

**SWAZILAND NATIONAL ASSOCIATION OF TEACHERS SAVINGS AND CREDIT
CO-OPERATIVE SOCIETY LIMITED**



BY-LAWS

FEBRUARY 2025

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BY-LAWS

1. NAME

- a) The name of the Society shall be SNAT SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED, otherwise known as SNAT SACCO
- b) Postal Address. Box 1917
Manzini
Tel: 26825056922
- c) The Physical address shall be
2nd Floor SNAT SACCO Building
Plot 35 Mancishane Street,
Manzini Region
Kingdom of Eswatini
- d) Area of Operation: The area of operation of the Society shall be THE KINGDOM OF ESWATINI

Any changes to the above shall be notified to the Commissioner of the Co-operatives within 14 days of such change.

Commented [SN1]: Changed from SNAT CO-OP to SNAT SACCO

2 DEFINITIONS/ INTERPRETATIONS

Commented [SN2]: The following definitions were added in alignment with the amendments and also in compliance with the legislation.

Act means the Cooperative Societies Act No. 5 of 2003 as amended.

“Accredited Education Institution” means any education institution registered and accredited by the Higher Education Council in accordance with the Higher Education Act, 2015 or its successor.

“Allowance” means the remuneration paid to the Management Committee or any other officer of a Co-operative in consideration of their services rendered to the Co-operative on a regular basis.

“Annual General Meeting” means the general meeting convened once in every financial year-end where the members exercise the functions stipulated in section 47 of the Act.

“Appointment” includes any appointment or re-appointment to an office by way of election or in any other manner provided for in the Act or as provided for in the By-laws.

Blacklisting- An action taken by the SACCO against its members, suppliers, employees to exclude or ban them from loan applications or conducting business temporarily because they have engaged in unacceptable or unethical behavior or activities.

“Book or Document” includes such book or document in whatever form including electronic form.

“By-laws” means the registered By-laws made by the members of a Society in the exercise of any power conferred by the Act and include a registered amendment of the By-laws.

“Commissioner” means the Commissioner for Co-operative Development appointed in terms of section 5 of the Act or person exercising such powers of the Commissioner as may have been conferred on the Commissioner under that section.

“Conference” means a formal meeting of delegates convened once every three years before the Annual General Meeting.

“Chairperson” means a person elected in terms of the Society By-laws to direct the work of the committee or in charge of the committee.

“Co-operative” means an autonomous association of persons, united voluntarily, to meet their common economic, social and cultural needs and aspirations, through a jointly owned and democratically controlled enterprise.

“Co-operative Development Department” means the department responsible for the development of all types of Co-operatives.

“Co-operative Officer” means any civil servant appointed by the Civil Service Commission serving under the Commissioner for Co-operatives Development.

“Delegates” means the Representatives of a number of individual members of the Co-operative Society in which the General Meeting of members is replaced by a meeting of delegates.

“Dividend” means a share of a net surplus of the Co-operative distributed among the members in proportion to the paid-up share capital held by them in the Co-operative.

“He” refers to any member of the Co-operative Society irrespective of gender.

“Honorarium” means a portion of the net surplus of the Co-operative divided among some or all the Management Committee of the Co-operative in consideration of their services, which would not otherwise be remunerated.

“Inspection” means examination of necessary documents and procedures relating to the promotion and development of a Co-operative.

“Inquiry” means an official investigation on matters relating to the promotion and development of a Co-operative.

“Liability” means liability limited by shares or guarantee as prescribed in this By-laws.

“Management Committee” means the Board of Directors or the governing body of the Co-operative Society to which the management of the affairs of the Society is entrusted.

“Member” means a person admitted to membership of the Co-operative Society in accordance with the provisions of the Act and this By-laws.

“Net surplus” means the remaining portion of the surplus after provisions have been made for the statutory reserve fund as stipulated in section 105 of the Act.

“Nominee” means a person nominated by a member of the Co-operative as a beneficiary in the event of the member’s death.

“Officer” of a Co-operative includes a manager, or any other person empowered by the Act, the regulations or the By-laws to give directives concerning the business of the Society or to supervise such business.

“Ordinary general meeting” means a meeting of all members of the Co-operative called periodically, when there is a need to discuss specific matters affecting the progress of the society.

“Past member” includes a member who has withdrawn or been expelled from membership and a deceased member.

“Prescribed” means given in the Act or Regulations.

“Primary Co-operative” means a Co-operative registered under this Act and whose members are individual persons or an association of such individual persons.

“Promotion” means creating awareness to the general public and Co-operative members that contributes or leads to the formation, growth and prosperity of Co-operatives.

“Politically Exposed Persons” means a person who holds, or has held, a prominent public position, whether in Eswatini or in a foreign country, including, but not limited to, a Head of State or Government; a politician on the national level; a senior Government, judicial, military or party official on the national level; a senior executive of a State-owned enterprise of national importance; or an individual or undertaking identified as having close family ties or personal or business connections to any of the aforementioned persons.

“Regulation” when used with reference to the functions of the Co-operative Development Department, means working towards ensuring compliance with all relevant laws.

“Regulations” mean the Regulations made under the Act.

“Special General Meeting” means a meeting called by the Management Committee, Supervisory Committee, Commissioner or at the request of the members to deliberate on a specific item of importance.

“Supervision” when used with reference to the functions of the Commissioner with regards to Co-operatives means the oversight of the activities of Co-operatives, other than the financial activities in a SACCO.

“Virtual Meeting” shall mean a meeting where participants use digital technology to communicate and collaborate remotely, without needing to be physically present in the same location.

3. OBJECTIVES

The objectives of the Society shall be the promotion of the economic interests of its members in accordance with the Co-operative principles and the encouragement of members in the spirit and practice of thrift, mutual help, and self-help; more to.

- a) Raise funds by issuing shares to members, receiving savings, deposits and raising loans from members, by other forms of self-financing, and by borrowing from any other source as approved by the Commissioner.
- b) Collectively protecting, withstanding and solving economic, social and cultural problems which members cannot solve individually.
- c) Promoting self-reliance among members.
- d) Developing and promoting saving and credit services.
- e) Acquire land by purchase, lease or otherwise for the erection of necessary buildings or to lease such buildings.
- f) Acquire by purchase, lease, or rent and operate plant, machinery, vehicles, implements, and equipment as may be requisite for the furtherance of these objectives.
- g) Create an Insurance Fund to compensate members in the event of loss of property while in the society's custody.
- h) Instruct and encourage members in improved methods of agriculture, business, general affairs, and Co-operative principles.
- i) Accept and invest members' funds.
- j) Join as a member in secondary and national Co-operative Societies.
- k) Enter into contracts, institute, and defend lawsuits.
- l) Promote other measures designed to encourage members in the spirit and practice of thrift, mutual help, and self-help to achieve common development goals.
- m) Create a platform where members can discuss and assess economic projects.
- n) Shall undertake any activity to carry out its objects subject to the approval of the General Meeting.

Commented [SN3]: This has been added aligned to the objectives of the organisation

- o) Developing the social and economic culture of the members through education and training.
- p) To promote thrift among its members by affording them an opportunity for accumulating their savings and deposits and create thereby a source of funds from which loans can be given to them exclusively for provident and productive purposes, at fair and reasonable rates of interest; thereby enabling them to use and control their money for their mutual benefit.
- q) To ensure personal growth through the introduction of new products and services that will promote the economic base of the members.
- r) To ensure progress of members and the society through continuous education programs on proper use of credit, reduction of poverty, human dignity, and co-operation.
- s) To apply the co-operative principle of co-operation among co-operatives to promote members' interests. In furtherance to the objects the society shall affiliate to the relevant National Co-operative Federation and the Apex society.
- t) To pursue business ventures with the intention to generate more revenue for the SACCO.
- u) To register a company to be used as a vehicle to pursue business ventures.

Do such other things as are incidental, conducive, and necessary for the proper exercise of the above powers?

4.CO-OPERATIVE PRINCIPLES

The Co-operative principles are guidelines by which Co-operatives put their values into practice. These are:

a) VOLUNTARY AND OPEN MEMBERSHIP

The society shall always be guided by the principle of voluntary and open membership in its member recruitment drive without political, ethnic, religious, gender or social discrimination.

b) DEMOCRATIC MEMBER CONTROL

The society will be fully controlled by members who will have equal voting rights based on one member one vote.

c) ECONOMIC PARTICIPATION BY MEMBER

Members shall contribute equitably to the capital of the society and share in the results of its operations.

d) AUTONOMY AND INDEPENDENCE

The society shall operate on mutually acceptable terms with its stakeholders who will ensure its autonomy and independence.

e) EDUCATION, TRAINING, AND INFORMATION.

The society shall foster reciprocal, on-going education programmes for members, leaders, staff, and the community so that they can teach and learn from each other or from the appropriate resource persons in understanding and carrying out their respective roles.

f) CO-OPERATION AMONG CO-OPERATORS

To better serve the interests of the members and the community, the society shall actively co-operate with other co-operatives locally, regionally, nationally and internationally.

g) CONCERN FOR COMMUNITY IN GENERAL

The society shall show concern to the community in which it exists and operates.

5.COMPOSITION OF MEMBERS

The members of the Society shall be comprised of the following types of members:

- a) Teachers who are employed by the Teaching Service Commission (TSC).
- b) Employees of SNAT SACCO AND SNAT entities.
- c) Resigned employees of SNAT SACCO and SNAT entities
- d) Former Teachers (by promotion, resignation, retirement or by career change)
- e) Suspended members from the SNAT SACCO.
- f) Pensioners

Commented [SN4]: Its an addition to properly classify members of the SACCO

6. MEMBERSHIP

Subject to provisions made hereinafter, the membership shall consist of:

- a) Persons who, being qualified for admission to membership, have signed the application for registration, have paid the admission fee and have purchased **five shares at a value of E5400.00 as may be amended from time to time.**
- b) Persons admitted after election by the Management Committee are:
 - i) Subject to confirmation by the General Meeting.
 - ii) The Management Committee shall report the name of any person so admitted to the General Meeting next following, and;
 - iii) The General Meeting shall have the power to cancel the admission of any person who is not qualified for membership or who in its opinion is not of good conduct.
- c) The joining membership fee shall be **E500** as may be amended from time to time.
- d) Members shall be expected to save at least **E200** per month as may be amended from time to time.
- e) Every member of the Society shall:

Commented [SN5]: The value before E500 and replaced it with the current amount of E5400

Commented [SN6]: Deletion of the E50 and replaced it with E500 the current amount

Commented [SN7]: Deleted the E50 and replaced it with the current amount E200

- i) Be over the age of **eighteen (18) years**.
- ii) Be a resident in Eswatini and/or carries on a business or is in occupation/employment in the area of operation/common bond of the Society.
- iii) Hold five shares in the Society.
- iv) Be an employee of SNAT SACCO or **any of the SNAT entities**.
- v) Be a Swazi citizen or resident of eSwatini.
- vi) Be a person willing to adhere to the bylaws of the co-operative.
- vii) Be a person who is capable to subscribe to the capital of the cooperative.

Commented [SN8]: This is an addition

f) Every member on admission shall:

- i) Sign his or her name or make a mark, in the presence of two witnesses, in the register of members as token of his/her acceptance of these By-laws.
- ii) Pay such entrance fee as may be decided from time-to-time by the General Meeting.

7. NEW MEMBERSHIP REQUIREMENTS

- i. **Submit a complete and signed membership application form to the Customer Experience Officer.**
- ii. **Complete a stop order form.**
- iii. **Submit copy of national identity card or passport.**
- iv. **Submit proof of residence.**
- v. **Submit proof of income – pay-slip and any other source of income documents.**

Commented [SN9]: We have added this in line with operating procedures.

Members who are re-joining the membership of the Co-operative shall comply with the requirements of by-law 7 above.

8. RIGHTS OF MEMBERS

All members shall have the rights and obligations as prescribed in Section 34 of the Co-operative Societies Act of 2003 as amended, provided that no member whose admission has not been reported to the General Meeting or who is in arrears of his shares for over three months shall have the right to attend a General Meeting.

Every member of the Society shall:

- a) Participate in the General Meetings, in decisions taken at such meetings and in voting.
- b) Use the services and facilities of the Cooperative in accordance with these By-laws.
- c) Be elected to the organs of the Cooperative namely, the Management Committee, the Supervisory Committee, any sub-committee, and delegates to attend any meeting of delegates subject to any provisions of the Act and this By-Laws of the Co-operative.
- d) Be informed by the members of the Management Committee during general meetings or other meetings about the functioning of the Co-operative.
- e) Exercise any other rights as prescribed in Section 34 of the Cooperative Act of 2003 as amended.
- f) To withdraw from the co-operative in a manner prescribed by these By -laws and policies of the SACCO.
- g) Have access to all legitimate information relating to the society, including, internal regulations, registers, Minutes of general meetings and supervisory committee's reports, annual accounts, inventories, at the society's registered office.
- h) Exercise any other rights provided for in the By-laws of the Co-operative.

9. LIMITATION OF MEMBERS RIGHTS

- a) Members of the co-operative shall not exercise any of the membership rights unless payments in respect of their membership shares have been paid in full.
- b) Members who have defaulted on their monthly subscription payments for a period of three months shall not have the right to payment of their annual membership interest. The SACCO shall use the Members' annual membership interest to settle penalties for defaulted loan agreement.
- c) No person shall serve on the Management Committee or Supervisory Committee if he is a member of another co-operative with a similar objective as the SNAT SACCO which may result in a conflict of interest.

Commented [SN10]: This is an addition in alignment to the amendments.

10. DUTIES OF MEMBERS

Every member of the Society shall:

- a) Honour his/her obligations timely.
- b) Not harm the interests of the cooperative.
- c) Not to reveal confidential matters.

- d) Do any other duties as prescribed in Section 35 of the Co-operative Societies Act of 2003 as amended.
- e) Honour all monthly subscription payments, pay up shares and any other payments relating the member fulfilling their financial obligations.
- f) Promote the interest of the Co-operative.
- g) To protect the common property of the Co-operative.
- h) To conserve the environment as a mitigation against climate change.
- i) To promote gender equality in decision making.
- j) To support youth participation in the Co-operative to ensure business continuity.

11. WITHDRAWAL

Due notice of withdrawal shall be **3 months**. Withdrawal from membership **may** be effective **only on the last day of the third month**. Withdrawal procedures shall be as follows:

- a) The intending member shall write a letter requesting to withdraw from the Society,
- b) The Benefits Officer shall ascertain the members reasons for withdrawing. The Benefits Officer shall communicate with the Finance and Credit departments to verify the members debts.
- c) No member will be allowed to withdraw from the society if he/she is in debt with the society.
- d) In case of debts, the member's savings shall be used to offset debts. If the savings are not sufficient to cover the debt, the member shall be requested to tender his or her shares back to the society to cover up for the outstanding debt.
- e) Should the savings and shares be insufficient to settle the member's debts, the member shall be requested to make settlement through means of payments to the SACCO.
- f) A member shall receive his/her dues on the last day of the 3rd month of the date he/she has tendered his/her withdrawal.

Commented [SN11]: We deleted the provision that said, withdrawal can only be effected at the end of financial year and replaced it with the highlighted provision.

12.SUSPENSION

A member may be suspended from the society for the following reasons:

- a) If the member is unfaithful/dishonest
- b) Being deliberately disobedient or
- c) Being violent
- d) Wielding a dangerous weapon
- e) Hurting or threatening to hurt someone with a dangerous weapon.
- f) The use of vulgar language with SNAT employees or during SACCO meetings.
- g) Bad mouthing the SACCO to third parties or on social media platforms
- h) Cases relating to fraud or suspicious transactions.
- i) If implicated in the mismanagement of funds

Commented [SN12]: We added the offences highlighted in red

During the period of suspension, a member is expected to continue paying monthly subscriptions and honour loan obligations. However, the member's rights to make withdrawals on savings and any other rights obtained through membership shall be suspended until the suspension period has been lifted. The period for suspension shall be determined by the Management Committee.

13. EXPULSION FROM THE SOCIETY

A member may be expelled from the SACCO for committing the following offences:

- a) Gross dishonesty
- b) Dishonesty
- c) Breach of trust
- d) Fraud
- e) Forgery
- f) Misrepresentation
- g) AML crimes
- h) Collusion to commit the above offences
- i) Theft
- j) Failure to comply with the Societies policies and procedures.

Commented [SN13]: We added the offences

14. PROCEDURE FOR SUSPENDING AND EXPELLING A MEMBER FROM THE SOCIETY

Where sufficient evidence exists that a member has committed an offence that warrants a suspension or expulsion, the rules of natural justice shall be adhered to before a decision to expel or suspend is reached. Therefore, the following shall happen.

- a) A member shall receive a letter with a charge sheet inviting him/her to a disciplinary hearing. The member shall have 15 days to prepare for the disciplinary hearing. The notice shall contain the following information:
- b) Date, time, and place of the disciplinary hearing.
- c) A description of the charge.
- d) The member has a right to defend him/herself.
- e) That the member has a right to be represented by a fellow member only
- f) That the verdict of the hearing shall be communicated to the member in writing.
- g) Expelled members have a right to appeal the decision of the Management Committee in the next annual general meeting.
- h) If the General Meeting confirms the decision of the Management Committee, such members shall be deemed expelled from the date on which the verdict of expulsion was issued to the member.
- i) A member expelled from the SACCO shall never return to the Co-operative
- j) A member dully expelled shall not be entitled to any repayment of the value of the member's shares which shall be forfeited to the Society.
- k) A member who has been duly expelled from the Society shall continue to honor loan obligations until the loan amount has been paid in full.

Commented [SN14]: This is an addition to the amendments. We unpacked the procedure to be followed when conducting hearings.

15. TERMINATION OF MEMBERSHIP

Terminations from membership may be effective only from the end of the financial year in which due notice to withdraw has been given. Membership shall be terminated by:

- a) Death.
- b) Being declared insane by a certified medical practitioner.
- c) Withdrawal after giving the society **3 months' notice** in writing to the Secretary for consideration purposes.
- d) Ceasing to hold the required shares after 12 months
- e) Cancellation of admission to membership.
- f) Expulsion.
- g) Loss of qualifications for membership

Withdrawal from membership shall be effective 3 months after notice to withdraw was received by the Co-operative.

16. LIABILITY OF MEMBERS

The liability of a member for the debts of the Society shall be limited to his/her subscribed shares as prescribed in section 88-sub section (1) and (2) of the Co-operative Societies Act, 2003 as amended.

17. REGISTER OF MEMBERS

The Society shall keep a members' register at its registered office as per Section 18 (1) and (2) of the Co-operative Societies Act, 2003 as amended and a digitized members' register through the use of a core banking system which also maintains the deposits from members and indicates when loans are due for repayment.

Commented [SN15]: This is an addition, to align it with the current operating practise at the SACCO

18. MEMBER'S BENEFICIARIES

- a) Every member of the society upon registration shall nominate a beneficiary or beneficiaries to whom the value of the member's shares, interest on capital and any other additional payments that may be due to the member at the time of death shall be paid to.
- b) A member may appoint new or change his/her beneficiaries anytime by filling in a change/addition of beneficiaries' form.
- c) The changes in the members beneficiaries shall be updated in the register of members and the form filled in the member's file.
- d) Upon the death of a member and within 3 months thereof his beneficiaries shall be paid the value, or the shares held by him assessed as at the end of the last financial year less any sums due from the deceased member to the Society.

19. FUNDS

The funds of the Society shall be composed of:

- a) Shares.
- b) Non-refundable joining fee.
- c) Members' savings and Deposits.
- d) Loans.
- e) Interest on loans.

- f) Reserve funds.
- g) Share transfer funds.
- h) Other income or miscellaneous items e.g., promotional items, rent, donations, contributions, fines, and penalties.
- i) Monthly subscriptions.
- j) Annual subscriptions.

20. SHARES

- a) The value of a share shall be **E1080 as may be amended from time to time**.
- b) Every member shall hold **5 share(s)** before exercising the rights of a member.
- c) The value of shares shall be payable within **12 months**.
- d) A member who has not paid their shares in full, shall not have the privilege of withdrawing their saving until such a payment is made in full. Where exceptional cases exist, a member may be allowed to withdraw savings before payment of membership is paid in full.
- e) No member shall be eligible for election to the committee until he/she has paid up all shares.
- f) The unpaid amount for share capital shall be deemed a debt due to the society.

Commented [SN16]: Deleted the E100 and replaced it with E1080 the current value being paid by members

Commented [SN17]: Deleted the 6 months which was a requirement before and was replaced by 12 months which is the current operating procedure.

21. ISSUE OF SHARE CERTIFICATES

Share certificates shall be issued to members as prescribed in section 85 of the Co-operative Societies Act, 2003 as amended. All issued share certificates shall bear the name of the member and the nominal value of the shares.

22. STATUTORY APPROPRIATION OF SURPLUS

- a) At least 25% of the net surplus shall be carried to the Reserve fund, which shall be invested outside the Society until the Commissioner so directs that it may be used in whole or in the business of the Society.
- b) All newly registered Co-operatives shall allocate to the statutory reserve fund at least forty percent (40%) of its surplus for the first four years and By-law 16 (a) shall apply after the end of such four-year period.

- c) Ten percent (10%) of the net surplus shall be carried to a share transfer fund until such fund shall be equal to ten percent of the subscribed share capital.
- d) Payment of a dividend not exceeding 5% to members on paid up share capital provided that rate of interest on loans to members does not exceed 5%.
- e) Payment of an educational fund or a welfare fund not exceeding 10% of the remaining net surplus after the approved proportion on the net surplus has been carried to the Reserve Fund. A maximum of 10% shall be transferred to the education fund or common welfare fund.
- f) Every Cooperative shall transfer at least 2.5% from its Education and Training Fund to the Cooperative Development Centre which shall be utilized for the provision of education and training to the society.
- g) Every Cooperative shall pay 2% for the Central Co-operative Fund (CCF) to the National Cooperative Federation of Eswatini (NCFE).

Commented [SN18]: Alignment with amendment

23. MAXIMUM LIABILITY

Should a need arise for a Society to borrow money from members and non-members; the maximum liability it may incur shall be determined at a general meeting. Loans provided by any financial institution to the Society shall require the approval of the Commissioner in accordance with section 90 (3) of the Co-operative Act of 2003 as amended. A maximum amount to be borrowed must be approved by the Commissioner in accordance with section 90 (2) of the Co-operative Act of 2003 as amended.

24. BANKING ACCOUNT

- a) The society shall open banking accounts with any commercial bank registered in the country.
- b) The society shall open a mobile money account with any registered communication network in the country.

Commented [SN19]: Added to align with current operational procedures

25. FINANCIAL YEAR.

The financial year of the society shall be from the **first day of July** to the **last day of June**.

26. GENERAL MEETINGS

- a) The Supreme Authority shall be vested in the General Meetings of the members. The Annual General Meeting shall be held not later than **four months** after the end of the financial year. Other General Meetings may be held at other times as and when necessary.
- b) The General Meeting may be summoned by the Chairperson or the Supervisory Committee, or may be convened by the Commissioner, and shall be summoned at a written request of members not less than **two thirds (2/3)** of the membership.
- c) Except in the case of an amendment to these By-laws, all other questions before a General Meeting shall be decided by a majority of votes.
- d) When votes are equal, Chairperson shall have a deciding vote in addition to his deliberative vote.
- e) Except as qualified in these By-laws, every member shall have one vote, and only one vote, irrespective of the number of shares he holds.
- f) No voting by proxy shall be permitted.
- g) No member who is in arrears in payment of his first share shall be allowed to vote.
- h) There shall also be a Conference of Delegates elected by the Branch Executives of the Society calculated at a rate of 5% of members of each rounded up to the nearest number. The Conference shall be held biannual before the Annual General Meeting.
- i) General Meetings may be conducted through delegate system or virtual.
- j) General Meetings and voting during elections may be conducted physically, virtually or through any other electronic mechanism.

27. ANNUAL GENERAL MEETING

In an Annual General Meeting, the following business shall be transacted

- a) Confirmation of the minutes of the previous Annual General Meeting and any intervening Special Meeting.
- b) The consideration and adoption of the annual accounts and balance sheet, the Auditor's Report, and Inspection Notice of the Commissioner where necessary.
- c) The disposal of surplus funds

- d) The election, suspension, and removal of members of the Management Committee, including the chairperson and, if desired, the vice-chairperson and the Supervisory Committee
- e) The confirmation of the admission of members
- f) The fixing of the maximum amount that may be borrowed by the society from non-members.
- g) The fixing of the maximum amount that may be lent by the society to any member and the maximum rate of advance on produce delivered to the society for marketing.
- h) The fixing of the commission to be charged by the society on business undertaken on behalf of the members
- i) The passing of estimates of Income and Expenditure for approval by the Commissioner.
- j) The amendment of the By-laws
- k) Hear and determine appeals from expelled members.

28. FUNCTION OF THE CONFERENCE

- a) The conference shall be held at least a month before the Annual General meeting.
- b) To elect the Management and Supervisory Committee for the next term. Such elections shall be in accordance with the SNAT CO-OPS elections procedure
- c) To deliberate and finalize policy issues of the Society subject to final approval by Annual General Meeting.
- d) To receive, deliberate and approve reports from branches.

29. MINUTES OF THE GENERAL MEETING

- a) All business discussed or decided at a general meeting shall be recorded in writing and signed by the chairperson of the meeting at which the minutes are confirmed.
- b) Copies of minutes of the General Meeting shall be sent to the Commissioner within 14 days of the meeting.

30. AMENDMENTS OF THE BY-LAWS

- a) No alteration shall be made to these By-laws except at a General Meeting called specially to consider such amendment.
- b) During the By-laws amendments, the following shall apply:
 - i. Where written voting papers are to be used, the voting papers shall be given to all members of the society and only written votes shall be accepted, examined, and counted at a General Meeting at which there is **two-thirds** of the members' present
 - ii. The amendment shall then be carried by a clear majority of the total number of members of the society; and
 - iii. Where written votes are **NOT** used, the amendment shall only be carried by a clear majority of the members of the society.
 - iv. PROVIDED THAT where the amendment has received the prior approval of the Commissioner, it may be carried by a two-thirds majority of the members present in person at the General Meeting.
 - v. **PROVIDED THAT where the amendment is a compliance issue, the General Membership shall be informed of such an amendment and the Section that necessitated such change(s).**

Commented [SN20]: Addition

31. LIEN

Any money due from the society to a member, past member or person claiming through him may be set off in payment of any sum which he owes to the society or for which he may have stood surety.

32. MANAGEMENT COMMITTEE

1) ELIGIBILITY

No member shall be qualified for election to the committee if:

- a) His admission to membership has not been confirmed.
- b) He holds any office of profit under the society.
- c) He carries on for his own private profit, any trade in which the society is engaged.

d) He has been found to have previously misused or mismanaged the funds of the society.

e) The member was previously suspended or blacklisted by the SACCO in accordance with the SNAT SACCO Blacklisting policy.

Commented [SN21]: Addition

2) ELECTIONS

a) Members of the committee shall be appointed and removed by the majority vote of members present at a conference and in accordance with the Elections Procedure of the SNAT SACCO.

b) The committee may consist of **10 members** including the chairperson.

c) The term of office for the members of the Management Committee shall be **three (3) years**. Members shall be elected for three years and shall be eligible for re-election.

Commented [SN22]: Following the amendment of the Co-operatives Act

d) At least half of the members of the management committee shall step down at the end of each term and a member of the management committee shall not serve more than two consecutive terms.

e) Vacancies arising in the committee shall be filled, by the rest of the committee, by co-option.

f) Meetings of the Committee shall be held when necessary and at least once a month, or in accordance with any resolution passed at a general meeting.

g) The attendance of at least six is necessary for the disposal of any business.

h) The chairperson or Vice Chairperson or in his absence one of the other members shall preside.

i) Each member shall have one vote save that the Chairperson shall also have a casting vote in the equality of votes. Elections may be conducted physically, virtually, or electronically.

j) No member of the management committee can serve continuously for more than two terms.

Commented [SN23]: Align with the amended Act

33) CEASSATION

A member of the committee shall cease to hold office if he/she:

- a) Ceases to be a member of the society.
- b) Resigns, by giving a notice in writing
- c) Becomes or is declared insolvent.
- d) Becomes of unsound mind.
- e) Is convicted of any offence involving dishonesty or is convicted by any Court in Eswatini or beyond.
- f) Accepts salaried employment under the society or receives any other benefit except allowance or honorarium.
- g) Fails to attend three consecutive meetings of the Management Committee without an approval from the chairperson but may be re-instated by the committee for good reasons given.
- h) Is removed by the general meeting.
- i) Falls outside the eligibility criteria section 32.

34.DECLARATION AND BOARD CHARTER

Members elected to the Management Committee and the Supervisory Committee shall sign a declaration and swear of secrecy forms. There shall be a Board Charter which sets out the roles, responsibilities and processes of the Management Committee within the Society. The Board Charter shall outline the following:

- a) The board's composition
- b) The duties of the entire board and each member
- c) The extent of authority of the whole board and each member
- d) The procedures the board must follow as it carries out its duties

Commented [SN24]: Additions

Such documents shall be kept by the Chief Executive Officer/Treasurer

35 DUTIES OF THE MANAGEMENT COMMITTEE

The Management Committee shall exercise all the powers of the society except those reserved for the general meeting, subject to any regulations or restrictions duly laid down by the society in general meetings or in the By-laws; and in particular shall have the following duties:

- a) To confirm the minutes of the previous meeting.
- b) To ensure that business is conducted in accordance with the Act and these By-laws.
- c) To maintain true and accurate accounts of all monies received and expended and of all items of business conducted by the society.
- d) To keep a true and accurate account of assets and liabilities of the society.
- e) To prepare and lay before the Annual General Meeting true accounts of the business undertaken and an audited balance sheet.
- f) To examine the accounts and the conduct of the business at all meetings.
- g) To admit new members, to issue new and transfer old shares, subject to confirmation by the general meeting.
- h) To formulate, subject to the approval of the general meeting, rules for the orderly conduct of the society.
- i) To contract loans as necessary subject to the maximum liability imposed by general meeting and approved by the Commissioner.
- j) To examine applications for loans from members; to ensure that proper provisions have been made for repayment of the loan in due time; and if satisfied to approve loans subject to the maximum laid down by the general meeting.
- k) To ensure that loans are used for the purpose approved and are not miss-applied
- l) To take necessary steps for the recovery of the loan.
- m) To ensure that contracts or By-laws binding on the business of members with the society are complied with.
- n) To arrange for the safe custody and insurance of all produce, stock and goods delivered to the society.
- o) To guard against adulteration of produce sold through the society.
- p) To supervise business conducted by employees.
- q) To appoint, suspend, or dismiss employees subject to any scales of pay approved by the general meeting in compliance with the labour laws.

- r) To obtain security, where necessary, for the diligent performance of the duties of employees.
- s) Present to the Annual General Meeting a work plan and the budget for the next financial year for its approval.
- t) Appoint sub-committees where the general meeting has authorised it to do so.
- u) Implement all decisions taken by the general meeting.
- v) Generally, to carry on the business of the society.

36. LIABILITIES OF THE MEMBERS OF THE MANAGEMENT COMMITTEE

- a) In their conduct of the affairs of the society, the committee shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts contrary to the Law or these By-laws.
- b) Members of the Management Committee shall individually and collectively execute their responsibilities in good faith, due care, prudence and diligence of a fitting of a fiduciary and shall be jointly and severally liable for any losses sustained through any of their actions which are contrary to the Act, Regulations, National Co-operatives Guidelines and Directives, By-laws, and Policies of the Society.

Commented [SN25]: Addition in line with amendment

MEETINGS OF THE MANAGEMENT COMMITTEE

- i) The Committee shall meet when convened by the Chairperson, at least once every three months, or in accordance with any resolution passed at a General Meeting. In the absence of the Chairperson, the Vice Chairperson shall act in place of the Chairperson.
- ii) The attendance of at least Six (6) members is necessary for the disposal of any business. The representation of the three sub-committees shall be necessary in the formation of the quorum.
- iii) The chairperson or in his absence one of the other members shall preside.

- iv) Each member shall have one vote save that the chairperson shall also have a casting vote in the equality of votes.
- v) Minutes of meetings shall be entered in the register and signed by the Chairperson and Secretary for each session held.
- vi) Minutes shall be read and approved at the next session where comments and queries raised shall be recorded in the minutes of that session.

Commented [SN26]: Addition in line with Amendment

37 SUB-COMMITTEES

The SNAT SACCO shall have three sub-committees, the Executive Committee, the Credit Committee, the Education Committee, and the Supervisory Committee. The term of office for the sub-committees shall be three years.

1) THE EXECUTIVE COMMITTEE

a) ELECTION OF THE EXECUTIVE COMMITTEE

- i. The Bie Annual Conference Meeting shall elect the Executive Committee and six other members who shall form the Management Committee'
- ii. In their first meeting the Management Committee shall elect amongst the six members the Credit and the Education Committees. Or the General Meeting shall elect the Chairperson, the Vice Chairperson, the Treasurer and the Secretary plus the two other committees.
- iii. The Management Committee shall have the power to reshuffle the committee members in the event a member is unable to carry out duties in any sub-committee.

b) Composition of the Executive Committee

- i. The Executive Committee shall be appointed by the General Membership and shall consist of four (4) members who shall be members of the Management Committee.
- ii. The term of office for this Committee shall be three (3) years. No Member of the Committee can serve continuously for more than two terms.
- iii. The Executive Committee shall be comprised of the Chairperson, Vice Chairperson, Treasurer, and Secretary.
- iv. This sub-committee is the core organ in the administration and management of the Co-operative affairs.
- v. The Executive Committee is responsible for the day-to-day operations of the Co-operative and is accountable to the Management Committee.

c) Duties of the Chairperson

- i. The Chairperson or in the absence of the Chairperson the Vice Chairperson shall preside at all General Meetings and all meetings of the Management Committee.
- ii. To call General Meetings, Special General Meetings, Board and Executive Committee Meetings following the By-laws.
- iii. To authorise payments, sign such papers and documents on behalf of the Cooperative as authorised by the Society policies.
- iv. To Discuss and agree with the Secretary/Manager on matters to be included on the meeting's agenda.
- v. To ensure notices of meetings and minutes of previous meetings timeously reach colleagues.
- vi. To perform other duties as directed by the General Membership, the Board and policies of the Co-operative.

Commented [SN27]: Addition to align to amendments

d) Duties of the Treasurer

The treasurer shall serve the Co-operative on a regular basis and shall carry out the duties conferred upon the treasurer by this By-laws which shall include the duty.

- i. To maintain correctly and update the Co-operative's account and accounting records.

- ii. To take charge of all financial transactions of the Co-operative and to secure the safe keeping of the Co-operative funds.
- iii. To prepare or cause to be prepared all necessary receipts, vouchers and accounts required by this By-laws.

e) Duties of the Secretary

The secretary shall serve the Co-operative on a regular basis and shall carry out the duties conferred upon the secretary by this By-laws which shall include the duty.

- i. The Secretary shall maintain, or cause to be maintained, a Members' Register, Books, and other documents.
- ii. The Secretary shall summon and attend the General Meeting and Management Committee meetings and record all proceedings in the minute book.
- iii. The Secretary shall also conduct and sign the correspondence of the Co-operative on behalf of the Management Committee.
- iv. Prepare a draft agenda with the Chairperson
- v. Send notices, minutes, and communiqué to members about meetings and other matters as directed by the Chairperson of the Board
- vi. Prepare annual report with the Manager for approval of the Board

Commented [SN28]: Addition in alignment

2) THE CREDIT COMMITTEE

a) COMPOSITION

- i. The Credit Committee shall be appointed by the General Membership and shall consist of three (3) members who shall be members of the Management Committee.
- ii. The term of office for this Committee shall be three (3) years. No Member of the Committee can serve continuously for more than two terms.
- iii. They may choose among themselves a Chairperson and a Secretary.
- iv. The Committee shall **seat** (as guided by the Credit Policy) **when necessary** to approve, amend or reject loan applications, but an also meet as often as business requires and permits.

Commented [SN29]: Changed period in alignment to the amendment

b) FUNCTIONS AND POWERS OF THE CREDIT COMMITTEE

- i. They shall have an empathetic attitude towards the Borrower, and a genuine desire to help the Borrower solve his/her problems.
- ii. At the same time, they have a responsibility to guard and protect the Society's funds.
- iii. It shall receive, consider or defer all loan applications presented by members to the Society.
- iv. Establish a financial counselling programme for members.
- v. Implement a loan collection programme.
- vi. Provide educational programme to members.
- vii. They shall approve all loans of the Supervisory Committee.
- viii. Make monthly, quarterly, and annual reports to the Management Committee.
- ix. Work with the office on following up on delinquent loans. The credit committee shall on a quarterly basis prepare reports to the Board to appraise the Board on overall loan performance, and non-performing loans.

3) THE EDUCATION COMMITTEE

a) THE COMPOSITION

- i. This Committee is composed of three (3) members elected in Annual General Meeting, they are also members of the Management Committee.
- ii. The members shall be appointed by the General Membership, they may elect from among themselves a Chairperson and Secretary on their first meeting.
- iii. The term of office for this Committee shall be **three (3) years**. No Member of the Committee can serve continuously for more than two terms.
- iv. The members must have creative imagination, ability, skills, dedication, and willingness to promote the Society and, Savings and Credit ideas to members and the general public.
- v. They shall make quarterly reports and suggest useful constructive ideas to the Management Committee, and to the Annual General Meeting.

Commented [SN30]: Aligned to the amended Act

b) FUNCTIONS AND POWERS OF THE EDUCATION COMMITTEE

- i. They oversee educating the members on the ideas of democracy, Co-operative principles, operations and the purpose of savings and credit Co-operative services.
- ii. They facilitate the education of Members, Board Members, Branch Executives and Employees in order to improve their technical and operational skills.
- iii. They provide information to potential members so that they might share in the benefits of Co-operative membership.
- iv. They may use administrative meetings, educational meetings, seminars, short courses, pamphlets, newsletters, and mass meetings.

37. THE SUPERVISORY COMMITTEE

a) COMPOSITION

- i. The Supervisory Committee shall consist of three (3) members elected at the Annual General Meeting.
- ii. The term of office for this Committee shall be three (3) years. No Member of the Committee can serve continuously for more than two terms.
- iii. The Supervisory Committee shall be directly responsible to the General Meeting under the same conditions as the Management Committee.
- iv. No Member of the Management Committee shall be eligible for election in the Supervisory Committee.

b) FUNCTIONS AND POWERS OF THE SUPERVISORY COMMITTEE

- i. The Supervisory Committee shall be responsible for ensuring that the affairs of the Co-operative are conducted in accordance with the Act, By-laws, Regulations and any resolution adopted in the General Meeting.
- ii. Supervise the operations of the Management Committee and employees of the Co-operative.

- iii. Ascertain the validity and authority of all expenditures and approve expenditures above a certain sum to be prescribed in this By-laws of the Co-operative.
- iv. Examine the accounts of the Co-operative at regular intervals of not less than once every two months.
- v. Ensure that all transactions of the Co-operative are properly entered into the respective books, accounts and documents.
- vi. Reveal to the Management Committee and to the members of the Co-operative or to the Commissioner any irregularities that may occur in the management of the Co-operative.
- vii. Ensure the validity of the balance sheet and any other financial statements and returns.
- viii. Present at the Annual General Meeting a special report on the management and financial situation of the Co-operative, including any violations of this By-laws.
- ix. Approve any loans and all expenditure relating to Management Committee.
- x. The Supervisory committee may be present at meetings of the Management Committee.
- xi. The Supervisory Committee shall have full access to all the books, accounts and documents, financial or otherwise of the co-operative and shall have the power to summon any person to produce any information or such books, accounts or documents as may be necessary.
- xii. The Supervisory Committee may, in the performance of its duties, make use of the services of an expert or a specialised institution for a limited period of time or for a specific task subject to financial resources being available for this purpose and subject to the approval of the General Meeting.
- xiii. Should a serious event threaten the existence of the Co-operative, the Supervisory Committee shall be empowered to convene a Special General Meeting or to order an inquiry in accordance with section 73 of the Act.
- xiv. The Supervisory Committee shall have full access to all the books, accounts, and documents, financial or otherwise.

Commented [SN31]: Alignment to the amendment

c) MEETINGS OF THE SUPERVISORY COMMITTEE

- i. The Supervisory Committee shall meet at least four times in a year as outlined in section 66(1) of the Co-operatives Societies Act 2003

- ii. In fulfilling its duties members of the Supervisory Committee shall be entitled to allowances and reimbursements of expenses with the approval of the General Meeting;
- iii. Provided that members of the Supervisory Committee shall be eligible to receive honorarium.

Commented [SN32]: Added this in alignment

38. MINUTES

All business discussed or decided at a meeting of the committee shall be recorded in writing which shall be signed by the Chairperson at the meeting which confirms the minute.

39. THE CHIEF EXECUTIVE OFFICER

Commented [SN33]: Changed the title from Manager to CEO

- a) The Chief Executive Officer shall be appointed and may be suspended or dismissed by the Management Committee upon recommendation of the Executive Committee.
- b) The Management Committee shall fix the remuneration subject to any scale of pay laid down by the labour laws, remunerations policy and prevalent market conditions at the time.

40. THE POWERS AND DUTIES OF THE CHIEF EXECUTIVE OFFICER

The powers and duties of the Chief Executive Officer shall be as follows: -

- a) To execute and implement the strategic plan of the Co-operative.
- b) To carry out the executive work of the society under the supervision of the Management Committee.
- c) To superintend the working of the office and to be responsible for the proper and punctual keeping of the accounts and registers.
- d) To deliver and receive all due receipts.
- e) To sign on behalf of the society and to conduct its correspondence.
- f) To accept money due to the society.
- g) To incur contingent expenditure subject to any limit imposed by the Management Committee.
- h) To conduct the business of the society in accordance with the instructions of the Management Committee, the by-laws and any rules of work approved by the general meeting.

- i) To summon and attend general meetings and meetings of the Management Committee.
- j) To record the proceedings of those meetings and ensure that they are duly signed.
- k) To perform all other duties entrusted to him by the Management Committee and as laid down in the Act.

41. SIGNATORIES

All charges or other instruments executed on behalf of the society shall, except in the case of receipts, bear the signatures of the Chairperson, Secretary, Vice Chairperson, Treasurer and Chief Executive Officer or any person appointed by the Committee and two members of the Management Committee i.e., the Chairperson and the Treasurer.

42. NOTICES

- a) At least 14 days' notice shall be given of the date of the Annual General Meeting. Notice of any additions to the agenda of the Annual General Meeting shall be given at least three clear days prior to the date of the meeting.
- b) At least seven clear days' notice shall be given for any Special General Meetings summoned by the Chairperson or the Management Committee.
- c) When General Meetings are summoned by the Commissioner, or a person authorised by him on his behalf, the Commissioner or such other person may in his discretion give any suitable period of notice.
- d) Notice of a General Meeting shall state the date, time, place, and agenda of such meeting.
- e) It shall be the responsibility of the Secretary and Chief Executive Officer to issue notices when required to do so by the Chairperson, the Management Committee, the Commissioner, or other persons authorised by the Commissioner.
- f) Publication of the notice at the business premises and the registered address of the Society shall be deemed sufficient notice provided, however, that it shall be the responsibility of the Secretary and Chief Executive Officer to give sufficient publicity of meetings in accordance with the practices established by the Society in this By-laws.

43. QUORUM

- a) The quorum for a General Meeting summoned by the Chairperson or the Management Committee shall be one-fifth (1/5) of the membership of the registered Society.

- b) Only members whose admission has been confirmed by a General Meeting shall be counted for a quorum.
- c) The Commissioner or a person authorised by him to summon a General Meeting, shall have the power to direct any meeting so summoned to proceed notwithstanding the lack of a quorum as prescribed in sub-paragraph (a) above and such meetings shall have all the powers of a meeting conducted with a quorum in terms of sub-paragraph (a).
- d) Any General Meeting summoned at the request of members under By-law 43 (a) shall be abandoned if no quorum is present.
- e) General Meetings other than those stated under sub-paragraph (c) above shall, if no quorum is present within a reasonable time as decided by the Chairperson, stand adjourned to the same day in the week following at the same time and place and a notice to that effect shall be posted by the Chief Executive Officer within three days, and if at that adjourned meeting a quorum is not present within one hour from the time appointed for the meeting, the members present shall form a quorum.

44. BOOKS

The Management Committee shall cause to be purchased and maintain, out of the funds of the Society, such books and registers as are required under the Co-operative Societies Act, 2003 as amended.

45. EMPLOYMENT OF FUNDS

The funds of the Society shall be used solely in pursuance of the objectives of the Society.

46. INSPECTION OF DOCUMENTS

- a) The register of members, the last audited accounts, balance sheet and reports, a copy of these By-laws and any resolutions of the general meeting or of the Management committee governing the conduct of the business of the society with the members, shall be open for inspection by any member at all reasonable times.
- b) No other person shall be allowed to inspect the deposit or loan account of a member without that member's permission in writing or in the presence of that member.
- c) The Commissioner, or any person authorised by the Commissioner in writing, or a person duly authorised by any apex organisation, shall at all times have access to any of the books,

accounts, papers, minutes, cash in hand and securities of a Co-operative and have the power to inspect such books, accounts, papers, minutes, cash in hand and securities.

- d) Every officer or employee of the Co-operative shall furnish such information in regard to the transactions and working of the Co-operative as the person making the inspection may require.
- e) The inspection under By-law (46) (c) shall be continuous in all Co-operatives and shall be carried out as provided for in the prescribed form provided in the Regulations.
- f) Notwithstanding any other provision in the Act, the Commissioner may suspend or dissolve the Management Committee of any Co-operative where there are reasonable grounds to believe that there is mismanagement of properties and funds of the Co-operative.
- g) Where the Commissioner acts in accordance with By-law (46) (f), the Commissioner shall arrange that the affairs of the Co-operative be managed and administered by persons appointed in terms of the Act and Regulations.

Commented [SN34]: Addition in alignment with the amendments

47. INQUIRY

- a) Where there is reason to believe that mistakes are made in the management of a Co-operative showing incompetence of the members of the Management Committee, contravention of provisions of the Act or the By-laws of a Co-operative, or serious disrespect for the interests of the Co-operative, an inquiry shall be carried out upon a written request of at least ten percent of the registered members of the Co-operative or forty registered members, whichever is the less, or upon such a resolution of the members at a General Meeting or on the initiative of the Supervisory Committee itself.
- b) In the case of a Co-operative having less than twenty members at least two persons shall have to make the written request.
- c) In case of such request or resolution made in By-law (47) (a), the Supervisory Committee may, within a period of not more than two months from the date of receipt of such request or resolution, initiate the inquiry itself or ask the apex organisation to which it is affiliated, or ask the Commissioner to carry out such inquiry.
- d) Where the Supervisory Committee conducts the inquiry itself, it may, for this purpose, appoint a Commission of Inquiry of not less than two competent persons, at least one of

whom shall be designated by those persons making the request, and the cost of the inquiry shall be borne by the Co-operative.

- e) Where an inquiry is instituted on the request of a group of members the Supervisory Committee may refuse to start inquiry proceedings, if the reason of inquiry is considered to be frivolous; in this event, the requesting members may start the inquiry by themselves at their own expense.
- f) The expenses of the members may be reimbursed, if the results of the inquiry prove to the General Meeting that their request was justified.
- g) At the end of such inquiry, a Special General Meeting shall be convened to hear the report of the Commission of Inquiry or the Supervisory Committee or both, to deliberate on appropriate measures to be taken or to decide on the election of new members of the Management Committee before the current term of the members of the Management Committee expires.
- h) Such inquiry may cover the constitution, organisation, management, activities or the financial situation of the co-operative.

Commented [SN35]: Addition in alignment

48. **INQUIRY BY THE COMMISSIONER**

- a) Where the Commissioner suspects that there are contraventions of the Act or Regulations, or National Co-operatives Guidelines and Directives or the By-laws and Policies of a Co-operative, the Commissioner may in writing, appoint a commission to hold an inquiry into the possible contravention of the Act or Regulations, or National Co-operatives Guidelines and Directives or the By-laws and Policies.
- b) The Commissioner shall not appoint a Co-operative officer or a person who in the past has been associated, in any way, with the Co-operative.
- c) The officers, employees and members of the Co-operative shall produce such books, accounts, papers and securities of the Co-operative and shall furnish such information in regard to the affairs of the Co-operative as the person appointed by the Commissioner to conduct the inquiry may require.
- d) The Commissioner shall communicate the results of such inquiry to the members of the Co-operative under inquiry and may convene a Special General Meeting for such purpose.
- e) If the results of such inquiry give reason to believe that any or all of the members of the Management Committee are guilty of an offence or of a contravention of the Act or

Regulations, or National Co-operatives Guidelines and Directives or the By-laws and Policies of the Co-operative, the Commissioner may request the members present at the Special General Meeting convened by the Commissioner to dismiss such member or members or all the members of the Management Committee from office stating reasons for the dismissal.

- f) In the event that the Special General Meeting does not dismiss such member or members of the Management Committee in terms of By-law (48) (e), the Commissioner may, with the approval of the Supervisory Committee, if any, of the Co-operative or of any apex organisation the Co-operative may be affiliated to, dismiss such member or members of the Management Committee.
- g) In the event of By-law (48) (f) taking place, the Commissioner shall convene a Special General Meeting within one month of the Commissioner's decision to dismiss the member or members of the Management Committee and during such Special General Meeting new members of the Management Committee shall be elected.
- h) A person aggrieved by the decision of the Commissioner may appeal to the Minister within fourteen days of such decision.

Commented [SN36]: Addition in alignment

49. **RECOVERY OF MISAPPROPRIATED FUNDS AND PROPERTY**

- a) Where audit, inquiry or inspection is held under the Act and this By-Laws, and it is found that a person who is or was entrusted with the management of a Co-operative, or who is or was an officer or an employee of the Co-operative, and who in the course of the audit, inquiry or inspection has been found to have -
 - i. Made any payment contrary to the Act or Regulations, or National Co-operatives Guidelines and Directives or the By-laws and Policies of the Co-operative.
 - ii. Wilfully or negligently or by breach of trust, caused any damage to the assets of the Co-operative.
 - iii. Mis-appropriated the properties of the Co-operative.
 - iv. Embezzled the funds of a Co-operative.
- b) A report to that effect shall be submitted to the Management Committee and a copy thereof to the Commissioner.
- c) The Management Committee shall, upon receipt of the report referred to above in (b) give the person concerned an opportunity to present his or her defence within fourteen days.

- d) The Management Committee shall require the person who has been found responsible for misappropriation of the funds or property of a Co-operative to return the property or repay the funds.
- e) The Management Committee shall report to the Commissioner the steps taken and the outcome of the proceedings within fourteen days after receipt of the defence from the person concerned.
- f) Where the person fails to return the property or the funds as required in (d) the Management Committee shall notify the Commissioner of such failure.
- g) The Commissioner shall cause the unlawful payment, damage, misappropriation or embezzlement to be reported to the Director of Public Prosecutions for the institution of such proceedings as may be necessary.
- h) Notwithstanding the provisions of By-law (49) (a), (b), (c), (d), (e), the Commissioner shall direct appropriate measures be taken as in accordance with (g) where the acts in (a) are ones involving any incumbent member of the Management Committee.

Commented [SN37]: Addition in alignment

50. LOANS

- a) Loans shall be restricted to members and shall be made for a productive or provident purpose only and upon such guarantee, security and terms as the Committee shall have approved.
 - i. The general provisions of the Consumer Credit Act of 2016, The FSRA Act 2010, The Money Laundering and Financing of Terrorism Prevention Act 2011, The Money Laundering and Financing of Terrorism Prevention Amendment 2016, The Suppression of Terrorism Act 2008, The Data Protection Act 2022 and Regulations 61 —68 of the Co-operative Societies Regulations of 2005 shall apply to all loans.
 - ii. All applications for loans and the reports of the committee, and any loan officer thereon, shall be filed as permanent records of the society.
 - iii. The rate of interest and other incidental charges shall be determined from time-to-time by the Management Committee in consultation with the members but shall not exceed 5% per month on the reducing balance.
 - iv. No loan shall be made in excess of maximum amount approved by the general meeting.
 - v. The period of the loan shall be determined by the loans policy from time to time as deemed necessary.

Commented [SN38]: Addition in alignment to new legislation

- b) Subject to the Co-operative procedures all members who have met loan requirements shall be eligible to loans.
- i. Application for loans shall be made in writing, in accordance to the By-laws, policies and procedures.
 - ii. Procedures shall be laid down by the Co-operative from time-to-time and shall state the purpose of the loan, the security proposed, the period of the loan and terms of repayment requested.
 - iii. No loan shall be made unless it is approved by the Credit Supervisor, the Credit Manager, Credit Committee and the Supervisory Committee
- c) Before approval of a loan, the approval structure shall satisfy itself that the loan is for a productive purpose and of probable benefit to the borrower.
- d) Upon approval of the loan, the member shall execute a deed setting out the terms of the loan, including the purpose to which it is to be applied and the date and method of payment, in such form as the committee shall require, prior to the receipt of the money involved.
- e) A member may repay his/her loan, in part or in full, prior to maturity.
- f) If a member uses a loan for an improper purpose or otherwise fails to comply with the conditions under which the loan issued, the committee may cancel the loan that will then become repayable, together with all charges immediately.
- g) Subject to any restrictions imposed by the general meeting, the committee may, for good and sufficient reason given and accepted, renew a loan upon such terms as it may require or extend the period of a loan for a period not exceeding one year if the period set out in By-law 37 (f) is not exceeded.

51. THE LOAN PRODUCTS

The Co-operative shall fund various business-related ventures, income generating projects, income generating activities and provident projects or activities.

52. BAD DEBTS

The general meeting shall approve the write-off of bad debts. The procedure for writing off bad debts shall be laid down in the Co-operative's Collections Policy.

53. GENERAL PROVISIONS

- a) Contracts- a society may enter into contracts in pursuance of the society's objectives with members and non-members, but not Management Committee and Supervisory Committee Members.
- b) All business shall be conducted on a cash basis and no credit or loans shall be allowed save as provided in these By-laws.
- c) Upon admission to membership, each member shall be bound to observe these By-laws and the rules or instructions for the conduct of business issued by the committee, and the member's signature in the membership register shall denote acceptance of these By-laws, rules and regulations.
- d) No member of the Management Committee and Supervisory Committee may receive payment of any kind, for service given without the approval of the General Meeting.
- e) If reasonable out of pocket expenses incurred on business undertaken for the society may be re-imbursed to the maximum amount shown in the estimates of income and expenditure for the current year, as passed by the General Meeting and approved by the Commissioner.

54. DISTRIBUTION OF SURPLUS

After all expenses of the society have been met within any financial year, the following provisions shall be made from surpluses accruing in that year and the undistributed surpluses from previous years and the balance shall then be applied as follows:

- a) Provision for the depreciation of the society's property.
- b) Provision for the amortisation of loans (loan loss provision), if necessary.
- c) A sum of twenty-five percent (25%) of the surplus to be placed to the General Reserve Fund.
- d) Ten percent (10%) of the surplus shall be carried to a Share Transfer Fund until that fund is equal to one-tenth of the total nominal issued shares.
- e) Provision for a reserve for contingencies. The Management Committee shall determine the amount of such provision.
- f) Provision for interest not exceeding five percent (5%) per annum on the amount paid by the members on their respective shares.

- g) Provision for education fund not exceeding ten percent (10%) per annum on the surplus realised for the year, wherein, 2.5 % of the 10% shall be transferred to the Cooperative Development Centre (ECODEC).
- h) Provision for the Central Cooperative Fund not exceeding two percent (2%) on the net surplus realised for the year, which shall be paid to the National Cooperative Federation of Eswatini (NCFE).
- i) Distribution to members of the balance available proportionate to the total value of business each member has conducted with the society during the past financial year.
- j) For any other purpose provided for in accordance with section 94-97 of the Co-operative Societies Act of 2003 as amended.

Commented [SN39]: This is in alignment to the amendment

55. INVESTMENT OF FUNDS

- a) Excess funds of the Society shall be invested in line with the objectives of the Society with the approval of the General Meeting in full compliance of Section 92 of the Co-operative Societies Act of 2003 as amended.
- b) If the Society by resolution of the General Meeting of members so decided to venture into extra business activities, the venture should be set apart from the main activities of the Co-operative, its capital, funds and Management should be separate. Members interested therein should buy shares into it.
- c) The Society may invest or deposit funds in accordance with its established investment policy. The investment policy shall specify the limitations concerning the society's investments.
- d) No investment shall be made without the approval of the Supervisory Committee.

Commented [SN40]: This is an addition, in alignment to the amendments

56. CHARGES AND SET-OFF IN RESPECT OF SHARES OR INTERESTS OF MEMBERS

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

or payable to a member or past member or estate of a deceased member in or towards payment of any such debt.

57. SETTLEMENT OF DISPUTES

- a) If a dispute concerning the by-laws, election of officers, conduct of meetings, management or business of a co-operative arises —
 - i. among members, past members and persons claiming through members.
 - ii. Between a member, past member, and the co-operative, its Management Committee or any other officer of the Co-operative.
 - iii. Between the Co-operative or its Management Committee and any other officer of the co-operative.
 - iv. Between the Co-operative and any other Co-operative.
- b) Disputes under this part may be settled by way of reconciliation of the parties and mediation before they are submitted to the Commissioner.
 - i. Each party to the dispute shall elect the reconciliation team and the Chairperson of the reconciliation team shall be elected in accordance with the agreement of the two parties.
 - ii. Parties may request the Commissioner to appoint a chairperson where they fail to do so.
 - iii. Reconciliation shall be completed within twenty-one days.
- c) A dispute shall be referred to the Commissioner where parties fail to reach an agreement through reconciliation.
 - i. Where a dispute is referred to the Commissioner under By-law 57 (c), the Commissioner shall appoint a mediator to facilitate the resolution of such dispute.
 - ii. The mediator appointed under By-law 57 (c) (i) shall assist the parties to settle their disputes amicably within a period of twenty-one days.
 - iii. The mediator and parties to the dispute shall not be bound by technicalities and no formal rules of procedures shall apply in the mediation proceedings
- d) Such dispute may be referred, after due attempts to settle the issue within the Co-operative or by local informal reconciliation and mediators have failed, to the Commissioner who shall refer the case to the Co-operative Tribunal established under section 99 of the Act for decision.

- e) Without prejudice to the generality of By-law 57 (a) —
 - i. A claim by a Co-operative for a debt or demand due to it from a member, past member or the nominee or legal representative of a deceased member, whether such debtor demand is admitted or not; and
- f) The Co-operative Tribunal shall make a decision on any dispute referred to it within three months from the date of receiving such dispute for deliberation.
- g) A dispute under the Act, Regulations, By-laws and Policies shall not be referred to and determined by a traditional authority or traditional authorities.

Commented [SN41]: Added in alignment with the amended Act

58. DISSOLUTION AND LIQUIDATION

The Society may be dissolved by resolution passed by two-thirds of the total number of members present at a general meeting called specifically for that purpose and shall be wound-up by the Commissioner in terms of PART XIV “LIQUIDATION”, section 100 of the Co-operative Societies Act of 2003, as amended.

59. CERTIFICATION

I certify that the foregoing By-laws of **Swaziland National Association of Teachers Savings and Credit Co-operative Society Limited** are registered as No. _____ on the _____ and do not contravene the Act and regulations and have been duly registered with my office.

COMMISSIONER FOR CO-OPERATIVES DEVELOPMENT