



NEVIS CO-OPERATIVE CREDIT UNION LIMITED

**RESOLUTIONS TO BE PRESENTED AT THE 47TH ANNUAL GENERAL
MEETING SCHEDULED FOR WEDNESDAY SEPTEMBER 23, 2020
(With Proposed Amendments to the By-Laws in RED)**

September 9, 2020

RESOLUTION #1

TO AMEND BY-LAW 3 OF THE NEVIS CO-OPERATIVE CREDIT UNION LIMITED TO CHANGE THE REGISTERED ADDRESS OF THE SOCIETY

WHEREAS the Nevis Co-operative Credit Union Limited operated from its original premises on Chapel Street, Charlestown, Nevis from 1983 to 2017;

AND WHEREAS By-Law 3 of the Nevis Co-operative Credit Union Limited states: **“The registered address of the society shall be: Chapel Street, Charlestown, Nevis, West Indies or at such other place as may from time to time be determined by the society, and notified to the Registrar within seven (7) days.”**

AND WHEREAS the Nevis Co-operative Credit Union Limited relocated its operations to new premises on the Corner of Chapel Street and Featherbed Alley, Charlestown, Nevis in 2018;

BE IT RESOLVED that members at the 47th Annual General Meeting of the Nevis Co-operative Credit Union Limited approve the amendment to By-Law 3 of the Society to read as follows: **“The registered address of the society shall be: Corner of Chapel Street and Featherbed Alley, Charlestown, Nevis, West Indies or at such other place as may from time to time be determined by the society, and notified to the Registrar within seven (7) days, in accordance with Section 20 of the Co-operative Societies Act, No. 31 of 2011 of Saint Christopher and Nevis.”**

RESOLUTION #2

TO AMEND BY-LAW 56(1) OF THE NEVIS CO-OPERATIVE CREDIT UNION LIMITED TO SEPARATE THE POSITION OF THE ASSISTANT SECRETARY/TREASURER

WHEREAS Article XVI - ‘Board of Directors’, By-Law 56(1) of the Nevis Co-operative Credit Union Limited states: **“At the meeting of the Board which shall be held within ten (10) days of their election, the Board shall elect from their own number a President, a Vice President, a Secretary, a Treasurer and an Assistant Secretary/Treasurer”**;

AND WHEREAS it is deemed prudent from a governance perspective to separate the position of the Assistant Secretary/Treasurer into Assistant Secretary and Assistant Treasurer, respectively, based on the duties to be performed;

BE IT RESOLVED that members at the 47th Annual General Meeting of the Nevis Co-operative Credit Union Limited approve the amendment to By-Law 56(1) of the Society to read as follows: **“At the meeting of the Board which shall be held within ten (10) days of their election, the Board shall elect from their own number a President, a Vice President, a Secretary, a Treasurer, an Assistant Secretary and an Assistant Treasurer”**.

RESOLUTION #3

TO AMEND BY-LAW 56(6) OF THE NEVIS CO-OPERATIVE CREDIT UNION LIMITED TO REFLECT THE CHANGE TO BY-LAW 56(1)

ARTICLE XVI – Board of Directors

By-Law 56(6)

Assistant Secretary/Treasurer

The Assistant Secretary/Treasurer shall, in the absence or disability of the Secretary or Treasurer, or their refusal to act, perform the duties of the Secretary or Treasurer and/or such other duties as the Board may from time to time prescribe.

PROPOSED AMENDMENTS

By-Law 56(6)

Assistant Secretary

The Assistant Secretary shall, in the absence or disability of the Secretary, or his/her refusal to act, perform the duties of the Secretary and/or such other duties as the Board may from time to time prescribe.

By-Law 56(7)

Assistant Treasurer

The Assistant Treasurer shall, in the absence or disability of the Treasurer, or his/her refusal to act, perform the duties of the Treasurer and/or such other duties as the Board may from time to time prescribe.

RESOLUTION #4

**TO AMEND BY-LAW 7 OF THE NEVIS CO-OPERATIVE CREDIT UNION
LIMITED TO CHANGE THE PAR VALUE OF EACH QUALIFYING SHARE
FROM FIVE DOLLARS (\$5.00) TO ONE DOLLAR (\$1.00)**

WHEREAS Article VI - 'Capital, Funds and Liability', By-Law 7 of the Nevis Co-operative Credit Union Limited states: **"Each common share of the society shall be of the par value of five dollars (\$5.00) and the maximum number of shares which may be held by each member shall be subject to the provisions of the Act, the Regulations and the By-Laws"**;

AND WHEREAS the shares in a co-operative society show ownership and do not change in value in response to market forces of supply and demand, and are not traded on the Eastern Caribbean Securities Exchange (ECSE) or any other Regional or International Securities Exchange;

AND WHEREAS it is deemed prudent from accounting and marketing perspectives to reduce the par value of each qualifying share from five dollars (\$5.00) to one dollar (\$1.00);

BE IT RESOLVED that members at the 47th Annual General Meeting of the Nevis Co-operative Credit Union Limited approve the amendment to By-Law 7 of the Society to read as follows: **"Each qualifying share of the society shall be of the par value of one dollar (\$1.00) and the minimum number of shares which may be held by each member shall be subject to the provisions of the Act, the Regulations and the By-Laws"**.

RESOLUTION #5

**TO AMEND RELATED BY-LAWS OF THE NEVIS CO-OPERATIVE CREDIT
UNION LIMITED TO REFLECT THE CHANGES TO SHARES**

By-Law 16

(3) The applicant, upon acceptance and the payment of at least twenty (20) common shares, shall be enrolled as a member and shall be entitled to any of the rights or privileges of membership.

PROPOSED AMENDMENT

By-Law 16

(3) The applicant, upon acceptance and the payment of at least **one hundred (100) qualifying shares**, shall be enrolled as a member and shall be entitled to **limited rights or privileges of membership. The member shall agree in writing to pay the remaining four hundred (400) shares within a specified period, in accordance with a payment plan approved by Management.**

By-Law 17

17. A person ceases to be a member of the society:

(c) on ceasing to hold at least (5) common shares in the society;

PROPOSED AMENDMENT

By-Law 17

17. A person ceases to be a member of the society:

(c) on ceasing to hold at least **one hundred (100) qualifying shares in the society;**

ARTICLE VIII – “Shares”

By-Law 23

Subject to the provisions of Section 90 of the Act, contributions to shares shall be payable in such amounts as the member is able on any day in which the society is open for business provided that in no case shall a contribution of one dollar (\$1.00) be paid.

PROPOSED AMENDMENT

By-Law 23

Subject to the provisions of **Section 96 - 106 of the Cooperative Societies Act, 2011**, contributions to shares shall be payable in such amounts as the member is able on any day in which the society is open for business provided that in no case shall a contribution of **less than** one dollar (\$1.00) be paid.

By-Law 24

(1) There shall be at least one (1) class of shares held by the society, namely: **Qualifying Shares** which shall be:

- (i) issued at the par value of \$5.00 and purchased by the member;
- (ii) considered as the equity capital of the society;
- (iii) not withdrawable on demand;
- (iv) redeemable if the account is closed under policy, in accordance with Section 90 of the Act;
- (v) a minimum of twenty (20) shares held per member at entry and
- (vi) a maximum of one hundred (100) shares;
- (vii) eligible for dividend payment in the form of cash or surplus shares.

(2) Subject to the approval of the Board of Directors, **Equity Shares** may be introduced as a second class of shares and shall be:

- (i) derived from part or all of the dividends paid on qualifying shares;
- (ii) issued at the par value of \$1.00 and purchased by credit union on behalf of its members;
- (iii) redeemable under policy, not on demand;
- (iv) unlimited in number; and
- (v) restricted to a maximum of 20% of the total share capital held by any one (1) member;

(3) Notwithstanding the provision of By-Law 23, a member shall pay contributions to the value of at least one hundred (100) qualifying shares within the first nine (9) months of membership and unless such time is extended by the Board such member shall pay a fine of one dollar (\$1.00) per month on each share or part thereof outstanding, providing each member to be fined above has been personally contacted by an officer of the society on at least two (2) occasions.

PROPOSED AMENDMENT

By-Law 24

(1) There shall be at least 'one class of shares' held by the society, namely: **Qualifying Shares**, which shall be:

- (i) issued at the par value of **one dollar (\$1.00)** and purchased by the member upon acceptance into membership of the society;
- (ii) considered as equity capital of the society;
- (iii) not withdrawable on demand;
- (iv) redeemable if **transferred or** the account is closed under policy, in accordance with **Section 101-105 of the Cooperative Societies Act, 2011**;

- (v) a minimum of **one hundred (100)** shares held per member at entry;
- (vi) **a maximum of five hundred (500) shares; and**
- (vii) eligible for dividend payment in the form of cash or surplus shares.

(2) Subject to the approval of the Board of Directors, Equity Shares may be introduced as a 'second class of shares' and shall be:

- (i) **derived from borrowing members as a requirement to satisfy Section 97(2) of the Cooperative Societies Act, 2011;**
- (ii) **derived from part or all of the dividend paid on qualifying shares and equity shares;**
- (iii) issued at the par value of \$1.00 and purchased by credit union on behalf of its members;
- (iv) redeemable under policy, not on demand;
- (v) unlimited in number; and
- (vi) restricted to a maximum of **twenty percent (20%)** of the total share capital held by any one (1) member

(3) Notwithstanding the provision of By-Law 23, **a member shall pay a contribution to the value of at least one hundred (100) qualifying shares upon acceptance into membership, provided that he/she agrees to a payment plan to pay the remaining four hundred (400) shares within an agreed timeframe.**

By-Law 25

Common shares may be transferred in accordance with Section 95-98 of the Act and by written instrument in such form as may be prescribed, but no transfer shall be registered until such transfer fees as the Board may from time to time fix, not exceeding twenty dollars (\$20.00) with a minimum of five dollars (\$5.00) per transfer, has been paid. Such transfer shall carry dividend credits.

PROPOSED AMENDMENT

By-Law 25

Qualifying shares may be transferred in accordance with Section **101 - 105** of the Act and by written instrument in such form as may be prescribed, but no transfer shall be registered until such transfer fees as the Board may from time to time fix, **not less than twenty dollars (\$20.00) plus VAT** per transfer, has been paid. Such transfer shall carry dividend credits.

By-Law 26

Except with the written approval of the Board, no member shall withdraw any share if it will reduce his shareholding to less than his liability to the society as borrower, co-maker or guarantor.

PROPOSED AMENDMENT

By-Law 26

Except with the **written approval the Board of Directors and executed through Management**, no member shall withdraw any share if it will reduce his shareholding to less than his liability to the society as borrower, co-maker or guarantor, **unless adequate security is in place to cover his liability.**

By-Law 27

(1) No common share shall be withdrawable during the first twelve (12) months of membership nor so long as there is any sum owing by the society in respect of any money borrowed by the society or of any deposit, payment of which has been demanded, except with permission of the Board.

(2) The society shall have lien on the shares, deposit, dividend, bonus or any amount standing to the credit of a member for any sum due to the society from the said member or for any loan endorsed by him and may apply any sum standing to the credit of the member towards payment of any such debt.

(3) Where an amount to be paid to a member for dividends and/or bonus is equal to or less than ten dollars (\$10.00), the amount shall be credited to the member's shares.

PROPOSED AMENDMENT

By-Law 27

(1) No **equity shares** shall be withdrawable during the first twelve (12) months of membership nor so long as there is any sum owing by the society in respect of any money borrowed by the society or of any deposit, payment of which has been demanded, except with permission of the Board **through Management.**

(2) The society shall have lien on the shares, deposit, dividend, bonus or any amount standing to the credit of a member for any sum due to the society from the said member or for any loan endorsed by him and may apply any sum standing to the credit of the member towards payment of any such debt.

(3) Where an amount to be paid to a member for dividend and/or bonus is equal to or less than ten dollars (\$10.00), the amount shall be credited to the member's shares.

ARTICLE XIII – "Elections"

By-Law 41

(2) No member may be elected to the Board, the Credit Committee or the Supervisory Committee unless:

(c) he holds one hundred (100) fully paid common shares or five hundred (\$500) in the society;

PROPOSED AMENDMENT

By-Law 41

(2) No member may be elected to the Board of Directors, the Credit Committee or the Supervisory and Compliance Committee unless:

(c) he holds **five hundred (500) fully paid qualifying shares** in the society;

ARTICLE XIX – Loan to members

By-Law 80

No loans shall be made to a member who is not in good standing, that is to say, is not the holder of at least twenty (20) fully paid common shares or one hundred dollars (\$100) in the society, or is in arrears in the payment of a current loan or installment thereon or is otherwise a defaulter.

PROPOSED AMENDMENT

By-Law 80

No loans shall be made to a member who is not in good standing, that is to say, is not the holder of at least **five hundred (500) fully paid qualifying shares** in the society, or is in arrears in the payment of a current loan or installment thereon or is otherwise a defaulter.

RESOLUTION #6

**TO AMEND BY-LAW 13 OF THE NEVIS CO-OPERATIVE CREDIT UNION
LIMITED TO CLARIFY THE SPHERE OF MEMBERSHIP BASED ON
NATIONALITY AND RESIDENCY OF MEMBERS**

ARTICLE VII - Membership - (Age, Residence, Nationality and Common Bond)

By-Law13

Every member of the society shall be:

- a. not younger than fourteen (14) years of age;
- b. Nevisians who reside at home and abroad; or
- c. non-nationals who reside or work in Nevis.

PROPOSED AMENDMENT

By-Law13

Every member of the society shall be:

- a. not younger than fourteen (14) years of age;**
- b. a citizen of the Federation of St. Kitts and Nevis who resides in the Federation of St. Kitts and Nevis or elsewhere; or**
- c. a non-national who resides or works in the Federation of St. Kitts and Nevis.**

RESOLUTION #7

**TO APPROVE AN HONORARIUM FOR DIRECTORS AND COMMITTEE
MEMBERS OF THE NEVIS CO-OPERATIVE CREDIT UNION LIMITED**

WHEREAS the Nevis Co-operative Credit Union Limited operates by the principle of volunteerism whereby directors and committee members are not paid directly or indirectly in connection with their duties or for any service performed by them in that capacity;

AND WHEREAS remuneration of directors is permitted under Section 94(4) of the Co-operative Societies Act, No. 31 of 2011 which states: **“The directors may be granted such honorarium as (a) may from time to time be approved prior to its payment, or the payment of any part thereof, by the members in a general meeting; and (b) does not exceed an amount recommended by the Board and approved by a general meeting of the members”**.

AND WHEREAS the Board of Directors recommends the payment of an honorarium to the directors and committee members in a total amount, not exceeding ninety thousand dollars (\$90,000) annually, as a token of appreciation for their hard work and unwavering commitment to the growth, stability and profitability of the Society;

BE IT RESOLVED that members at the 47th Annual General Meeting of the Nevis Co-operative Credit Union Limited approve the honorarium recommended by the Board for the directors and committee members, in accordance with Section 94(4) of the Co-operative Societies Act.

BE IT FURTHER RESOLVED that the honorarium approved by members at the 47th Annual General Meeting of the Society for the directors and committee members shall be applied prudently, at the discretion of the Board, until or unless a new proposal is presented to and approved by a general meeting of the members.

By Order of the Board of Directors:

Shinel Dore (Miss)
BOARD SECRETARY