



BYE-LAWS OF SUNRISE MULTIPURPOSE CO-OPERATIVE LIMITED UYO.

1. NAME AND ADDRESS:

- a.** The society shall be known as SUNRISE MULTI-PURPOSE CO-OPERATIVE SOCIETY LIMITED (UYO) and its registered address shall be Sun Centre, Ewet Housing Estate, Uyo , Akwa Ibom State.

2. AREA OF OPERATION:

- a.** The area of operation of the cooperative shall be Uyo Local Government Area, Akwa Ibom State of Nigeria.

3. OBJECTS:

The objects for which the society is established is as follows:

- a) To engage in large scale farming
- b) To encourage thrift and regular savings among members
- c) To carry on with the business of manufacture, import, export and marketing of general goods and services.
- d) To carry on the business of producers, refineries, stores, suppliers and distributor of petroleum products in all its branches.
- e) To carry on the business of estate development and management, erect buildings for rent and regulate the rent payable on such buildings in the interest of the members and the general public.
- f) To operate Motor Transport of all kinds and regulate the operation of same by member.
- g) To promote Co-operative spirit among members and to work towards the improvement of local living standard. To encourage the development of the Co-operative movement in the State.

- h) To invest and deal with monies of the society not immediately required in such shares or upon such securities and in such manner as may be determined from time to time.
- i) To establish and run educational services.
- j) To produce and include under license any kinds of liquor, beverages, drinks restaurant, bakery and confectionaries, drugs, fuel, chemicals of all kinds, clothing or textile and wearing apparels of whatever type, bottles and iron, salt of all kinds, production and sales of soap and detergents, cosmetics and cream, shoes, leather bags, metal and junks, and every other industrial goods of all kinds and to effect product quality control in order to eliminate adulteration.
- k) To invest in all lawful businesses as may be conducive of incidental to the attainment of the above object or any of them and for the enhancement of socio-economic well being of the members.

4. ELIGIBILITY:

- i. Members must be individuals not below 18 years of age and who are ordinary residents within the area of operation of the society.
- ii. Members shall consist of people who join in the application for registration of the society and those admitted with the accordance with the provision of the Bye-Laws.
- iii. No person can claim membership as a matter of right. Membership shall be opened to employees of the society as well.

5. ADMISSION:

- i. An application for membership shall be made in writing to the secretary of the society and shall be disposed of by the committee who may grant or refuse admission subject to ratification by the general meeting. **Any applicant so refused admission shall be duly informed.**

6. DECLARATION OF OBLIGATION

Every member shall declare his obligation to patronize the Society by selling always his products to the designated Cooperative depots.

7. FINANCIAL OBLIGATION OF A MEMBER

A member shall on admission to membership be obliged to pay the prescribed entrance fee and buy the prescribe minimum number of shares in accordance with these Bye-Laws. No member shall exercise the right of membership and until he/she has met his/her obligation as to this regard.

8. LIABILITY OF MEMBERS AND PAST MEMBERS

- a) A members liability for the debts of the society shall extend to but not exceed the nominal value of the minimum shares. Such liability will not invalidate the provision of joint surety where the society has received loans or advances from a Cooperative bank, Statutory Cooperation, Government, or other finance agencies.

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b) The liability of a member and or the Estate of a deceased member for the debts of the Society as they existed on the date on which he/she ceased to be a member shall not continue for a period of more than two years reckoned from the date he died or otherwise.

c)

9. TERMINATION OF MEMBERSHIP:

a. A member may withdraw or resign from the society by giving six months notice to the secretary in writing provided no member may resign until he/she has paid all the sums due to the society or where he is a surety for the debt of another member until debt or loan has been fully paid or refunded.

b. The society may terminate the membership of a member if he or she:

- i. Ceases permanently to reside or ceases to have substantial economic interest in the society's area of operation or contravenes the Bye-Laws or is guilty of any act or conduct adjudged prejudicial to the interest of the society.
- ii. Contravenes the Bye-Laws or is guilty of any act or conduct an adjudged prejudicial to the interest of the society.
- iii. Is convicted of any criminal offence involving dishonesty or sanctity of life.
- iv.
- v. Is absent from the general meeting without permission for six months consecutively, provided that a resolution to terminate the membership of any member is passed by two-third of the members present at the general meeting upon a charge of which he is informed in writing by the committee not less than one week before the meeting.

- c. **The membership of any member shall cease on his death or insanity.**
- d. **On termination of membership, a member's name be struck off the Register of members and he may be paid back within six(6) months, the current value of his share subscription to his credit together with any other money or goods due to him from the society after deducting any money or goods due from him to the Society.**

10. NOMINEES

- i. Every member of the society may nominate his nominee or a next of kin to whom in the event of his death, the society shall pay sum representing the deceased member's share or any other sum due to him in accordance with the provision of this Bye-Law. The Nominee(s) shall be called upon to refund any amount owed by the deceased members.
- ii. The appointment of nominees shall be made in writing, signed by the member and attested by two members.
- iii. Where desired a member, the nomination may be confidential and may be kept in a sealed envelope.
- iv. Where more than one nominee is appointed by the member, the number of shares to be transferred, or the exact proportion in which the amount available would be shared by each of the nominees, shall be specified at the time of making the appointment.

- v. Every appointment of the nominees shall be recorded in the register of members, and in case of a confidential nomination in reference to the serial number of the respective sealed envelope therein.
- vi. Where any money is paid to nominee who is a minor, receipt will be given either by the minor or by the guardian and duly witnessed by a member shall be sufficient discharge to a society.
- vii. Any nomination made by a member, may be varied when the member so desires and indicates in writing in the manner prescribed in sub-paragraph (B) above.

- viii. In event of nominee having been appointed by a deceased member, the society shall pay the deceased members entitlement to the person who after due investigation appears to be the heir or legal representative of the deceased member.

POWERS AND DUTIES OF THE MONTHLY GENERAL MEETING

11. SUPREME AUTHORITY:

The supreme authority of the society shall vest in the monthly general meeting of members which every member has to right to attend and vote on all questions.

12. DUTIES OF THE MONTHLY GENERAL MEETING:

The monthly general meeting of our members shall have the following duties:

- i. To confirm the minutes of the previous general meetings.
- ii. To decide admission and expulsion of members

- iii. To approve business programmes and social policy of the society as drawn up by the management committee and to review the progress of the society's activities.
- iv. To elect and fill any vacancy existing in the committee.
- v. To fix the rate of interest chargeable on loans to members.
- vi. To decide on borrowing in accordance to the law
- vii. To dispose other businesses duly brought forward by the committee.
- viii. To audit reports and director's comments thereon, and measures for rectification of the defects pointed out by the auditor.

13. MONTHLY GENERAL MEETING:

The monthly general meeting shall hold at least once a month.

14. POWER AND DUTIES OF OFFICES:

The President, Vice President, Secretary/Manager and the Treasurer who shall constitute the principal officers of the society shall exercise the power vested on them under these Bye-Laws.

15. PRESIDENT:

The duties of a President shall be:

- I. To preside at all General and Committee meetings of the society.
- II. To convene Management Committee and General meetings.

- III. In absence of the President, the Vice President shall sign all payment vouchers and disbursements paid out in accordance with the decision of the Committee.

16. VICE PRESIDENT:

The Vice President shall exercise the power and perform the duties of the President in events of the absence of the President.

17. THE SECRETARY/ MANAGER:

- i. The management Committee shall appoint a Manager/ Secretary as a paid officer of the society.
- ii. The Manager shall be responsible for the executive administration of the society to the overall council of committee.
- iii. The secretary/manager maintains correctly and up to date the prescribed records needed by the Society.
- iv. Summon and attend all meetings of the society and record proceedings.
- v. Run and supervise the office, shop processing unit, farm and establishments of the society.
- vi. Guide, supervise and control the works of other staffs of the Society.
- vii. Incure contingent expenditure within the limit fixed by the management Committee.

- viii. Prepare and submit to the management committee the audited Account statements, budget and plan of development.
- ix. Receive all communication and applications addressed to and meant for the society.

- x. To enter into correspondence with persons and agencies concerned on matters touching the affected areas of the Society.
- xi. With the approval of the Management Committee to take innovative and creative actions capable of accelerating economic development.

18. TREASURER:

- i. Take custody of all money received by the society.

- ii. Make disbursement in accordance with the directive of the committee.
- iii. Produce the cash balance whenever called upon to do so by the committee, the Director, the Inspector, or Auditor.
- iv. Sign all members pass books.
- v. Deposit all funds over the limits fixed by the general meeting in the approved bank for the cooperative in the name of the cooperative society.
- vi. Sign and counter-sign withdrawal cheques as authorized by the committee and general meeting.
- vii. Be generally responsible for the safe custody of the society's cash and other valuables ensuring that all cash transactions of the society are accurately recorded and properly receipted.
- viii. Furnish to the Committee such security as may be requested of him. He shall be held responsible for the loss of any money, valuables of the society under his care.

VIII FUNDS OF THE SOCIETY

36. SOURCE OF FUND:

The funds of the society may be derived from:

- i. Entrance fees
- ii. Shares
- iii. Savings and deposits from members
- iv. Deposits and loans from non-members
- v. Returns on the business and investment of the society
- vi. Borrowing from other Cooperatives, commercial and public/private sector financing agencies.
- vii. Loans and grants from the government
- viii. Donations
- ix. Miscellaneous sources approved by the general meeting.

37. ENTRANCE FEE:

An approved application for admission into membership shall pay an entrance fee of N5000 (five thousand naira) only.

38. SHARES:

Each share of the society shall be valued at _____ only and every member shall hold a minimum of 10,000 (ten thousand) shares. Shares shall be paid in full on allotment or by installment provided that a first instalment of N5,000 (five thousand naira) only shall be paid in cash on admission. The payment for the minimum shares shall be completed within _____ dating from the date of admission in the membership of the society.

39. SHARE CAPITAL:

The share capital of the society shall be made up of an unlimited number of shares owned by the members provided that no member shall hold more than one-fifth of the share capital of the Society.

40. WITHDRAWAL OF SHARES

Subject of regulation 10(5) shall not be withdrawn except on termination of membership, provided that where the union runs on a deficit, shares shall be withdrawable after revaluation in accordance with regulation 10(3) and (5).

41. TRANSFER OF SHARES:

Shares can be transferred with the approval of the management Committee to any member. Options of transfer provides that:

Such transfer may not be approved where the transferor is indebted to the society.

It will not be valid and effective until it has been duly registered and the President.

24. SAVINGS AND DEPOSITS OF MEMBERS:

The society shall accept savings and deposits from its members.

25. LOANS AND DEPOSIT FROM MEMBERS AND FROM EXTERNAL SOURCES:

The society may borrow money and accept deposits from members and from external sources or incur any liability towards non-member.

26. CREATION OF FUNDS:

- i. The owned funds of the society may be held in the form of:
- ii. Reserved fund
- iii. Depreciation fund
- iv. An insurance fund including price fluctuation fund and dividend equalization fund
- v. Education fund
- vi. Development fund and common goof fund
- vii. Any other fund created with the approval of the director.

27. USE OF FUNDS:

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

28. INVESTMENT OF FUNDS:

The funds of the society may be invested in any manner permitted by the law and approved by the committee of the Society.

29. BANK ACCOUNT:

The official bank for SUNRISE MULTI-PURPOSE CO-OPERATIVE SOCIETY will be POLARIS BANK and the bank account shall be trustee Account to be operated jointly always by the President, Manager and Treasurer as signatories.

30. THRIFT SAVINGS:

- a) Every member shall make monthly thrift savings of not less than _____ only or such other sum as general meeting may fix from time to time.

- b) Each member shall be issued a savings pass book.
- c) At the end of each financial year the society shall pay its members interest on thrift savings at the rate not exceeding ____ % chargeable to income and expenditure account of the society, provided that where the financial position permits, a further rate not exceeding _____% may be paid out of appropriation Accounts after the declaration of the Net Surplus.
- d) A member may be exempted from making thrift savings by the committee for a period during which his/her circumstances do not permit of any such payment.
- e) A member who fails to pay his/her monthly Thrift Savings shall be liable to a fine of N1,000.00 only for each month the Thrift Savings are overdue.

50. DEPOSITS:

- i. The society may accept fixed deposits and deposits at call from members and non members.
- ii. Fixed deposit shall carry an interest rate not exceeding ____ % per annum, provided deposits withdrawn before maturity may forfeit the interest on them either part or in full.
- iii. Deposit at call shall carry a definite charge to be fixed by the general meeting.

X LOANS

51. PURPOSE OF LOANS:

The Society may grant loans to its members for productive and other necessary purposes.

33. TERMS OF LOANS:

- i. Loans may be short or medium term.
- ii. Purpose for which the loan has been sanctioned shall determine the duration of the loan.

34. APPLICATION FOR LOAN:

- i. Application for Loans shall be submitted to Secretary/ Manager and disposed of by the Management Committee.
- ii. The Management Committee shall consider all applications for loans in the order in which they may be received.
- iii. While considering an application for Loan, the Management Committee shall in particular satisfy itself with the Credit worthiness of the Applicant.

35. ISSUE OF LOANS:

Loans may issued in Cash or in Kind.

36. LOAN SECURITY:

- i. Subject to any restriction which may be imposed by the Director in accordance with the Law, the society shall grant Loans to members of the following securities;
- ii. Two acceptable sureties who must be members of the Society with a Maximum Credit Limited (MCL) as borrower and Surety has been exceeded. Such surety shall be liable for the Loan.
- iii. Immovable property like landed property and plantations.
- iv. Movable properties such as;
- v. Agricultural produce on which the society is authorized to deal with
- vi. Vehicles
- vii. Gilt-edged securities such as Government Bonds, debentures and Promissory note.
- viii. Life Insurance Policies and Share Certificates of reputable companies
- ix. Civil service appointment letter.

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37. MISAPPLICATION OF LOAN:

- i. If the Management Committee is satisfied that a borrower has applied a Loan for a purpose other than that which it was approved, the Committee may recall the Loan immediately together with a penalty (penal interest) at the rate decided by the Committee.
- ii. The Loan and the penal interest shall then be a debt due to the society and shall be recovered as such.

38. PAYMENT OF LOANS:

Both loan and interest shall be repayable according to the repayment schedule fixed by the Management Committee.

39. EXTENSION OF LOANS:

If by reasons of sickness or other causes a borrower is unable to repay his/her Loan and interest on schedule to the Society and notifies the Committee in writing to that effect in advance of due dates, the Management Committee may with the consent of the Sureties grant an extension not exceeding one year from the original date of the retirement of the Loan.

40. OVERDUE LOANS:

- i. When Loan is not repaid on the date due, the loan account shall be at once be closed and the balance transferred to overdue Loan account and borrower informed of the Principal and interest outstanding against him.
- ii. The defaulter shall be charged penal interest on the outstanding principle due at a rate fixed by the committee.
- iii. Thereafter the committee shall take steps to recover the total amount from the sales of his securities/ products, and the Committee shall take Lawful

- iv. steps to recover the debt first from the borrower then followed by the sureties.
- v. Cases of overdue Loans may be referred to the Director of Cooperative under the Law after one month of the Loan being overdue.

41. LOAN INTEREST:

- i. Interest of Loans shall be charged at the rate fixed by the general meeting, provided that such rate shall not exceed 15%
- ii. In case of default in payment of interest of Loan, Penal interest shall be charged at twice the normal rate.

42. PRODUCTS:

- i. Production of goods and services.
- ii. Marketing
- iii. Distribution
- iv. Credit to members
- v. Real estate
- vi. Agricultural ventures

43. NET SURPLUS:

The annual net surplus of the Society shall be determined at the end of each financial year after crediting to the income and expenditure account.

44. APPROPRIATION:

The Net Surplus of the society shall be appropriated as follows:

- i. At least 25% shall be carried to the reserved fund, unless the President gives permission to reduce this amount.
- ii. Not more than 10% may be allocated to Education funding.
- iii. Not more than 15% may be set aside as divided on shares.
- iv. Members' patronage bonus may be paid at the rate not exceeding 5%

- v. An allocation of 5% may be made to common goods and social services fund.
- vi. Staff bonus may be paid at the rate not exceeding 5%
- vii. 8% may be paid as additional thrift saving interest
- viii. An allocation of not more than 10% may be made for payment of honorarium to members of the Management Committee.
- ix. 5% be set aside as provision for audit and supervision fees
- x. Annual subscription may be provided at the rate of 5%
- xi. An allocation of 5% may be made to development fund
- xii. The balance may be allocated as approved by the general meeting as follows:**
 - a. Bad debt reserve
 - b. Insurance fund
 - c. General reserve.

45. TRUSTEES:

The President, Secretary/Manager and Treasurer shall be the Trustees of the society and shall and shall be empowered to sign cheques for the Cooperative society. They shall execute all documents on behalf of the society.

46. COMMON SEAL:

The society shall have a common seal which the design is appended herein and approved by the Director. The seal shall be in the custody of the Secretary/Manager of the society. The common seal shall be affixed to all legal documents executed by the society which is required to be under seal in the presence of two attesting officers of the society.

