he owes or for which he stands surety.

14. CONSTITUTION AND DUTIES OF GENERAL MEETING

The ultimate authority under the Law in all the affairs of this society shall be the general body of members who shall meet from time to time and at least once in three months to review and direct the work of the society.

15. QUORUM:

The presence of at least one fourth of the members shall be necessary for the disposal of any business, at a general meeting provided that, where the total number of members exceeds one hundred, twenty -five members shall suffice.

16. THE ANNUAL GENERAL MEETING:

The Annual General Meeting shall be held annually after the annual statement of accounts have been prepared.

The **Annual General Meeting (AGM)** of the Society shall be held **once every financial year**, at such date, time and venue as may be determined by the Committee, provided that the meeting shall be held within the period prescribed by the applicable laws and regulations governing the Society.

Adequate notice of the Annual General Meeting, together with the agenda and relevant reports, shall be given to all members in accordance with these Bye-Laws.

17. THE DUTIES OF THE ANNUAL GENERAL MEETING SHALL BE:

i. To receive from the outgoing committee a report on the preceding year's working on the Society with the statement of accounts if it is an elective Annual General Meeting.
ii. To decide upon the disposal of the surplus in accordance with the provision of bye-laws 63
iii. To consider any communication received from the Board of Trustees; and

iv. To elect the President, Vice President, Secretary, Treasurer, and other Committee members from the ensuring year

18. ORDINARY GENERAL MEETING

The Ordinary General Meeting (OGM) of the Society shall be held bi-annually, that is, Two (2) times in every financial year, at a date, time and venue to be determined by the Committee and communicated to all members in accordance with these Bye-Laws.

The Committee shall ensure that adequate notice of each Ordinary General Meeting is given to members and that the agenda and relevant documents are made available to members where applicable.

The OGM shall consider and transact the ordinary business of the Society and any other business properly brought before it in accordance with these Bye-Laws.

19. DUTIES OF ORDINARY GENERAL MEETING

When necessary, a general meeting shall:

i. Suspend or remove from office any officer or member of the committee in accordance with these bye-laws.
ii. Confirm the admission or expulsion of members.
iii. Amend or repeal any existing bye-law or enact new bye-laws in accordance with bye-laws 79.
iv. Fix rate of return on investment to be charged on loans to members.
v. Ratify the appointment or dismissal of the Secretary on the recommendation of the committee; and
vi. Dispose of any other business duly brought before it.

20. SPECIAL GENERAL MEETING

An Extraordinary General Meeting may be called at any time by a majority of the committee or on a request from the president or from not less than 1/4 of the members of the society if there are less than 100 members or by 25 members if there are more than 100 members.

21. ATTENDANCE OF MEMBERS:

It shall be the duty of every member to attend General Meetings. The General meeting shall have the power under Bye-Law 78 to inflict fines on members who without good reason, neglect to attend.

22. VOTING

All questions shall be decided by a majority of votes of the members present and voting. Each member shall have one vote only. At all meetings the president shall have a casting vote in addition to his ordinary vote.

23. OFFICERS AND SECRETARY

OFFICERS:
The President, the Vice President, General Secretary and the Treasurer elected at the Annual General Meeting shall hold office for a period of two years and shall resign at the next elective Annual General Meeting but shall be eligible for reelection. They shall be ex-official members of the committee. Any vacancy arising due to the death, addition, removal, withdrawal or transfer of an officer shall be temporary filled by a member of the committee elected at a committee meeting.

24. PRESIDENT;

i. The president shall preside at all general and committee meetings of the society
ii. He shall have powers to convey meetings.
iii. In the absence of the president and vice president if any shall be the chairman at meetings and as such shall have all powers of the president. In the absence of both, a member of the committee shall be elected chairman of the meeting.
iv. He shall have a casting vote in addition to his ordinary vote in accordance with bye- law 22.

25. TREASURER:

i. Receive/Deposit all funds (in the name of the society) and account for all monies belonging to the Society
ii. Issue official receipts for all payments made by members
iii. Maintain proper financial records and books of account
iv. Prepare and circulate monthly financial statements/ledger to members
v. Liaise with the bank on all financial transactions of the Society
vi. Present financial reports during Executive and General Meetings
vii. Ensure proper custody of receipt booklets and financial documents

26. TRUSTEES:

The President, the Treasurer and the General Secretary shall be the trustees of the society. It shall be their duty to sign on behalf of the society all cheques and legal documents including those concerned with transfer funds, acquisition, and disposal of properties of the society.

27. GENERAL SECRETARY:

The duties of the General Secretary shall be as follows:

i. To maintain correctly and up-to-date the prescribed books and registers
ii. To procure from borrowers the due execution of bonds with security
iii. To sign on behalf of the Society and conduct its correspondence.
iv. To summon and attend General Meetings and Committee Meetings
v. To record the proceedings of such meetings and have them duly signed

vi. To certify copies of entries in books under section 21 of the Laws.

28. EXTERNAL AUDITOR

External auditors appointed by the Society shall independently review the Society's financial records and present audit reports to the Executive Committee 45 days before the Annual General Meeting or as required.

CONSTITUTION AND DUTIES OF THE COMMITTEE

29. COMMITTEE

Subject to the Law, the Bye-Laws and Regulations of the General Meeting, the Executive Management of the society shall be vested in a committee.

30. CONSTITUTION

The committee shall consist of at least nine members over the age of 18 with understanding of cooperative activities, including the President, General Secretary, Treasurer and one or more Vice – Presidents. The members shall be elected for two years at elective Annual General Meeting and shall be eligible for re-election once for same position, provided that if for any unavoidable reason the Annual General Meeting cannot be held at a suitable time within the year, the existing committee shall continue to hold the office till the thirty months after the election of the previous committee.

31. DISQUALIFICATION OF MEMBERS OF THE COMMITTEE

A member of the Committee shall cease to hold office if he:

1. Ceases to be a member of the society
2. Instantly, become insane
3. Lends money on his own account
4. Becomes financially embarrassed
5. Absent himself from meeting for three consecutive times.
6. Acts in a manner prejudicial to the interest of the society

32. MEETING

Meeting of the Committee shall be held when necessary and at least once a month. The attendance of at least six members shall be required for the disposal of any business.

33. POWERS AND DUTIES

The Committee shall exercise all the powers of the society except those reserved for the Board of Trustees and General Meeting, subject to any regulation or restrictions duly laid down by the Society in a General Meeting or in the Bye-Law; and in particular shall have the following powers and duties:

1. To observe in all their transaction the Law, the Regulations and the Bye-Laws
2. To ensure the maintenance of true and accurate accounts of money received and expended and all the assets and liabilities of the society
3. To keep a register of members, correct and up-to-date

4. To lay before the Annual General Meeting an income and expenditure account and an audited Balance Sheet
5. To examine the accounts, sanction contingent expenditure, and supervise the maintenance of the prescribed registers
6. To consider the inspection notes of the Government co-operative staff and take necessary action
7. To admit new members subject to the confirmation of a general meeting
8. To arrange for the recovery of share instalments and returns on overdue instalments
9. To summon General Meeting
10. To contract loans subject to any restrictions imposed by General Meeting
11. To decide the terms on and the periods for which loans are to be given, to approve or reject the security offered by borrowers, to arrange for the recovery of loan and to sanction renewals when necessary
12. To decide the terms on, the period for, and the rate of returns at which deposits and loans from non-members are to be receive and to arranged for the payment or return of such deposits or loans
13. To decide the terms of purchase and sales of any goods or stock which the society may require for its members and to arrange for the safe custody of such assets which is in stock
14. To watch that loans are applied to the purpose for which they are made
15. To assist the inspection of the books by any person authorized to do so
16. To institute conduct, defend, compromise, refer to arbitration, or abandon legal proceedings by or against the society or committee or its officers or employees in matter concerning the affairs of the society
17. To arrange for the custody of books and to appoint one of its members or one of the officers of the society, resident in the society's seat of operation, to take charge of all the registers and papers prescribed in these Bye-Law
18. To recommend the appointment or dismissal of any employee to the general meeting for confirmation and fix the salary of such employee
19. To fix the maximum credit limit for each member
20. To take necessary action regarding debtor or delinquent members and
21. Generally, to carry on the business of the society, to watch over the interest of the society, and to set an example of keenness and cooperative spirit to the other members of the society.

34. RESPONSIBILITY OF THE COMMITTEE

In their conduct of the affairs of the society, the committee shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts of omission contrary to the law, the regulations and the bye-laws.

CREATION OF FUNDS

35. SOURCES OF FUNDS

The funds of the society shall be composed of:

1. Total shares of the values of Ten Naira each as may be approved from time to time
2. Entrance fee 10,000
3. Savings of members as defined in Bye-Law 43
4. Deposits and loans from non-members as in Bye-Law 41
5. Surpluses arising out of the business of the society
6. Miscellaneous sources approved by the General Meeting

36. EMPLOYMENT OF FUNDS

The funds of the society shall be devoted to the promotion of the stated objects of the society, to any other object permitted by these Bye-Laws; and to any other purpose approved by the General Meeting.

37. SHAREHOLDING

Every member must hold at least 2,000 full share which shall not be transferable except to a nominee in accordance with Bye-Laws 12

38. WITHDRAWAL OF SHARES

Shares are not unconditionally withdrawable; but if at the end of the financial year the society's financial situation is favorable the committee may repay to any member whose membership was terminated during the year a sum not exceeding the amount paid by him on account of shares. Provided that not more than ten percent of the total paid share capital shall be thus paid out in any year without the Board of Trustees' permission.

39. PAYMENT OF SHARES

The full value of shares subscribed for by a member shall be paid in full at the time of subscription or allotment of the shares**.** No member shall be allotted or recognized as holding shares until the full value of such shares has been paid.

A member may, subject to the approval of the Committee, subscribe for additional shares at any time, provided that the applicable minimum and maximum shareholding limits prescribed by these Bye-Laws are not exceeded.

Where a member fails to make the required payment within the prescribed period, the Committee may cancel the unpaid share subscription or take such other action as may be provided under these Bye-Laws.

LIMITS ON SHARE HOLDING

1. **Minimum and Maximum Individual Shareholding:**
   Each individual member of the Society shall hold a minimum of 2,000 shares and a maximum of 100,000 shares, subject to the provisions of these Bye-Laws.
2. **Shareholding by the Parent Body:**
   The Auchi Indigenes Club Benin City (AIC), being the parent body of the Society, may hold a maximum of 200,000 shares.
3. **Excess Shareholding:**
   Where any member, by inheritance, transfer, gift, purchase, or otherwise, becomes

possessed of shares in excess of the maximum holding permitted under these Bye-Laws, the Committee shall require the member to dispose of the excess shares within a period determined by the Committee.

4. **Disposal or Purchase of Excess Shares:**
   Where the member fails or is unable to dispose of the excess shares within the prescribed period, the Committee may, on behalf of the Society, arrange for the sale or purchase of such excess shares for subsequent disposal in accordance with the provisions of Bye-Law 39 (3).
5. **Compliance with Shareholding Limits:**
   No allotment, transfer, inheritance, purchase, or other acquisition of shares shall result in a member exceeding the applicable maximum shareholding permitted under these Bye-Laws.

40. ENTRANCE FEES

Every member on joining the society shall pay an entrance fee of 10,000 each.

41. DEPOSITS AND LOANS FOR NON-MEMBERS

The Society shall not accept any deposits from, or incur any liability to, non-members without the **prior written approval of the Board of Trustees**.

42. LIMIT ON RENEWALS

The society shall not renew any loan or deposit which would make its liability to non-members exceed the limit laid down in Bye-Law 41

43. COMPULSORY SAVINGS

a) Every member shall make regular monthly savings with the Society. Such savings shall be withdrawable only with the prior approval of the Committee and shall be used for necessary or productive purposes, subject to the applicable rules and conditions of the Society.

   An administrative charge, as may be determined and reviewed by the Committee from time to time, shall apply to each approved withdrawal.
b) Savings shall be governed by rules to be framed by the society subject to the approval of the Committee.
c) The dividend paid on regular monthly savings shall be determined after the surplus has been ascertained and necessary reserves created.
d) The committee may exempt a member from the obligation to make compulsory savings for any period during which his circumstances do not permit of such savings.

USE AND CUSTODY OF FUNDS

44. INTERNAL FUNDS

The fund of the society may be held in the form of:

a) A reserve funds
b) A depreciation funds

c) An insurance funds
d) Development educational propaganda or other funds approved by the general meeting and the Committee
e) Current / Savings bank accounts or cash

USE OF FUNDS

The funds of the society shall be applied only to the furtherance of its stated objects in accordance with these Bye-Laws.

INVESTMENTS

Such funds of the society as are not required for current use may be invested in any manner permitted by Law and the Regulations and approved by the Committee.

45. OPERATION OF BANK ACCOUNT

The society's Bank Account shall be trustee Accounts. Before money is withdrawn from the Banks, the cheques, online platform or withdrawal slip shall be signed by the President, and either of the Treasurer or General Secretary.

LOANS

47. PURPOSE OF LOAN

Loans may be granted to members only for purposes which in the opinion of the committee are productive, or necessary and in the best interest of the borrower.

48. CONDITIONS GOVERNING LOANS

No loans shall be granted to:

a. Any individual other than a member of the society
b. Any member whose installment of share are in arrears
c. Any member who has not paid monthly savings under Bye-Law 43
d. Any members whose loan is still running
e. Any member who guarantees another that still have a running loan.
f. Any member who on the decision of the committee deem not fit to be granted loan due to unpaid loan(s) in other institutions.

49. APPLICATION FOR LOANS

These shall be made through the General Secretary and disposed of by the committee on the payment of a 2.5% administrative fee.

50. LOAN TO ANOTHER REGISTERED SOCIETY

With the prior approval of the Board of Trustees, the Society may grant a loan to another duly registered society, subject to the availability of funds and any applicable terms and conditions approved by the Board of Trustees.

Notwithstanding the above, no loan shall be granted to another registered society during the first year of operation of the Society.

51. NO LOAN SHALL BE GRANTED

a. For a period exceeding the time limit fixed by the general meeting

b. If it would bring a member's total indebtedness at the time of the loan to an amount exceeding his maximum credit limit

c. Unless approved by a majority of the members of the committee who are present at the meeting at which the application is considered.

d. However, no loan shall be granted to any member within three (3) months of his or her admission into the Society, except in the case of the transfer or assumption of an existing loan obligation of a former member by his or her nominee, successor, or other successor-in-interest, provided that such person is, or subsequently becomes, a member of the Society.

52. MAXIMUM CREDIT LIMIT

The maximum credit limit of each member / applicant for a loan shall be fixed by the committee bearing in mind the availability of funds, the principle of making credit available to as many members as are qualified and the securities offered. The maximum credit limit amount shall be twice the monthly savings of the loanee and that of his two guarantors / sureties who shall be members of the cooperative.

53. RETURNS ON INVESTMENT TO MEMBERS

Returns on Investment to members shall be charged at a rate to be fixed by the committee annually and approved by the general meeting but shall in no case exceed 15% per annum. In case of default in payment penal rate shall be charged at twice the nominal rate.

54. PRODUCE MARKETING

a. The society shall decide which produce it shall market and shall make plans ultimately to market all member's produce

b. When a society has decided to market any particular type of produce, members shall be bound to sell that produce only to the society, subject to below:

i. Members shall take steps to ensure that their produce is of the highest quality and free from adulteration. Produce which falls below that standard set by the society may be rejected and the society shall be under no obligation to purchase it.

ii. The society shall have scales or other means of measuring produce and shall give members a receipt showing the weight, volume or other measure, and the value of the produce after deducing tare, if necessary.

iii. The society may either pay the member of the value of the produce at the time of purchase or may wait until the society has sold the produce or may pay an installment of the value as member may decide.

iv. The society on the agreement with members may offset any loan or debt owned by the member before paying off.

55. SUPPLY OF CONSUMER GOODS

a) The society shall purchase for supply to members such equipment or seeds or other Agricultural supplies as are necessary for the development of member's farms. Where the member is not in a position to pay cash for these requirements, the value of the supplies maybe treated as a loan under Bye-Law 50
b) The society shall also stock for sales to members domestic and personal requirements, including food stuff. No such foods may be supplied on credit if the member is indebted to the society or is standing surety for another member's debt. If the credit is approved, it shall not exceed the amount of a member's share and savings; nor will the credit exceed or extend beyond one month.

56. BOND OF GUARANTOR / SURETY

Every borrower shall execute a bond and shall furnish two guarantors / sureties. No extension of the period of repayment shall be granted without the consent of the sureties. Sureties must be members of the society and must have furnished the statement required by Bye-Law 9.

57. DUTIES OF GUARANTORS / SURETIES

A surety must be a reputable member of the society and shall personally guarantee:

i. Repayment of the loan if the borrower defaults
ii. The correctness of the particulars on which the value of the borrower's securities is based
iii. That the loan is used for the purpose stated by the borrower in his application. Misused of the loan be reported by the guarantor / surety to the committee immediately.

58. COMMITMENTS AS SURETIES

A member's commitment as surety shall not when taken together with his own existing borrowing exceed his maximum credit limit in line with Bye-Law 52.

59. RECALL OF LOANS

All loans shall be issued subject to the right of the society to call for immediate repayment:

i. If any misapplication is proved
ii. If the borrower gives an indication of resignation
iii. If the guarantor makes it clear that he is withdrawing his guarantor ship.

60. BOARD OF TRUSTEES

Composition and Appointment of the Board of Trustees

The Board of Trustees (BOT) shall consist of seven (7) reputable members of the Society who have demonstrated proven integrity, commitment to the objectives of the Society, and good financial standing.

i. The AIC President shall be an automatic member of the BOT by virtue of office, while at least one (1) of the immediate past principal officers of the Society shall serve as a member of the BOT.
ii. The remaining five (5) members of the BOT shall be appointed at the Annual General Meeting upon the recommendation of the Executive Committee, subject to their meeting the prescribed eligibility requirements.
iii. In selecting the five (5) members, due consideration shall be given to integrity, experience, competence, commitment to the Society, financial standing, geographical representation, and diversity of professional backgrounds.
iv. The names of the proposed members shall be presented at the Annual General Meeting for approval at a duly constituted AGM.
v. Members of the BOT shall serve for a term of Four (4) years, renewable once, subject to the provisions of this Constitution.

Responsibilities of BOT

i. Provide strategic oversight and guidance
ii. Approve major financial and policy decisions where necessary
iii. Serve as arbitration body for disputes
iv. Ensure compliance with the Society's Bye-Laws
v. Supervise and receive annual reports from external auditors
vi. The Board of Trustees shall be responsible for interpreting these Bye-Laws and, where any doubt, ambiguity, or dispute arises regarding the meaning or intention of any provision, the matter shall be referred to the Board of Trustees for determination and appropriate ruling.
vii. Act on urgent matters requiring immediate intervention pending General Meeting ratification

61. APPROPRIATION OF DEBT PAYMENT

When a member from whom money is due pays any sum to the society, it shall be appropriated in the following orders. Firstly, to share payments, fine and other miscellaneous charges due to him; secondly, on returns on loan; thirdly on loan principal.

DISPOSAL OF SURPLUS

62. APPROPRIATION

At the close of each financial year, the society's expenses including the interest payable on deposits and loans from non-members and audit and supervision fees, shall be deducted from the society's income, the net surplus shall be appropriated as follows:

a. At least one-tenth shall be carried to the Reserve Fund, unless permission is given by the general meeting to reduce this percentage.

b. At least half of the provision of Bye-Law 62(a) shall be carried to an Education Fund

c. The balance of Bye-Law 62(a) shall be utilized for one or more of the following purposes:

i. Payment of bonus to members as a refund of percentage of return on investment paid on loans during the year subject to the confirmation of the Board of Trustees, provided that a share dividend of not less than 3% has been declared.

ii. Donation, not exceeding 10% of the net surplus to any charitable or social purpose approved by the General Meeting.

iii. Building up a General Reserve

iv. Institution of a Share Transfer Fund.

63. DIVIDEND

The dividend paid on shares shall not exceed 10% and no dividend shall be paid if any overdue claim to a depositor or lender remains unsatisfied.

64. BOARD OF TRUSTEES APPROVAL

The appropriation of the net surplus shall be subject to approval by the Board of Trustees and governed in all respects by the spirit and letter of the law and the Regulations.

RESERVE FUND

65. RESERVE FUND

The reserve fund is indivisible, and no member is entitled to claim a specific share in it. Except with the written permission of the Board of Trustees it shall be utilized in the business of the society but shall be deposited or invested in accordance with section 35 of the law.

AUDIT AND SUPERVISION FEES

66. AUDIT AND SUPERVISION FEES

Audit and supervision fees at the rate assessed by the Director and Published in Edo State of Nigeria, Gazette shall be paid annually to Edo State Government of Nigeria Treasury not later than 31st December.

BOOKS OF ACCOUNTS

67. PRESCRIBED BOOKS AND RECORDS

Accounts and records shall be maintained in the formed prescribed by the Director and shall include the following:

a. A membership and Attendance Register, showing the names, address and occupation of every member, the number of shares held by him, the date of his admission to membership, the nominee appointed under Bye-Law 11, and the members attendance at general meeting

b. A cash book showing the receipts, expenditure, and balance on each day on which business is done

c. General ledger

d. Personal ledger with accounts for each member's deposits, debits and credits

e. Loan register showing installment for repayment of loans

f. Minutes book for proceedings of General and Committee Meetings.

g. Register of share payments

h. Loan bond book showing particulars of and containing bonds for all loans issued.

i. Such other records as may be prescribed by the Board of Trustees.

68. INSPECTION OF BOOKS

The books, accounts, registers, and paper of the society shall be open at all reasonable times for the inspection of members and of any accredited cooperative official provided that no person other than an officer or committee member of the society or a cooperative official shall be allowed to see the personal account of any member without that member's consent. Copies of the law, the Regulations and of these bye-laws shall be available for inspection at the registered address of the society at all reasonable hours.

69. ONLINE LEDGER

The Society shall maintain an online ledger for each member, capturing and updating all relevant particulars of the member's personal account, including shares, savings, deposits, loans, repayments and other financial transactions with the Society. Each member shall be granted appropriate access to view their account records and transaction history, subject to the Society's approved procedures and data protection requirements.

70. UNOFFICIAL BOOKS

No book or account dealing with the affairs of the society or its members shall be kept by the General Secretary or Treasurer except those officially recognized and prescribed.

71. RECEIPTS

It is the duty of every member:

a. To insist upon obtaining from the Treasurer a separate printed receipt from the proper receipt book, or such other form of receipt as maybe approved by the Committee for every sum of money paid by him to the society.

b. To sign, or make his thumb print in the proper book, in token of receipt wherever any sum of money is paid or repaid to him by the society.

DISSOLUTION AND DIVISION OF THE SOCIETY

72. SPLITTING UP OF THE SOCIETY

At any time, the Board of Trustees may, on the written request of not less than one third of the members-the number not being less than 25 or when the membership exceeds 90, on the written request of at least 20 members, authorize such members to form themselves into a separate society of the same type and to this society shall be transferred the share capital of those members and a proportionate amount of the original society's funds.

73. LIQUIDATION

The society shall not be liquidated except in accordance with section 39 to 47 of the law.

74. DISPOSAL OF FUNDS

On the dissolution of the society, the Reserve and other Funds of the society shall be applied:

a. To the discharging of the liabilities of the society; and

b. To the repayment of the share capital paid up. The reminder shall be placed by the Board of Trustees in the bank until a new cooperative with a similar area of operation is registered in which even the fund shall be credited to the Reserve Fund of the Society.

MISCELLANEOUS PROVISIONS

75. AFFILIATION TO CREDIT UNION

Unless there are reasons to the contrary accepted by the Board of Trustees, the Society shall affiliate itself at the earliest possible moment to any credit co-operative Union formed in its area of operations.

76. DISPUTES

Any dispute arising in or concerning the society and its members or past members shall be referred to the board of trustees for settlement by arbitration under the provision of Section 51 of the Law.

77. SEAL

The Secretary shall hold in safe custody the seal of the society on behalf of the trustees. The seal shall be of a pattern approved by the members of the cooperative. Documents shall be sealed by at least two of the trustees one of whom shall be Secretary.

78. FINES

The General Meeting of the Society may impose fine on members, not exceeding two hundred naira (N1000) in any one case, for flagrant or repeated contravention of the bye-laws.

79. AMENDMENT OF BYE-LAWS

Any amendment of or addition to these bye-laws shall be made by general meeting of the society in accordance with the regulations.

I hereby certify that the foregoing Bye-Laws of the AUCHI INDEGENES Multi-Purpose Co-operative Society Limited No 01025 have been registered under **section 7 (i)** of the Bendel State of Nigeria Co-operative Societies Law Cap 45 of Bendel State of Nigeria Laws, 1976 (as applicable in Edo State), this …… Day of……2026

DIRECTOR OF COOPERATIVE SOCIETIES

EDO STATE OF NIGERIA