

BYLAWS OF  
ARIZA CREDIT UNION LTD



REVISED 2024

## Table of Contents

BACKGROUND .....	5
I INTERPRETATION .....	5
II NAME .....	13
III REGISTERED ADDRESS .....	13
IV AREA OF OPERATIONS .....	13
V OBJECTS .....	13
VI GOVERNANCE .....	15
VI.I GENERAL .....	15
VI.II BOARD OF DIRECTORS .....	15
VI.III CREDIT COMMITTEE .....	18
VI.IV SUPERVISORY AND COMPLIANCE COMMITTEE .....	20
VI.VI TERMINATION OF OFFICE .....	22
VI.VII REMUNERATION DIRECTORS / COMMITTEE MEMBERS .....	24
VI.VIII INDEMNIFICATION OF DIRECTORS AND COMMITTEE MEMBERS .....	24
VI.IX CONFLICT OF INTEREST .....	25
VI.X CONFIDENTIALITY .....	26
VI.XI SEAL AND EXECUTION OF DOCUMENTS .....	27
VI.XII ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING COMPLIANCE .....	28
VI.XIII COMPLIANCE WITH LAWS AND REGULATIONS .....	28
VI.XIV CO-OPERATION WITH THE REGISTRAR, THE APEX BODY, AND RELATED MATTERS .....	29
VI.XV EMERGENCY OPERATIONS .....	29

VII MEMBERSHIP .....	30
VII.I APPLICATION, APPROVAL AND ADMITTANCE .....	30
VII.II CESSATION OF MEMBERSHIP .....	33
VII.III TERMINATION/WITHDRAWAL AND EXPULSION .....	33
VII.IV MEETINGS OF MEMBERS .....	38
VII.V QUORUM .....	43
VII.VI ELECTIONS .....	44
VIII. FINANCES .....	46
VIII.I CAPITAL, FUNDS AND LIABILITY .....	46
VIII.II SHARES .....	47
VIII. III SAVINGS .....	50
VIII.IV DEPOSITS .....	55
VIII.V RESERVE FUND AND LIQUIDITY RESERVE .....	58
VIII.VI DIVIDEND AND BONUS .....	60
VIII.VII INVESTMENT OF FUNDS .....	60
VIII.VIII BANKING ACCOUNT .....	61
VIII. IX ANNUAL ACCOUNTS, REPORTS AND AUDITS .....	61
VIII.X FINANCIAL YEAR .....	62
IX ADMINISTRATION AND MANAGEMENT .....	62
IX.I BENEFICIARIES .....	62
IX.II LOANS TO MEMBERS .....	64
IX.III LOAN PROCESSING .....	65
IX.IV LOAN REPAYMENTS .....	67

IX. V DELINQUENT AND DOUBTFUL LOANS.....	68
X RECORDS AND RECORDS MANAGEMENT .....	68
XI PROFESSIONAL AND MANAGERIAL STAFF .....	71
XII MISAPPROPRIATION AND OTHER CONTRAVENTIONS OF THE ACT .....	72
XIII DISPUTES .....	73
XIV AMENDMENT TO THE BYE-LAWS .....	73

## BACKGROUND

These Bye-laws are made under the Co-operative Societies Act No. 8 of 2011, the Co-operative Societies (Amendment) Act No. 20 of 2017, and the Regulations; and are the written rules approved by the Board and Members of the Ariza Credit Union Limited (ACU) to control its internal affairs.

## I INTERPRETATION

In these Bye-Laws, unless the context otherwise requires, expressions defined in the Act or the Regulations shall have the meaning so defined, words importing the singular shall include the plural and vice-versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate.

“Abandoned property” refers to any general deposit, demand, savings, or matured time deposits, together with any interest or dividend, but excluding any lawful charges; and any funds paid toward the purchase of shares or other interests in the Credit Union together with any interest or dividend excluding any lawful charges where there has been no activity relating to the property for a period of fifteen (15) years except for the posting of interests and dividends.

“Account” refers to the arrangement by which the Credit Union accepts members financial assets (money) and holds them on behalf of the member at his discretion.

“Act” means the Co-operative Societies Act, No. 8 of 2011 as amended by Act No.20 of 2017 or any other amendments thereof.

“Annual General Meeting (AGM)” refers to a compulsory yearly general meeting of the members of the Credit Union required under the Co-operative Societies Act No. 8 of

2011 or its amendments.

“Associate” shall be construed in accordance with section 2 (1) of the Act and its amendments.

“Beneficiary” refers to a person or persons (not necessarily members of Ariza Credit Union) to, or among whom, shall be transferred on the death of a member his assets and liabilities held at the Credit Union.

“Board of Directors” or “Board” means the directing body, to whom the management of the affairs of the Credit Union is entrusted.

“Bye-Laws” means the registered Bye-Laws made by the Ariza Credit Union Limited in exercise of any power conferred by the Act and includes a registered amendment to the Bye-Laws.

“Capital base” refers to the paid up capital, being equity shares paid up in cash, and invested as risk capital by the members, which are redeemable only upon transfer to another member in accordance with the Act and the Regulations; plus, institutional capital, less any amount by which that total has become impaired by operating or other losses.

“CARICOM Member State” means a Member State of the Caribbean Community established by the Revised Treaty of Chaguaramas signed at Nassau, The Bahamas, on 5<sup>th</sup> July 2001 and passed into the laws of Grenada by Act No.10 of 2006.

“Chief Executive Officer” means a person who is employed by the Board and to whom responsibility and authority for the day to day management of the Credit Union is delegated and who is accountable to the Board.

“Citizen” shall be construed in accordance with the provisions of Chapter VII of the Constitution of Grenada. A person is a citizen

by having been born in Grenada or having been naturalized or registered in Grenada. Citizenship can be acquired through marriage or as provided by an Act of Parliament.

“Collateral” means security pledged as a guarantee for the payment of a loan if the member fails to repay.

“Committee” refers to a small group of members appointed by the Board or elected by the membership for a specific function or purpose.

“Co-maker” refers to a member who signs a promissory note along with the primary borrower. This signature serves as a guarantee that the loan will be repaid, as the borrower and co-maker are equally responsible for the repayment. This member is sometimes called a co-signer or endorser.

“Conflict of interest” refers to the situation when a Director, Committee Member, Officer or Employee has a vested or pecuniary interest direct or indirect in any contract, proposed contract or other matter which raises a question of whether their actions, judgment, and/or decision-making can be unbiased. It also includes where a director or committee member is seeking to have an outcome favourable to themselves or to a member or members of staff, and in that process attempts to prejudice decision-making of the board or to mislead the board based on representations or solicitation or information obtained through personal ties to one or more employees.

“Credit Union” shall be construed in accordance with section 2 (1) of the Act and its amendments.

“Default” refers to the failure of a member to repay a debt including interest or principal on a loan. It occurs when the member is unable to make timely payments, misses payments, or avoids or stops making payments.

“Delinquent Loan” means a loan where a borrower has defaulted on the agreed terms of repayment.

“Deposit” refers to a sum of money placed in an account at the Credit Union on agreed terms.

“Director” means a member of the Board.

“Dividend” refers to a share of the surplus divided among members, in proportion to the share capital held by them.

“Dormant account” refers to a current or savings account on which no transaction or financial activity has been initiated by the member and in which property the member has not indicated an interest in writing or otherwise for a period of twenty-four (24) consecutive months or more.

“Doubtful loan” means a loan that is twelve (12) or more months in default.

“Electronic/Online access” refers to members ability to access their accounts and carry out financial and other transactions through the internet on their smartphone, tablet, computer, or other electronic device. It allows members to carry out a number of tasks such as paying bills and transferring money, without having to visit or call the Credit Union.

“Electronic signature” or “e-signature” refers to a signature in electronic form, incorporated into, or adopted by the Board, Management, an Officer or Member of the Credit Union which when affixed indicates approval and agreement to the content of a document or instrument. Electronic or e-signature is a legally binding approval on electronic documents and replaces a handwritten signature.

“Eligible nominee” refers to members of the Credit Union who

have satisfied the criteria established in the Co-operative Societies Act and/or its amendment and meet the policy requirements and/or standards of the Board and are eligible to be considered to serve on the Board or Committees.

“Equity share” refers to the common stock or risk capital, including qualifying shares, purchased by members as their ownership stake in the safety, soundness, and competitiveness of the Credit Union.

“Financial year” means the calendar year, that is the period commencing January 01 and ending December 31.

“General Meeting” refers to a meeting of members other than an Annual or Special General Meeting.

“Good financial standing” means that the member has complied with all the requirements of membership, shares, savings and or loan repayment and is not subject to any form of sanction.

“Information Communication Technology (ICT)” refers to technologies that provide access to information through telecommunications. This includes the internet, wireless networks, smart or cell phones, and other electronic communication mediums.

“Immediate family” refers to persons related by blood, marriage or adoption and includes the spouse, children, stepchildren, or other dependents of a member.

“Inactive account” refers to a current or savings account on which no transaction has been originated by the member and in which property the member has not indicated an interest in writing or otherwise for a period of twelve (12) consecutive months or more.

“Institutional capital” refers to the aggregate of the Credit Union’s

statutory and other non-distributable general reserves not held for a specified purpose, earnings retained after distribution of surplus, and such other funds which may be received by way of non-refundable donations for no specified purpose, which are not available for distribution.

“Joint tenancy” refers to a legal arrangement in which two or more members would own a property or an account together, each with equal rights and obligations. There is a right of survivorship, and the interest of the deceased member gets transferred to the surviving member.

“Legal resident” refers to a non-Grenadian who has been granted the right to live and work in Grenada via a work permit or certificate of residency.

“Management” includes (i) persons who hold membership of the Board at any given time (ii) persons who are members of the Committees (Credit and Supervisory and Compliance Committee), or such other Committees established by the Board and (iii) the Chief Executive Officer and Managers employed by the Board.

“Maximum external borrowing” means the highest level of exposure authorised by the members of the Credit Union for loans, deposits, accrued interest and other payables contracted from external parties including non-members, each at the highest cumulative value.

“Member” means a person or co-operative society admitted to membership after registration in accordance with the Act and these Bye-laws.

“Minor” means a person under the age of fourteen years.

“OECS Economic Union Member State” means a Member

State of the Organization of Eastern Caribbean States (OECS) economic union, for the creation of a single financial and economic space within which goods, people, and capital would move freely; established by the Revised Treaty of Basseterre signed at Castries, St. Lucia, on 18th June 2010 and passed into the laws of Grenada by the Immigration (Amendment) Act No. 7 of 2012.

“Officer” means the President, Vice-President, Secretary, Treasurer, Director or any other person(s) empowered under the Act, the Regulations and the Bye-laws to give directions in regard to the business of the Credit Union.

“Operating expense” means expenses incurred in serving members and in maintaining the Credit Union’s physical plant, personnel and related costs, marketing, governance, affiliation, depreciation, and other administrative expenses, as defined by accepted prudential standards; and excludes financial expenses.

“Person” means a natural person.

“Prescribed Class” refers to any specified occupation or status attained by a member, and which debars him from holding elected office or a senior management position in the Credit Union. This includes any holder of elected political office, any candidate for the General Elections, any member of the executive of an active political party, any employee of the regulatory authority or the auditor, and an officer in a competing institution.

“Qualifying share” refers to the mandatory, non-withdrawable minimum shares that form part of the institutional capital purchased by an approved applicant to be admitted into membership of the Credit Union, and to enjoy the full rights and privileges of membership.

“Quorum” refers to the minimum number of members that must be

present at the Annual General Meeting, Special General Meeting, Board or Committee Meeting to make the proceedings of that meeting valid.

“Registrar” shall be construed in accordance with section 5 (1) and (2) of the Act and its amendments.

“Secured loan” refers to a loan for which the member/borrower as a condition of borrowing has committed to the Credit Union collateral funds and other property that are of equivalent value to one hundred percent or more of the value of the loan in order to secure the loan from loss.

“Special resolution” shall be construed in accordance with section 2 (1) of the Act and its amendments.

“Statutory reserve” refers to an allocation from annual surplus which forms part of the institutional capital of the Credit Union, and which may subject to the approval of the Registrar, be used in the business of the Credit Union including unforeseen losses, capital retention, financing of non-earning assets, repairs and maintenance and avoidance of external borrowing.

“Tenancy in Common” refers to a shared tenancy in which each member has a distinct, separately transferable interest.

“Unsecured loan” refers to a loan provided on the creditworthiness of the member/ borrower without pledging any collateral as security in the event of default or non-payment. It is also a loan issued or outstanding for which the borrower has committed to the Credit Union collateral funds and other property that are less than one hundred percent of the value of the loan and/or that are inadequate to secure the loan from loss.

“Regulations” means the Co-operative Societies Regulations, SRO No. 63 of 1997; and any other Regulations made under the

Act or its amendments.

## II NAME

1.The name of the Credit Union shall be Ariza Credit Union Limited.

## III REGISTERED ADDRESS

2. The registered address of the Credit Union shall be Bruce Street, St. George’s, Grenada;

OR

Such other place as may from time to time be determined by the Board and notified to the Registrar within seven (7) days.

## IV AREA OF OPERATIONS

3. The Ariza Credit Union Limited is a member-owned financial co-operative controlled by its members and operated under the co-operative principles set out in section 3(1) of the Co-operative Societies Act No. 8 of 2011 or its amendments. The Credit Union shall extend its services to citizens or legal residents of the State of Grenada, descendants of citizens of the State of Grenada irrespective of place of birth or residence, citizens of the OECS Economic Union Member States and citizens of CARICOM Member States.

## V OBJECTS

4. The Credit Union shall provide quality services to its members by means of the following objects:

- (a) Create wealth through the pooling of deposits, savings, investments, and other financial services on a

co-operative basis.

(b) Promote thrift among members by providing ways and means whereby deposits and savings can be effected and shares in the Credit Union can be acquired.

(c) Educate members in the co-operative principles and methods, in financial management and in the efficient management of their and the Credit Union's affairs.

(d) Create out of the deposits and savings of members and other business of the Credit Union, a source of credit available to members, on reasonable terms and conditions, for provident and productive purposes.

(e) Establish meaningful partnerships with organizations and other stakeholders with shared values to make a difference in communities.

(f) Meet its corporate social responsibility and support its commitment to helping members and people in general lead more rewarding lives.

(g) Provide support to members who are experiencing physical or emotional difficulties or are at risk thus requiring care, support, or protection.

(h) Undertake all other acts as are incidental or conducive to, or consequential upon, the attainment of the above objects.

## VI GOVERNANCE

### VI.I GENERAL

5. Pursuant to the Act, the registration of the Ariza Credit Union Limited renders it a body corporate with all the rights, capacity, powers, and privileges thereto. The Credit Union:

(a) Shall have perpetual succession and a common seal.

(b) May sue and be sued in its corporate name.

(c) May acquire, hold, and dispose of movable and immovable property; and

(d) May do all other things necessary for, or incidental to, the purpose for which it is constituted or established; unless such or any other written law expressly otherwise provides.

### VI.II BOARD OF DIRECTORS

6. (1) Subject to the provisions of the Act and the Regulations the governance, general direction, management and control of the business affairs, funds, and records of the Credit Union along with the formulation of policies shall be entrusted to a Board of Directors (herein referred to as "The Board").

(2) The Board shall be elected by the members of the Credit Union at the Annual General Meeting and shall consist of no more than nine (9) members.

(3) Every person who is elected to or is likely to become a member of the Board shall be a person deemed fit and proper to hold the particular position and shall comply with and complete



the personal questionnaire and declaration for a fit and proper test as required by the Registrar.

(4) The Board shall have the duties and act in accordance with the provisions of sections 56 and 74 of the Cooperative Societies Act No.8 of 2011, No.20 of 2017, the Regulations, or any amendments thereto; and shall perform all such duties provided therein.

7. (1) At the meeting of the Board which shall be held within seven [7] days of their election, the Board shall elect from their own number a President, Vice President, Secretary and Treasurer and any other Officers deemed necessary in accordance with the Act and Regulations.

#### **President**

(2) The President shall preside at all meetings of the members, the Board, and meetings of the Board with other committees and, together with the Director(s) or Officer(s) appointed by the Board sign all conveyances of property. The President shall perform such other duties as customarily appertain to the office of President or as may be directed by the Board, not inconsistent with the Act, the Regulations, or these Bye-laws.

#### **Vice-President**

(3) The Vice-President shall have and exercise all the powers, authority, and duties of the President during the absence of the President or his inability to act. The Vice-President shall perform such other duties as customarily appertain to the office of Vice-President or as may be directed by the Board, not inconsistent with the Act, the Regulations, or these Bye-laws.

#### **Treasurer**

(4) The Treasurer shall perform the duties normally assigned to that position by the Act and its Regulations or the Board may authorise a senior executive officer to perform any of the duties of the Treasurer, including the preparation of financial statements, cash management and the signing of cheques.

#### **Secretary**

(5) The Secretary shall perform the duties normally assigned to that position by the Act and its Regulations.

8. (1) The Directors shall meet as often as the business of the Credit Union may require, but not less than once every month sitting together or via electronic or other means approved by the Board. Due notice of such meetings shall be given to the members by the Secretary.

(2) At any meeting of the Board a simple majority of members shall constitute a quorum.

(3) A member of the Board shall in addition to Bye-Law 28 be deemed to have vacated his office if he fails to attend three (3) consecutive regular meetings of the Board without giving satisfactory explanation to the Board within seven (7) days of his absence from the third meeting.

9. (1) Where there are vacancies on the Board and there is a quorum of Directors, the remaining Directors may exercise all the powers of the Directors or fill the vacancies until the next Annual General Meeting.

(2) Where there is not a quorum of Directors the remaining Directors shall call a General Meeting for the purpose of electing members to fill the vacancies.

(3) Where there are no Directors, twenty-five (25) members may, appoint in writing, five (5) persons as Directors for the purpose of calling a General Meeting to elect members to fill the vacancies.

10. The Board may appoint from among its members and other members of the Credit Union any number of Committees that it considers necessary for the efficient conduct of the affairs and business of the Credit Union.

11. A Committee of Directors that has powers delegated to it, must consist of at least three (3) Directors, and shall exercise these powers subject to the provisions of the Act, the Regulations, and these Bye-Laws.

### VI.III CREDIT COMMITTEE

12. (1) There shall be a Credit Committee which shall be elected at the Annual General Meeting and shall consist of five (5) members, none of whom shall be a member of the Board, the Supervisory and Compliance Committee or an employee of the Credit Union.

(2) Every person who is elected to or is likely to become a member of the Credit Committee shall be a person deemed fit and proper to hold the particular position and shall comply with and complete the personal questionnaire and declaration for a fit and proper test as required by the Registrar.

13. Any member of the Credit Committee shall in addition to Bye-Law 28 be deemed to have vacated his office if:

(a) He fails to attend three (3) consecutive regular meetings of the Committee without, in the opinion of the Board, having a reasonable cause; or

(b) He fails to perform any of the duties allotted to him as a member of the Committee.

14. (1) The Credit Committee may be removed from office by a special resolution made at a Special General Meeting called for the purpose if it fails to perform its statutory duties pursuant to the Act.

(2) A member of the Credit Committee may be removed from office before the expiration of his term by a resolution of the members passed by two-thirds of the votes cast at a General Meeting called for that purpose. At that meeting the members shall elect another member in place of the removed member for the unexpired portion of his term.

15. Where a member of the Credit Committee fails to attend three (3) consecutive meetings without in the opinion of the Board a reasonable cause or fails to perform any of the duties allotted to him as a member of the Credit Committee, the position may be declared vacant and the Board may then appoint a qualified person to fill the vacancy; provided that such member shall hold office only until the next Annual General Meeting, at which a member shall be elected to fill the vacancy.

16. The Credit Committee shall choose from their number a Chairman.

17. The Credit Committee shall hold such meetings as the business of the Credit Union may require, but not less frequently than once per month. Due notice of such meetings shall be given to all members of the Committee.

18. At meetings of the Credit Committee a majority of the elected members constitute a quorum.

19. (1) The Credit Committee shall consider and approve

applications for loans by members in accordance with the written policies and procedures approved by the Board and these Bye-laws. The Committee shall implement and ensure the implementation of the approved loan policy, provide prudent oversight of the loan portfolio, and make recommendations to the Board in respect of the loan policy.

(2) The Credit Committee may on such terms and conditions as the Board shall approve authorize the Chief Executive Officer, Loans Manager or other Officers or Employees of the Credit Union to approve loans to members. Provided that all persons authorized to approve loans shall submit a written monthly report to the Credit Committee on activities undertaken.

20. The Credit Committee shall submit a monthly report to the Board and an annual report to the members at the Annual General Meeting on the loan portfolio pursuant to written policies and in accordance with the Act.

#### VI.IV SUPERVISORY AND COMPLIANCE COMMITTEE

21. (1) There shall be a Supervisory and Compliance Committee which shall be elected at the Annual General Meeting and shall consist of five (5) members none of whom shall be a member of the Board, the Credit Committee, or an employee of the Credit Union.

(2) Every person who is elected to or is likely to become a member of the Supervisory and Compliance Committee shall be a person deemed fit and proper to hold the particular position and shall comply with and complete the personal questionnaire and declaration for a fit and proper test as required by the Registrar.

22. Any member of the Supervisory Committee shall be deemed in addition to the provisions of Bye-Law 28, to have vacated his office, if:

(a) He fails to attend three (3) consecutive meetings of the Committee without in the opinion of the other members having a reasonable cause therefore; or

(b) He fails to perform any of the duties allotted to him as a member of the Committee.

23. Any vacancy on the Committee may be filled by the remaining members of the Committee who may appoint a qualified member until the next Annual General Meeting at which a member shall be elected to fill the unexpired term.

24. The Supervisory and Compliance Committee shall choose from its elected members a Chairman.

25. (1) The Supervisory and Compliance Committee shall meet at least once monthly and shall undertake all the duties and functions in the exercise of powers bestowed upon them by the Act, the Regulations, these Bye-laws, and written policies approved by the Board.

(2) Subject to (1) above, the Supervisory and Compliance Committee may be responsible for:

(a) Recommending appointment of the auditors and their terms of engagement.

(b) Recommending the terms of each annual audit, and

(c) Reviewing the audit report and management letter.

(3) Subject to (1) due notice of meetings shall be given to all members of the Committee. At meetings of the Supervisory and Compliance Committee a majority of the elected members shall constitute a quorum.

26. The Supervisory and Compliance Committee shall keep minutes of its meetings and shall, pursuant to the Act and the Regulations within seven (7) days of each meeting report the results thereof to the Board; and submit a written report to the Annual General Meeting or if it thinks fit to a Special General Meeting.

#### VI.V TENURE OF OFFICE – BOARD AND COMMITTEE MEMBERS

27. (1) Each elected member shall hold office until his successor is elected or appointed and may be eligible for re-election.

(2) Directors and Committee members may hold office for two (2) consecutive terms of three (3) years each before retiring for a minimum of one (1) year.

(3) Where persons are to be elected for varying terms, the member receiving the highest or higher number of votes cast is to be declared elected for the longest or longer term.

(4) Where two (2) or more candidates receive an equal number of votes, the members present may by resolution provide that a second ballot be cast or where the meeting does not decide to hold a second ballot, the Chairman shall by a casting vote decide which candidate is to be declared elected for the longest term.

(5) Where candidates are elected unopposed the members present may, by resolution, provide that a ballot be cast to determine the term of office for each candidate or where the meeting does not decide the Chairman shall by casting vote determine the tenure of office for each candidate.

#### VI.VI TERMINATION OF OFFICE

28. (1) Any member of the Board, Supervisory and Compliance

Committee or Credit Committee shall be deemed to have vacated their office if they:

(a) Resign by giving notice to the Chairman of the Board or of the respective Committee.

(b) Apply for bankruptcy or is declared bankrupt.

(c) Become of unsound mind and has been so declared by a medical practitioner and/or a court in Grenada.

(d) Has been the subject of a criminal investigation; been charged, arrested, convicted, or indicted or has been sentenced by a court in any country for an offence involving fraud, dishonesty, the mis-management of a body corporate or any offence under the Act; or

(e) Become a member of a prescribed class; that is, any holder of elected political office, any candidate for the General Elections, any member of the executive of an active political party, any employee of the regulatory authority or the auditor, and an officer in a competing institution.

(2) A member of the Board, the Credit Committee or the Supervisory and Compliance Committee may be removed from office for cause before the expiration of their period of office by a three-fourths (3/4) majority of the members present at a Special General Meeting at which at least ten (10) days' notice specifying the intention to propose the resolution has been duly given.

(3) Any such member or officer must be informed in writing of the charges against him at the time of the notice, and at such meeting shall have reasonable opportunity to answer such charges. At such a meeting, the members shall proceed to the election of a new Board, Credit Committee or Supervisory and Compliance

Committee or to fill the vacancy occurring. Any member so appointed shall be subject to retirement at the same time as if he had become a member of the Board, Credit Committee or Supervisory and Compliance Committee on the day in which the member in whose place he is appointed was last elected to the Board or the Committee.

#### VI.VII REMUNERATION DIRECTORS / COMMITTEE MEMBERS

29. (1) Subject to the Act and its Regulations the Credit Union shall reimburse Directors and Committee Members expenses incurred in the course of performing any service on behalf of or for the benefit of the Credit Union as approved by the Board.

(2) The Credit Union may pay to Directors and Committee Members such honorarium as may from time to time be approved prior to its payment, or any part thereof by the members in a General Meeting; provided such honorarium does not exceed an amount recommended by the Board and approved by members at a General Meeting.

#### VI.VIII INDEMNIFICATION OF DIRECTORS AND COMMITTEE MEMBERS

30. In accordance with the Act and Regulations the Credit Union may indemnify Directors, Officers, Committee Members, and employees who have been made or are threatened with being made a party to a suit or proceeding, whether civil, administrative, or investigative, but excluding all criminal matters, arising out of their service at the Credit Union while acting in good faith to further what they reasonably believed to be the best interests of the Credit Union. Any such indemnification shall be limited to reasonable expenses incurred from such suit or proceeding.

#### VI.IX CONFLICT OF INTEREST

31. (1) Subject to the Act, its Regulations and written policies approved by the Board, a Director, Officer, Committee Member, or employee of the Credit Union may not in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting such person's interest in the Credit Union, or any transaction in which the person is directly or indirectly interested.

(2) A Director, Committee Member, Officer, or employee of the Credit Union may not seek to have an outcome favourable to him or to a member of staff, and in the process attempt to prejudice decision-making of the Board or to mislead the Board based on representations or solicitation or information obtained through personal ties to a staff member.

(3) A Director, Committee Member, Officer, or employee of the Credit Union who is party to a material contract with the Credit Union or has an interest in a person who is party to a material contract or proposed material contract with the Credit Union shall disclose such in writing and/or request to have entered in the minutes and /or the register of conflicts of interest the nature and extent of his interest.

(4) Subject to (1), (2) and (3) a Director, Committee Member, Officer, or employee present at a meeting where the contract or proposed contract is the subject of consideration shall disclose that fact and shall not take part in the discussion of the contract or proposed contract or vote on any question with respect to the contract or proposed contract and shall be excluded from the meeting for the duration of the consideration, discussion and voting on the contract or proposed contract.

(5) Subject to (1), (2) and (3) a contract, approved by the Credit Union in which a Director, Committee Member, Officer, or

employee disclosed a material interest, which is reasonable and fair to the Credit Union at the time it was approved, is neither void nor voidable by reason only of the relationship or the disclosure.

(6) Where a Director, Committee Member, Officer, or employee with an interest in a contract or proposed contract is not entitled to vote at a meeting and his presence is required to constitute a quorum at the meeting, the decision taken shall not be invalid only by reason of the presence of the Director, Committee Member, Officer, or employee at the meeting.

(7) Subject to (1) above the Board shall seek at all times to minimize conflicts and shall implement a Code of Ethics for members of the Board, Committee Members and Employees. The Code of Ethics shall among other things address:

- i. Immediate family and related parties serving on the Board together.
- ii. Board and Committee Members who are related to employees.
- iii. Transactions involving Board and Committee members and/or employees.

(8) The Board may institute a Conflict of Interest Register in which register the declared interest of Directors, Committee Members, Officers, and employees shall be lodged and authorizations put in place if necessary.

## VI.X CONFIDENTIALITY

32. The Directors, Officers, Committee Members, and employees of the Credit Union shall hold in confidence all transactions of the Credit Union with its members and all information regarding their personal affairs, except to the extent deemed necessary by the

Board in connection with the making of loans and the collection thereof or as permitted or required by applicable law.

## VI.XI SEAL AND EXECUTION OF DOCUMENTS

33. (1) The Board shall by resolution:

- (a) Adopt a distinctive seal for the Credit Union, which seal shall contain the full name of the Credit Union in legible characters inscribed thereon.
- (b) Change the official seal adopted in (a).
- (c) Determine which of its Directors, Officers or employees shall sign instruments to which the official seal is to be affixed.

(2) The seal shall be kept in such custody as the Board, or its designee directs and shall not be used except as authorized by the Board or its designee.

(3) Any instrument required to be signed and or sealed on behalf of the Credit Union shall be duly executed by at least two (2) members of the Board and the Chief Executive Officer as necessary and as approved by the Board.

(4) A contract or instrument of agreement entered into on behalf of the Credit Union by a Director, Officer or Agent will not be invalid by reason only that the Credit Union's seal is not affixed to it.

34. Electronic signature or a signature in electronic form may on the approval of the Board and pursuant to the Electronic Evidence Act No.13 of 2013 and its amendments and Regulations be incorporated and used for the execution of documents for and on behalf of the Credit Union.

## VI.XII ANTI-MONEY LAUNDERING AND COUNTER TERRORISM FINANCING COMPLIANCE

35. (1) The Credit Union shall comply with:
- a. The Co-operative Societies Act and Regulations;
  - b. Applicable legislation relating to Anti-money Laundering, Countering the Financing of Terrorism, and the Proceeds of Crime.
  - c. Guidelines issued by the Grenada Authority for the Regulation of Financial Institutions [GARFIN]; and
  - d. Any other relevant financial services legislation.
- (2) Pursuant to the Act and Regulations the Board shall approve suitable policies and measures to counter money laundering and the financing of terrorism.
- (3) The Credit Union shall designate a Compliance Officer with responsibility for promoting and monitoring compliance with applicable Anti-Money Laundering and Countering the Financing of Terrorism legislation, relevant policies, and procedures.
- (4) The Credit Union shall provide appropriate Anti-Money Laundering and Countering the Financing of Terrorism training to all members of staff and members where appropriate.

36. The Credit Union shall comply with all requirements for documentation and retention of accounting and other records.

## VI.XIII COMPLIANCE WITH LAWS AND REGULATIONS

37. All power, authority, duties and functions of the Directors, Officers, Committee members and employees of the Credit

Union shall be exercised in compliance with applicable laws and regulations, the principles of the Credit Union and these Bye-laws. If any provision in these Bye-laws conflicts with any applicable laws or regulations, the applicable law or regulation takes precedence.

## VI.XIV CO-OPERATION WITH THE REGISTRAR, THE APEX BODY, AND RELATED MATTERS

38. (1) The Board shall comply with and shall ensure that directives and guidelines issued by the Registrar are adopted and implemented.

(2) The Board shall cooperate with the apex body (the Grenada Co-operative League Limited) in the performance of its duties under the Act and Regulations.

(3) The Board shall ensure the formulation and implementation of effective plans, programs, and other measures with respect to membership awareness and development.

(4) The Board may enter strategic relationships with organisations and entities that are conducive to effective performance of its duties in accordance with the Act and the furtherance of the co-operative movement.

## VI.XV EMERGENCY OPERATIONS

39. (1) In the event of an emergency sufficient to disrupt customary Credit Union operations, the Credit Union shall conduct its affairs under guidance from the Board and subject to any government directives. Emergency operations shall be conducted under a disaster or emergency recovery plan approved by the Board.

(2) Emergency situations that may disrupt the Credit Union

operations may include but not be limited to a cyber-attack, hurricanes, robbery (hold-up), bomb threat, fire, hostage situations, and a public health crisis.

(3) In each of the events in (2) above the Board shall approve a disaster preparedness policy and program which should:

- (a) Be commensurate with the institution's complexity of operations.
- (b) Minimize interruptions of service to members and maintain member confidence in times of emergency; and
- (c) Be reviewed at least every two years, and address changes in the Credit Union's operations.
- (d) Make provisions for biennial simulation exercises.

## VII MEMBERSHIP

### VII.I APPLICATION, APPROVAL AND ADMITTANCE

40. (1) Membership in the Credit Union shall be held pursuant to the Act, the Regulations, the Bye-laws, and the written policy approved by the Board.

(2) Applicants for membership shall be:

- a. A citizen or legal resident of Grenada.
- b. A descendant of a citizen of Grenada, irrespective of place of birth and residence.
- c. A citizen of a Member State of the OECS Economic Union.

d. A citizen of another CARICOM Member State.

e. Fourteen (14) years of age and older.

f. A registered co-operative society subject to the approval of the Registrar.

(3) A person or registered co-operative society admitted to membership in the Credit Union shall be subject to such rules and/or policies as the Board may promulgate.

41. (1) In order for an eligible person to become a member of the Credit Union, he must complete and submit the prescribed application form and other required membership documents, agree to purchase, and maintain at least twenty-five (25) qualifying shares in the Credit Union, to purchase fifty (50) other equity shares within five (5) years, and to pay all applicable fees or such other sums as the Board may fix.

(2) In the case of a co-operative society it must complete and submit the prescribed application form and other required membership documents, agree to purchase, and maintain the minimum qualifying and other equity shares, and to pay all applicable fees or such other sums as the Board may fix.

(3) Applicants shall become members of the Credit Union upon approval by the Board or its designee. The Board or its designee shall reserve the right to approve or reject applications for membership.

(4) Upon approval of membership, the purchase of the minimum qualifying shares and payment of all applicable fees, the person or co-operative society, shall be enrolled as a member, be given a unique membership or personal identification number, and be entitled to any of the rights or privileges of membership subject to the provisions of these Bye-laws and as approved by the Board.



(5) A member who is fourteen (14) years of age or older, but who has not yet attained the age of eighteen (18) years, may enjoy all the rights of membership and be subject to all the liabilities of membership. Provided that when that member is required to execute any instrument or give any receipt, he may only do so by his parent or guardian.

(6) Each member shall have:

- (a) the rights to own shares, make deposits, access loans and other services offered by the Credit Union as approved by the Board.
- (b) the right to hold individual and joint accounts.
- (c) the power to appoint his beneficiary or beneficiaries.
- (d) the right to enjoy the surpluses of the Credit Union.
- (e) the right to attend, speak and vote at annual and special general meetings, and to issue a notice of a motion.
- (f) the responsibilities to elect the Board, the Credit Committee, and the Supervisory and Compliance Committee, and to appoint the Auditor.
- (g) the responsibility to know, uphold the values, policies, and rules of the Credit Union.
- (h) the responsibility to monitor and comment on the annual priorities and performance results of the Credit Union.
- (i) All other responsibilities, rights, and powers as set

out in the Act and Regulations and approved by the Board.

(8) Pursuant to the Act and Regulations and subject to approval by the Board and the Registrar; the Credit Union may establish a junior Credit Union consisting solely of members who are minors.

## VII.II CESSATION OF MEMBERSHIP

42. A person ceases to be a member of the Credit Union:

- a. On death.
- b. On dissolution of the co-operative society.
- c. On ceasing to hold the minimum qualifying shares.
- d. On withdrawal of membership.
- e. On sale or transfer of all their shares.
- f. On the compulsory acquisition of their shares.
- g. On termination of membership or expulsion from the Credit Union.
- h. Subject to as hereinafter provided, the person ceases to be qualified in accordance with these By-laws.

## VII.III TERMINATION/WITHDRAWAL AND EXPULSION

43. (1) The Board may, by at least two-thirds (2/3) votes of the Directors present at a meeting called for the purpose, terminate the membership of a member for cause pursuant to the written policy approved by the Board and in keeping with the Act.

- (2) Grounds for termination may include:
- (a) Refusal to pay any compulsory contribution or debt to the Credit Union.
  - (b) Conviction for a criminal offense or financial crime.
  - (c) Actions which in the opinion of the Board are detrimental to the interests of the Credit Union resulting in a loss to the Credit Union, a violation of the membership agreement or any written policy or procedure adopted by the Board, inappropriate behavior such as physical or verbal abuse of Credit Union members or staff, on or off the Credit Union's property arising from or connected to official dealings.
  - (d) On application for bankruptcy or being declared bankrupt.
- (3) The Secretary shall within ten (10) days from the date on which the termination order is made notify the member of the order in writing.
- (4) Any person whose membership has been terminated by the Board may appeal the order to the next Annual General Meeting by giving written notice of his intention to appeal to the Secretary within thirty (30) days of the date of receipt of the notice of the termination order.
- (5) Notwithstanding the above, membership may be terminated for cause, in accordance with the Act and Regulations, by a vote of at least two-thirds (2/3) of the members present and casting votes at a General Meeting.
- (5) A member may be suspended by the Board by notice in writing for a period not exceeding ninety (90) days if the member

is guilty of misconduct pursuant to the written policies approved by the Board and in accordance with the Act.

(6) A member whose membership has been terminated or suspended may within thirty (30) days appeal the termination/ suspension to the Registrar pursuant to the written policies approved by the Board and in keeping with the Act and Regulations. Provided that a member whose membership has been terminated for failure to pay fees, assessments, rent or occupancy charges, or to fulfill other financial obligations shall not be eligible to appeal the termination of his membership.

(7) A member who appeals against the termination of his membership continues to be a member until the termination of his membership is confirmed by the meeting of members or by the Registrar.

(8) A person whose membership has been terminated, whether by withdrawal or termination, shall have no further rights in the Credit Union, but is not released from any obligation owed to the Credit Union.

(9) A person may be readmitted to membership by a two thirds (2/3) majority vote of members present and voting at a general meeting pursuant to the Act and policies approved by the Board.

44. (1) Subject to the Act and Regulations, after payment of any amount due to the Credit Union or of any contingent liability, all amounts held to the credit of members who withdraw or whose membership has been terminated, together with any interest accrued on those amounts, shall be paid to them in the order of withdrawal/ termination.

(2) The Board shall within a period of one year following the termination of a member, purchase from the member, at par

value, all shares held in the Credit Union.

(3) Subject to (2) above, the terminated member may with the approval of the Board arrange for the sale or transfer of his other equity shares in the Credit Union to another person.

(4) Funds not claimed within one year of termination/withdrawal shall be retained in an account for unclaimed balances.

(5) Where after a period of fifteen (15) years there are unclaimed funds in respect of a terminated member's other equity shares, deposits or other interests, the Credit Union shall:

- (a) publish in the Gazette, on its website or other electronic means, and in a newspaper circulating in Grenada, a notice containing:
  - (i) the name of the terminated member.
  - (ii) the particulars of the unclaimed funds.
  - (iii) A statement requiring the terminated member or beneficial owner of the funds to submit a claim to the Credit Union within ninety (90) days of the publication of the notice; and
- (b) mail a copy of the notice referred to in paragraph (a) to the member at his last known address, email address or via other available electronic means.

(6) After the expiry of the period of ninety (90) days, and the funds remain unclaimed it shall become a permanent part of a special reserve or transferred to statutory reserves.

45. A member wishing to withdraw from membership of the Credit

Union while a borrower, co-maker, or a guarantor on any loan due to the Credit Union shall be required to pay off all sums due and owing, prior to the effective date of withdrawal.

46. (1) The Credit Union shall keep registers of its members in accordance with the Act, Regulations and written policies approved by the Board.

(2) Subject to (1) the Credit Union shall obtain the following information on each member and maintain an accurate and up-to-date record in its register of members, which shall include but not be limited to:

- (a) Name, date of birth and occupation.
- (b) Residential and work or business address.
- (c) A copy of two valid forms of identity (passport, national identification card or driver's licence), including photograph and identification number.
- (d) National insurance number.
- (e) The number of qualifying and other equity shares held by the member.
- (f) The amounts paid and dates of each share purchase.
- (g) The date when payment was entered into the register of members.
- (h) The date when the person became a member and his account number.

- (i) Beneficiaries of the member and the corresponding entitlements per beneficiary.
  - (j) The date and reason for cessation of membership; and
  - (k) Any other information deemed pertinent by the Board.
- (5) Any member who ceases to be a member, withdraws from membership, whose membership has been terminated or in the opinion of the Board acts in any way detrimental to the interests of the Credit Union, shall be removed from the Register.

#### VII.IV MEETINGS OF MEMBERS

47. (1) The supreme authority of the Credit Union shall be vested in the General Meeting of members at which every member has a right to attend and vote on all questions.

(2) A co-operative society who is a member of the Credit Union shall exercise its' voting rights through one of its members duly appointed as a delegate by a resolution of its Board.

(3) All resolutions authorizing an individual to act as provided above shall be lodged with the Secretary five (5) days prior to the holding of the General Meeting.

(4) A member authorized to act subject to (2) and (3) above shall in addition to such authorization be eligible to vote in his individual capacity if a member of the Credit Union.

48. (1) Meetings of members shall be convened and held in accordance with guidelines from the Board and pursuant to the

Act.

(2) At least ten (10) days' notice of any General, Annual or Special Meeting shall be given by the Secretary before any such meetings are held.

(3) General Meetings may be held from time to time at places and by means determined by the Board.

(4) In extreme situations where a pandemic, national emergency or local disaster restricting social gatherings has been declared and, subject to the approval of the Registrar, general meetings of the members may be convened by means of such telephonic, electronic, or other communication facilities that permit each member participating in the meeting to communicate adequately with each other; and a member participating in such a meeting by any such means is deemed to be present at that meeting.

49. (1) The Annual General Meeting of members shall be held within three (3) months after the end of the financial year unless authorized by the Registrar upon a written request by the Board to convene the meeting no later than six (6) months after the end of the financial year.

(2) Annual and Special meetings shall be presided over by the President of the Board or his designee. The presiding officer shall determine the order of business which shall include but not be limited to:

(a) Confirmation of the minutes of the previous Annual General Meeting and of any intervening Special or General Meeting.

(b) Consideration of the report of the Board for the immediately preceding year's work of the Credit Union.

(c) Consideration and approval of the audited financial statements presented by the Board for the immediately preceding year, together with comparative statements for the year preceding it.

(d) Consideration and approval of the report of the Auditor or if the accounts are not approved, to cause the Directors to forthwith notify the Auditor of any error or mis-statement.

(e) Receipt and approval of the reports of the Credit Committee, Supervisory and Compliance Committee.

(f) Allocation of the surplus from the preceding year, subject to the written policies of the Board and pursuant to the Act and Regulations made thereunder.

(g) Approval of the budget for the ensuing year(s).

(h) Where necessary amendment of the Bye-Laws.

(i) Election of Directors, a Credit Committee, and a Supervisory and Compliance Committee for the ensuing year.

(j) Appointment of auditors for the ensuing year.

(k) Hear and decide upon any complaints brought by a member or members aggrieved by a decision of the Board, provided, that notice of such complaint to be brought before the meeting has been given to the Secretary, in writing, within thirty (30) days from the date the notice of the decision was received.

(l) Fixing the maximum borrowing limit for the ensuing financial year.

(m) Presentation of the report and declaration of faithful and loyal performance in governance matters in accordance with the Act and Regulations.

(n) Transacting any other general business of the Credit Union.

(o) Considering any other matters as may be required by the Act.

50 (1) A Special General Meeting of members may be convened at any time by the Board, and on receipt of a demand stating the object of the proposed meeting, signed by at least two hundred (200) of the members or ten percent (10%) whichever is the less. It shall be the duty of the Board to convene such a meeting within twenty (20) days of the receipt of the request. The purpose of the Special General Meeting shall be set forth in the notice and only such business as is described in the notice shall be dealt with at such meeting.

(2) Notwithstanding (1) above the Board shall at the request of the Supervisory and Compliance Committee and pursuant to the Act, convene a Special General Meeting of members.

(3) If the Board fails to convene a Meeting within the stipulated time from the receipt of a demand or a request as aforesaid, the Supervisory and Compliance Committee will have the right to convene the meeting by notice within:

a. Twenty (20) days after the expiry of the period of twenty (20) days, where the meeting is demanded by members; or

b. Seven (7) days after the expiry of the period of fourteen (14) days where the meeting is requested by the Supervisory and Compliance Committee.

(4) The notice must contain the object of the proposed Meeting and a statement to the effect that the Meeting is convened on the failure of the Board to convene the Meeting demanded. Any cost incurred by the convening of the Meeting shall be borne by the Credit Union.

(5) (1) Subject to the Act and the Regulations the Registrar may call a General Meeting of members where in the opinion of the Board it is impracticable for it (the Board) to convene and conduct such a meeting.

(2) The Registrar may on his own initiative, if satisfied that a General Meeting is warranted, order a meeting to be called, held, and conducted in any manner that he may direct.

51. (1) At least ten (10) days' notice of any General Meeting shall be given by the Secretary using any of the following means:

(a) Notice published in not less than two (2) issues of a newspaper circulated in Grenada and by posting the notice in a place that is prominent and accessible to members; or

(b) Written notice delivered to each member in person or mailed to each member at his address as the same appears in the records of the Credit Union;

(c) Notice delivered via email, text, radio, or televised advertisement; and

(d) Notice posted to the Credit Union's website and/or other digital media platforms..

(2) The accidental omission to give notice to, or the non-receipt of a notice by any member shall not invalidate the meeting.

## VII.V QUORUM

52. (1) The quorum for the purposes of the Annual General or Special Meeting shall be one fifth (1/5) of the membership or three hundred (300) whichever is less. Provided that when any meeting is summoned by the Registrar, any members present at such meeting shall be deemed to form a quorum.

(2) If within thirty (30) minutes after the time fixed for any meeting other than a meeting convened by the Registrar, the members present are not sufficient to form a quorum, the members present may adjourn the meeting to a time and a place to be determined by the Board, but not later than thirty (30) days after the date of the adjourned meeting.

(3) Subject to (2) the Registrar or the Registrar's representative may direct that the meeting proceeds if the Registrar or his representative is satisfied that the meeting was convened in accordance with the Act, and that the members present were properly notified and constitute at least seventy-five (75) per cent of the amount required for the quorum.

(4) If within one (1) hour after the time fixed for any meeting convened on the demand of members, the members present are not sufficient to form a quorum, such meeting shall be considered as dissolved.

(5) In all other cases the meeting shall stand adjourned to a date not more than thirty (30) days thereafter, and at a time and place to be determined by the Board. For the reconvening of an aborted meeting at least three (3) days' notice shall be given by the Secretary. If at the reconvened meeting, a quorum is not present at the time appointed for the meeting, the members present shall form a quorum.

## VII.VI ELECTIONS

53. No member may be elected to the Board, the Credit Committee or the Supervisory and Compliance Committee unless he:

- a. Is eighteen (18) years or over.
- b. Is a citizen or legal resident of Grenada.
- c. Is a descendant of a citizen of Grenada, irrespective of place of birth and residence.
- d. Is a citizen of the OECS or CARICOM.
- e. Holds twenty-five (25) fully paid qualifying shares.
- f. Has been a member for not less than six (6) months.
- g. Saved and/or conducted business transactions regularly, maintaining an active account(s).
- h. Is in good financial standing.
- i. Has not been the subject of a criminal investigation, charge, arrest, conviction, or indictment or has been sentenced by a court in any country for an offence involving fraud, dishonesty, or the management/mis-management of a body corporate or any offence under the Act.
- j. Is not part of the management of another Credit Union or similar body, an employee of the Credit Union, the Regulatory agency, the Auditing firm, or the apex body.

54. (1) Not less than thirty (30) days prior to each Annual General Meeting the Board shall appoint a Nominating Committee of five (5) persons of which not more than one (1) may be a member of the existing Board.

(2) The Nominating Committee shall review eligible members and nominate at least one (1) member for each vacancy for which elections are being held; and determine that the members nominated satisfy the fit and proper criteria and are agreeable to serving if elected.

(3) The Nominating Committee shall make available to the Annual General Meeting a report on eligible nominees who were reviewed for the vacant positions and those not nominated to fill any of the vacancies.

(4) After the Report of the Nominations Committee has been placed before the members at the Meeting, the Chairman may seek an adoption of the Report and/or call for nominations from the floor. If there are nominations, and the number of nominees exceed the number of vacancies to be filled, elections shall be held conducted by the appointed Elections Officer.

(5) All elections shall be determined by majority vote and shall be by secret ballot, except where there is only one (1) nominee for the office, in which case a voice vote or show of hands will be acceptable. In the case of a tie vote, succeeding ballots shall be taken. There shall be no voting by proxy.

(6) Where the number of nominees does not exceed the number of persons to be elected, the Chairman shall declare all the nominees elected.

(7) The Board may adopt policies and procedures providing for electronic voting by the membership in lieu of written ballots. Prior notice of such policies and procedures shall be made accessible

to the membership before becoming effective.

## VIII. FINANCES

### VIII.I CAPITAL, FUNDS AND LIABILITY

55. The capital and funds of the Credit Union shall be raised by means of:

- a) Profitable operations and other income generating ventures.
- b) Members investment in shares.
- c) \ The shares, savings, and other deposits of members.
- d) External credit.
- e) Entrance fees, other fees and charges, fines, and interest on loans.
- f) Interest/ dividends on investments.
- g) Reserves and retained earnings pursuant to the distribution of the annual surplus; and
- h) Contributions/grants received from members and others.

56. Subject to as hereinafter provided the Board may, without sanction of a General Meeting, borrow or raise money from any source, in any manner the Board thinks fit, provided that the total amount borrowed does not exceed the aggregate of four (4) times the retained earnings and reserves of the Credit Union and is within the maximum liability limit which was fixed by a

resolution of members at a general meeting and approved by the Registrar.

57. The members in General Meeting shall, in accordance with the provisions of the Act and Regulations, from time to time fix the maximum amount which the Credit Union may at any time owe in respect of deposits and loans.

58. The funds of the Credit Union may be applied to the following purposes:

- (a) The expenses of management (operational expenses).
- (b) Loans to members for provident or productive purposes.
- (c) Investment; and
- (d) Any other purpose(s) authorized by the Act, Regulations, these Bye-Laws and approved by the Board.

### VIII.II SHARES

59. (1) The Credit Union shall issue shares to members which shall be considered its equity capital. These shares shall be:

- (a) Issued at the par value determined by the Board.
- (b) Considered as the equity capital of the Credit Union.
- (c) Not be withdrawable on demand.



(d) Redeemable [with the exception of qualifying shares] if the account is closed, on the death of the member, withdrawal, or termination of membership under written policy approved by the Board and in accordance with the Act and Regulations.

(e) Unlimited in number.

(f) Restricted to a maximum of twenty per cent (20%) of the total share capital held by any one member, and

(g) Eligible for dividend payment in the form of cash or additional shares.

(2) Members investment in shares shall be considered their equity investment in the Credit Union.

(3) Shares shall be of two types:

(a) Qualifying shares.

(b) Other equity shares.

(4) A share certificate shall be issued to the member in the form approved by the Board or Registrar.

(5) The liability of a member to make contributions to the assets of the Credit Union in case of liquidation shall be limited to their other equity shares.

60. Subject to the provisions of the Act, contributions to savings and other equity shares shall be payable in such amounts as the member is able, on any day in which the Credit Union is open for business, provided that in no case shall a contribution of less than the value of one equity share be paid.

61. Notwithstanding the provisions of Bye-law 63, a person

shall pay contributions to the value of twenty-five (25) qualifying shares within six (6) months to one (1) year of application for membership and these shall form the person's minimum contribution to the equity capital of the Credit Union.

62. Each qualifying share shall be of the par value of twenty dollars (\$20.00) which, together with the maximum number of shares to be held by each member, shall be subject to ratification by the membership at the Annual General Meeting where a motion is presented and passed to that effect.

63. In addition to qualifying shares, each member shall be required to purchase a minimum of fifty (50) other equity shares within the first five (5) years of membership or as approved by the Board.

64. (1) Other equity shares may be transferred with the approval of the Board or its designee pursuant to the Act and by written instrument, in such form as may be prescribed by written policies or approved by the Board. The Board may decide from time to time on a share transfer fee.

(2) Pursuant to the Act, where a member becomes incapable of handling his affairs or has been certified by a medical practitioner or Court to be of unsound mind the Credit Union shall ascertain or ensure that a committee, receiver, or guardian has been appointed in respect of the member.

(3) Subject to (2) above the Credit Union shall transfer the other equity shares or interest of the member to the committee, receiver or guardian or any person named as a beneficiary by the member according to Bye-law 90 or may pay to the named beneficiary a sum representing the value of the share or interest of the member in the Credit Union.

(4) In the event that no beneficiary has been named by the

Member, the Credit Union may pay a sum representing the value of the member's other equity share or interest to the Registrar of the Supreme Court or to the person who appears to have the care of the member or the management of his affairs.

(5) When necessary, the Credit Union on the approval of the Board or its designee may provide support to a member experiencing physical or emotional difficulties or who are at risk thus requiring care, support, or protection.

### VIII. III SAVINGS

65. The Credit Union promotes thrift and encourages consistent savings throughout the lifetime of members. Members' savings can be used to secure their borrowings and those of others through guarantees or co-making.

66. Except with the written approval of the Board or its designee, no member may withdraw any savings if it will reduce their balance to less than their liability to the Credit Union as a borrower, co-maker, or guarantor.

67. No withdrawal shall be made from long-term savings during the first twelve (12) months of membership, or as long as there is any sum owing to the Credit Union, in respect of any money borrowed from the Credit Union, or of any deposit or payment which has been demanded, except with the permission of the Board or its designee.

68. (1) The Credit Union shall establish regular savings accounts for each member who thereafter can open other available accounts [retirement savings, education savings] in order to manage his liquid assets more securely.

(2) It shall be the responsibility of the member to make regular deposits or carry out transactions on the savings or other account

and to maintain active account(s).

69. Where persons hold separate and independent membership joint accounts may be held. The application for a joint account must state whether the tenancy will be joint tenancy or a tenancy in common and shall contain such information as the Board may approve.

70. (1) Where a savings account has been identified as being inactive or dormant the Credit Union shall give notice utilising available means of communications to the holder(s) of the account, at the last known address, contact information or email provided, allowing ninety (90) days for a written response and for the account to be reactivated.

- (2) To reactivate an inactive account the member will be required to complete a written Reactivation Application Form, submit all documents requested and make a deposit.
- (3) Subject to (2) a savings account that remains inactive for a further twelve (12) months will be classified as a dormant account.
- (4) Dormant accounts will maintain the savings lodged in the account and will continue to earn interest annually.
- (5) The member will not be able to transact on the account until he has reactivated the account in keeping with policies and procedures approved by the Board. The member may also choose to close the account.
- (6) In the absence of the account being reactivated or closed it shall be removed from active accounts and maintained in a separate ledger.

71. To reactivate the dormant account the member must:

- (1) Verify his identity by means of two (2) of the following: -
  - o A current, valid passport.
  - o A current, valid driving licence with a photograph.
  - o A current national identity or voters registration card.
  - o A birth certificate in the case of a minor.
  - o A current, valid National Insurance Scheme (NIS) card.
- (2) Provide proof of address through the production of one of the following (documents must be dated within the last six (6) months):
  - o A recent utility bill or bank statement addressed to the member at the address stated on her/his application.
  - o Correspondence or documentation to the member at the stated address from a government department, e.g., Inland Revenue Department.
- (3) Provide any other proof required in accordance with existing laws and policies approved by the Board.
- (4) Where after a period of sixty (60) months the

account remains dormant the Credit Union shall publish in the Gazette, on its website or other electronic means, and in a newspaper circulating in Grenada, a notice containing:

- o the name of the member.
  - o the particulars of the dormant account.
  - o A statement requiring the member or beneficial owner of the account to contact the Credit Union within ninety (90) days of the publication of the notice;
- (5) The Credit Union shall also mail a copy of the notice referred to in (4) to the member at his last known address, email address or via other available electronic means.
  - (6) After the expiry of the period of ninety (90) days, and the account remains dormant the Credit Union shall cause the proceeds to be transferred to the special account for unclaimed balances and the account closed. Provided that the member or owner of the money can still access it by making a proper claim.
  - (7) Subject to (6) where for up to a period of fifteen (15) years there has been no proper claim for the money therein, the account shall be presumed to be abandoned. Provided that within the said period the Credit Union shall have issued to the member's last known address, email, or other

available contact information at least once in every three (3) years a correspondence advising that no activity is evidenced on the account(s).

- (8) Subject to (7) where after a period of fifteen (15) years there remains abandoned property in respect of a member, the Credit Union shall publish in the Gazette, on its website or other electronic means, and in a newspaper circulating in Grenada, a notice containing:

(i) The name of the member.

(ii) The particulars of the abandoned property, and

Shall mail a copy of the notice to the member at his last known address, email address or via other available electronic means.

- (9) The abandoned property if unclaimed shall become a permanent part of a special reserve.

72. A member may, at any time, due to circumstances require that an account(s) be closed. Accounts will be closed in accordance with policies and procedures approved by the Board. The member will be required to submit a written or electronic request for the closure of the account and comply with all existing procedures.

73. A member who has closed his account may at a later date reopen or reestablish another account.

74. An account may also be closed on the death of a member. If a joint account holder passes away and the primary member is alive, the account may continue in his name. If the remaining joint account holder wishes to establish a new account in his name, he may do so if he remains a member of the Credit Union.

## VIII. IV DEPOSITS

75. (1) Subject to the provisions of the Act, the Regulations, and the Bye-laws deposits (savings or current and fixed or term) may be received from members at such rate or on such terms and conditions as the Board from time to time determines.

(2) Deposits over that required by law must be accompanied by an acceptable declaration of source of funds.

(3) Except with the written approval of the Board or its designee, no member may withdraw any deposits if it will reduce their balance to less than their liability to the Credit Union as a borrower, co-maker, or guarantor.

76. Deposits may be received in the name of a minor or in trust for a minor who is a child or ward or relative of a member, in such manner as the Board may determine.

77. (1) Deposits received in the name of a minor shall be held for the exclusive right and benefit of the minor and free from the control or lien of all other persons except creditors and shall be paid together with interest thereon to the person in whose name the account shall have been issued. The receipt of the minor or his parent or guardian shall be valid and sufficient release and discharge to the Credit Union for the deposit or any part thereof.

(2) Deposits held in the name of a minor who is certified to be under a legal disability may be paid to the Registrar of the Supreme Court to the credit of the minor under disability and shall be good and sufficient discharge of the liability of the Credit Union to pay that money.

(3) Pursuant to the Act, the Registrar of the Supreme Court may retain a sum not exceeding one (1) percent of the money paid for administrative fees and shall pay or apply the remainder

for the care, maintenance, education, or benefit of the person under disability.

78. Deposits into interest earning savings account(s) shall attract interest from the date of such deposits.

79. (1) Term deposits may be accepted from a member for a period not exceeding five (5) years upon such terms and conditions as are approved by the Board and pursuant to the Act.

(2) Deposits for a term exceeding five (5) years shall not be accepted without the approval of the Registrar.

80. The Credit Union shall establish a deposit or certificate of deposit account into which a member can deposit money and agree not to make any withdrawals for a specific period of time with a fixed interest rate.

81. The rate of interest payable on deposits shall be fixed from time to time by the Board.

82. The Credit Union shall have a lien on the shares, deposits, dividends, bonus, or any amount standing to the credit of a member for any sum due to the Credit Union from the said member or for any loan endorsed by him and may apply any sum standing to the credit of the member towards payment of any such debt.

83. Where after the fixed period or term of a certificate of deposit has expired and the account becomes dormant or the money appears to be abandoned, the Credit Union shall:

(1) Publish in the Gazette, on its website or by other electronic means, and in a newspaper circulating in Grenada, a notice containing:

- the name of the member.
- the particulars of the dormant certificate of deposit account.
- A statement requiring the member or beneficial owner of the account to contact the Credit Union within ninety (90) days of the publication of the notice;

(2) The Credit Union shall also mail a copy of the notice referred to in (1) to the member at his last known address, email address or via other available electronic means.

(3) After the expiry of the period of ninety (90) days, and the certificate of deposit account remains dormant the Credit Union shall cause the proceeds to be transferred to the special account for unclaimed balances, or the Ariza Credit Union Development Fund and the account closed. Provided that the member or owner of the money can still access it by making a proper claim.

(4) Subject to (3) where for up to a period of fifteen (15) years there has been no proper claim for the money therein, the fixed deposit shall be presumed to be abandoned. Provided that within the said period the Credit Union shall have issued to the member's last known address, email, or other available contact information at least once in every three years a correspondence advising that no activity is evidenced on the fixed deposit account.

(5) Subject to (4) where after a period of fifteen (15) years there remains abandoned property in respect of a member, the Credit Union shall publish in the Gazette, on its website or

other electronic means, and in a newspaper circulating in Grenada, a notice containing:

(i) The name of the member.

(ii) The particulars of the abandoned property, and

Shall mail a copy of the notice to the member at his last known address, email address or via other available electronic means.

- (6) The abandoned property shall become a permanent part of a special reserve.

#### VIII.V RESERVE FUND AND LIQUIDITY RESERVE

84. Subject to the provisions of the Act, the Regulations and written policies approved by the Board:

(1) The Credit Union shall create a statutory reserve fund, in which net surplus as determined by the Board shall be allocated. All entrance, transfer, and other fees and fines shall also be allocated to such fund.

(2) The statutory reserve fund shall be kept intact and shall not be used or applied, except as provided in the Act, the Regulations, and written policies.

(3) The Board may authorise the establishment of any additional reserves which it deems necessary to protect the interest of the members.

(4) The Credit Union shall create a liquidity reserve in which ten percent (10%) or such amount as determined

by the Registrar, of all members' shares and deposits taken is kept.

(5) At no time shall the institutional capital be less than seven percent (7%) or such amount as determined by the Registrar, of the total assets of the Credit Union and its capital base is not less than ten percent (10%) of its total assets or as approved by the Board or as determined by the Registrar.

(6) In the interest of strengthening institutional capital, sums may be allocated annually to retained earnings after adequate provisions have been made for the statutory reserve fund, liquidity reserve and dividends.

(7) Pursuant to the Act the Credit Union shall establish a Development Fund which Fund shall provide funding for the continuous education of the members, training of directors, committee members and employees and to strengthen institutional capacity and business growth of the Credit Union.

(8) The Board shall approve such other funds, facilities, accounts, or special accounts as are expedient for the management of its resources pursuant to the Act and its Regulations.

(9) On an annual basis, the Board shall assess, determine, and approve the utilization of funds in the special reserve account, development fund and any other special fund, facility, or account.

#### VIII.VI DIVIDEND AND BONUS

85. (1) The members in Annual General Meeting may declare dividends out of the net surplus after setting aside the prescribed

reserves and retiring all or any part of a deficit it has previously incurred. No dividend payable shall be greater than three percent (3%) above the savings rate set by the Eastern Caribbean Central Bank or as determined by the Board.

(2) A dividend shall be paid only on other equity shares fully paid up before and during the dividend period and shall be calculated on the average month-end balance provided always that a member shall be deemed to have one fully paid equity share for each twenty dollars (\$20.00) paid in before the said date.

(3) The Credit Union may make contributions to any charitable purpose or to a common-good fund, provided that a dividend of not less than the minimum savings rate set by the Eastern Caribbean Central Bank or as determined by the Board has been recommended.

(4) The remaining net surplus of the Credit Union, after the payment of dividends, may be distributed among the members who have borrowed from the Credit Union during the accounting year in proportion to the interest paid by them during such year.

#### VIII.VII INVESTMENT OF FUNDS

86. (1) The Credit Union shall invest its funds in accordance with applicable law, the Co-operative Societies Act No.8 of 2011, No. 20 Of 2017 and/or its amendments, the Regulations and the written policies approved by the Board.

(2) Annually the Board shall establish a Subcommittee on Investments which shall be mandated to implement Ariza Credit Union investment policy and portfolio.

(3) The Board approved investment policy shall address:

(a) Purpose and objectives of the investment activities.

(b) Types of investments that can be made.

(c) Who has authority to make the investments and the extent of this authority.

(d) The need for adequate investment diversification across investment types and/or entities.

(4) Investment transactions shall be conducted in a transparent manner so as not to place the Credit Union's capital at risk.

(5) Investments shall not be made with directors', officers, employees, immediate family members, other associates or related members of the Credit Union and directors', officers, employees, immediate family members, other associates or related members shall not receive anything of value from an investment.

#### VIII.VIII BANKING ACCOUNT

87. The Board shall select one or more reputable financial institutions in which bank accounts of the Credit Union shall be kept. All cheques shall be signed and endorsed on behalf of the Credit Union as the Board decides.

#### VIII. IX ANNUAL ACCOUNTS, REPORTS AND AUDITS

88. The Board shall comply with the provisions of the Act and shall:

(a) Cause the books of the Credit Union to be audited annually.

(b) Approve the audited financial statements of the Credit Union and place the comparative financial statements before the members at every Annual

Meeting of members; and

(c) Furnish the Registrar with a copy of the audited financial statements to be placed before the members and in any event within thirty (30) days of the Annual General Meeting.

## VIII.X FINANCIAL YEAR

89. The financial year of the Credit Union shall end on December 31.

## IX ADMINISTRATION AND MANAGEMENT

### IX.1 BENEFICIARIES

90. (1) Every member may name a beneficiary or beneficiaries to or among whom, there shall be transferred at his death the other equity shares, savings, or deposits that he has accumulated in the Credit Union at the time of his death.

(2) Beneficiaries shall be named in the manner prescribed by the Board and may be revoked or varied by the naming of a subsequent beneficiary or a similar document in the nature of a revocation or variation.

(3) A member may name one or more than one person to whom a transfer can be made and the exact proportion to be transferred to each beneficiary shall be specified at the time or by subsequent variation.

(4) The Credit Union shall cause to be kept a record of all named beneficiaries, revocations, or variations.

(5) On the death of a member, the Credit Union shall within one (1) year, transfer the other equity shares, savings, deposits, or other interests to the beneficiaries. Where the beneficiary is not a member of the Credit Union, he may be admitted to membership and enjoy all rights and privileges of a member

(6) Where the beneficiary has not been admitted to membership or where the deceased member had not named a beneficiary or beneficiaries, the Credit Union shall within one (1) year of the death of the member pay either to the beneficiary or the legal personal representative such sum as represents the value or part thereof of the deceased member's interest in the Credit Union.

(7) Where the beneficiary is a minor (under age 14) he shall be considered a prospective member of the Credit Union.

(8) Where after one (1) year there is no beneficiary or legal personal representative of the deceased member the other equity shares, savings, deposits, or interests shall be transferred to the fund for unclaimed balances.

(9) Subject to (8) the shares or interests shall remain in the fund for unclaimed balances for a period not less than seven (7) years during which period it shall remain available to bona fide claimants after which it shall be transferred to the reserves of the Credit Union.

91. On the death of a member the next of kin or the beneficiary as in Bye-law 90 will be required to provide the Credit Union with an original death certificate for the processing of death benefits and the closing of the account.

92. Death benefits may be paid to the next of kin, legal representative or beneficiary of a member who has died, pursuant to policies approved by the Board and subject to the Act and



Regulations.

## IX.II LOANS TO MEMBERS

93. (1) The Credit Union may provide loans to members for such purposes and upon such conditions as prescribed by the Board.

(2) The Board shall approve written policies with respect to the granting of loans and the extending of lines of credit, including the terms, conditions, and acceptable forms of security.

(3) All loans provided to members shall be evidenced by records adequate to support enforcement and collection of the loans and periodic reviews for safety and soundness.

94.(1) Loans shall be made to a member in accordance with the approved loan policy giving due consideration to the aggregate value of his savings, deposits, accumulated dividend, and interest.

(2) Subject to (1) and in accordance with the loans policy adequate collateral security must be provided by the member for loans requiring such security.

(3) Subject to (1) no loan shall be made to a member or an associate in excess of the maximum amount set by the Board; provided always that in no case shall a sum greater than twenty percent (20%) of the capital base of the Credit Union be lent to any one member.

95. The rate of interest on loans shall be fixed from time to time by the Board and shall in no case exceed the maximum rate permitted by law.

96. (1) The Credit Union may make loans to Directors and Committee members, provided that the loan complies with all requirements of the Act and is not on terms or conditions more

favorable than those extended to other members.

(2) The Credit Union may permit Directors and Committee members to act as co-makers, cosigners, or guarantors of loans to other members, subject to the requirements of subsection (1).

97. No loan shall be made to a member who is not in good standing, that is a member who is not the holder of at least twenty-five (25) fully paid equity shares in the Credit Union.

## IX.III LOAN PROCESSING

98. (1) A member who wishes to obtain a loan shall apply in keeping with the written policies approved by the Board and shall furnish all documents necessary for the processing of the loan as may be required.

(2) The Credit Committee shall consider, at a meeting, every application for a loan, in keeping with the Loans Policy and shall either approve, reject, or defer the loan.

(3) Loans may also be approved by the Loans Officer or other employees designated by the Board in keeping with the written policies and the delegation of approval authority.

(4) When a loan is approved by the Credit Committee, Loans Officers or designated employees, a notice shall be sent to the borrower to that effect and before the amount is advanced, the borrower and his sureties shall execute an instrument (Loan Agreement) in writing setting out the terms of repayment of the loan and containing such other terms and conditions as the Credit Committee may consider necessary.

(5) Subject to (4) above no loan proceeds shall be issued unless

approved by the Credit Committee.

(6) Notwithstanding (2) an Extraordinary Committee shall be convened if an Officer, Director, Credit Committee or Supervisory and Compliance Committee Member or Employee requires a loan in excess of his total holdings in other equity shares, deposits, and accumulated savings, or if a loan is referred to it by the Credit Committee.

(7) A quorum of that Extraordinary Committee shall be a simple majority of the Board, the Credit Committee and the Supervisory and Compliance Committee sitting together or via electronic or other means approved by the Board, provided that each committee is represented. A meeting of the Extraordinary Committee will not be properly constituted unless a quorum of the members of the Credit Committee is present. At such meetings loans shall be approved by a vote of two-thirds (2/3) of the members present.

(8) No member of the Credit Committee, the Board, the Supervisory and Compliance Committee or any Loans Officer shall be present at the discussion, approval or non-approve of a loan to themselves or to a person for whom he is proposed as surety or any other person with whom he has a fiduciary relationship.

(9) When more loan applications are pending than can be granted within the funds available, preference shall be given in all cases to applications for smaller loans if the need and credit factors are nearly equal.

#### IX.IV LOAN REPAYMENTS

99. (1) A member who obtains a loan shall repay the loan on the terms and conditions agreed to with the Credit Union and contained in the signed loan agreement.

(2) The Credit Union shall establish a loan account set up as a repayment method for a member who has been given a loan.

(3) Any member who fails to pay any installment of a loan or whose loan becomes delinquent, may be required to pay a fine or a late charge as determined by the Board and in keeping with the written policy approved by the Board, as long as such charge is consistent with the Act and applicable law.

(4) If a loan to a member becomes delinquent and no extension of time has been granted, the whole or balance of the loan then owing shall immediately become due and the Credit Union shall take steps for the recovery of the same in accordance with the written policies approved by the Board and pursuant to the Act.

(5) If by reason of sickness, disaster, or some other cause a member is unable to discharge his obligations to the Credit Union and notifies the Chief Executive Officer in writing before a loan payment is due, the Credit Union may extend the time fixed or payment on such conditions as it thinks fit.

(6) Where the Board is satisfied that a member who has obtained a loan has applied the proceeds thereof to a purpose other than the purpose, which is stated in the application, the Board may, by notice in writing to the member demand payment of the loan before the agreed date of payment.

100. For purposes of Bye-Law 99 (3) a fine shall be deemed to be an installment of a loan, but unless it is otherwise provided in the instrument required under Bye-Law 99 (1) an installment shall not be deemed to be due unless it is one (1) month in arrears.

#### IX. V DELINQUENT AND DOUBTFUL LOANS

101. (1) Delinquent and doubtful loans shall be dealt with in accordance with the Act and the written policies approved by the

Board.

(2) The Board may cause a list of all delinquent or doubtful loans to be made available at the registered office of the Ariza Credit Union for any examination required by the Credit Committee, the Supervisory and Compliance Committee and the Auditor and shall send a copy of that list to the Registrar.

## X RECORDS AND RECORDS MANAGEMENT

102. (1) The Credit Union shall keep as hard copies or in electronic or other medium as is consistent with the Act, the Electronic Evidence Act No.13 of 2013, their Regulations and amendments and practices in the financial sector in Grenada and subject to the approval of such medium by the Board and its Auditor such books, forms or electronic files as are necessary for the efficient conduct of its operations.

(2) The Credit Union shall retain reliable accounting records and all supporting documents in electronic or paper format for a minimum period of seven years after the account is closed, or for a longer period as directed by the Registrar.

(3) The Board and Management shall ensure that its accounting records:

- (a) Correctly explain all transactions, including all applications for loans and all loan transactions.
- (b) Enable the financial position of the Credit Union to be determined with reasonable accuracy at any time.
- (c) Allow for the timely preparation of financial statements; and
- (d) Include underlying documentation which shall be

kept reflecting details of:

- (i) All sums of money received and expended and the matters in respect of which such receipts and expenditures took place.
- (ii) All sales and purchases and other transactions; and
- (iii) The assets and liabilities of the Credit Union.

103. (1) Money paid in or out on amount of savings, deposits, loans, interest, entrance fees, fines or transfer fees shall be evidenced by an appropriate voucher or receipt, or such other form as may be determined by the Board from time to time. Each voucher or receipt shall identify the person receiving or paying out on behalf of the Credit Union the money represented thereby.

(2) When passbooks are used, the member's permanent official record for all transactions shall be the entries in the passbook.

(3) When a statement of account plan is used, the member's permanent official record for transactions shall be the statement of account which will itemize all transactions and will be available upon request or via electronic or online access.

(4) If a passbook, password, or Automated Teller Machine/ International Debit Card (ATM/IDC) Card is lost or stolen, immediate notice must be given to the Credit Union and application made for the issue of a duplicate book or new Card which must be paid for at the members' expense.

104. (1) Subject to the provisions of the Act, the corporate records of the Credit Union, shall be open to the inspection of any member having an interest in the funds of the Credit Union.

(2) No person other than the member themselves, their agent or legal representative, a member of the Board, the Credit Committee or the Supervisory and Compliance Committee, the Auditor or the Registrar, their staff or anyone appointed by them shall be allowed to see the personal account, loan agreement or passbook or the register or papers relating to the financial transactions of any member without the consent of such member in writing.

105. Subject to the Act, the Credit Union shall maintain at its registered office and make available within a reasonable time:

- (a) A copy of the Co-operatives Societies Act, the Regulations, and the Amendments.
- (b) A copy of its Bye-laws.
- (c) The register of members.
- (d) The minutes of meetings and resolutions of members.
- (e) Copies of notices of appointment and changes of Directors.
- (f) A register of all Directors present and past.
- (g) Copies of certificates issued by the Registrar.
- (h) Orders of the Registrar related or pertinent to the Credit Union.
- (i) Copies of the monthly financial statements.
- (j) A copy of the shares transfer register and investment reports.

(k) Minutes of meetings and resolutions of the Board and Committees.

## XI PROFESSIONAL AND MANAGERIAL STAFF

106. (1) The Board shall exercise the powers of the Credit Union directly or indirectly through the employees and agents of the Credit Union; and shall direct the management of the business and affairs of the Credit Union

(2) The Board shall appoint or designate persons as officers or employees and shall specify their duties and delegate powers to manage the business and affairs of the Credit Union.

(3) Pursuant to the Act and subject to the prevailing Labour Laws of Grenada, the Board shall:

- (a) Establish the management, technical, administrative, and other employee positions considered necessary.
- (b) Fix the remuneration and related policy for all employee positions.
- (c) Approve in policy the responsibilities, terms and conditions including leave, suspension and termination of the CEO and all other employees of the Credit Union.
- (d) Cause the performance appraisal of every employee to be completed at least once per financial year.
- (e) Delegate any part of the functions of the secretary or treasurer to a suitable employee.
- (f) Assign suitable employees to support the work and activities of the credit committee and the supervisory

and compliance committee.

(g) Approve any other policies, terms, and conditions under which employees of the Credit Union will function.

## XII MISAPPROPRIATION AND OTHER CONTRAVENTIONS OF THE ACT

107.(1) If in the opinion of the Supervisory and Compliance Committee, the Board, the Credit Committee or any member thereof, or any Officer or Employee of the Credit Union, is guilty of a flagrant violation of the provisions of the Act, Regulations or these Bye-Laws, or any misconduct, malpractice, misappropriation or misdirection of the funds, securities or other property of the Credit Union, the Supervisory and Compliance Committee shall forthwith inform the Board in writing, and shall in accordance with the Act and Regulations cause an investigation to be instituted.

(2) Subject to (1) above the Supervisory and Compliance Committee may with the approval of the Board appoint an auditor or some other body to undertake a review to investigate or assist in determining whether any of the funds, securities or other property of the Credit Union have been misappropriated or misdirected, and the remuneration of any auditor or other body so appointed shall be determined by the Supervisory and Compliance Committee and paid for by the Credit Union.

(3) Subject to (1) and (2) above, the Supervisory and Compliance Committee if satisfied that there has been or there is suspicion of a violation of the Act and Regulations, misconduct and misappropriation of the Funds of the Credit Union would forthwith inform the Registrar in writing.

(4) The Supervisory and Compliance Committee may in the event

of a misappropriation or misdirecting of the Funds of the Credit Union, cause the Board, Board member, Committee or Committee member or such other person or persons to be suspended, after having afforded them a hearing; and shall within twenty-one (21) days of the suspension summon a Special Meeting of members to review the suspension and determine whether to remove the officer or person as provided in Bye-Law 32(2). The Registrar and the officer or person will be given written notice of the meeting.

(5) At a meeting convened in accordance with (4) above Members after having given the officer or person a hearing, may by secret ballot ratify or rescind the suspension.

## XIII DISPUTES

108. All disputes shall be determined in accordance with the provisions of the Co-operative Societies Act No 8 of 2011, No. 20 of 2017 or its amendments.

## XIV AMENDMENT TO THE BYE-LAWS

109. These Bye-laws may be amended in accordance with the provisions of the Co-operative Societies Act No. 8 of 2011, No. 20 of 2017 or its amendment, the Regulations, and these Bye-laws.

## XV DISSOLUTION

110. The Credit Union may be dissolved, and the funds distributed by a resolution of three-fourths (3/4) of the members, but only in a manner provided for in the Co-operative Societies Act No. 8 of 2011, No. 20 of 2017 or its amendments.

