



THE REPUBLIC OF UGANDA

THE COOPERATIVE SOCIETIES REGULATIONS, 1992

THE CO-OPERATIVE SOCIETIES**REGULATIONS, 1992****ARRANGEMENT OF REGULATIONS****Regulation**

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SCHEDULE

STATUTORY INSTRUMENTS.

1992 NO

THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992.

(Under Section 79 of the Co-operative Societies Statute, 1991)

<i>Statute No. 8 of 1991</i>		IN EXERCISE of the powers conferred upon the Minister by Section 79 of the Co-operative Societies Statute, 1991 these Regulations are made this 3 rd November, 1992.
<i>Citation</i>	1.	These Regulations may be cited as the Cooperative Societies Regulations, 1992.
<i>Registers Of Societies</i>	2.	(1) The Registrar shall keep or cause to be kept at his office two registers to be called "The Register of Societies" and "The Register of Probationary Societies" respectively, wherein he shall enter or cause to be entered the Particulars relating to the registration of societies and probationary Societies and the bye-laws thereof.
	(2)	All entries in the registers shall be made by or under the direction of the Registrar and shall be signed by him.
	(3)	The registers shall be open to inspection by the public at all reasonable times on payment of a fee which shall be declared and notified in the Gazette by the Registrar from time to time.
<i>Application For Registration</i>	3.	Every application for the registration of society shall be submitted to the Registrar in the Form specified in the Schedule to these Regulations accompanied by three copies of the bye-laws which the society proposes to adopt, and a non-refundable fee which shall be determined and notified by the Registrar from time to time.
<i>Registration Of a society</i>	4.	Where the Registrar decides to register a society, the society and its bye-laws shall be registered in the appropriate register mentioned in Regulation 1 of these Regulations.
<i>Certificate of Registration and documents to be supplied to a society.</i>	5.	Upon registration of a society, the Registrar shall forward to the society: a) a certificate of registration; and b) a copy of the bye-laws of the society approved by him and certified under his as having been approved by him.
<i>Refusal to Register a Society.</i>	6.	When the Registrar refuses to register a society or its bye-laws he shall record his reasons for doing so.

- Bye-laws of
The society*
7. (i) A society shall make bye-laws providing for the following matters that is to say;
- (a) its name;
 - (b) its registered address;
 - (c) the objects for which it is established;
 - (d) the area within which its operations and membership shall be confined;
 - (e) the qualifications for membership, the term of admission and the mode of election of members;
 - (f) the withdrawal or expulsion of members and payments, if any, to be made by such members and the time in which such payments shall be made;
 - (g) the nature and extent of the liability of members;
 - (h) the transfer of shares or interest of members;
 - (i) the manner of raising funds, including the fixing of the maximum rate of interest in members' deposits, if any;
 - (j) general meetings, the procedure and quorum at such meetings, the powers of such meetings and representation and voting at such meetings;
 - (k) the appointment, suspension and removal of members of the committee and officers of the society, and the powers and duties of the committee and officers of the society;
 - (l) mode of payment of calls on shares and the financial year of the society;
 - (m) the consequences of default by a member in payment of calls on shares;
 - (n) the authorization of the officers of the society to sign documents on its behalf; and
 - (o) the manner in which books of account shall be kept.
- (2) If the objectives of the society include the creation of funds to be lent or advanced to its members, the society shall make bye-laws providing for the conditions on which loans or advances may be made to members, including:-
- (a) the rate of interest;
 - (b) the maximum amount which may be lent to a member;
 - (c) the extension of the term of the loans or the renewal of loans;
 - (d) the purpose of loans; and
 - (e) the security for the repayment of loans.
- (3) If the members of the society are registered societies, the society shall make Bye-laws providing for the following matters, that is to say:-
- (a) the number of officers of each members society who shall be entitled to exercise the voting power of that society;
 - (b) the terms and conditions of employment for any paid staff, and
 - (c) the authority of the committee in relationship to the employees of the registered society.
- Amendment
Of bye-laws*
8. (1) Subject to the provisions of section 8 of the Statute, a registered society may, by resolution of the members passed at a General Meeting in accordance with The provisions of sub-regulation (2) of this Regulation amend its bye-laws.

- (2) No resolution under sub-regulation (1) of this Regulation shall be valid unless:
- (a) notice of the proposed amendment is given to the members of the society at Least fourteen days prior to the said general meeting;
 - (b) in the case of a society with unlimited liability, half the members of the Society are present at the general meeting and three quarters of the members Present at the meeting vote in favour of the amendment;
 - (c) in the case of a society with limited liability, a majority of the members of The society vote in favour of the amendment;
 - (d) in the case of a society with unlimited liability or with limited liability, if the amendment had received the prior approval of the Registrar, the amendment is approved by a two-thirds majority of the members present and voting at the meeting.
- (3) When a copy of any amendment is sent to the Registrar in pursuance of the provisions of sub-section (2) of Section 8 of the Statute, a certified in the Form II set out in the schedule of these Regulations shall be sent to the Registrar together with three copies of the amendment and a fee which shall be determined and notified by the Registrar from time to time.
- (4) The Registrar may, by written notice, call upon a registered society to make such amendments to its bye-laws to its as he considers necessary or desirable in its interest within such a period may specify not exceeding two months from the date of serving of the notice.
- (5) The notice shall state the exact amendment which the society shall make.

*Transfer of
shares of a
member on
his ceasing
to be a
member,*

9. When, for any reason other than death a member of a registered society of limited liability which holds deposits or loans from non-members ceases to be a member he may, subject to the provisions of section 13 of the Statute, transfer his shares in such society to another member, or to a proposed member of such society, but he shall not be entitled to repayment from the society of any money paid by him in respect of shares, except from the Share Transfer Fund created in accordance with Regulation 43 of these Regulations.

*Nominees
For interest
Of deceased
Members*

10. (1) Every appointment of a nominee by any member of a registered society for the purposes of section 37 of the Statute shall be members, made in writing signed by the member in the presence of two attesting witnesses.
- (2) No member of a registered society shall be entitled to appoint more than one nominee unless that member holds more than one share.
- (3) In any case where more than one nominee is appointed by any member,

The number of shares to be transferred to each of these nominees shall be specified at the time of the appointment.

- (4) Every appointment of a nominee shall be recorded in the register of members of the society.
- (5) For the purposes of transfer to a nominee, the value of any share or interest shall be represented by the sum actually paid for that share or interest by the Member holding it unless the bye-laws of the registered society otherwise provide.
- (6) Any nominee under this Regulation may be paid all dues on evidence of death being adduced without waiting for the results of any probate in all cases where the deceased member is in credit with the society.
- (7) Where any money is paid to a nominee who is a minor, a receipt given either by a minor or by his guardian shall be sufficient discharge to the registered society.
- (8) On the death of a member who has appointed more than one nominee, any or interest of such deceased member other than shares shall be distributed to the nominees in proportion to the shares bequeathed to such nominees.

*Limitation
of number
of members*

11. A registered society may, with the approval of the Registrar, limit the number of its members.

*Records to
Be kept by
A Registered
Society*

12. (1) A registered society shall keep up to date proper books of accounts and such other records as the Registrar may from time to time direct.
- (2) Notwithstanding the generality of sub-regulation (1) of this Regulation, All registered societies shall keep the following records:
 - (a) a register of members showing:
 - (i) the name, membership number, address and occupation of each Member;
 - (ii) the date on which each member was admitted to membership;
 - (iii) share holding of each member;
 - (iv) the date on which any member ceased to be a member; and
 - (v) the nominee or nominees of each member, if any, appointed
In accordance with Regulation 10 of these Regulations;
 - (b) minutes of proceedings at general meetings;
 - (c) minutes of proceedings at committee meetings;

- (d) a cash book showing the details of all money received and all money Expended or paid out in any way whatsoever by the society;
- (e) in the case of a society which deals in produce, a produce ledger showing details of all produce sold by the members through the society; and
- (f) a register of the fixed assets of the society.
- (3) A registered society shall draw up its annual accounts balance sheet in such a form as shall comply with generally accepted accounting procedures and practices.
- Audit and Supervision Fund.* 13. (1) There shall be an established fund known as the Audit and Supervision Fund into which every registered society shall, unless exempted by the Registrar pay annually a supervision fee and, if the society's accounts are audited by an officer of the Cooperative Development Department, an audit fee.
- (2) The Registrar may require a registered society to contribute to the Fund In specific cases as he may from time to time direct.
- (3) The Registrar after administer the Fund on behalf of the contributing Registered societies and shall report annually to the Board in respect of the income derived from the fees, the expenditure sanctioned from the fund and the balance remaining in the Fund.
- (4) The Registrar after consultation with the Board shall fix the fees payable by the registered societies pursuant to the provisions of sub-regulation (1) of this Regulation.
- (5) The fund shall be audited annually by an auditor appointed by the Board.
- Copies of Entries* 14. For the purposes of Section 38 of the Statute, a copy of any entry in a book of a registered society may be certified by a certificate written at the foot of such copy, declaring that it is a true copy of such entry and that the book containing the entry is still in the custody of the society; such certificate shall be signed by the Secretary of the society and by one member of the committee.
- Voluntary Division of Society* 15. (1) Where a registered society passes a preliminary resolution to divide itself into two or more societies in accordance with the provisions of sub-section (2) of Section 26 of the Statute, the Registrar shall forthwith appoint an auditor to audit the books of such society for the purpose of giving effect to the proposals of the preliminary resolution including any amendment thereto in accordance with the provisions of sub-Section (9) of Section 26 of the Statute; the cost of such audit and accounting work incidental thereto, if any, shall be borne by that registered society.

- (2) The auditor appointed under sub-regulation (1) of this Regulation,
- (a) shall submit a detailed report of the audited accounts and three balance sheets to the Registrar within the period stipulated by the Registrar not exceeding ninety days from the date of the preliminary resolution;
- (b) Shall produce one balance sheet each on the societies proposing to be divided and one consolidated balance sheet for all such proposed societies.
- (3) The Registrar may, as soon as practicable after the passing of the preliminary resolution, appoint a valuer or valuers to assess the value of the assets of such society, as may be specified by the Registrar, which shall be the basis upon which agreement of the value of assets shall be determined.
- (4) Subject to the provisions of sub-section (4) of Section 26 of the Statute, the Secretary of an apex society or a co-operative union which proposes to be divided shall, by notice in the Gazette and in at least one vernacular paper, publish the proposed division of the apex society or co-operative union and request therein any one having a claim against the said society to submit in writing within a stated period not exceeding ninety days from the passing of the preliminary resolution.
- (5) No transactions involving immovable property or capital expenditure shall be entered into by the society between the passing of the Preliminary resolution and the registration of the new societies,
16. (1) Where a Co-operative Union or an apex society presents estimates in conformity with Section 13 of the Statute, such estimates shall be the form of a budget.
- (2) The Registrar may require any registered society to submit his approval periodic plans.
- General Meetings* 17. (1) The supreme authority in a registered society shall be vested in the General meeting of members at which every member has the right to attend and vote.
- (2) Every member of a registered society shall vote in person and Proxies shall not be allowed at any general meeting.
- Annual General Meeting* 18. As soon as the report on the audited accounts and balance sheet of a registered society's received by the committee, the committee shall convene an Annual General Meeting of the members of that society within three months after the end of the Financial year of that society; but where the committee fails to convene the meeting the

Registrar shall convene a Special General Meeting which shall proceed as if it had been convened by the committee.

*First
General
Meeting*

19.

The first general meeting of a registered society shall exercise powers and perform the same duties as are exercised and performed by the annual general meeting and shall be held not later than one Month after the receipt of the certificate of registration of the society

*Duties of an
Annual
General
Meeting*

20.

The annual general meeting of registered society shall:

- (a) consider and confirm with the necessary amendments, if meeting any, the minutes of the last immediately proceeding Annual General Meeting.
- (b) consider the reports of the committee and the balance sheet Together with the report on the audit of the accounts of the Society for the previous year;
- (c) adopt the accounts or if the accounts are not adopted cause the Secretary to notify the Registrar of the reasons why such accounts have not been adopted who in consultation with the Board shall consider the matter and make his decision thereon, the decision so made as to corrections of the accounts shall be final and conclusive;
- (d) consider and direct the Secretary to inform the Registrar of the manner in which any available surplus shall be distributed or invested;
- (e) elect members of the committee for the ensuing year;
- (f) consider and direct the Secretary to submit to the Registrar in the Form V set out in the Schedule to these Regulations, the maximum borrowing powers which in the opinion of the general meeting the registered society should incur for the ensuing year; provided that the committee of the society may, from time to time and subject to subsequent ratification by the general meeting, amend that maximum liability;
- (g) appoint an auditor or auditors for the ensuing year subject to the approval by the Registrar;
- (h) transact any other business which, in the case of a cooperative Union or apex organization, fourteen days' , notice has been Given and in the case of other societies the business has been Raised at the meeting and allowed by the Chairman.

*Special
General
Meeting*

21.

(1)

A special general meeting of society may be convened at any time by the committee of the society.

- (2) A special general meeting of a society shall be convened by the committee on receipt of a demand for such meeting signed by such number of members of the society as are required by the bye-laws of the society and stating the reasons for the calling of such meeting.
- (3) If within fourteen days next following the receipt of the demand for the meeting, the committee fails to convene a meeting in accordance with the provisions of sub-regulation (2) of this regulation such members may convene the meeting giving seven days notice to all the members of the society stating in such notice reasons for the calling of the meeting and the fact the committee has failed to convene the meeting.
- (4) The Registrar may at any time convene a special general meeting of a registered society.
- Quorum at General meetings* 22. (1) The quorum at any general meeting of a registered society shall be laid down in the bye-laws of the society.
- (2) When a meeting is convened by the Registrar under the provisions of sub-regulation (4) of Regulation 21 of these Regulations, the members present at such meeting shall constitute a quorum.
- Chairman at General meeting* 23. (1) The Chairman shall preside at all general meeting of a registered society and in his absence the Vice Chairman or, if there is no Vice Chairman or if both the Chairman and Vice Chairman are absent, any other person elected by a majority of those present shall preside:
- Provided that the Registrar or a person appointed by him may, at the discretion of the Registrar or such person, preside at any meeting convened under the provisions of sub-regulation (4) of Regulation 21 of these Regulations.
- (2) The Chairman of any general meeting of a registered society shall have the right to order the closure of a discussion and put the matter under discussion to the vote of the meeting.
- (3) Subject to the provisions of Sections 24 and 26 of the Statute, and of Regulation 7 of these Regulations, all questions presented to the meeting shall be decided, unless otherwise specifically provided for by bye-laws, by a majority of those present and entitled to vote.
- (4) Any motion on which the voting is equal shall be determined

according to sub-regulation 6 of this Regulation.

- (5) The Chairman shall have one vote only.
- (6) A registered society may make rules of procedure for the proper Conduct of its general meetings.

*Constitution
of committee*

- 24. (1) Every registered society shall elect a committee consisting of;
 - (a) the chairman, vice chairman, treasurer; and
 - (b) not less than two or more than six members provided that the committee may contract experts to guide them on technical matters in the course of its meetings.
- (2) Subject to the provisions of sub-regulation (4) of this Regulation members of the committee shall be elected suspended and removed only by a majority of members of the society present and voting at a general meeting.
- (3) Members of the committee shall hold office for two years but shall be eligible for re-election; Provided that no member of a tertiary or apex co-operative society may be re-elected for more than two terms.
- (4) If, during the term of office of a committee, a vacancy occurs in the membership of the committee, the committee may, or, if the number of members drops below five, shall co-opt a member of their society to act on the committee until the next general meeting.
- (5) If a general meeting removes a member of the committee, it shall forth with elect a new member who shall hold office until the next annual general meeting.
- (6) The quorum at committee meetings shall be as laid down in the bye-laws.
- (7) The chairman shall preside at all meetings of the committee and in the absence of the chairman, the vice chairman or, there is no vice- chairman or if both the chairman and the vice chairman are absent, the committee shall elect one of its members to preside.
- (8) The committee may make standing orders for the proper conduct of its committee meetings.
- (9) The Registrar or his representative may attend any meeting of the

committee of a registered society.

*Eligibility
Fr membership
Of the
Committee*

25 (1) The Registrar in consultation with the Board, may prescribe from time to time minimum educational and professional qualifications for eligibility for membership of the committee of any co-operative society or class of societies.

(2) Subject to the provisions of sub-regulation (1) of this Regulation, no person shall be eligible for membership of a committee of a registered society or remain member of such committee if;

- a) he is under eighteen years of age;
- b) he is not a registered member of the society, or if he is a registered member and he does not patronize the society;
- c) he receives any remuneration, salary or other payments from the society which has not been lawfully approved by a resolution passed at a general meeting of the society;
- d) in the case of a society that lends money to its members, he lends money on his own account;
- e) in the case of a society that trades in goods or produce, he either on his own account or on some other person's account,
- f) he is an undischarged bankrupt;
- g) he is of unsound mind;
- h) he has been convicted of an offence involving dishonesty or of an offence under the Statute or under these Regulations or he is a dismissed employee of a registered society;
- j) he is in debt to the society other than in respect of a loan made pursuant to the provisions of Regulation 39 of these Regulations;
- k) he is a person who has been removed from the committee of a society by the Registrar under the provisions of sub-section (5) of Section 51 of the Statute or has been a member of a committee dissolved under that provision of the Statute:

Provided that a dismissed or removed member of the committee may, with the written permission of the Registrar, elected to the committee after the expiration of five years after his dismissal or removal.

(3) Nobody may be a member of the management committee of more than one national or apex co-operative society provided that a person elected to the Board shall relinquish his membership of any management committee of a national or apex co-operative society.

*Duties of
The committee*

26. (1) The committee of the registered society shall be the controlling authority of the society and subject to the bye-laws and any

directions issued by a general meeting of the society, shall direct the affairs of the society and may bind the society in contract, borrow money on behalf of the society to an amount not exceeding the amount fixed under Section 43 of the Statute, and may institute, defend and settle any legal proceedings on behalf of the society.

- (2) The committee of a registered society shall hold regular Meetings at which,
- a) the minutes of the previous meeting shall be scrutinized and checked;
 - b) the accounts, bank books and cash shall be scrutinized and checked;
 - c) any loans done and owing to the society shall be considered and any action considered necessary in respect of such loans shall be authorized;
 - d) in the case of an apex society or a co-operative union, the committee shall cause the appropriate officer managing the affairs of the apex society or co-operative union to submit to the committee on behalf of the committee, a periodic report on the activities of the apex society or co-operative union in the form specified by the Registrar; and such report shall be considered by the committee: Provided that when any matter arises for disposal by the Board under the provisions of section 28 of the Statute, the Board shall be summoned for a special general meeting.
- (3) The committee of a registered society shall,
- a) send annually to the Registrar a return in the Form III set out in the Schedule to these Regulations;
 - b) send a estimate of income and expenditure for the ensuing year in accordance with the provisions of section 23 of the Statute for the opinion of the Registrar before Any expenditure may be incurred;
 - c) keep available for inspection at all times,
 - i) the certificate of registration of the society;
 - ii) the registered bye-laws of the society;
 - iii) the latest balance sheet of the society;
 - iv) the register of members;
 - v) the list of the officers of the society;
 - vi) the register of property including leases.
- (4) In the conduct of the affairs of a registered society, the committee and every member thereof, shall exercise prudence and diligence and shall be jointly and severally

responsible for any loss sustained by the registered society through any act which is contrary to the law and bye-laws of the society or the directions of any general meeting.

- (5) If of any reasons whatsoever, a committee member is deemed to be incompetent in accordance with sub-Regulation (4) of this Regulation, the Registrar in consultation with the Board, may direct his removal from the committee and thereafter the committee may fill the vacancy in accordance with the bye-laws of the society.

*Appointment
And
Qualifications
Of a
Secretary*

27. 1) The committee of a registered society shall appoint a Secretary to the society who shall be either a member of the committee or paid employee of the society provided that if the person appointed Secretary is a paid employee of the society, he shall not become a voting member of the committee.
- 2) The committee of the registered society shall if it thinks it, requires any person appointed secretary to furnish such security as it may require before he assumes the functions of his office.
- 3) The qualifications for the appointment of a Manager, Secretary, Accountant or any other officer of the society shall be such as may, from time to time, be determined by the Registrar in consultation with the Board.

*Duties of
The Secretary*

28. The duties of the Secretary of a registered society shall include:
- a) the summoning of all meetings of the society and its committee
 - b) his attendance at all meetings of the society and its committee and the preparation of the minutes of such meetings;
 - c) the conduct of the correspondences of the society;
 - d) the custody of the register of members of the society and the keeping of such register correct and up to date;
 - e) the preparation of the reports of the committee and the recording of all transactions and accounts of the society not otherwise provided for;
 - f) the acceptance of service of any legal documents which are addressed to the society;
 - g) the custody of the register of the insurance policies of the society, if any, and keeping of such register correct and up to date;
 - h) the custody of the register or immovable property of the society, if any, and keeping of such registers correct and up to date; and
 - i) any other duties which the bye-laws or the committee of the society may require of him to perform.

*Duties of
The Treasurer*

29. The duties of the Treasurer of a registered society shall include:
- a) his attendance at all meeting of the society and its committee;
 - b) the collection and receipt of all monies payable to the society and the issue of receipts for such monies;
 - c) the payment of all monies owing by the society and the obtaining of receipt for such payments;
 - d) the keeping of such books as may be required by these regulations or the bye-laws of the society showing the receipt and payments of money received and paid in accordance with the provisions of paragraphs (b) and (c) of this Regulation;
 - e) the preparation of the Annual Accounts and Balance Sheet showing the income and expenditure, the surplus or loss and the assets and liabilities of the society;
 - f) the custody of all the books of accounts of the society;
 - g) the custody of all ready cash and cheques belonging to the society separate from any other monies in the safe, cash box or other place of such cash at the earliest opportunity into a bank or other investment pursuant to the provisions of section 45 of the Statute;
 - h) the production of any cash in hand, cheques, books of accounts or other documents to the committee or any person entitled by law to see them; and
 - i) any other duties which the bye-laws or the committee of the society may require him to perform.

*Remuneration
Of members*

- 30.
- 1) Where a society proposes to remunerate any member of the committee of the society by way of salary or other payment for services rendered or to permit any member of the committee to receive any salary, commission or other payment from any person other than the society, the Secretary shall forthwith notify the Registrar in writing of such proposal for his opinion.
 - 2) On receipt of such notification, the Registrar shall forthwith inform the society of his opinion.
 - 3) On the receipt by the society of the Registrar's opinion, the committee shall submit to a general meeting of the members of the society the question as to whether or not the society's proposal; shall be approved.
 - 4) The Secretary shall at such general meeting inform the members of The proposals of the society and the opinion of the Registrar thereon, And no action shall be taken on the society's proposal unless a Majority of the members present and voting vote in favour of the Same.

<i>Form IV</i>		5) After the holding of the general meeting, the Secretary of the Form IV Society shall notify the Registrar the decision of the meeting in the Form IV set out in the Schedule to these Regulations.
<i>Delegation Of powers</i>	31.	<p>1) A society may, by resolution duly passed at a general meeting of the members of the society, authorize the committee, the secretary or the Secretary or the treasurer of such society to delegate all or any of their duties to a competent officer or any employee of the society but in the case of a co-operative union and an apex society, the duty to sign cheques and generally to operate the bank account of such co-operative union or apex society shall be delegated to the appropriate employees.</p> <p>2) For the purposes of sub-regulation (1) of this Regulation an apex society or co-operative union, the committee of an apex society or co-operative union shall specify terms and conditions or employment for its employees detailing authority, power and responsibility of each employee or class of employee of the apex society or co-operative union.</p> <p>3) Where any duty is delegated in accordance with the provisions of this Regulation, the committee shall cause to be produced reports and returns by the employee or class of employee to whom such duties are delegated at intervals specified by the committee after consultation with the Registrar.</p>
<i>Property and funds</i>	32.	<p>1) The funds of the society shall be devoted only to the promotion of the stated objects of the society, the running of the society, and such other purposes as are set out in the Statute, these Regulations and the bye-laws of the society.</p> <p>2) Where the Registrar is satisfied that the purchase of shares in any company registered under the companies Act or statutory corporation will be to the advantage of a society he may allow that society to purchase shares in such company or statutory corporation.</p>
<i>Prohibition by Registrar of transactions with non-members</i>	33.	The Registrar may prohibit or restrict transactions of any registered society with non-members if in his opinion such transactions are contrary to co-operative principles or involve an abuse of any privilege accorded to registered societies.
<i>Duty to maintain a reserve fund.</i>	34.	1) Every registered society shall maintain a reserve fund into which shall be paid at the end of each Financial Year ten percent of the net gain or Surplus resulting from the operations of the society during that Financial Year.

- 2) The Registrar may, subject to the provisions of section 46 of the Statute, on the application of any society, sanction the payment into the reserve fund of such lesser amount as he shall think fit and Any society whose application is refused by the Registrar may approve within thirty days of such refusal; to the Board whose decision shall be final.
- 3) The reserve fund shall be invested in a registered Co-operative Bank, or such other mode as the Registrar may approve.
- 4) No withdrawals shall be made from the reserve fund of a registered society without the consent in writing of the Registrar and any such withdrawals shall be made good from the next available funds accruing to the society.
- 5) The reserve fund shall be indivisible and no member shall be entitled to claim a specified share of it.
- Application of reserve Fund on dissolution.* 35. 1) On the dissolution of a registered society, the reserve fund shall be applied to discharging the liabilities of the society and the repayment of the share capital.
- 2) Any proportion of the reserve fund that may remain after discharging liabilities of the society and the repayment of its share capital shall be distributed or otherwise disposed of in such manner as the members may, in general meeting, decide.
- Duty to maintain Revolving Fund* 36. 1) There shall be a Co-operative Development Revolving Fund into which every registered society shall pay five percent of its surplus annually.
- 2) The fund shall be administered by a committee of trustees which shall Be composed of five members appointed by the Board.
- 3) The fund shall be invested in the Co-operative Bank or such other Mode as the Board may approve.
- 4) After the fund has existed for three years, a registered co-operative society may borrow from the fund on terms and conditions that shall be determined by the Board from time to time.
- 5) A registered society may withdraw its annual contribution after five years.
- Form of* 37. Every registered society shall submit an annual return to the Registrar

<i>Annual return Form III</i>		in Form III set out in the Schedule to these Regulations.
<i>Form of particulars of charge Form IV</i>	38.	The particulars of charge required to be filled pursuant to sub-paragraph (1) of paragraph 1 of schedule 1 to the Statute shall be in the Form VI set out in the Schedule to these Regulations and shall be accompanied by a copy of the instrument creating the charge, certified to be a true copy under the seal of the society or under the hand of some person interested therein otherwise than on behalf of the society.
<i>Loans to members</i>	39.	<p>1) No loans shall be made to a members of a registered society save in accordance with the conditions laid down for the making of such loans in the bye-laws of the society.</p> <p>2) A member of the committee of a registered society other than a co-operative savings and credit society may not borrow money or obtain goods or service on credit from the society without written approval by the Registrar.</p>
<i>Maximum Dividend on Shares</i>	40.	No registered society shall pay an annual dividend exceeding ten per cent on shares of the paid up capital.
<i>Transfer of Shares by a Member</i>	41.	<p>1) Subject to the provision of Section 13 and 18 of the Statute and sub-regulation (3) of this Regulation, a member may transfer his share or shares in a registered society to any other member of the society.</p> <p>2) No transfer of any share in a registered society shall be effective until Such transfer been registered by the Secretary of the society.</p> <p>3) No transfer of any share in a registered society shall be effective if made by a member in debt to the society whether the debt I due for payment or not.</p>
<i>Accounting For education Fund</i>	42.	Any society retaining or obtaining fund on account of the Education Fund according to the provisions of section 48 of the statute shall account for the use of the funds at every annual general meeting.
<i>Share Transfer Fund</i>	43.	Every registered society shall maintain a fund to be known as the Share Transfer Fund and shall allocated annually out of its surplus, if any, amount to be determined by the Registrar from time to time, not Exceeding five per cent of the registered society's share capital, such a Fund shall be invested in the co-operative bank approved by the Registrar.
<i>Registrar's Notice</i>	44.	1) Before the Registrar makes an order against any person pursuant to the provisions of sub section (1) of Section 69 of the Statute, he shall serve

Pending Surchage. written notice on that person requiring him to show cause within the time Specified in the notice why such an order should not be made against him.

- 2) Any person on whom written notice is served in accordance with the Provisions of sub-regulation (1) of this Regulation may show cause by Addressing the Registrar in person or in writing within a period specified in The notice by the Registrar.

Publication By the Liquidator or Notice Requiring Claims to be Made. 45. A liquidator appointed under Section 61 of the statute shall publish in the Gazette and in at least one vernacular newspaper circulating in the area in which the society concerned operates a notice requiring claims against such society to be submitted to him within two months from the date of the publication of the notice.

Reference To arbitration By Liquidator, 46. 1) Where, in pursuance of the provisions of paragraph (c) of section 62 of the statute, a liquidator decides to refer a dispute by to arbitration such decision shall be embodied in an order of reference under his hand.

- 2) Every order of reference under this regulation shall,
- a) specify the name, surname, place of abode and occupation of the arbitrator;
 - b) set out the dispute and full particulars thereof; and
 - c) limit the time within which the award shall be forwarded by the arbitrator; provided that, if good cause is shown to his satisfaction, the liquidator may by a further order extend the time whether before or after the time limit by the order of reference has expired.
- 3) Where the liquidator decides to refer a dispute to more than one arbitrator, Such reference shall be to three arbitrators, of whom one shall be nominated By each of the parties to the dispute and the third shall be nominated by the Liquidator and shall be the Chairman.
- 4) Where, under sub-regulation (3) of this Regulation reference is made to three Arbitrators the following provisions shall apply, that is to say,
- a) if any party to the dispute fails to nominate an arbitrator within such time as the liquidator may specify, the liquidator shall nominate the arbitrator;
 - b) if an arbitrator nominated by one of the parties to the dispute dies, refuses or neglects to act or, by absence or otherwise becomes incapable of acting, the liquidator shall call upon the party concerned to nominate a new arbitrator within in such time as the arbitrator may specify and, if no new arbitrator is nominated accordingly, the liquidator shall nominate one himself;

		c) if the arbitrator who dies or refuses or neglects to act, or becomes incapable of acting, was nominated by the liquidator a new arbitrator shall be nominated in his place by the liquidator; and
		d) the opinion of the majority of the arbitrators shall prevail.
<i>Proceedings Before an Arbitrator.</i>	47.	<p>1) The proceedings before the arbitrator shall as nearly as possible, be conducted in the same way as proceedings before a court of law, and, in particular, the Following provisions shall apply that is to say,</p> <p>a) at least ten days' notice of the time and place at which the proceedings are to be held shall be given to the parties to the dispute;</p> <p>b) a record of the evidence adduced before the arbitrator shall be made and signed by the arbitrator;</p> <p>c) documents produced as exhibits before the arbitrator shall be marked and initiated by the arbitrator and shall be attached to the file of the proceedings; and</p> <p>d) in the absence of any party duly notified to attend, the dispute may be decided by the arbitrator ex-parte.</p> <p>2) The award of the arbitrator,</p> <p>a) shall be written; and signed by the arbitrator; and</p> <p>b) shall state the amount of costs and expenses of the arbitration, if any, by which party or parties to the dispute the same is to be paid.</p> <p>3) Upon the completion of the proceedings, the arbitrator shall forward to the Liquidator;</p> <p>a) the file of the proceedings; and</p> <p>b) the award.</p>
<i>Lodging of Disputes.</i>	48.	An aggrieved party under Section 72 (3) of the Statute shall write to the Defendant clearly stating the nature of the dispute proposing who to arbitrate. The defendant shall respond by accepting the proposed arbitrator(s) or Proposing who else to arbitrate.
<i>Disputes Referred to arbitration</i>	49.	The provisions of Regulations 47 and 48 of these Regulations shall apply to the settlement of disputes referred to under Section 72 of the Statute provided that when a dispute involves Uganda Co-operative Alliance Limited or the Board, that dispute shall be referred to the Registrar for settlement.
<i>Copies Of bye-laws</i>	50	Copies of the bye-laws and balance sheets of all registered societies shall be open for inspection at the office of the Registrar who shall on request and on Payment of a fee shall be determined by the Registrar from time to time, Supply certified copies thereof.
<i>Revocation. SI No. 53</i>	51	The Co-operative Societies Regulations 1971 is revoked.

SCHEDULE – Form 1
THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992

TO: The Registrar of the Cooperative Societies
P.O. BOX 7103
KAMPALA

Dear Sir,

APPLICATION FOR REGISTRATION OF A CO-OPERATIVE SOCIETY.

I/We, the undersigned, hereby apply that the society, the particulars of which are set out hereunder, be registered as a Co-operative Society under the Co-operative Societies Statute 1991.

1. Name of society
 2. Area of operations
 3. Type of society
 4. Whether limited or unlimited is desired
 5. Language and character in which the books and accounts will be kept
 6. Name of person appointed to be secretary of the society pending the first annual general meeting
 7. Address of the society for purposes of registration
 8. We attach true copies of proposed bye-laws of the society in English duly signed.
- | Name | Occupation | Age | Place of Signature | Residence |
|-------|------------|-------|--------------------|-----------|
| | | | | |
| | | | | |
| | | | | |
- Dated this Day of 19

**Note that the application form must be signed.*

- a) in the case of a primary society, by not less than thirty persons qualified for membership of the society in accordance with section 12 of the Statute;
- b) in the case of a cooperative union or an apex society, by a person authorized to sign for each registered society or co-operative union who is a member of that society or union.

Form II, THE REPUBLIC OF UGANDA Reg. 8(3)
THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992

TO: The Registrar of the Co-operative Societies,
P.O. BOX 7103
KAMPALA

Dear Sir,

CERTIFICATE OF AMENDMENT OF BYE-LAWS OF A SOCIETY.

We the undersigned hereby certify that,

a) the enclosed amendment of the bye-laws, etc

.....

b) on that date there were members of the society of whom
were present at the meeting.

c) members voted for the amendment;

d) written notice of the meeting and proposed amendment was served on all the members of the society
on the day of 19 And the voting paper was duly issued to every
member.

.....
Chairman.

.....
Secretary

.....
Co-operative Society.

Date this day of 19.....

THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992

TO: The Registrar of the Co-operative Societies.
P.O. BOX 7103,
KAMPALA

Dear Sir,

FORM OF ANNUAL RETURN.

(To be submitted within four months of end of financial year)

- 1) Name of society
- 2) Registration number
- 3) Date of registration
- 4) Registered address
- 5) Type of society
- 6) The liability of the members is ;
 - i) limited to the nominal value of each share held;
 - ii) limited to times the nominal value of each share held;
 - iii) unlimited.
- 7) The number of members of the society is
- 8) The number of shares issued is
- 9) The nominal value of one share is Shs
- 10) The total indebtedness of the society may incur in loans or deposits is Shs
- 11) The date of annual general meeting was
- 12) The maximum liability which the society may incur in loans or deposits is Shs
- 13) Particulars of officials elected for the year To are as follows:-

Title of office	Name of holder
Chairman
Vice Chairman
Secretary
Treasurer
Committee members

14. A copy of the last audited Balance – Sheet is filed herewith.

Dated this day of 19

.....
Secretary

*Delete whichever is not applicable

THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992

TO: The Registrar of the Co-operative Societies,
P.O. BOX 7103
KAMPALA

Dear Sir,

NOTICE TO THE REGISTRAR OF DECISION OF SOCIETY AS TO THE REMUNERATION OF COMMITTEE MEMBERS AND MEMBERS.

1. Name of Society
2. Registered number
3) I beg to inform you that at a *Special/General Meeting of the above society held on the
Day of 19, the following resolution was passed:

.....
.....
.....
.....

The society has members.
There were members in favour of the resolution and
Against it.

There was accordingly a majority of the members of the society who voted in favour of the resolution.

I HEREBY CERTIFY that the particulars contained above are correct.

.....
Secretary.

Dated this day of 19

*Delete word not applicable.

*Here copy resolution.

THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992

TO: The Registrar of the Co-operative Societies,
P.O. BOX 7103
KAMPALA

Name of society

Registered number

I beg to inform you that at a *Special/General/Committee Meeting of the above society held on
The Day of 19 The following resolution
Was passed:-

“That the maximum liability which the society may incur in loans or deposits from non-members,
Section 42 of the Statute, should be a sum of Shs.

..... (in words)

.....

And that Form xxx providing details of this liability be submitted by the Secretary to the Registrar
for his direction under section 42 of the Statute.

The society Members
There were members present at the meeting of whom
..... voted in favour of the resolution and against it.

Accordingly the resolution was passed by a two thirds majority of all the members of the society.

I HEREBY CERTIFY that the particulars contained above are correct and that the details of the
Proposed liability xxx are correctly stated on the reverse of this form.

Date this Day of 19

.....

Secretary

*Delete words not applicable.

Name of
Proposed
Lender or
depositor

Details of purpose for
which loan or deposit
is required

Period of proposed liability
Months/Year/Date from/Date to

THE CO-OPERATIVE SOCIETIES REGULATIONS, 1992

TO: The Registrar of the Co-operative Societies,
P.O. BOX 7103
KAMPALA

Dear Sir,

PARTICULARS OF MORTGAGE OR CHARGE CREATED BY A SOCIETY

1. Name of Society
2. Registered number
3. Date and description of the instrument creating or evidencing the mortgage or charge:
.....
4. Amount secured by the mortgage or charge:
Shs
5. Short particulars of the property mortgaged:-
.....
.....
.....
.....
6. Names, addresses and descriptions of the mortgages or person entitled to the charge
.....
.....
.....
.....

Dated this 3rd day of November, 1992

R.H.Kaijuka
Ministry of Commerce, Industry and Co-operatives

