



**INDUSTRIAL AND SERVICES
CO-OPERATIVE SOCIETY LIMITED
(ISCOS)**

BY-LAWS

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1. NAME, ADDRESS AND AREA OF OPERATION

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| 1.1 | The Society shall be called the Industrial and Services Co-operative Society Limited (ISCOS). | Name |
| 1.2 | The registered address of the Society shall be at No. 237 Alexandra Road #04-19 The Alexcier, Singapore 159929. Every change of address shall be notified to the Registrar, and to every creditor of the Society who is not a member of the Society. Members shall be notified of any such change of address through a general announcement on the Society's website. | Registered address |
| 1.3 | The area of operation of the Society shall be in Singapore. | |

2. INTERPRETATION

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| 2.1 | In <u>these By-laws</u> , unless the context otherwise requires - | Interpretation |
| 2.1 | (a) "Act" means the Co-operative Societies Act (Cap 62) or any amendment thereto for the time being in force in Singapore; | |
| 2.1 | (b) "allowance" means the remuneration paid to a member of the Board in consideration of his voluntary services rendered to the Society on a regular basis pursuant to Section 64 65 of the Act; | |
| 2.1 | (c) "Board" or "Board of Directors" means the governing body of the Society which is responsible for the management of the affairs of the Society; | |
| 2.1 | (d) "By-laws" means the by-laws of the Society; | |
| 2.1 | (e) "Central Co-operative Fund" means the fund established under section 71 of the Act; | |
| 2.1 | (f) "chief executive officer" means the highest ranking executive appointed by the Board to run the affairs of the Society; | |
| 2.1 | (g) "Common Good Fund" means a fund that is used for the benefit of the members of the Society and may also be used for educational, medical, social or charitable purposes; | |

- 2.1 (h) "dividend" means a portion of the net surplus of the Society distributed among the members in proportion to either or both of the following:
- i. the paid-up share capital held by members in the Society;
 - ii. bonus shares held by members in the Society;
- 2.1 (i) "drug rehabilitation centre" means any centre prescribed and gazetted as under any written law;
- 2.1 (j) "electronic communication" means communication transmitted (whether from one person to another, from one device to another, from a person to a device or from a device to a person) —
- i. by means of a telecommunication system; or
 - ii. by other means but while in an electronic form,
- such that it can (where particular conditions are met) be received in legible form or be made legible following receipt in non-legible form;
- 2.1 (k) "electronic means" means electronic communication, video conferencing, tele-conferencing or other electronic means;
- 2.1 (l) "employee" means an individual who is a staff of the Society, whether or not under a contract of service with the Society or appointed by the Board;
- 2.1 (m) "General Reserve Fund" means a fund that is not marked for any specific purposes and it can serve as a buffer to absorb unanticipated losses which may arise from the Society's operations or investments;
- 2.1 (n) "honorarium" means a portion of the net surplus of the Society distributed among some or all of the Directors in consideration of their services which would not otherwise be remunerated;
- 2.1 (o) "member" means any person duly admitted to the membership of the Society in accordance with the Act, the Rules and the By-laws;
- 2.1 (p) "net surplus" means the remaining portion of the surplus after provisions have been made for the Central Co-operative Fund and

the Singapore Labour Foundation in accordance with section 71 of the Act;

- 2.1 (q) "officer" includes a chairman, vice-chairman, secretary, assistant secretary, treasurer, assistant treasurer, member of the Board of Directors, employee, internal auditor, liquidator or any other person empowered under the Act, the Rules or the By-laws to give directives in regard to the business of the Society or to supervise the business;
- 2.1 (r) "ordinary share" or "share" means an ordinary share issued under section 66A of the Act;
- 2.1 (s) "patronage refund" means a portion of the net surplus of the Society distributed among the members in proportion to the volume of business done by them with the Society from which the surplus of the Society was derived;
- 2.1 (t) "penal institutions" means any prison prescribed and gazetted as such under any written law;
- 2.1 (u) "Registrar" means the Registrar of Co-operative Societies appointed under section 3(1) of the Act and includes a Deputy Registrar, an Assistant Registrar or a public officer appointed under section 3(1) of the Act, exercising such function, duty or power of the Registrar as is delegated to the Deputy Registrar, Assistant Registrar or public officer (as the case may be) under section 3(2) of the Act;
- 2.1 (v) "Rules" means the Co-operative Societies Rules 2009 or any rules made under the Act for the time being in force in Singapore;
- 2.1 (w) "Society" means the Industrial and Services Co-operative Society Limited (ISCOS);
- 2.1 (x) "surplus" means the economic results of the Society as shown in the audited financial statements of the Society after provisions have been made for depreciation and bad debts.
- 2.2 Where there is a reference to a number of clear days between 2 events, that number of days is exclusive of the days on which those 2 events happen.

2.3 Words importing the masculine gender shall include the feminine gender and words importing the singular shall include the plural.

3. OBJECTS

3.1 The objects of the Society shall be: Objects

- 3.1 (a) to promote the economic interest of its members;
- 3.1 (b) to provide direct and gainful employment to members;
- 3.1 (c) to encourage and facilitate the establishment of self-help and viable economic activities by members;
- 3.1 (d) to encourage thrift, co-operation, self-help and mutual assistance amongst its members;
- 3.1 (e) to promote and popularise the buying and selling of consumer goods and services on a co-operative basis;
- 3.1 (f) to establish and operate, either by itself or in partnership with others, such schemes, ventures or projects;
- 3.1 (g) to establish a fund or funds for charitable purposes that are consistent with the objects of the Society, including but not limited to the ISCOS ReGen Fund; and -
- 3.1 (h) to provide relevant assistance to members and their families.

3.2 In furtherance of its objects, the Society shall be at liberty -

- 3.2 (a) to provide gainful employment to discharged inmates of penal institutions and drug rehabilitation centres or members of the public;
- 3.2 (b) to enter into contracts with members and non-members for the purchase, produce, manufacture, processing, packaging, storage, packing, transportation, display, distribution or sale of consumer goods and services and to arrange for the registration, grant or use of any trademark, patent right, franchise, licence or permit in relation thereto subject to the relevant written law;

- 3.2 (c) to provide goods or services to the public;
- 3.2 (d) to appoint or to act as representatives and agents for the purpose of carrying on the business of the Society;
- 3.2 (e) to raise funds by obtaining loans or donations from members and non-members subject to the Act and the By-laws;
- 3.2 (f) to invest the funds of the Society in accordance with section 69 of the Act;
- 3.2 (g) to purchase, lease, rent, hold, hire, develop, mortgage, sell or otherwise acquire, deal with or dispose of such movable or immovable properties or any portion thereof as may be required for use as shops, offices or for any other purposes of the Society for the conduct of its business and the welfare of the co-operative movement;
- 3.2 (h) to frame administrative policy and rules and such other regulations as may be required for the proper conduct of the Society's business; and
- 3.2 (i) to do all other things as may be necessary, incidental or conducive to the attainment of any of the objects of the Society.

4. MEMBERSHIP

- 4.1 Membership of the Society shall be open to: - Membership
- 4.1 (a) discharged inmates of drug rehabilitation centres;
- 4.1 (b) discharged inmates of penal institutions;
- 4.1 (c) employees of the Yellow Ribbon Singapore, Ministry of Home Affairs, Singapore Prison Service and Central Narcotics Bureau;
- 4.1 (d) employees of the Society;
- 4.1 (e) officials, staff, and members of aftercare agencies and associations involved in the rehabilitation and aftercare of discharged inmates from penal institutions and drug rehabilitation centres;

4.1	(f) members of the Board of Directors of the Society; and	
4.1	(g) members of the Board of Trustees of the Society.	
4.2	Every member shall:	Qualification for membership
4.2	(a) be 16 years of age or above; and	
4.2	(b) be a citizen of Singapore or resident in Singapore;	
4.3	Every person to be employed by the Society may, unless disqualified under By-law 4.2, be admitted as a member provided that his payment for the entrance fee and minimum shares may be deducted from his salary.	Employees obliged to be members
4.4	Application for membership shall be submitted on a form prescribed by the Board and shall be accompanied by the purchase of at least 10 shares subject to By-law 8.4 and payment of an entrance fee of \$10.00 (Dollars Ten). Every application for membership shall be approved by the Board or any person (including the chief executive officer) duly authorised by the Board for these purposes. Such payment shall be refunded where an application for membership has been rejected.	Application for membership
4.5	Except for admissions under By-laws 4.1(f) or 4.1(g), the Board or any person (including the chief executive officer) duly authorised by the Board for these purposes shall have power to approve membership or reject any application without assigning any reason therefor.	Election to membership
4.6	Every member who has been admitted to the membership of the Society shall, on full payment of the entrance fee and purchase of the minimum shares, be deemed to have acquired all the rights, duties and liabilities of a member of the Society as laid down in the By-laws unless otherwise so restricted.	Member not to exercise rights until due payment made
4.7	Every member shall, on admission, be provided with a copy of the By-laws free of charge. Extra copies of the By-laws may be obtained on payment of an amount as the Board may prescribe from time to time.	Supply of By-Laws

4.8	Every member may in writing nominate one person in the presence of at least two witnesses to whom sums due to him shall be paid on his death.	Nominee
4.9	Every member shall keep the Society informed of any change in his address. All notices posted or sent to his last known address shall be deemed to be duly served. If any member fails to keep the Society informed of a change in his address, such that the address notified to the Society is an invalid mailing address and the contact number notified to the Society is an invalid contact number, he shall be deemed uncontactable and his membership shall cease pursuant to By-law 4.14 below, without prejudice to his right to reapply in accordance with these By-laws.	Change of address of member
4.10	Every member shall, unless otherwise disqualified or restricted under the Act of the By-laws, have the right to -	Rights of member
4.10	(a) exercise such voting power specified in the By-laws;	
4.10	(b) avail himself of all services of the Society;	
4.10	(c) be nominated by the Board to stand for election to office;	
4.10	(d) be co-opted or appointed to hold office in the Society;	
4.10	(e) participate at a general meeting; and	
4.10	(f) enjoy all other rights provided under the By-laws.	
4.11	The liability of a member, present or past, of the Society shall not exceed the nominal value of the shares held or subscribed by him and the nominal value of any bonus certificates or bonus shares held by him. The liability of a past member for the debts of the Society as they existed on the date on which he ceased to be a member shall not continue for a period of more than two years after that date.	Liability of member
4.12	Upon cessation of membership, unclaimed monies belonging to the ex-member would be transferred to the Common Good Fund.	
4.13	Any person whose membership has been ceased may apply, for a refund of his unclaimed monies at a future date or reinstate his membership status. The membership fees payable upon	

reinstatement would be deducted from the ex-member's unclaimed monies that has been previously transferred to the Common Good Fund.

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| 4.14 | Membership shall cease by: | Cessation of membership |
| 4.14 | (a) resignation in accordance with By-law 4.15; | |
| 4.14 | (b) becoming ineligible for membership in accordance with By-laws 4.1 and 4.2; | |
| 4.14 | (c) becoming uncontactable in accordance with By-law 4.9, by way of not having a valid mailing address and a valid contact number; | |
| 4.14 | (d) failing to declare his interest to remain as a member after having been inactive for a period of at least 5 years, provided always that such a member shall be duly notified of his inactive status and the impending cessation of his membership and given a month to declare his interest to remain as a member. For these purposes, a member is deemed to be inactive if he has not utilised any of the Society's services or participated in any events organised by the Society for a period of more than 5 years; | |
| 4.14 | (e) permanent removal of residence beyond Singapore; | |
| 4.14 | (f) expulsion subject to By-law 4.16; or | |
| 4.14 | (g) death. | |
| 4.15 | Any member who is not liable to the Society may resign from the Society on giving one month's notice of resignation in writing. The Society may accept a shorter notice of resignation at its discretion. The effective date of cessation of membership by resignation shall be upon expiry of the one month's notice or such shorter notice as the Society may allow, as the case may be. During the period of notice, such member shall not be eligible to vote or to incur fresh liabilities with the Society. | Resignation |
| 4.16 | If any member contravenes any provisions of the Act, the Rules or these By-laws or acts in any way detrimental to the interests of the Society, he may be expelled by the Board provided that he is given a reasonable opportunity to show cause as to why he | Expulsion |

should not be expelled. An expelled member may appeal in writing to the Society –

- 4.16 (a) at least 21 clear days before the next general meeting and the appeal against the expulsion shall be heard at the next general meeting; or
- 4.16 (b) at least 21 clear days before the following general meeting and the appeal against the expulsion shall be heard at the following general meeting.

5. GENERAL MEETING

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| 5.1 | The supreme authority of the Society shall be vested in the general meeting of members. | Supreme authority |
| 5.2 | There shall be two kinds of general meeting, Annual General Meeting and Extra-Ordinary General Meeting. | Types of general meetings |
| 5.3 | An Annual General Meeting shall be convened by the Board and shall be held as soon as practicable, but not later than six months after the end of the financial year, unless the approval of the Registrar has, within the said period of six months, been obtained to extend that period. | Annual General Meeting |
| 5.4 | An Extra-ordinary General Meeting shall be convened by the Board whenever it thinks fit or on receipt of a requisition for such a meeting signed by at least 20% or 60 of the members, whichever is the less, stating the objects of the meeting. An Extra-ordinary General Meeting shall also be convened on the written request of the Board of Trustees. | Extra-ordinary General Meeting |
| 5.5 | If the Board fails to convene a meeting in accordance with By-law 5.4 within one month after receiving the requisition for the meeting, the members making the requisition shall have power to convene the meeting themselves by notice to all members of the Society stating the objects of the meeting and the fact that the Board has failed to convene the meeting. | Powers of members to convene general meeting |
| 5.6 | The Registrar or his representative may at any time convene a Special General Meeting and may also direct what matters shall be discussed at the meeting. | Special General Meeting |

5.7	Notice of every general meeting shall be given at least 15 clear days prior to the date of the general meeting. Such notice may be made by general notification in at least one major newspaper or by individual notifications sent to the last known address of each member entitled to attend the meeting, as the Board may decide, provided that the Registrar and the Board of Trustees shall always be notified separately. The notice shall state the date, time, place, matters for discussion and the resolutions to be proposed and no other subject shall be discussed without the consent of the majority of members present and voting at such general meeting.	Notice of General Meeting
5.8	A copy of each of the following documents must be made available to every member entitled to attend the Annual General Meeting, at least 15 clear days before the meeting:	Copies of Annual Report
5.8	(a) the Society's annual report, audited financial statements and audit report mentioned in section 34(1) of the Act, including every document required under the Act to be attached to those reports and statements; and	
5.8	(b) such other document as the Registrar thinks necessary and directs to be made available.	
5.9	The functions of the Annual General Meeting of the Society shall be –	Functions of Annual General Meeting
5.9	(a) to confirm the minutes of the last Annual General Meeting and any other intervening general meeting;	
5.9	(b) to consider the auditor's report, the reports of the Board and any report made by the Registrar or his representative;	
5.9	(c) to approve the financial statements;	
5.9	(d) to consider and resolve the manner in which any available net surplus shall be distributed or invested subject to the provisions of the Act, and the By-laws;	
5.9	(e) to consider and adopt any amendments to the By-laws;	
5.9	(f) to elect or remove members of the Board;	

5.9	(g) to elect or appoint internal auditors, if necessary;	
5.9	(h) to appoint, where necessary, the external auditors of the Society;	
5.9	(i) to consider and determine the maximum amount the Society may borrow subject to the provisions of the Act and By-law 9.12;	
5.9	(j) to transact any other general business of the Society of which due notice has been given to the members.	
5.10	No business shall be transacted at any general meeting unless a quorum of members is present. The quorum necessary for such transaction shall be 20% or 30 of all members qualified to vote, whichever is the less.	Quorum at General Meeting
5.11	If, within thirty minutes after the time fixed for a general meeting, the members present are not sufficient to form a quorum, the members present shall form a quorum, except that a general meeting with such reduced quorum shall not have the power to amend the By-laws and that any resolution passed at the meeting shall not be valid unless it is passed with a majority of two-thirds of the members present.	Postponed General Meeting
5.12	Every member shall have only one vote irrespective of the number of shares held, and that vote shall be exercised in person and not by proxy. Except as otherwise provided in the Act or in these By-laws, a question referred to the members present at a general meeting shall be decided by a majority of votes. In the case of an equality of votes, the motion shall be held to be lost. The chairman shall have no casting vote. In the case of election or removal of officers, voting shall be by secret ballot.	Voting at General Meeting
5.13	Where it is provided in the Act or in these By-laws that a resolution shall be passed by not less than a prescribed majority of the members present and voting at a general meeting, the resolution shall be deemed to be passed if not less than the prescribed majority of the total number of votes are cast in favour of the resolution.	
5.14	In the case of amendment of the By-laws, a resolution to amend the By- laws shall be passed either: -	Resolution for Amendment of By-laws

- 5.14 (a) by not less than three-quarters of the total number of votes at the disposal of the members present and voting at a general meeting duly summoned; or
- 5.14 (b) if a referendum is held, by not less than three-quarters of the votes returned, provided that the voting papers have been sent to all members of the Society and that the number of returned votes is not less than one-third of the total membership or five hundred, whichever is the less, and the returned votes are examined and counted under the supervision of the Registrar.
- 5.15 No By-law or amendment to a By-law of the Society shall be valid until it has been registered by the Registrar. Validity of By-law
- 5.16 Subject to By-law 5.17, the By-laws and any amendment to the By-laws of the Society shall, when registered, bind the Society and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and his personal representatives to observe all the provisions of the By-laws.
- 5.17 A member of the Society shall not, without his consent in writing having been first obtained, be bound by any amendment of the By-laws registered after he became a member, if and so far as that amendment:
- 5.17 (a) requires him to take or to subscribe for more shares than the number held by him at the date of registration of the amendment, or to pay upon the shares so held any sum exceeding the amount unpaid upon those shares at that date, or
- 5.17 (b) increases (in any other way) his liability to contribute to the share capital of the Society.
- 5.18 Minutes of the general meeting shall be endorsed by the Board within 60 days after the date on which that general meeting is held. Minutes of General Meeting
- 5.19 After the minutes of the general meeting have been considered and confirmed at an Annual General Meeting, the Board shall cause those minutes to be entered in the minute book within 30 days after the date on which the Annual General Meeting is held. Minutes of the general meeting shall contain:

- 5.19 (a) the number of members present at the meeting and the name of the chairman who presided;
- (b) the time the meeting commenced and ended; and
- (c) all resolutions and decisions made at the meeting.
- 5.20 The minutes of each meeting shall be read or shall be taken as read if previously circulated at the next meeting and, if confirmed or after amendment, signed by the chairman of that meeting and the secretary, and when so signed shall be evidence of anything contained therein.

6. BOARD OF TRUSTEES

- 6.1 There shall be a Board of Trustees comprising five members, appointed by the Minister for Home Affairs, who shall serve for a term of three years and may be eligible for re-appointment for a maximum of four terms. Constitution of the Board of Trustees
- 6.2 No member of the Board of Trustees shall be under twenty-one years of age. A member of the Board of Trustees shall cease to hold office if: Ineligibility for membership of the Board of Trustees
- 6.2 (a) he is adjudicated a bankrupt;
- 6.2 (b) he is certified to be mentally unsound;
- 6.2 (c) he resigns from the Board of Trustees;
- 6.2 (d) he engages in any conduct prejudicial to the good name of the Society;
- 6.2 (e) he is not a citizen of Singapore;
- 6.2 (f) he has been convicted of an offence involving dishonesty or moral turpitude and has been sentenced to imprisonment;
- 6.2 (g) he has been convicted of an offence under this Act;
- 6.2 (h) he has been dismissed as an employee of a co-operative society;

6.2	(i) he has been found to have previously misused or mismanaged the funds of a co-operative society; or	
6.2	(j) he is removed by the Minister for Home Affairs.	
6.3	If, during the term of office of the Board of Trustees, a vacancy occurs in the Board of Trustees, the Minister for Home Affairs shall appoint a new Trustee to serve the remaining term.	Vacancy
6.4	The Minister for Home Affairs shall appoint from among the Trustees, appointed under By-law 6.1, one Trustee to be the chairman of the Board of Trustees. The secretary of the Society shall be secretary to the Board of Trustees.	Chairman of the Board of Trustees
6.5	The Board of Trustees shall be empowered to:	Powers of the Board of Trustees
6.5	(a) oversee the proper and smooth operation of the ISCOS ReGen Fund;	
6.5	(b) approve any expenditure of more than \$100,000 in excess of the approved budget of the Society for any one year;	
6.5	(c) advise the Board of Directors on its general administration;	
6.5	(d) call for any information from the Board of Directors or from any officer or employee of the Society which it considers necessary in fulfilment of its responsibility as trustees of the Society; and	
6.5	(e) appoint a chairman, vice-chairman, secretary, treasurer and six individuals to the Board of Directors and remove such appointed Directors as it may deem fit.	
6.6	The chairman of the Board of Trustees shall be empowered to decide upon the appointment, termination and suspension of members of the Management Board of the ISCOS ReGen Fund, provided that more than half of the said Management Board must be independent of the Society in accordance with Chapter 37, Section 40(c), Regulation 3(1)(e) (Institution of a Public Character) Charity Regulations.	
6.7	A member of the Board of Trustees having a personal interest or intended interest in the profits of any contract made or intended	Personal Interest of Trustee

to be made, or the making which is under consideration, shall forthwith declare the same, withdraw from all further discussion in respect thereof, exercise no vote in regard thereto, and be denied all information in respect thereof to which he would otherwise have been entitled as a member of the Board of Trustees. An interest of a member of the family of a Trustee shall be deemed to be an interest of the Trustee. The spouse and children including step-children and adopted children of the Trustee shall be deemed to be members of his family.

- 6.8 The Board of Trustees shall meet at least once in every six months and whenever the chairman deems necessary and expedient. Two members of the Board of Trustees shall constitute a quorum. In the absence of the chairman, a protem chairman shall be elected from among those present. Meeting of the Board of Trustees
- 6.9 All matters at a meeting of the Board of Trustees shall be decided by a simple majority of votes. In the case of an equality of votes, the motion shall be deemed to be lost. The chairman shall have no casting vote.
- 6.10 The Board of Trustees may participate in a meeting by electronic means whereby all persons participating in the meeting can hear each other, without a Trustee or Trustees being required to be in the physical presence of another Trustee or other Trustees, and participation in the meeting in such manner shall be deemed to constitute presence in person at such meetings. Where applicable, the meeting shall be deemed to be held at the place where the majority of the Trustees participating in the meeting are actually physically situated at the commencement of the meeting, or if there is no such majority at any place, then at the place where the chairman of the meeting is situated at the commencement of the meeting. The Board of Trustees may vote at such a meeting by electronic means.
- 6.11 Minutes of the meeting of the Board of Trustees shall be recorded by the secretary in the minute book and shall contain:
- 6.11 (a) the number and names of those present;
- 6.11 (b) the name of the chairman of the meeting; and
- 6.11 (c) a brief record of business done and decisions taken including whether each decision was taken unanimously or by a majority.

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| 6.12 | Notwithstanding anything contained in these By-laws which may appear to the contrary, the Board of Trustees shall be jointly and severally liable for any loss sustained through any act which is contrary to the provisions of the Act or the Rules, the By-laws of the Society or the directions of the general meeting. | Liability of the Board of Trustees |
| 6.13 | The services of all members of the Board of Trustees shall be gratuitous. | |

7. BOARD OF DIRECTORS

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| 7.1 | The control of the affairs of the Society shall be entrusted to a Board of Directors comprising: | Constitution of the Board of Directors |
| 7.1 | (a) the chairman, vice-chairman, secretary, treasurer and six individuals, appointed by the Board of Trustees; and | |
| 7.1 | (b) not more than five individuals elected by the Annual General Meeting. | |
| 7.2 | The following provisions shall apply to members of the Board of Directors elected by the Annual General Meeting: | |
| 7.2 | (a) A motion for the election of 2 or more individuals as members of the Board by a single resolution at a general meeting shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. | |
| 7.2 | (b) A resolution passed in pursuance of a motion made in contravention of By-law 7.2(a) shall be void, whether or not its being so moved was objected to at the time. | |
| 7.2 | (c) Where a resolution pursuant to a motion made in contravention of By-law 7.2(a) is passed, no provision for the automatic re-election of retiring members of the Board in default of another election shall apply. | |
| 7.2 | (d) A motion for approving an individual's election, or for nominating an individual for election, must be treated as a motion for the individual's election. | |

- 7.3 If, during the term of office of the Board, a vacancy occurs in the Board, the Board may, and if the number of members falls below 5, shall, co-opt an individual (who need not be a member of the Society) to serve on the Board until the next general meeting of the Society.
- 7.4 The Board may appoint, at any time and whether or not there is any vacancy in the Board, up to 2 individuals (each of whom need not be a member of the Society) to serve in the Board until the next general meeting of the Society. The appointment must be approved by a majority of all of the existing members of the Board.
- 7.5 All Directors shall serve for a term of two years. A retired Director may be eligible for re-appointment by the Board of Trustees or re-election by the Annual General Meeting, as the case may be, for a maximum of five consecutive terms.
- 7.6 An individual is not eligible for membership of the Board of Directors of the Society or to remain a member of the Board - Eligibility for membership of the Board
- 7.6 (a) if he is under 18 years of age;
- 7.6 (b) if he is not:
- i. a citizen of Singapore; or
 - ii. subject to section 60(2) of the Act, resident in Singapore, except with the approval of the Registrar;
- 7.6 (c) if he is an undischarged bankrupt (whether he was adjudicated bankrupt by a Singapore court or a foreign court having jurisdiction in bankruptcy);
- (d) if he has been convicted of an offence under the Act;
- (e) if he has been dismissed as an employee of a co-operative society;
- (f) except with the Registrar's written approval, if he has previously been removed by the Registrar from the committee of management of any society, or suspended by the Registrar, under section 94(1) or 94A(1) of the Act; or

(g) if he becomes ineligible under any of the By-laws.

- 7.7 A member of the Board of Directors shall cease to hold office if - Cessation of membership of the Board
- 7.7 (a) he becomes ineligible for membership of the Board in accordance with By-law 7.6;
- 7.7 (b) he becomes legally or mentally unsound;
- 7.7 (c) he passes away;
- 7.7 (d) he gives notice of resignation to the Board;
- 7.7 (e) he is removed by a general meeting or by the Board of Trustees in the case of an appointed Director;
- 7.7 (f) he fails to be present at three consecutive meetings of the Board without satisfactory reasons acceptable to the Board; or
- 7.7 (g) he is appointed to the Board of Trustees.
- 7.8 A member of the Board who resigns under By-law 7.7 (d), shall not be eligible for election to the Board until after an interval of not less than one year.
- 7.9 A member of the Board who ceases to be a member under By-law 7.7 (e) or (f) shall not be eligible for appointment or election until after an interval of not less than two years.
- 7.10 Where an individual has been convicted, whether in Singapore or elsewhere, of any offence (not being an offence under this Act) involving fraud or dishonesty, he shall not be eligible to be or remain a member of the Board for the following periods except with the written approval of the Registrar:
- 7.10 (a) where he has been sentenced to imprisonment in respect of the offence, for a period commencing from the date of his conviction until 5 years after his release from prison; or
- 7.10 (b) where he has not been sentenced to imprisonment in respect of the offence, for a period of 5 years commencing from the date of

his conviction or such shorter period with the leave of the High Court.

- 7.11 The Board shall suspend a member of the Board from being a member of the Board, if any proceedings are instituted against the member of the Board in respect of any offence involving fraud or dishonesty.
- 7.12 The Board shall have power to appoint committees or sub-committees from among themselves, external professionals or advisors or paid employees, to be fully responsible for the daily efficient functioning of the Society or for any other purposes, which it may deem fit. Appointment of Committees or Sub-Committees
- 7.13 The Board of Directors shall represent the Society before all competent public authorities and in all dealings and transactions with third persons, with power to institute or defend suits brought in the name of or against the Society and, in general, direct and supervise the business and property of the Society and shall exercise all the necessary powers to ensure the full and proper administration and management of the affairs of the Society, except those powers reserved for the general meeting of members and subject to any restrictions duly laid down in a general meeting or in the By-laws. Powers and Functions of Board
- 7.14 Without limiting the generality of By-law 7.13, the duties and powers of the Board of Directors are - Duties and powers of the Board
- 7.14 (a) to consider and approve or reject applications for membership of the Society provided that the Board may delegate its authority in this respect to such person as the Board deems fit;
- 7.14 (b) to call for and regularly examine reports from committees or sub-committees or officers or employees which will disclose the true position of the Society, its operations and financial conditions;
- 7.14 (c) to keep members informed of the progress of the Society and encourage interest and a sense of ownership on the part of the members;
- 7.14 (d) to present to the Annual General Meeting of the Society an annual report on the activities of the Society during the preceding financial year, together with the audited financial statements of

the Society, the auditor's report for the year and such other documents as the Registrar may direct;

- 7.14 (e) to prepare and present to the Annual General Meeting of the Society a proposal for the distribution of any net surplus accrued during the preceding financial year, in accordance with the Act and the By-laws;
- 7.14 (f) to make a report to the Annual General Meeting of the work of the Board during the preceding financial year with such recommendations as they deem necessary to maintain or improve the service provided by the Society to members;
- 7.14 (g) to consider and take immediate action on matters reported by the Registrar or the auditor;
- 7.14 (h) to exercise any or all of the powers conferred in these By-laws;
- 7.14 (i) to sanction additional expenditure up to a maximum of \$100,000 in excess of the approved budget for any one year; and
- 7.14 (j) to carry on the business of the Society generally and to frame rules for the conduct of such business as may be necessary.

7.15 A full and correct record shall be kept of all proceedings of the Board in carrying out their duties, and records shall be available for inspection by the Registrar and by the auditor.

7.16 The Board may appoint, on such terms and conditions as it thinks fit, a chief executive officer to administer and manage the affairs of the Society and may employ such other persons as it considers necessary to assist the chief executive officer in the discharge of his duties. Where a full-time chief executive officer is appointed, all or any of the duties of the secretary or treasurer, or both may be delegated to such chief executive officer. Where all duties of the secretary or treasurer, or both are so delegated, the Society may operate without appointing a secretary or treasurer, or both.

Appointment of
Manager

7.17 The Board shall meet as often as the business of the Society may require and, in any case, not less frequently than once in every three months. Notice of every meeting of the Board shall be sent to each member of the Board at least 7 clear days prior to the date of the meeting.

Meeting of the Board

- 7.18 The quorum for a meeting of the Board shall be half of the number of its members. Decisions shall be taken on a simple majority of votes. The chairman shall have no casting vote. No member of the Board shall vote on any matter in which he is individually interested. Quorum for Board Meeting
- 7.19 The Board may participate in a meeting by electronic means whereby all persons participating in the meeting can hear each other, without a member or members of the Board being required to be in the physical presence of another member or other members of the Board, and participation in the meeting in such manner shall be deemed to constitute presence in person at such meetings. Where applicable, the meeting shall be deemed to be held at the place where the majority of the members of the Board participating in the meeting are actually physically situated at the commencement of the meeting, or if there is no such majority at any place, then at the place where the chairman of the meeting is situated at the commencement of the meeting. The members may vote at such a meeting by electronic means.
- 7.20 A member of the Board who is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with the Society shall as soon as practicable after the relevant facts have come to his knowledge declare the nature and extent of his interest at a meeting of the Board. Personal interest of Directors
- 7.21 A member of the Board who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as a member of the Board shall declare at a meeting of the Board the fact and nature, character and extent of the conflict. The declaration shall be made –
- 7.21 (a) after he becomes a member of the Board; or
- 7.21 (b) if he is already a member of the Board, then after he commenced to hold office or to possess the property,
- as the case requires.
- 7.22 The secretary shall record every declaration made pursuant to By-laws 7.20 and 7.21 in the minutes of the meeting at which the declaration was made.

7.23	Minutes of Board meetings shall be recorded by the secretary in the minute book within 60 days after the date on which the meeting is held and shall include -	Minutes of Board Meeting
7.23	(a) the number and names of those present;	
7.23	(b) the name of the chairman of the meeting; and	
7.23	(c) a brief record of business done and decisions taken including whether each decision was taken unanimously or by a majority.	
7.24	In the conduct of the affairs of the Society, a member of the Board shall at all times act honestly and use reasonable diligence in the discharge of the duties of his office.	Liability of members of the Board
7.25	Where the Board has appointed a person as a chief executive officer or a committee or sub-committee to administer and manage the affairs of the Society, such appointment shall not absolve the Board from its responsibility for the proper direction of the affairs of the Society.	
7.26	The services of all members of the Board of Directors shall ordinarily be gratuitous. A member of the Board of Directors who is not an employee of the Society may receive an honorarium or, if he is a secretary or treasurer, an allowance from the Society (but not both), provided that the payment of such honorarium or allowance and the provision of any such benefits have been authorised by a resolution to that effect passed by a general meeting of the Society.	Restriction on honorarium and allowance to members of the Board
7.27	The <u>treasurer</u> may be <u>re-appointed</u> to the same post for no more than two (2) consecutive terms of office.	
7.28	The duties of the chairman shall include the following: -	Duties of Chairman
7.28	(a) to provide leadership to the Board as to how its functions and responsibilities should be carried out;	
7.28	(b) to preside at all meetings of the Board, and all general meetings of the Society;	
7.28	(c) to exercise general supervision over the officers and employees of the Society;	

- 7.28 (d) to represent the Society for any purposes as the Board may decide;
- 7.28 (e) to certify or sign appropriate documents, returns and statements required under the Act, the Rules, the By-laws or any direction of the Board; and
- 7.28 (f) to perform such other duties specified in these By-laws or entrusted to him by the Board.

7.29 In the absence of the chairman, his duties shall be carried out by the vice-chairman or in the absence of both the chairman and the vice-chairman, by any other person elected by a majority of those present at that meeting.

7.30 The duties of the secretary shall include the following - Duties of Secretary

- 7.30 (a) to maintain, correctly and up-to-date, all the records, papers and registers of the Society;
- 7.30 (b) to keep an inventory of the property belonging to the Society;
- 7.30 (c) to sign on behalf of the Board and conduct its correspondence;
- 7.30 (d) to summon and attend the general meetings and meetings of the Board and to record the proceedings of such meetings in a minute book;
- 7.30 (e) to have custody of the common seal of the Society;
- 7.30 (f) to submit all minutes of meetings and such information, returns and statements required under the Act or called for by the Registrar within the prescribed period; and
- 7.30 (g) to conduct the ordinary business of the Society and perform all the duties entrusted to him by the Board or specified in these By-laws.

7.31 The duties of the treasurer shall include the following – Duties of Treasurer

- 7.31 (a) to take charge of all financial transactions of the Society including all monies received by the Society from a bank, members or

others and to make disbursements in accordance with the directions of the Board;

7.31 (b) to prepare or cause to be prepared all receipts, vouchers, financial statements and documents required by the By-laws or called for by the Board;

7.31 (c) to be responsible for the proper and punctual keeping of all the accounts and books of accounts of the Society; and

7.31 (d) to perform all the duties entrusted to him by the Board or specified in these By-laws.

7.32 The duties of the chief executive officer shall include the following –

Duties of Chief Executive Officer

7.32 (a) to manage the business and property of the Society;

7.32 (b) to attend all meetings of the Society and of the Board and to carry out all the instructions of the Board;

7.32 (c) to record or cause to be recorded the whole of the transactions of the Society in the books and prescribed for that purpose; and

7.32 (d) to perform all or any of the duties of the secretary or treasurer as may be entrusted to him by the Board.

7.33 The offices of chairman and chief executive officer shall not be held by one and the same person.

7.34 Where the Board appoints a person as a chief executive officer of the Society, the duties of the secretary or the treasurer of the Society may be modified or altered by the Board, taking into account the duties assigned by the Board to the chief executive officer.

8. FUNDS OF THE SOCIETY

8.1 The funds of the Society shall consist of -

Funds

8.1 (a) share capital consisting of –

- i. ordinary shares subscribed and paid up by members;
- ii. bonus shares issued on ordinary shares;

- 8.1 (b) General Reserve Fund;
- 8.1 (c) Common Good Fund;
- 8.1 (d) Grants, if any, from the Yellow Ribbon Singapore, subject to statutory contributions to the Central Co-operative Fund; and
- 8.1 (e) any other funds established in accordance with and subject to the Act, the Rules and/or the By-laws.

8.2 The use of the Society's funds shall be in line with the objects of the Society. The funds of the Society may be invested without seeking the Registrar's approval subject to section 69 of the Act. Investment of Funds

8.3 The authorised share capital of the Society shall be \$5,000,000 which shall be divided into 5,000,000 shares of \$1.00 each. The paid-up share capital may be increased from time to time by a resolution of the general meeting. Share Capital

8.4 No member, other than a society or trade union, shall hold more than 20% of the share capital of the Society unless the Registrar grants written approval for the Society to issue more than 20% of its share capital to that member.

8.5 The notice period for a member to withdraw his share capital shall be one (1) month or such shorter period as the Board may deem fit in its discretion.

8.6 The amount receivable by a member upon the dissolution of the Society shall be the nominal value or net asset value of the shares, whichever is lower.

9. FINANCIAL MATTERS

9.1 The financial year of the Society shall begin on 1st January and end on 31st December. Financial Year

9.2 The Society shall contribute – Distribution of Surplus

- 9.2 a. 5% (or any other rate as may be prescribed in the Rules) of the first \$500,000 of the surplus resulting from the operations of the Society during the preceding financial year to the Central Co-operative Fund; and
- 9.2 b. 20% (or any other rate as may be prescribed in the Rules) of any surplus in excess of \$500,000 of the surplus resulting from the operations of the Society during the preceding financial year to the Central Co-operative Fund or the Singapore Labour Foundation as the Society may opt.
- 9.3 The remainder of the surplus of the Society may be distributed in one or more of the following ways at the discretion of the general meeting - Distribution of net surplus
- 9.3 a. subject to section 72(2) of the Act, by payment of a dividend not exceeding ten percent *pro rata* on the amount of shares and bonus shares held by members as at the end of the financial year for which the net surplus is distributed;
- 9.3 b. by payment of a rebate or patronage refund to members in proportion to the volume of business done by them with the Society from which the surplus of the Society was derived;
- 9.3 c. by payment of honoraria to some or all of the members of the Board in consideration of their services which would not otherwise be remunerated subject to section 65(1) of the Act and By-laws 7.26;
- 9.3 d. by a contribution to a Common Good Fund;
- 9.3 e. by contribution to a General Reserve Fund;
- 9.3 f. by contribution not exceeding ten percent of the net surplus to a charitable purpose;
- 9.3 g. subject to section 73 of the Act, by payment of bonus certificates or bonus shares; and
- 9.3 h. in any other manner as approved by the general meeting in accordance with the provisions of the Act and these By-laws.

9.4	A member whose name appeared in the book of the Society on the last day of the financial year shall be eligible to draw dividend on shares and bonus shares when declared, subject to any restrictions imposed in these By-laws. Dividend, if unclaimed, shall be credited to the Dividend Unclaimed Account.	Crediting of dividend
9.5	A member holding bonus certificates shall only be entitled to claim payment out of the funds of the Society after five years from the date when the bonus certificates were issued. No interest or dividend shall be paid on such bonus certificates.	Bonus Certificate
9.6	A member holding bonus shares shall only be entitled to claim payment out of the funds of the Society after ten years from the date when the bonus shares were issued. A member or a past member shall be eligible to draw dividend on bonus shares when declared.	Bonus Shares
9.7	The minimum number of ordinary shares prescribed in By-law 8.4 shall not be withdrawable or transferable except on cessation of membership in accordance with By-law 4.14. Ordinary shares in excess of the prescribed minimum may be withdrawable and transferable, subject to the provisions of the Act and any limitations laid down in these By-laws. The value of the shares withdrawn shall not exceed the nominal value of the shares or the net asset book value based on the latest audited financial statements, whichever is the less.	Withdrawal of Shares
9.8	The Board of Directors shall open or cause to be opened in the name of the Society such account with any bank registered under the Banking Act to which all monies received shall be deposited.	Bank Account
9.9	All payments via cheque or online banking platform shall be correctly made and properly signed or executed by two officers duly authorised by the Board.	Issue of Payments
9.10	All payments drawn on such account may also be paid directly to the member's bank account by inter-bank-giro and such payment shall be deemed to be made with the member's consent.	
9.11	Receipts shall be issued for all monies paid to the Society.	
9.12	The Society shall, with the approval of the Board have power to borrow money to be used in its business from non-members provided that the Society shall determine from time to time at a	Restriction on borrowing

general meeting the maximum liability which it may incur in loans from non-members.

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| 9.13 | The Society shall as soon as practicable but not later than 6 months after the close of the financial year, submit to the Registrar one copy of the audited financial statements of the Society and the audit report for that year. | Submission of audited financial statements |
| 9.14 | The Board shall from time to time authorise the maximum amount of cash which may be retained by any officer at any one time. | Cash in hand |

10. BOOKS, DOCUMENTS AND SEAL OF THE SOCIETY

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| 10.1 | The following books and documents shall be kept: | Books and documents |
| 10.1 | a. Register of members and their nominees; | |
| 10.1 | b. Register of shares and, if any, bonus certificates and bonus shares; | |
| 10.1 | c. Cash Book | |
| 10.1 | d. Journals and ledgers; | |
| 10.1 | e. Inventory of Society's assets; | |
| 10.1 | f. Sales book; | |
| 10.1 | g. Purchases book; | |
| 10.1 | h. Register of members' liabilities; | |
| 10.1 | i. Minutes books; | |
| 10.1 | j. Copy of the Act, the Rules and the By-laws; | |
| 10.1 | k. Administrative policies and rules governing the different funds of the Societies; and | |
| 10.1 | l. any other books and documents that may be found necessary or prescribed by the Registrar. | |

10.2	The Society shall keep a copy of the Act, the Rules, the By-laws and a list of members of the Society open to inspection by its members free of charge, at all reasonable times at the registered address of the Society.	Copy of Act, Rules By-laws and list of members open to inspection
10.3	The Society shall have its own common seal of a design approved by the Board. All bonds, contracts and important documents shall be sealed with the seal of the Society. The seal shall not be affixed to any document except with the authority of the Board and such sealing shall be done in the presence of at least three officers authorised by the Board, who shall affix their signatures to every document so sealed.	Common Seal

11. THE AUDITORS

11.1	Subject to section 33(1) and (2) of the Act, the books and accounts of the Society shall be audited by an external auditor at least once a year. The auditor shall inspect and audit the accounts and other relevant records of the Society and shall forthwith draw the attention of the Registrar and the Society to any irregularity disclosed by the inspection and audit that is, in his opinion, of sufficient importance to justify his so doing.	Audit and duties of the external auditor
11.2	The external auditor shall report -	
11.2	(a) whether the financial statements give a true and fair view of the financial transactions and the state of affairs of the Society; and	
11.2	(b) particulars of non-compliance with any accounting standard or requirement referred to in section 34(5) of the Act, the reasons and effects of the non-compliance, and such other information and explanation as will give a true and fair view of the financial transactions and the state of affairs of the Society; and	
11.2	(c) such other matters arising from the audit as he considers should be reported.	
11.3	The external auditor shall state in his report whether -	
11.3	(a) proper accounting and other records have been kept;	

11.3	(b) the receipt, expenditure and investment of monies and the acquisition and disposal of assets by the Society during the year have been in accordance with the Act, the Rules and these By-laws.	
11.4	The external auditor may at any other time report to the Registrar and the Society upon any matters arising out of the performance of the audit.	
11.5	The audit of the accounts shall include an examination of and report on overdue debts, if any, and an examination of and report on the valuation of the assets and liabilities of the Society.	
11.6	An external auditor shall have the powers prescribed under the Act. The appointment of the external auditor shall not exceed 5 consecutive years.	
11.7	Subject to By-law 11.10, two or more internal auditors shall be elected yearly by and from among members at the Annual General Meeting of the Society.	Internal Auditor
11.8	The functions of internal auditors shall include but not limited to –	
11.8	(a) Review the adequacy and effectiveness of the Society’s internal controls;	
11.8	(b) Review the Society’s compliance with its By-laws and relevant regulatory requirements;	
11.8	(c) Review the Society’s compliance with its approved policies and processes;	
11.8	(d) Report to the Board the findings arising from the reviews; and	
11.8	(e) Provide recommendations to the Board on the possible corrective and preventive actions to address any findings from its reviews.	
11.9	An internal auditor may be paid an allowance by the Society for the performance of his duties.	Payment of allowance to Internal Auditors

11.10 The Board may recommend to the general meeting the appointment of any organisation or firm as internal auditor. If approved by the general meeting, the election of internal auditors under By-law 11.7 shall be dispensed with.

12. GENERAL

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| 12.1 | Disputes concerning requirements of the Act relating to the constitution, election of officers or conduct of general meetings may be referred to the Registrar in the manner provided in the Act. | Disputes |
| 12.2 | These By-laws are supplementary to the provisions of the Act and the Rules. The Society shall be governed by the Act, the Rules and the By-laws read together. Nothing in these By-laws shall have any power to limit the authority of the Registrar. | Status of By-Laws |
| 12.3 | The By-laws of the Society shall, when registered, bind the Society and the members thereof to the same extent as if they were signed by each member and contained covenants on the part of each member for himself and his personal representatives to observe all the provisions of the By-laws. | By-Laws to bind members |
| 12.4 | No act of the Society or the Board or any officer shall be deemed to be invalid by reason only of the existence of any defect in the constitution of the Society or of the Board or of any committee or sub-committee or in the appointment or election of an officer or on the ground that such officer was disqualified for his appointment. | Act of Society not to be invalidated by certain defects |