

REPRINT

CO-OPERATIVE SOCIETIES ACT (CAP. 164)

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For details see Endnotes

**AN ACT TO PROVIDE FOR THE FORMATION AND TO REGULATE THE
OPERATIONS OF CO-OPERATIVE SOCIETIES**

CO-OPERATIVE SOCIETIES ACT (CAP. 164)

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PART I PRELIMINARY

1 Short title

This Act may be cited as the *Co-operative Societies Act*.

2 Interpretation

In this Act unless the context otherwise requires:

“bonus” means a share of the profits of a registered society divided among its members in proportion to the volume of business done by them with the society from which the profits of the society were derived;

“by-laws” means the registered by-laws made by a society in the exercise of any power conferred by this Act, and includes a registered amendment of the by-laws;

“committee” means the governing body of a registered society to whom the management of its affairs is entrusted;

“dividend” means a share of the profits of a registered society divided among its members in proportion to the share capital held by them;

“member” includes a person or registered society joining in the application for the registration of a society, and a person or registered society admitted to membership after registration in accordance with the by-laws;

“officer” includes a chairman, secretary, member of committee, or other person empowered under the rules or by-laws to give directions in regard to the business of a registered society;

“registered society” means a co-operative society registered under this Act;

“Registrar” means the Registrar of Co-operative Societies appointed under section 3 and includes any person when exercising such powers of the Registrar as may have been conferred upon him under that section;

“rules” means rules made under this Act.

PART II REGISTRATION

3 Appointment of Registrar and Assistant Registrars

- (1) There shall be appointed a Registrar of Co-operative Societies and such other persons to assist the Registrar as may be necessary to give effect to this Act.
- (2) Where any person also appointed is to be a public officer the appointment shall be made pursuant to the *Constitution*, but otherwise may be made by the Minister.
- (3) The Minister may, by general or special order, confer on any person (other than the Registrar) so appointed, all or any of the powers of the Registrar under this Act.
- (4) No person shall collect moneys in the nature of subscriptions for the purpose of the formation of a society to be registered under this Act without first obtaining the permission in writing of the Registrar.
- (5) Any person who contravenes the provisions of this section shall be liable on summary conviction to a fine of twenty penalty units, or to imprisonment for three months or to both such fine and imprisonment.

4 Societies which may be registered

Subject to the provisions hereinafter contained, a society which has as its object the promotion of the economic interests of its members in accordance with co-operative principles, or a society established with the object of facilitating the operations of such a society, may be registered under this Act with or without limited liability as the Registrar may decide:

Provided that the liability of a society which includes at least one

registered society among its members shall be limited.

5 Conditions of registration

- (1) No society, other than a society of which a member is a registered society, which does not consist of at least ten persons each of whom is qualified under section 20 for membership under this Act shall be registered under this Act.
- (2) The word “co-operative” or its vernacular equivalent shall form part of the name of every society registered under this Act.
- (3) The word “limited” or its vernacular equivalent shall be the last word in the name of every society with limited liability registered under this Act.
- (4) When, for the purposes of this section, any question arises as to age, residence, or occupation of land constituting the qualification of any person, that question shall be decided by the Registrar whose decision shall be final.

6 Application for registration

- (1) For the purposes of registration an application shall be made to the Registrar.
- (2) The application shall be signed:
 - (a) in the case of a society of which no member is a registered society, by at least ten persons qualified in accordance with the requirements of section 5 (1); and
 - (b) in the case of a society of which a member is a registered society by a duly authorised person on behalf of every such registered society.
- (3) The application shall be accompanied by copies of the proposed by-laws of the society, and the persons by whom or on whose behalf such application is made shall furnish such information in regard to the society as the Registrar may require.

7 Registration

- (1) If the Registrar is satisfied that a society has complied with the provisions of this Act and the rules, and that its proposed by-laws are not contrary to this Act or to the rules, he may, if he thinks fit, register the society and its by-laws. An appeal shall lie to the Minister against the refusal of the Registrar to register any society within one month from the date of such refusal.
- (2) On registration the society shall pay such fee as may be required by the rules.

8 Societies to be bodies corporate

The registration of a society shall render it a body corporate by the name under which it is registered, with perpetual succession and with power to hold property, to enter into contracts, to institute and defend suits and other legal proceedings, and to do all things necessary for the purpose of its constitution.

9 Evidence of registration

A certificate of registration signed by the Registrar shall be conclusive evidence that the society therein mentioned is duly registered, unless it is proved that the registration of the society has been cancelled.

PART III DUTIES AND PRIVILEGES OF SOCIETIES

10 Amendment of the by-laws of a registered society

- (1) Any registered society may, subject to this Act and the rules, amend its by-laws.
- (2) No amendment of the by-laws of a registered society shall be valid until that amendment has been registered under this Act, for which purpose copies of the amendment shall be forwarded to the Registrar.
- (3) If the Registrar is satisfied that any amendment of the by-laws is not contrary to this Act or to the rules, he may, if he thinks fit, register the amendment. An appeal shall lie to the Minister against the refusal of

the Registrar to register any amendment of any by-law.

- (4) When the Registrar registers an amendment of the by-laws of a registered society, he shall issue to the society a copy of the amendment certified by him, which shall be conclusive evidence of the fact that the amendment has been duly registered.
- (5) In this section, “**amendment**” includes the making of a new by-law and the variation or rescission of a by-law.

11 Address of society

Every registered society shall have an address, registered in accordance with the rules, to which all notices and communications may be sent, and shall send to the Registrar notice of every change of that address.

12 Copy of Act, rules, by-laws, etc., to be open to inspection

Every registered society shall keep a copy of this Act and of the rules and of its by-laws and a list of its members open to inspection, free of charge, at all reasonable times at the registered address of the society.

13 Disposal of produce to or through a registered society

- (1) A registered society which has as one of its objects the disposal of any article produced or obtained by the work or industry of its members whether the produce of agriculture, animal husbandry, forestry, fisheries, handicrafts or otherwise may provide in its by-laws or may otherwise contract with its members:
 - (a) that every such member who produces any such article shall dispose of the whole or any specified amount, proportion or description thereof to or through the society; and
 - (b) that any member who is proved or adjudged, in such a manner as may be prescribed by the rules, to be guilty of a breach of the by-laws or contract shall pay to the society as liquidated damages a sum ascertained or assessed in such manner as may be prescribed by the aforesaid rules.

- (2) No contract entered into under the provisions of this section shall be contested in any court on the ground only that it constitutes a contract in restraint of trade.

14 Creation of charges in favour of registered societies

Subject to any prior claim of the Crown on the property of the debtor and to the lien or claim of a landlord in respect of rent or any money recoverable as rent and in the case of immovable property to any prior registered charge thereon, any debt or outstanding demand payable to a registered society by any member or past member shall be a first charge on all crops or other agricultural produce, felled timber or other forest produce, marine produce, fish (fresh-water and salt-water) livestock, fodder, agricultural, industrial and fishing implements, plant, machinery, boats, tackle and nets, raw materials, stock in trade and generally all produce of labour and things used in connection with production raised, purchased or produced in whole or in part from any loan whether in money or in goods given him by the society:

Provided that nothing herein contained shall affect the claim of any *bona fide* purchaser or transferee without notice.

15 Charge and set-off in respect of shares or interest of members

A registered society shall have a charge upon the shares or interests in the capital and on the deposits of a member or past member or deceased member and upon any dividend, bonus, or profits payable to a member or past member or to the estate of a deceased member in respect of any debt due to the society from such member or past member or estate, and may set off any sum credited or payable to a member or past member or estate of a deceased member in or towards payment of any such debt.

16 Shares or interest not liable to attachment or sale

Subject to the provisions of section 15, the share or interest of a member in the capital of a registered society shall not be liable to attachment or sale under any decree or order of a Court in respect of any debt or liability incurred by such member, and a trustee in bankruptcy shall not be entitled to, or have any claim on, such share or interest:

Provided that where a society is dissolved the property and the shares of any member who has been adjudicated in bankruptcy shall be vested in the trustee in bankruptcy.

17 Deposits by or on behalf of minors

- (1) A registered society may receive deposits from or for the benefit of minors and it shall be lawful for a registered society to pay such minors the interest which may become due on such deposits. Any deposits made by a minor may, together with the interest accrued thereon, be paid to that minor; and any deposit made on behalf of a minor may, together with the interest accrued thereon, be paid to the guardian of that minor for the use of the minor.
- (2) The receipt of any minor or guardian for money paid to him under this section shall be a sufficient discharge of the liability of the society in respect of that money.

18 Register of members

Any register or list of members kept by any registered society shall be *prima facie* evidence of any of the following particulars entered therein:

- (a) the date at which the name of any person was entered in such register or list as a member;
- (b) the date at which any such person ceased to be a member.

19 Proof of entries in books of society

- (1) A copy of any entry in a book of a registered society regularly kept in the course of business shall, if certified in such manner as may be prescribed by the rules, be received in any legal proceeding, civil or criminal, as *prima facie* evidence of the existence of such entry and shall be admitted as evidence of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is admissible.
- (2) No officer of any such society shall, in any legal proceedings to which the society is not a party, be compelled to produce any of the society's books the contents of which can be proved under

subsection (1), or to appear as a witness to prove any matters, transactions or accounts therein recorded unless the Court for special reasons so directs.

PART IV RIGHTS AND LIABILITIES OF MEMBERS

20 Qualification for membership

In order to be qualified for membership of a co-operative society a person other than a registered society must:

- (a) have attained the age of sixteen years;
- (b) be resident within or in occupation of land within the society's area of operations as described by the by-laws.

21 Members not to exercise rights till due payment made

No member of a registered society shall exercise the rights of a member unless or until he has made such payment to the society in respect of membership or acquired such interest in the society, as may be prescribed by the rules or by-laws.

22 Votes of members

No member of any registered society shall have more than one vote in the conduct of the affairs of the society:

Provided that in the case of an equality of votes the chairman shall have a casting vote:

Provided further that in the case of societies of which a registered society is a member that society may have such voting powers as are provided in the by-laws.

23 Representation by proxy

A registered society which is a member of any other registered society may appoint any one of its members or, with the consent of the Registrar, any other person as its proxy for the purpose of voting in the conduct of the affairs of such other registered society.

24 No individual to hold more than one-fifth of share capital of any society

No member, other than a registered society, shall hold more than one-fifth of the share capital of any co-operative society.

25 Liability of past member and estate of deceased member for debts of society

- (1) The liability of a past member for the debts of a registered society as they existed on the date on which he ceased to be a member shall not continue for a period of more than one year reckoned from that date.
- (2) The estate of a deceased member shall not be liable for the debts of the society as they existed on the date of his decease for a period of more than one year reckoned from the date of his decease.

PART V PROPERTY AND FUNDS OF REGISTERED SOCIETIES

26 Loans made by a registered society

A registered society shall not, except as provided in section 29, make any loan to any person other than a member:

Provided that, with the consent of the Registrar, a registered society may make loans to another registered society.

27 Deposits and loans received by a registered society

A registered society shall receive deposits and loans from persons who are not members only to such extent and under such conditions as may be prescribed by the rules or by-laws.

28 Restriction on other transactions with non-members

Save as provided in sections 26 and 27, the transactions of a registered society with persons other than members shall be subject to such prohibitions and restrictions as may be prescribed by the rules.

29 Investment of funds

A registered society may invest or deposit its funds:

- (a) with any bank approved for this purpose by the Registrar; or
- (b) in any securities issued or guaranteed by a Government under the British Crown; or
- (c) with any other registered society approved for this purpose by the Registrar; or
- (d) in any other mode approved by the Registrar.

30 Disposal of profits

- (1) At least one-fourth of the net profit of every registered society, as ascertained by the audit prescribed by section 31, shall be carried to a fund to be called the reserve fund, which shall be employed as prescribed by the rules. The remainder of such profits and any profits of past years available for distribution may be divided among the members by way of dividend or bonus, or allocated to any funds constituted by the society, to such extent or under such conditions as may be prescribed by the rules, or by-laws:

Provided that in the case of a society with unlimited liability, no distribution of profits shall be made without the general or special order of the Minister.

- (2) Any registered society may, with the sanction of the Registrar, after one-fourth of the net profits in any year has been carried to the reserve fund, contribute an amount not exceeding ten *per centum* of the remaining net profits to any charitable purpose or to a common good fund.

PART VI AUDIT, INSPECTION AND INQUIRY

31 Audit

- (1) The Registrar shall audit or cause to be audited by some person authorised by him by general or special order in writing the accounts of every registered society once at least in every year.

- (2) The audit under subsection (1) shall include an examination of overdue debts, if any, and a valuation of the assets and liabilities of the registered society.
- (3) The Registrar and every other person appointed to audit the accounts of a society shall have power when necessary:
 - (a) to summon at the time of his audit any officer, agent, servant or member of the society who he has reason to believe can give material information in regard to any transactions of the society or the management of its affairs; or
 - (b) to require the production of any book or document relating to the affairs of, or any cash or securities belonging to the society by the officer, agent, servant or member in possession of such book, document, cash or securities.

32 Power to Registrar to inspect societies' books, etc.

The Registrar, or any person authorised by general or special order in writing by the Registrar, shall at all times have access to all the books, accounts, papers and securities of a registered society, and shall be entitled to inspect the cash in hand; and every officer of the society shall furnish such information in regard to the transactions and working of the society as the person making such inspection may require.

33 Inquiry and inspection

- (1) The Registrar may of his own motion, and shall on the application of a majority of the committee, or of not less than one-third of the members of a registered society, hold an inquiry or direct some person authorised by him by order in writing in this behalf to hold an inquiry into the constitution, working, and financial condition of a registered society; and all officers and members of the society shall furnish such information in regard to the affairs of the society and produce the cash in hand and such books, accounts, papers and securities of the society as the Registrar or the person authorised by him may require.
- (2) The Registrar shall, on the application of a creditor of the registered society, inspect or direct some person authorised by him in writing in

this behalf to inspect the books of the society, if the applicant:

- (a) proves that an ascertained sum of money is then due to him and that he has demanded payment thereof and has not received satisfaction within a reasonable time; and
 - (b) deposits with the Registrar such sum as security for the cost of the proposed inspection as the Registrar may require.
- (3) The Registrar shall communicate the results of any such inspection to the creditor and to the society into whose affairs inquiry has been made.
- (4) Where an inquiry is held under subsection (1) or an inspection is made under subsection (2), the Registrar may apportion the costs or such part of the costs, as he may think right, between the registered society, the members demanding an inquiry, the officers or former officers of the society, and the creditor, if any, on whose application the inquiry was made.
- (5) Any sum awarded by way of costs against any society or person under this section may be recovered, on application to the Court in the place where the registered office of the society is situated or the person resides or carries on business for the time being, in like manner as a fine imposed by the Court.

PART VII DISSOLUTION

34 Dissolution

- (1) If the Registrar, after holding an inquiry or making an inspection under section 33 or on receipt of an application made by three-fourths of the members of a registered society, is of the opinion that the society ought to be dissolved, he may make an order for the cancellation of the registration of the society.
- (2) Any member of a registered society may, within two months from the date of an order under subsection (1), appeal from such order in the prescribed manner to the Minister.
- (3) Where no appeal is presented within two months from the making of an order cancelling the registration of a society, the order shall take

effect on the expiry of that period. Where an appeal is presented within two months, the order shall not take effect until it is confirmed.

- (4) Where the Registrar makes an order for the cancellation of the registration of a society under subsection (1) he may make such further order as he may think fit for the custody of the books and documents and the protection of the assets of the society until the order cancelling registration takes effect.
- (5) No registered society shall be wound up save by an order of the Registrar.

35 Cancellation of registration of a society due to lack of membership

The Registrar may, by order in writing, cancel the registration of any registered society other than a society which includes among its members one or more registered societies, if at any time it is proved to his satisfaction that the number of the members has been reduced to less than ten. Every such order shall take effect from the date thereof.

36 Effect of cancellation of registration

Where the registration of a society is cancelled by an order under section 34 or under section 35 the society shall cease to exist as a corporate body from the date on which the order takes effect, hereinafter referred to as the date of dissolution:

Provided that any privileges conferred on the society by or under sections 14, 15 and 16 shall be deemed to be vested in any liquidator appointed for that society by the Registrar.

37 Liquidation after cancellation of registration of society

Where the registration of a society is cancelled under section 34 or section 35 the Registrar may appoint one or more persons to be, subject to his direction and control, the liquidator or liquidators of the society.

38 Liquidator's powers

- (1) A liquidator appointed under section 37 shall, subject to the guidance and control of the Registrar and to any limitations imposed by the Registrar by order under section 39 have power to:
- (a) determine from time to time the contribution to be made by members and past members or by the estate of deceased members of the society to its assets;
 - (b) appoint a day by notice before which creditors whose claims are not already recorded in the books of the society shall state their claims for admission or be excluded from any distribution made before they have proved them;
 - (c) decide any question of priority which arises between creditors;
 - (d) refer disputes to arbitration and institute and defend suits and other legal proceedings on behalf of the society by his name or office;
 - (e) decide by what persons and in what proportions the costs of liquidation are to be borne;
 - (f) give such directions in regard to the collection and distribution of assets as may be necessary in the course of winding up the society;
 - (g) compromise any claim by or against the society provided the sanction of the Registrar has first been obtained;
 - (h) call such general meetings of members as may be necessary for the proper conduct of the liquidation;
 - (i) take possession of the books, documents and assets of the society;
 - (j) sell the property of the society;
 - (k) carry on the business of the society so far as may be necessary for winding it up beneficially; and
 - (l) arrange for the distribution of the assets of the society in a

convenient manner when a scheme of distribution has been approved by the Registrar.

- (2) Subject to such rules as may be made in this behalf, any liquidator appointed under this Act shall in so far as such powers are necessary for carrying out the purposes of this section, have power to summon and enforce the attendance of parties and witnesses and to compel the production of documents by the same means and so far as may be in the same manner as is provided in the case of a civil court.

39 Powers of Registrar to control liquidation

A liquidator shall exercise his powers subject to the control and revision of the Registrar, who may:

- (a) rescind or vary any order made by a liquidator and make whatever new order is required;
- (b) remove a liquidator from office;
- (c) call for all books, documents and assets of the society;
- (d) by order in writing limit the powers of a liquidator under section 38;
- (e) require accounts to be rendered to him by the liquidator;
- (f) procure the auditing of the liquidator's accounts and authorise the distribution of the assets of the society;
- (g) make an order for the remuneration of the liquidator; or
- (h) refer any subject of dispute between a liquidator and any third party to arbitration if that party shall have consented in writing to be bound by the decision of the arbitrator.

40 Enforcement of order

- (1) The decision of an arbitrator on any matter referred to him under section 39 shall be binding upon the parties, and shall be enforceable in like manner as an order made by the Registrar under that section.
- (2) An order made by a liquidator or by the Registrar under section 38 or

section 39 may be enforced by the Court having jurisdiction over the place where the registered office of the society is situated in like manner as a decree of the Court.

41 Limitation of the jurisdiction of the civil court

Save in so far as is hereinbefore expressly provided, no civil court shall have any jurisdiction in respect of any matter concerned with the dissolution of a registered society under this Act.

42 Closure of liquidation

- (1) In the liquidation of a society whose registration has been cancelled, the funds, including the reserve fund, shall be applied first to the costs of liquidation, then to the discharge of all deposit liabilities to its depositors, then to the discharge of the liabilities of the society, then to the payment of the share capital and then, provided the by-laws of the society permit, to the payment of a dividend at a rate not exceeding five *per centum* per annum for any period for which no disposal of profits was made.
- (2) When the liquidation of a society has been closed and any creditor of that society has not claimed or received what is due to him under the scheme of distribution, notice of the closing of the liquidation shall be published in the *Gazette*; and, all claims against the funds of the society liquidated shall be proscribed when two years have elapsed from the date of the publication of the *Gazette* notice.
- (3) Any surplus remaining after the application of the funds to the purposes specified in subsection (1) and the payment of any claims for which an action is instituted under subsection (2) shall be available for use by the Registrar for any co-operative purpose at his discretion.

PART VIII DISPUTES

43 Settlement of disputes

- (1) If any dispute touching the business of a registered society arises:
 - (a) among members, past members and persons claiming through members, past members and deceased members; or

- (b) between a member, past member, or person claiming through a member, past member or deceased member, and the society, its committee, or any officer of the society; or
- (c) between the society or its committee and any officer of the society; or
- (d) between the society and any other registered society,

such dispute shall be referred to the Registrar for decision.

A claim by a registered society for any debt or demand due to it from a member, past member or the nominee, heir or legal representative of a deceased member, shall be deemed to be a dispute touching the business of the society within the meaning of this subsection.

- (2) The Registrar may on receipt of a reference under subsection (1):
 - (a) decide on the dispute himself; or
 - (b) refer it for disposal to an arbitrator.
- (3) Any party aggrieved by the award of the arbitrator may appeal therefrom to the Registrar within such period and in such manner as may be prescribed.
- (4) A decision of the Registrar under subsection (2) or under subsection (3) shall be final and shall not be called in question in any civil court.
- (5) The award of the arbitrator under subsection (2) shall, if no appeal is preferred to the Registrar under subsection (3), or if any such appeal is abandoned or withdrawn, be final and shall not be called in question in any civil court and shall be enforced in the same manner as if the award had been a judgment of a civil court.

44 Case stated on question of law

Notwithstanding anything contained in the last foregoing section, the Registrar at any time when proceeding to a decision under this Act, or the Minister at any time when an appeal has been preferred to him against any decision of the Registrar under this Act, may refer any question of law arising out of such decision for the opinion of a Judge, whose opinion given on such question shall be final and conclusive.

PART IX RULES

45 Rules

- (1) The Minister may make all such rules as may be necessary for the purpose of carrying out or giving effect to the principles and provisions of this Act.
- (2) In particular and without prejudice to the generality of the power conferred by subsection (1), such rules may:
 - (a) prescribe the forms to be used, the fees to be paid and the conditions to be complied with in applying for the registration of a society and the procedure in the matter of such applications;
 - (b) prescribe the conditions to be complied with by persons applying for admission or admitted as members, and provide for the election and admission of members from time to time and the payment to be made and interest to be acquired before exercising rights of membership;
 - (c) subject to the provisions of section 24, prescribe the maximum number of shares or portion of the capital of a registered society which may be held by a member;
 - (d) prescribe the extent to which a registered society may limit the number of its members;
 - (e) provide for the withdrawal and expulsion of members and for the payments to be made to members who withdraw or are expelled and for the liabilities of past members;
 - (f) provide for general meetings of the members and for the procedure at such meetings and the powers to be exercised by such meetings;
 - (g) provide for the appointment, suspension and removal of the members of the committee, and for the powers to be exercised and the duties to be performed by the committee and other officers;
 - (h) prescribe the matters in respect of which a society may or shall

make by-laws and for the procedure to be followed in making, altering and rescinding by-laws, and the conditions to be satisfied prior to such making, alteration or rescission;

- (i) regulate the manner in which funds may be raised by means of shares or debentures or otherwise;
- (j) prescribe the payments to be made, the conditions to be complied with, and the forms of the bonds, instruments or other documents to be executed, by members applying for loans or cash credits, the period for which loans may be made or credits granted, and the maximum amount which may be lent and the maximum credit which may be allowed to individual members with or without the consent of the Registrar;
- (k) provide for the formation and the maintenance of reserve funds, and the objects to which such funds may be applied, and for the investment of any funds under the control of any registered society;
- (l) prescribe the conditions under which profits may be distributed to the members of a society with unlimited liability and the maximum rate of dividend which may be paid by societies;
- (m) prescribe the accounts and books to be kept by a registered society, and for the periodical publication of a balance sheet showing the assets and liabilities of a registered society;
- (n) provide for the audit of the accounts of registered societies and for the charges, if any, to be made for such audit and provide for the levy of contributions from all or any registered societies to a fund to be used for the audit and supervision of existing societies and prescribe for the administration of such a fund;
- (o) prescribe the returns to be submitted by registered societies to the Registrar, and the persons by whom and the form in which the same are to be made;
- (p) provide for the persons by whom, and the form in which, copies of entries in books of registered societies may be certified;
- (q) provide for the formation and maintenance of a register of

members and, where the liability of members is limited by shares, a register of shares;

- (r) provide for the inspection of documents and registers at the Registrar's office and the fees to be paid therefor and for the issue of copies of such documents or registers;
- (s) prescribe the manner in which any question as to the breach of any by-law or contract relating to the disposal of produce to or through a society, may be determined, and the manner in which the liquidated damages for any such breach may be ascertained or assessed;
- (t) prescribe the mode of appointing an arbitrator and the procedure to be followed in proceedings before the Registrar or such arbitrator;
- (u) prescribe the forms to be used, the fees to be paid, the procedure to be observed and all other matters connected with or incidental to the presentation, hearing and disposal of appeals under this Act or the rules.

PART X MISCELLANEOUS

46 Recovery of sums due to Government

- (1) All sums due from a registered society or from an officer or member or past member of a registered society as such to the Government may be recovered in the manner provided for the recovery of debts due to the Government under the law for the time being in force.
- (2) Sums due from a registered society to the Government and recoverable under subsection (1) may be recovered first, from the property of the society; secondly, in the case of a society of which the liability of members is limited, from the members subject to the limit of their liability; and thirdly, in the case of other societies, from the members.

47 Special powers of Minister to exempt any society from requirements as to registration

Notwithstanding anything contained in this Act the Minister may by

special order in each case and subject to such conditions as he may impose, exempt any society from any of the requirements of this Act as to registration.

48 Special power of Minister to exempt societies from provisions of Act

The Minister may by general or special order exempt any registered society or class of societies from any of the provisions of this Act, or may direct that such provisions shall apply to any society or class of societies with effect from such date or with such modifications as may be specified in the order.

49 Power to exempt from stamp duty and registration fees

The Minister by notification in the *Gazette* may, in the case of any registered society or class of registered societies, remit:

- (a) the stamp duty with which, under any law for the time being in force, instruments executed by or on behalf of a registered society, or by an officer or member, and relating to the business of such society, or any class of such instruments are respectively chargeable; or
- (b) any fee payable under the law of registration for the time being in force.

50 Prohibition of the use of the word “co-operative”

- (1) No person other than a registered society shall trade or carry on business under any name or title of which the word “co-operative” is part without the sanction of the Minister:

Provided that nothing in this section shall apply to the use by any person or his successor in interest of any name or title under which he traded or carried on business at the commencement of this Act.

- (2) Any person who contravenes the provisions of this section shall be guilty of an offence and shall be liable on summary conviction to a fine of ten penalty units, and in the case of a continuing offence to a further fine of two penalty units for each day during which the offence continues.

51 Punishment of fraud or misappropriation

If any person obtains possession by false representation or imposition of any property of a society, or having the same in his possession withholds or misapplies the same, or wilfully applies any part thereof to purposes other than those expressed or directed in the rules of the society, and authorised by this Act, he shall on the complaint of the society, or of any member authorised by the society, or the committee thereof, or of the Registrar or any Assistant Registrar by his authority, be liable on summary conviction to a fine of forty penalty units with costs, and to be ordered to deliver up all such property or to repay all moneys applied improperly, and, in default of such delivery or repayment, or of the payment of such fine to be imprisoned for three months.

52 Exemption

The provisions of the *Companies Act*, and the *Trade Unions Act* shall not apply to a registered society.

53 Penalty for non-compliance with Act

(1)

- (a) Any registered society or an officer or a member thereof, wilfully neglecting or refusing to do any act or to furnish any information required for the purposes of this Act by the Registrar or other persons duly authorised by him in this behalf; or
- (b) any person wilfully or without any reasonable excuse disobeying any summons, requisition or lawful written order issued under the provisions of this Act, or failing to furnish any information lawfully required from him by a person authorised to do so under the provisions of this Act,

shall be guilty of an offence under this Act.

- (2) Every offence referred to in subsection (1) shall be punishable with a fine of two hundred penalty units.

ENDNOTES

1

KEY

amd = amended	Pt = Part
Ch = Chapter	rem = remainder
Div = Division	renum = renumbered
exp = expires/expired	rep = repealed
GN = Gazette Notice	Sch = Schedule
hdg = heading	Sdiv = Subdivision
ins = inserted	SIG = Solomon Islands Gazette
lt = long title	st = short title
LN = Legal Notice	sub = substituted
nc = not commenced	

NOTE

This Reprint comprises the Act and amendments as in force on 1 March 1996 and published as Chapter 164 of the Revised Edition of the Laws of Solomon Islands, together with amendments made to the Act since that date.

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LIST OF LEGISLATION

Co-operative Societies Act (Cap. 164)

<i>Constituent legislation:</i>	12 of 1953 (Commenced 16 December 1953)
	17 of 1956
	6 of 1967
	LN 46A of 1978
	2 of 1980
	2 of 1987

Penalties Miscellaneous Amendments Act 2009 (No. 14 of 2009)

Assent date	29 July 2009
Gazetted	1 October 2009
Commenced	1 October 2009

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LIST OF AMENDMENTS

s 3	amd by Act No. 14 of 2009
s 50	amd by Act No. 14 of 2009
s 51	amd by Act No. 14 of 2009
s 53	amd by Act No. 14 of 2009