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**BY-LAWS  
OF  
THE ST. VINCENT AUTOMOTIVE  
CO-OPERATIVE SOCIETY LIMITED.**

A Society (hereinafter referred to as “The Society”) registered under the “Co-operative Societies Act 24 of 1999 (hereinafter referred to as “the Act”).

**1. INTERPRETATION**

“Approved Product” shall mean PETROLEUM product or any other approved product, which the Board of Directors determines to handle co-operatively for the benefit of members.

“Him”/“He”/“His” shall also mean “Her”/“She”

“SPECIAL RESOLUTION” shall mean a resolution passed by a two-thirds majority in numbers present and entitled to vote.

“St. Vincent” shall mean St. Vincent and the Grenadines

“The Act” shall mean Act No. 24 of 1999

## **2. NAME, MISSION, VISION AND OBJECTIVES**

- i. The name of The Society shall be St. Vincent Automotive Co-operative Society Limited trading as Auto Co-op.
- ii. The Registered Office of The Society shall be at Kingstown or such other place in St. Vincent as may from time to time be determined by the Board of Directors and Notified to the Registrar.
- iii. **Mission:** To improve the welfare of its members through the effective utilization of all resources.
- iv. **Vision:** To progressively engage all stakeholders in the activities of The Society with a view to maximizing returns and results in the interest of the membership.
- v. The **Objectives** of The Society are:
  - (a) To initiate, develop and encourage better and more economical methods of marketing.
  - (b) To establish a workshop for the overhaul, repairs and servicing of vehicles and to act as agents of manufacturers for sale of vehicles, spare-parts and other accessories.
  - (c) To acquire by purchase or otherwise, to take on lease, land or moveable property, to

purchase, construct, to take on rent, building, workshop, office premises etc., as may be necessary to carry out the objectives of The Society.

- (d) To associate itself with other registered co-operative societies for mutual benefit.
- (e) To do all other acts and things as are incidental or conducive to, or consequential upon the attainment of the aforesaid objects.

## **3. AREA OF OPERATIONS**

The area of operation of The Society shall be St. Vincent and the Grenadines.

## **4. MEMBERSHIP**

Membership in The Society shall be open to the general public without restriction as to race, gender, religion, political or other affiliation, which can make use of its services, agrees to abide by its By-Laws and has complied with the requirements of By-Law 8 hereof without.

## **5. QUALIFICATION FOR MEMBERSHIP**

- i. No person shall be a member of The Society unless:
  - (a) He/she is of a good character and not less than eighteen (18) years of age.
  - (b) His/her aims and purposes are known to be in agreement
  - (c) He/she has paid an entrance fee of twenty-five dollars \$25.00, which is carried to the Reserve Fund.
  - (d) He agrees to subscribe to shares in The Society and to pay for same as provided under By-Law 16.
  - (e) He/she shall be citizen or resident of St. Vincent and the Grenadines.
  - (f) He/she shall not be an under-discharged bankrupt.
- ii. All persons able to comply with the conditions of By-Laws 7 and 8 (i) shall on submission of an application in writing, be admitted to membership of The Society by the Board of Directors.
- iii. Persons who sign the application for registration shall not be required to submit a

written application for membership to the Board of Directors.

## **6. WITHDRAWAL OF MEMBERSHIP**

- i. No person who is engaged in any trade in the main petroleum products namely, gasoline and diesel, shall be eligible to become or continue as a member of the Board of Directors.
- ii. If a member acts in contravention to these By-Laws, or acts in any way detrimental to the interest of The Society, such member may be expelled by a vote of two thirds majority of the Board of Directors upon a charge communicated to him in writing by The Society's Management not less than seven (7) days before the meeting. Such expulsion shall however, be without prejudice to the Act. Such member shall have the right of appeal at a General Meeting provided a complaint is lodged seven (7) days prior to such meeting.
- iii. On expulsion, a member shall forthwith transfer his shares in accordance with By-Law 19 on payment to him of the value of his shares, but not more in any case than the

amount of such shares or amounts held on credit after taking into consideration any sums due to The Society by the member. Such sums shall be deducted from any payments of shares and/or dividends and/or rebates.

- iv. A member who is expelled shall have no further rights in The Society, but is not by such expulsion, released from any liability of The Society existing at the date of expulsion.

### **7. LIABILITY OF MEMBERS**

The liability of each member in case of liquidation is limited to the nominal value of the Shares held by him.

- i. A person ceases to be a member:
- (a) On death;
  - (b) On ceasing to hold forty (40) full shares;
  - (c) On his being found to be of unsound mind;
  - (d) On expulsion from The Society;
  - (e) On withdrawal at the end of the financial year, after submitting three (3) months notice in writing to the Secretary;
  - (f) On being declared bankrupt, or in case

of a corporate body going into liquidation.

- ii. A person ceasing to be a member by death shall have his/her shares transferred to his/her estate or administrator.

### **8. MEMBERSHIP REGISTER**

The Society shall keep a Register to be called the "Register of Members" wherein shall be entered:-

- (a) The name, address and occupation of each member and a statement of the shares held by him/her;
- (b) The date on which the member name was entered in the Register;
- (c) The date on which any member ceased to be a member; and
- (d) The nominee, if any, appointed under By-Law 49.

### **9. DUTIES OF MEMBERS**

- i. Members shall be subject to the supervision and control of The Society and shall be bound to carry out all the instruction of the Board of Directors in respect of every matter connected with the business of The Society.

- ii. Every member may buy from The Society all of the Petroleum products and/or any approval product used by him/her, his wife/husband and heirs.

### **10. SHARE CAPITAL**

- i. The Share Capital of The Society shall be unlimited, divided into shares of the par value of five dollars (\$5.00) each.
- ii. Each member shall be required to contribute towards the Share Capital of The Society in the following manner:
  - (a) By paying in full forty (40) shares, each of five dollars (\$5.00) at the time of application of membership.
  - (b) Each member shall be provided with a SHARE CERTIFICATE for the Shares allotted to and fully paid for by him. Such certificate should be numbered and registered as issued and contain the shareholder's full name and number of shares owned by him, their value at par, signed by two members of the Board of Directors and the Manager and to be impressed with the Seal of The Society.

- (c) A Share Register shall be kept, in which shall be recorded the name, address and occupation of the person to whom each share was originally allotted and the date of the allotment; if the share is transferred, the name and address of the person to whom it is transferred, the date of transfer, and if the share is cancelled, the date of cancellation.
- (d) The Society shall have a first and paramount lien on the shares of any of its members, upon all the shares registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale for his debts, liabilities and engagements, solely or jointly with any other person, whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not and such lien shall extend to all dividends from time to time to be paid in respect of such shares or any other sum of money that may be due to The Society from the members.

- (e) For the purpose of enforcing such lien the Directors may sell the shares subject hereto in such manner as they think fit, but no sale shall be made until notice in writing of the intention to sell shall have been served on such member, his executors and administrators and default have been made by him or them in the payment, fulfillment or discharge of such debts, liabilities or engagements for seven (7) days after the date of such notice.
- (f) The net proceeds of any such sale shall be applied in or towards satisfaction of debts, liabilities or engagements of such member and the residue (if any) paid to him, his executors, administrators or assigns.
- (g) Upon any sale for the enforcement of a lien in purported exercise of the powers herein before given the Directors may cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings, or the application of the purchase money, and after his or its (in

the case of The Society being the purchaser) name has been entered in the Register in respect of such shares the validity of the sale shall be in damages only against The Society exclusively.

- (h) The word "debt" shall be defined to include liabilities and engagements or other financial obligations due to The Society from the member.
- (i) Subject to the existence of funds adequate to the purpose in the Share Transfer Funds, the Board of Directors may accept from a member shares for transfer to The Society. For this purpose, the Board of Directors shall maintain a file of applications for transfer and such application shall be dealt with in order of receipt provided that the Board of Directors shall have discretion to give priority to an application from a member where hardship or distress is shown to the satisfaction of the Board of Directors.

## **11. FINES**

The Board of Directors shall have power to impose on members the fine prescribed by those By-Laws and which shall be added to the Reserve Fund of The Society; and fine thus imposed shall be considered as debt due by the members concerned to The Society, and shall be collected as such.

## **12. RECEIPTS AND DISBURSEMENT**

All receipts and disbursements shall be supported by the proper vouchers and all disbursements in excess of Forty Dollars (\$40.00) shall be made by cheque.

## **13. LOANS AND INVESTMENTS**

- i. Subject to the provisions of the Act, and Regulations, the Board of Directors may obtain loans from any source on such security and such terms of repayment as they think fit and that are in the interest of The Society.
- ii. The Board of Directors may invest any portion of The Society's Funds not required in the business of The Society as consistent with the Act No. 24 of 1999.

## **14. BOARD OF DIRECTORS**

- i. The business of The Society shall be conducted by a Board of Directors, which shall be elected at the Annual General Meeting of The Society and shall consist of five (5), seven (7) or eleven (11) members all of whom shall be members of The Society. Members shall hold office until their successors are elected and shall be eligible for re-election.
- ii. Election to the Board of Directors shall be held in such a manner that the terms of office of not more than three of the members shall expire at the same Annual General Meeting.
- iii. A bare majority of members shall constitute a quorum but less than a quorum may adjourn from time to time until a quorum is present.
- iv. The Directors of The Society shall be elected for a term of three (3) years but no person may serve as a Director of The Society for more than two (2) consecutive terms or an aggregate of six (6) years, unless the period of two years has elapsed from time he demits office at the end of the sixth year period to the date of his subsequent election of office.
- v. The Directors and officers elected to serve at



an Annual General meeting are required to sign a declaration relating to:-

- (a) faithful performance of duties;
- (b) secrecy of transaction with members and;
- (c) faithful and loyal support of The Society.

vi. The first meeting of the Board of Directors after an Annual General Meeting shall be held within ten (10) days of their election. The Board shall elect among themselves a Chairman, a Vice-Chairman and a Treasurer. The said Board shall also elect and/or appoint a Secretary who shall not be a member of the Board of Directors, or a paid employee of The Society.

vii. A society may purchase and maintain insurance for the benefit of a director, member of a committee, officer or employee against a liability, loss and damage incurred by that person while serving The Society as a Director, member of a committee, officer or employee.

viii. The Board should have the power to hire a Manager to carry out the day-to-day transaction of The Society.

## **15. REMOVAL OF ANY MEMBER OF THE BOARD OF DIRECTORS**

- i. Any member of the Board shall vacate his office:-
  - (a) if he/she ceases to be a member of The Society;
  - (b) if he/she holds any place of profit under The Society;
  - (c) if he/she becomes bankrupt or insolvent;
  - (d) if he/she participates in the profits of any outside business in competition with The Society;
  - (e) if he/she engages in business which competes with the business of The Society.
- ii. Any Board member or officer of The Society may be removed at any time by a resolution of the majority of the members present at any general meeting called for the purpose; provided that such a member or officer shall be informed in writing of the charges against him at least seven (7) days before such meeting and at such meeting shall have reasonable

opportunity to answer such charges.

- iii. Any Director who without due excuse approved by the Board fails to attend three (3) consecutive regular meeting of the Board shall be deemed to have vacated his office.
- iv. Any vacancy on the Board of Directors shall be filled within fourteen (14) days by vote until the next Annual General Meeting at which meeting a member shall be elected to complete the unexpired term, provided the term does not expire at the time of such meeting.

#### **16. MINUTES OF MEETING**

- i. The Board of Directors shall meet as often as the business of The Society may require and in any case not less frequently than once per month upon notification in writing by the Secretary. The Secretary shall also call a meeting of the Board up on the written request of the Chairman or any three (3) members.
- ii. Minutes of meetings of the Board of Directors shall be recorded by the Secretary and shall be signed by the Chairman or other presiding member and by the Secretary and shall contain

the following particulars:-

- (a) the names of the members present and the date of the meeting;
- (b) the name of the Chairman or other presiding member, and;
- (c) a short statement of all matters discussed and decisions made, and a record as to whether each decision was made unanimously or by a majority.

#### **17. OFFICERS OF BOARD**

- i. The officers of The Society shall be a Chairman, a Vice-chairman, a Treasurer and the Secretary, all of whom shall be elected and/or appointed by the Board of Directors in accordance with the By-Laws 26 at the first meeting shall be held within ten (10) days of their election in each year and the said officers shall hold office until their successors are elected.
- ii. The Society may have any officers in addition to those mentioned in paragraph 1 who are provided for in the By-Laws.
- iii. Subject to subsection 50(6) and to the By-Laws:-
  - (a) the Board may designate the offices of The

Society, appoint persons as officer, specify the officers' duties and delegate powers to manage the business and affairs of The Society to them, and;

(b) a Director may be appointed to any office of The Society.

iv. Subject to the By-Laws, no person shall be chairman or vice-chairman of a society unless he is a Director of The Society.

### **18. PROVISIONAL DIRECTORS AND ELECTED DIRECTORS**

i. On the registration of a Society, the individuals who's name appear in the application for registration as having been appointed and who have consented to act as provisional directors shall: -

(a) have all the powers and duties of Director and hold office until the first general meeting.

(b) at the first general meeting and at every annual general meeting, the Directors shall be elevated in accordance with the Regulations and the By-Laws of The Society under the Co-operative Societies Act.

### **19. POWERS OF BOARD**

Subject to Co-operatives Societies Act No. 24 of 1999, any regulations under this Act and the By-Laws the Board shall:-

(a) exercise the powers of The Society directly or indirectly through the employees and agents of The Society.

(b) direct the management of the business and affairs of The Society.

### **20. BORROWING POWERS OF THE BOARD**

i. Subject to the By-Laws, the Board may without authorization of the members of a society to:-

(a) borrow money on the credit of The Society;

(b) issue, re-issue, sell or pledge debt obligations of The Society

(c) give a guarantee on behalf of The Society to secure performance of an obligation of any person, and;

(d) Mortgage, charge, hypothecate, pledge or otherwise create a security interest in all or any property of The Society, owned or subsequently acquired to secure any debt Obligation of The Society.

- ii. A sale, lease or exchange of all or substantially all of the property of a society, other than in ordinary course of business of The Society, shall be approved by the Members in a manner provided in subsections (3) to (7).
- iii. The Directors shall send, in the manner provided in section 43, a notice of a special meeting to consider the sale, lease or exchange mentioned in subsection (2) to each member.
- iv. The notice mention in subsection (3) shall include or be accompanied by a copy or summary of the agreement of sale, lease or exchange mentioned in subsection (2).
- v. At a special meeting held pursuant to this section, the members may, by special resolution:-
  - (a) authorize the sale, lease or exchange mentioned in subsection (2), and;
  - (b) fix or authorize the Directors to fix the terms and conditions of sale, lease or exchange.
- vi. Each member of The Society has the right to vote with respect to sale, lease or exchange mentioned in subsection (2).

- vii. A sale, lease or exchange mentioned in subsection (2) is adopted when the members of The Society have approved the sale, lease or exchange by a special resolution.

## **21. DUTIES OF THE BOARD**

- i. The Board of Directors shall have the general direction and control of the affairs of The Society and shall represent The Society before all competent 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. In general, it shall carry out such duties in the management of the affairs of The Society as have not been specifically assigned by the Act or the By-Laws to the General Meeting or to any other officer of The Society. In particular, it shall be the special duty of the Board to:-
  - (a) watch closely the financial condition of The Society and the operating results of its business and to take action required to keep these in a sound business-like condition;
  - (b) act on all applications for membership and on the exclusion or expulsion of members;
  - (c) fix from time to time, subject to the approval of the Registrar, the amount of the surety bond which shall be required of all

- officers handling money and shall authorize the payment of the premium or premiums thereof by The Society;
- (d) raise loans in accordance with By-Laws 23;
  - (e) authorize and supervise investments of The Society;
  - (f) determine from time to time, subject to section 28 of the Act, the maximum number of shares that may be held by any one member;
  - (g) provide adequate insurance of the moveable and immoveable property of The Society;
  - (h) employ, fix the remuneration and prescribe the duties of such employees as may in their discretion be necessary;
  - (i) recommend amendments to the By-Laws.
- ii. To appoint such sub-committees for facilitating the work of the Board of Directors, as may be necessary from time to time.
  - iii. To maintain at all times an active programme of co-operative education, and to maintain relations with other registered societies aimed at promoting the best interest of The Society and of the Co-operative Movement.
  - iv. To submit the Accounts of The Society for

audit in pursuance of the provisions of the Act.

- v. To perform such other duties as the members in General Meeting may from time to time authorize.
- vi. Every member shall, before taking part in any business of the Board, be required to disclose any personal interest arising out of that business. After considering such disclosure, it shall be for the Board of Directors to decide whether such Board member shall take part in the discussion and vote up on the item of business in which he has disclosed an interest.
- vii. The Board of Directors shall elect to the management of any Registered Society and or any other organization to which this society is empowered; such Board of Directors representative as the constitution of these bodies may from time to time require to be elected from this Society. Such representative shall be elected from among the serving members of the Board of Directors of The Society.
- viii. The Board of Directors shall receive an honorarium as a member of the said Board as

approved at a General Meeting.

## **22. DUTIES OF OFFICERS**

i. **Chairman:** The duties of the Chairman shall be to:-

(a) preside over all meeting of members and of the Board of Directors. In the case of an equality of votes he shall be entitled to a second or casting vote;

(b) perform such other duties as customarily appertain to the office of Chairman or as he may be directed to perform by resolution of the Board of Directors consistent with the Act or these By-Laws.

ii. **Vice-Chairman:** The Vice-Chairman shall in the event of the absence or disability of the Chairman or his refusal to act, perform the duties of the Chairman and/or such other duties as the Board of Directors may from time to time prescribe.

iii. **Secretary:** The Secretary shall:-

(a) have control of the Seal of the company and shall record all meetings of the Board of Directors and the General Meeting;

(b) attend and keep a complete record of all meetings of members and the Board of Directors;

(c) conduct the correspondence of The Society;

(d) perform such other duties not inconsistent with the Act and these By-Laws as may be required of him/her by the General Meeting or the Board of Directors;

(e) in the absence or disability of the Manager, the Board of Directors may authorize any other person to perform his/her duties. The Board of Directors shall ensure that adequate fidelity Insurance is in place.

iv. **Treasurer:** The Treasurer before entering upon his/her duties he/she shall furnish a surety bond for the faithful performance of his/her duties in such amounts as shall be determined by the Board of Director, the premium of which shall be paid by The Society. Subject to such limitations and control as may be imposed by the Board of Directors, the Treasurer shall have general oversight of the financial activities of The Society.

(a) sign, be a signatory to all cheques, notes,

- drafts, deeds and other instruments on behalf of The Society under the authority of Boards of Directors;
- (b) receive monies and make disbursement on behalf of The Society;
  - (c) keep and maintain a full and complete record of all the transactions of The Society and shall have custody of all books of Accounts and other assets of The Society;
  - (d) perform such other duties not inconsistent with the Act and these By-Laws as may be required of him/her by the General Meeting or the Board of Directors.

### **23. SUPERVISORY COMMITTEE**

- i. There shall be a Supervisory Committee which shall be elected by its members at the Annual General Meeting.
- ii. The Supervisory Committee shall meet at least once per month and at each meeting examine the affairs of the Co-operative Society.
- iii. The Supervisory Committee shall hold office for one year and shall comprise of three (3) persons.

- iv. The Supervisory Committee shall keep Minutes of its Meeting and shall within seven (7) days of each meeting report the results thereof to the Board and shall submit a written report to the Annual General Meeting.
- v. The Supervisory Committee shall examine the books of the Co-operative Society, confirm the cash instrument, property and securities and confirm the deposit of the members and perform such other duties as prescribed by the By-Laws of the Co-operative Society.
- vi. The Supervisory Committee shall perform such other duties in accordance with Act. No. 24 of 1999.

### **24. DUTY OF CARE OF DIRECTORS AND OFFICERS**

Every Director and officer of a society in exercising his power and discharging his duties, shall:-

- (a) act honestly and in good faith with a view to the best interest of The Society, and;
- (b) Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

## **25. AMBIT OF DIRECTOR'S DUTY**

The provisions of a contract, the By-Laws or the circumstances of his appointment do not relieve a Director from:-

- (a) the duty to act in accordance with this Act and regulations made hereunder, and;
- (b) liability that by virtue of a rule of law would otherwise attach him with respect to negligence, default, breach of duty or breach of trust of which he may be guilty in relation to The Society.

## **26. LIABILITY OF DIRECTORS**

- i. Where Directors vote for, consent to resolution authorizing, or approve by any other means:-
  - (a) the purchase of shares of another society contrary to section 94
  - (b) the payment of a dividend on shares contrary to section 123
  - (c) the payment of a bonus contrary to section

123

- (d) a loan or guarantee or the giving of financial assistance contrary to section 115
- (e) a payment of an indemnity described in section 73 to a director a former director, contrary to subsection 3 of that section, or
- (f) an act not consistent with the purpose of The Society as set out its By-Laws and with respect to which The Society has paid compensation to a person; they are jointly and severally liable to make good any loss or damage suffered by The Society.

- ii. On the application of a Director, the court may declare whether or not, having regard to any of the circumstances the court considers appropriate:-
  - (a) The Society is insolvent; or
  - (b) the payment of a bonus or dividend or the lending of money would make The Society insolvent.
- iii. The liability imposed by subsection (1) is in addition to and not in derogation from a liability imposed on a director by any other enactment or law.



- iv. For the purpose of this section a Director who is present at a meeting of Directors or of a committee is deemed to have cast an affirmative vote, given consent to a resolution or given the approval mentioned in subsection (1), unless:-
- (a) the Director's dissent is entered in the minutes of the meeting; or
  - (b) the Director's written dissent is-
    - (1) delivered to the Secretary of the meeting before its adjournment, or
    - (2) delivered or sent by registered mail to the registered office of The Society immediately after the adjournment of the meeting.
- v. A Director who votes for a resolution mentioned in subsection (1) is not entitled to dissent under subsection (4).
- vi. Where a Director is not present at a meeting of Directors or of a committee at which a vote, resolution or approval mentioned in subsection (1) is cast or given, he is deemed to have cast an affirmative vote, consented to the resolution or given approval, unless, within fourteen days after becoming aware of the proceedings the

Director delivers or sends by registered mail his written dissent, to the registered office of The Society.

- vii. On receipt of a written dissent, the Secretary of The Society shall:-
- (a) certify on the written dissent the date, time and place it is received, and;
  - (b) keep the written dissent in the minutes of the meeting at which the resolution was passed.
- viii. No action to enforce a liability imposed in subsection (1) is to be commenced after two years from the date of the meeting at which the vote, resolution or approval was taken or given.
- ix. In an action to enforce a liability imposed in subsection (1), the court may, on the application of The Society or a defendant-
- (a) join as a defendant a person who received a benefit as a result of the resolution complained of, and;
  - (b) make the person mentioned in paragraph (a) liable to The Society jointly and severally with the Directors to the extent of the amount paid to him.

- x. A Director who is found liable pursuant subsection (1) where he:-
- (a) proves that he did not know or could not reasonably have known that the act authorized by the resolution was contrary to this Act.
  - (b) relies and acts in good faith-
    - (1) on statement of facts represented to him by an officer of The Society to be correct, or;
    - (2) on statements contained in a written report or opinion of the auditor of The Society or a professional person engaged by The Society who is competent to give advice in respect to the matter.
- xi. A Director who is found liable pursuant to subsection (1) is entitled to apply to a court for an order compelling a member or other recipient to pay or deliver to the Director any money or property that was paid or distributed to the member or other recipient contrary to

section 94, 115 or 173.

- xii. In connection with an application pursuant to subsection (11) and where the court is satisfied that it is equitable to do so, it may:-
- (a) order a member or other recipient to pay or deliver to a Director any money or property that was paid or distributed to the members of other recipient contrary to section 93 or 115 or 123, or;
  - (b) make an order, than that described in paragraph (a), that is considered appropriate.

## **27. MISUSE OF CONFIDENTIAL INFORMATION**

- i. A director or an officer, or an associate of a director or an officer, who, in connection with a transaction relating to shares of a society or a debt obligation of a society, make use of confidential information for the benefit or advantage or himself or an associate that, if generally known, might reasonably be expected to affect materially the value of the share or the debt obligation:-
- (a) is liable to compensate any person for a direct loss suffered by the person as a result

- of the transaction unless the information was known to the person at the time of the transaction, and;
- (b) is accountable to the society for any direct benefit or advantages received or receivable by him or his associate, as the case may be, as a result of the transaction.
- ii. Subject to subsection (10), a director or officer of a society who:-
- (a) is a party to a material contract with The Society, or;
  - (b) is a director or officer of or has a material interest in, a person who is party to a material contract or proposed material contract with The Society shall disclose in writing to The Society, or request to have entered in the minutes of meeting of directors, the nature and extent of his interest.
- iii. The disclosure required by subsection (1) shall be made in the case of a director:-
- (a) at the meeting at which a proposed contract is first Considered;
  - (b) if the director was not then interested after a contract is made, at the first meeting after he becomes so interested;
  - (c) if the director becomes interested after a contract is made, at the first meeting after

he becomes a director.

- iv. A disclosure required by subsection (1) shall be made in the case of an officer who is not a director:-
  - (a) immediately after he becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of the Board;
  - (b) if the officer becomes interested after a contract is made, immediately after he becomes so interested an officer.
- v. If a material contract or proposed material contract, is one that in the ordinary course of The Society's business would not require approval by the Directors or officer shall disclose in writing to The Society or request to have entered in the minutes of meetings of the Boards the nature and extent of his interest after he becomes aware of the contract or proposed contract.
- vi. A Director referred to in subsection (1) may take part in discussions to consider or vote or a resolution to approve a contract that he has an interest in, if the contract:-
  - (a) is an arrangement by way of security for money lent by him to The Society or

- obligations undertaken by him for the benefit of The Society or a member of The Society;
  - (b) is a contract that relates principally to his remuneration as an agent of The Society or a member of The Society;
  - (c) is a contract or indemnity or insurance pursuant to Section 73 of the Co-operative Society Act No. 24 of 1999.
- vii. Where a Director is not entitled to vote at a meeting pursuant to subsection (5) and his presence is required to constitute a quorum at a meeting of directors, a decision of the directors is deemed not to be invalid only by reason of the absence of the Director.
- viii. For the purpose of this section, a general notice to the directors by a director or officer declaring that he is to be regarded as interested in any contract made with the person is a sufficient declaration of interest in relation to any contract made with that person.
- ix. Where:-
- (a) a Director or officer discloses his interest in accordance with this section, and;
  - (b) the contract in which the Director or officer has a material interest:-
    - (1) is approved by the directors or member,

- and;
  - (2) is reasonable and fair to The Society at the time it was approved, the material contract is neither void nor avoidable by reason only of that relationship or by reason only that a director with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of the Board or committee that authorized the contract.
- x. Where a director or officer of a society fails to disclose his interest in a material contract in accordance with this section a court may, on the application of a society or a member of The Society, set aside the contract on any terms that the court considers appropriate.

## 28. MEETINGS

- (A)
  - i. The supreme authority of The Society is vested in the General Meeting of Members at which every member who has complied with the provision of By-Laws 8 has a right to attend and vote on all questions.
  - ii. The first General Meeting of members after registration of The Society shall

be called the First Annual General Meeting and shall have the same powers as are herein given to the Annual General Meeting.

(B)

- i. Each member shall have one vote only and there shall be no voting my proxy; provided that in the case of an equality of votes, the Chairman shall have a second or casting vote.
- ii. Any question submitted for the decision of the members present at a meeting shall be decided by a majority of votes.
- iii. At any meeting, a resolution put to the vote shall be decided by a show of hands unless voting by ballot is demanded by at least five (5) of the members present before declaration of the result by show of hands, and in such case, voting by ballot shall be taken.
- iv. The Annual General Meeting of members shall be convened by the Board of Directors not later than thirty (30) days after the report on the audit of

the account of The Society for the past financial year has been received by the Board from the Auditors and with the approval of the Registrar.

(C)

- i. Special General Meetings may be called by the Boards of Directors upon their own initiative and also shall be called by them upon the written petition of not less than ten (10) percent of the members or fifteen (15) members; which ever is less. The purpose of the meeting shall be set forth in the notice and only such business as is described in the notice may be dealt with at such meeting.
- ii. If the Board of Directors fails to convene a meeting within fourteen (14) days from the receipt of a demand as aforesaid, the members applying for such meeting shall have a right to convene the meeting by a notice which 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 of Directors to convene the meeting demanded.

(D)

- i. At least seven (7) days before the date

- of any Annual or Special General Meeting, the Secretary shall post notice of the meeting in a conspicuous place in the office of The Society and cause written notice therefore to be handed to each member in person or mail to each member at his address as the same appear on the records of The Society.
- ii. A quorum at an Annual or Special General Meeting shall be two (2) persons for every twenty-five (25) members.
  - iii. If at the expiration of one hour after the time fixed for an annual or special General Meeting the members present are not sufficient to form a quorum such meeting shall be considered as dissolved if convened on the demand of members; in all other cases, it shall stand adjourned to a day, time and place in the calendar and not later than seven (7) calendar days. A notice to that effect shall be posted in a conspicuous place on the premises of The Society or delivered to each member by the Secretary, within twenty-four (24) hours of the adjourned meeting.

(E) The Chairman of the Board of Directors, or in his absence, the Vice-Chairman, or in the absence of those present, shall preside at the Annual or Special General Meeting.

- (F)
- i. At the Annual General Meeting, members have both the right and the responsibility to:-
    - (a) confirm the Minutes of the previous Annual General Meeting and of any intervening Special General Meeting;
    - (b) consider the report of the Board of Directors on the previous year's working of The Society together with the financial statements and Auditor's report and to sanction the appropriation and distribution of profits;
    - (c) elect members of the Board of Directors and to remove them from office in accordance with these By-Laws;
    - (d) determine what amendments shall be made to the By-Laws;
    - (e) hear and decide upon any complaints brought by members

aggrieved by a decision of the Board of Directors, provided that notice of such complaint has been given to the Secretary at least seven (7) days before the meeting.

- ii. The order of business at Annual General Meeting shall include:-
  - (a) ascertainment that a quorum is present
  - (b) taking apologies for absence;
  - (c) reading and approval of the Minutes of the last Annual General Meeting and of any intervening Special General Meeting, and discussion of matters arising there from;
  - (d) unfinished business left from the previous meeting;
  - (e) report of:-
    - (1) Board of Directors
    - (2) Auditor together with financial statements
    - (3) Other Committee
  - (f) elections to:-
    - (1) Board of Directors
    - (2) Other Committee
  - (g) other business;
  - (h) adjournment.

(G) Minutes of meeting shall be recorded by the Secretary and signed by the Chairman and shall contain:-

- (a) the number of members present at the meeting and the name of the Chairman or person who presided at the meeting;
- (b) the time fixed for the meeting and the time the meeting commenced;
- (c) the total number of the registered members on the date on which the meeting was held;
- (d) all resolutions passed or decisions made at the meeting.

(H) No political, sectarian or racial discussion shall be raised or resolution proposed, either at any Board or General Meeting of The Society.

### **29. FINANCIAL YEAR**

The financial year of The Society shall begin on the first (1st) January of each year and end on the thirty-first (31st) December of the same year.

### **30. ELECTIONS**

- i. Not less than thirty(30) days prior to each General Meeting of the Board of Directors shall appoint a Nominating Committee of three (3) members of which not more than one (1) may be a member of the existing Board of Directors. It shall be the duty of the Nominating Committee to nominate to the Annual General Meeting one (1) member for each vacancy for which elections are being held.
- ii. After the nominations of the Nominating Committee have been place before the members, the Returning Officer shall call for nominations from the floor. When the nominations are closed tellers shall be appointed by the Returning Officer and ballots shall be distributed. The vote shall be taken and tallied by the tellers and the results announced.
- iii. Elections shall be determined by a majority of votes and shall be by ballot except where there is only one nominee for each vacancy.

### **31. BANKING ACCOUNT**

The Board of Directors shall select a reputable Financial Institution in which the Current Account of The Society shall be kept. All cheques shall be signed on behalf of The Society by the Manager and any one of the following four (4) members of the Board of Directors: Chairman, Vice-Chairman, Treasurer and Secretary, if not, a paid employee of The Society.

### **32. RESERVE FUND**

The Board of Directors shall set aside to a Reserve Fund all entrance fees and fines collected from members and at the end of each financial year, before the declaration of dividend, at least twenty percent (20%) of the surplus.

- i. The Reserve Fund must be kept in a liquid form to the satisfaction of the Registrar.
- ii. The Reserve Fund shall be the indivisible property of The Society and may be utilized in the business of The Society or be applied with the sanction of the Registrar to meet bad debts or losses sustained through extra ordinary circumstances over which The Society has no control.
- iii. The Reserve Fund shall not otherwise be disturbed except in liquidation.

### **33. DEVELOPMENT FUND**



The Co-operative Society shall establish and maintain a Development Fund of which not exceeding ten percent (10%) of the net profit shall be deposited at the end of each financial year.

### **34. DISPOSAL OF SURPLUS**

The net profits of The Society as ascertained by the audit after payment of interest on Loan Capital and Deposits, if any, and after making the necessary provision for depreciation on stock, fixtures, equipment and property shall be allocated as follows:-

- i. At least twenty percent (20%) shall be carried to the Reserve Fund in accordance with the Co-operative Societies Act No. 24 of 1999 section 199 (1) and (2).
- ii. The remainder shall be utilized as the Annual General Meeting may decide in any one or more of the following ways:-
  - (a) to pay members a dividend from new surplus in accordance with the Co-operative Societies Act No. 24 of 1999;
  - (b) to pay a rebate to members in proportion to the value of the products purchased by them from The Society. Such rebate shall be recommended by the Board and agreed up on by the Annual General Meeting.
  - (c) provided that dividend and rebate due to

any member shall be placed to the credit of his/her share capital account in any case in which there is any unpaid balance due and owing on the shares for which such member has subscribed, until such balance is paid off.

- (d) to build a Share Transfer Fund to be used as prescribed in By-Laws 20;
- (e) to provide co-operative education among members and for any social, charitable or cultural purposes - subject to the relevant section of Act No. 24 of 1999;
- (d) to create any Special Reserves.

### **35. SEAL**

- i. The Board of Directors shall adopt for the use of The Society a distinctive Seal having the name of The Society inscribed thereon.
- ii. The Seal of The Society shall at all times remain in custody of the Manager at the Registered Office of The Society.
- iii. The Seal of The Society shall not be affixed to any document except by the authority of a resolution of the Board of Directors and in the presence of at least one (1) Board member and

the Manager or such other person as the Board of Directors may appoint for the purpose; and the Board member and the Manager or other person as aforesaid shall sign every document to which the Seal of The Society is so affixed in their presence.

### **36. POWERS OF NOMINATION**

- i. A member of The Society may, by writing under his hand, delivered at or sent to the Registered Office of The Society during the lifetime of such member, nominate such person other than an officer or servant of The Society (unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew or niece of the nominator) to or among whom his property in The Society, whether in shares, loans deposits or so much thereof as is specified in such nomination if the nomination does not comprise the whole, shall be transferred at his/her decease.
- ii. A nomination so made may be revoked or varied by similar document under the hand and attested by two witnesses of the nomination delivered or sent as aforesaid.
- iii. Every appointment of a nominee shall be made

in the form prescribed to the Registrar and shall be recorded in the register of Members.

- iv. The Board of Directors shall charge such fee as they deem fit, in connection with all nominations and revocations and variations of the same, provided that in no case shall the fee exceed ten dollars (\$10).
- v. A notice of the right of nomination shall be sent by the Secretary to every individual member who has not exercised this right, with a notice convening the Annual General Meeting in each year, and shall be otherwise given as the Board of Directors may direct.
- vi. On receiving satisfactory proof of the death of a nominator, the Board of Directors shall proceed in the manner laid down in section 97 of Act No. 24 of 1999.

### **37. SPECIAL BY-LAWS**

- i. The Board of Directors shall have power to make special By-Laws consistent with the provision of the Act for the proper conduct of the business of The Society, as from time to time may seem necessary to them. No such By

-Laws shall however, be valid until they are approved by the Registrar.

- ii. The Society shall keep a book containing all such By-Laws and such book is to be kept open at all times for inspection by members or any person authorized by the Registrar.

### **38. POWER TO ENTER INTO CONTRACT**

The Board of Directors shall have power to enter into contracts on behalf of The Society. Such contracts shall bear on behalf of The Society the signature of a member of the Board of Directors, the Secretary and the Manager and shall be impressed with the Seal of The Society.

### **39. UNSOUND OR LUNATIC MEMBERS**

- i. Where a member of The Society has become of unsound mind, incapable of managing himself or his affair and no Board of his estate or trustees of his property are appointed The Society may be subject to the provision of the Act:-
  - (a) transfer the share or interest of such member to the Registrar of the Supreme Court St. Vincent in trust for such member; or
  - (b) The Society may pay a sum representing

the value of the member's share or interest to the Registrar of the Supreme Court, provided that, if the value of such share or interest does not exceed one thousand dollars (\$1,000) the Board of Directors may, subject to any condition they think fit, pay the whole or any portion of such sum to the person who appears to them to have the care of such member or the management of his affairs.

- ii. All transfers and payments made by The Society in accordance with the provisions of these By-Laws and the Co-operative Society Act No. 24 of 1999, shall be valid and effectual against any demands made upon The Society by any other person.

### **40. DISPUTES**

Any dispute touching the business of The Society, which may arise:-

- (a) among member, past members and persons claiming through members, past members or deceased members and The Society, its Committee or any officer of The Society; or
- (b) between a member, past member or person claiming through a member, past or deceased member and The Society, its Board or any

- Office of The Society, or;
- (c) shall be referred to the Registrar as provided in the Act;
  - (d) between The Society and any other registered Society, shall be referred to the Registrar as provided in the relevant sections of Act No. 24 of 1999. A claim by The Society for any debt or demand due to it from a member, past member or the nominee, heir or legal representative of a deceased member, shall be deemed to be a dispute touching the business of The Society.

#### **41. AMENDMENTS TO THE BY-LAWS**

These By-Laws may be amended by a resolution of the members at any Annual or Special General Meeting called for the purpose by a two-thirds vote of those present and entitled to vote provided a copy of the proposed amendments together with a written notice of the meeting shall have been sent to each member or handed to him in person at least seven (7) days before the said meeting. No amendment shall become operative until it has been approved by the Registrar in accordance with the Act No. 24 of 1999.

#### **42. VOLUNTARY DISSOLUTION**

The Society may be dissolved by the consent of two thirds of its member but only in the manner provided by the Act No. 24 of 1999.

I certify that the foregoing amended By-Laws Nos. 1-42 of the ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED, registered under Act No. 24 of 1999 on the ....., have been registered by me.

Registrar of Co-operative Societies  
St. Vincent

# THE CO-OPERATIVE SOCIETIES ACT

(No. 24 of 1999)

## AMENDMENT OF BY-LAWS

Certified that **ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED** by a resolution passed in accordance with Section 10 and 48 of the Co-operative Societies Act, No. 24 of 1999 and Regulation 20 of the Co-operative Societies Regulation 2006 has amended its By-Laws and that the said amendments have been duly registered.

Dated this 27th day of December 2006.

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Registrar of Co-operative Societies

