

**THE BYE LAW  
OF THE  
ADEKUNLE AJASIN UNIVERSITY ALUMNI COOPERATIVE MULTIPURPOSE  
SOCIETY LIMITED (AAUACMS)**

**Interpretation:** All words and expressions used in these Bye-Laws are defined in Section 7(1) of Co-operative Societies Law, Cap 35 of the Ondo State, Nigeria laws of 2006.

If there shall arise any doubt regarding the meaning of intention of any part of these Bye-Laws, the matter shall be referred to the Director for a ruling. The following words or expression shall have the meanings respectively assigned to them:

- (i) Words importing the singular or plural number respectively include the plural and singular number, words importing the masculine gender also include the feminine gender.
- (ii) "Financial Year" means the period of twelve months beginning from 1<sup>st</sup> January of the year and ending on the 31<sup>st</sup> December of the same year.
- (iii) "The Law" means the Co-operative Societies Law (Cap 35 of the Ondo State, Nigeria laws of 2006).
- (iv) "The Director" means the Registrar of Co-operative Societies, Ondo State of Nigeria.
- (v) "Regulation" means the Regulation made under this bye-law.

**II NAME, ADDRESS AND AREA OF OPERATIONS**

2. **Name and Address:** The Society shall be called the ADEKUNLE AJASIN UNIVERSITY ALUMNI COOPERATIVE MULTIPURPOSE SOCIETY LIMITED. Its address shall be:

- (a) **Residential:** ADEKUNLE AJASIN UNIVERSITY ALUMNI COOPERATIVE MULTIPURPOSE SOCIETY LIMITED, AKUNGBA-AKOKO, ONDO STATE.
- (b) **Postal:** SECRETARIAT, ADEKUNLE AJASIN UNIVERSITY ALUMNI COOPERATIVE MULTIPURPOSE SOCIETY LIMITED, P.M.B 001, AKUNGBA-AKOKO.

© E-mail: aauaalumnicooperative@gmail.com, [cooperative@aauaalumni.com](mailto:cooperative@aauaalumni.com)

(d) Website: Cooperative.aauaalumni.com or through www.aauaalumni.com

3. **Area of Operations:** The area of operations of the society shall be different locations members of the society reside within and outside Nigeria.

### III **OBJECTIVE**

4. Its objectives are to promote the social and economic interest of members, especially:
- (a) To promote co-operative spirit among members, work for the improvement of their living standards and encourage the development of the co-operative investment.
  - (b) The creation of funds to be lent to members at reasonable interest rate for necessary and productive purposes which will always come with a guarantor or a surety.
  - (c) To purchase and retail to its member and non-members such commodities as the appropriate Committee of the society may determine from time to time. Preference shall, however, be given to members.
  - (d) To invest its funds not immediately required for business, in landed properties, Commercial and Agricultural concerns which are considered safe, sound and profitable and approved by the society through its Executives.
  - (e) To raise capital from within and outside the Society after members' approval at meetings call for such purpose and do such other things that are reasonable and necessary for the attainment of these objectives and for the benefit of the members.

### IV. **MEMBERSHIP AND LIABILITY**

5. Method of Application for membership shall be done online. Prospective applicants shall complete the application form online via aauaalumni.com or cooperative.aauaalumni.com and thereafter download the Co-operative **App (xxxxxx)** on the Google Play Store or through the website or maintain the web version for transactions.

The Management Committee shall, in the meantime, review the application and exercise its power to grant admission or to refuse it after recording the reason for such refusal.

6. **Membership**

**A.** The members shall consist of individuals who hold the certificates of Adekunle Ajasin University, Akungba Akoko, Ondo State, including Diplomas, First or Second degrees, and PhDs, Such individuals must be of good characters, who are over the age of eighteen years. **No person can claim admission as a matter of right.**

7. **Qualification for Membership:** Every member of the Society must be:

(a) An alumnus of Adekunle Ajasin University, Akungba-Akoko.

(b) Financial members of AAUA Alumni.

(c) of good character and must identify with a branch of the association: to be attested to by the chairman of the members branch at the time of becoming a member.

(d) not less than eighteen years of age.

(e) admitted after the approval of application submitted to the Management Committee and payment of necessary fees.

(f) become a member of the Society as soon as he/she has paid his/her share capital or an installment thereof and other necessary fees.

8. **Liability of Members:** A member's liability for the debts of the Society shall extend to, but shall not exceed 2 times the value of one share.

9. **Withdrawal or Resignation of Membership**

(a) No member shall be permitted to withdraw any of the share held by him/her in the Society, or to resign his/her membership of the Society,

within two (2) years except such a member is confirmed to be out job or lost the means of livelihood from the date on which he/she was admitted as a member. After such period he/she may withdraw any of his/her shares with the consent of the Committee or resign his/her membership, provided he/she gives, at least, six (6) months' notice and that there are no debts due from him/her to the society.

- (b) When a member resigns his/her membership, he/she shall send a letter of resignation to the Secretary of the Society through the cooperative email and such resignation shall take effect from the date on which the resignation is accepted by the Committee.

10. **Liability of Past Members:**

- (a) A past member shall be liable for the debts due by the Society, as such a member existed on the date when he/she ceased to be a member, for a period of two years from the date on which he/she ceases to be a member.
- (b) The estate of a deceased member shall be liable for the debts of the Society as they existed at the date of his/her death, for a period of two (2) years after his/her death.

11. **Dues to Membership:** Any money due on any account from this Society to a member, or a past member, shall be set off in payment of any sum which he/she owes or for which he/she stands surety.

12. **Nominees:**

- (a) Every member shall nominate, in writing, a person to whom in the event of member's death or permanent insanity, the Society shall pay a sum representing the deceased member's share and other sums due to him/her at the time of his/her death.
- (b) Every appointment of Nominee shall be entered in the membership and attendance register or database, and any alteration shall be assigned by the member.
- (c) The member may at any time change his Nominee.

- (d) In the event of member's death or permanent insanity, the Society shall pay a sum, representing the deceased member's share and other sums due to him/her at the time of his/her death to such member's nominee.
- (d) In the event of no nominee had been appointed by a deceased member, the society shall pay the aforementioned sum to the person, who after due examination, appears to be the **legal personal representative** of the deceased.

13. **Termination of Membership:**

Membership shall be terminated by:

- (a) Death;
- (b) Permanent insanity;
- (c) Ceasing to hold the minimum number of shares;
- (d) Withdraw after 6 months' notice conveyed in writing to the Secretary provided that the member withdrawing is neither in debt to the Society nor surety for an unpaid debt; and

Should a member for any cause cease to be qualified for membership, or withdraws from membership, his/her name shall be removed from the Membership and the society's database and he/she shall be paid back after six months the amount of Share Capital actually paid by him/her together with any other amount due to him/her from the Society, after deducting from them any amount due from the member to the Society.

14. **Expulsion:** A member may be expelled for:

- (a) Repeated failure to pay the share installments or debts due from him/her to the Society.
- (b) Conviction on criminal offence
- (c) Misconduct or other acts contrary to the stated objectives of the Society or to the interest of the Co-operative Movement. A simple majority of votes of a general meeting shall be required for the expulsion of a member on the recommendation of the Executive.
- (d) Deceiving the Society in any way or if his/her general conduct is such as to render his/her removal necessary in the interest of the Society.

- (e) Any reason(s) above provided he/she has been given a reasonable opportunity of being heard.

## V. **CONSTITUTION AND DUTIES OF GENERAL MEETINGS**

- 15. (1) The ultimate authority under the law in all the affairs of this society shall be the general body of members who shall meet from time to time and at least once in three months or any time the need arises to review and direct the work of the Society.
- (2) The general body of members shall not, however, interfere with the actions performed by the Management Committee or any officer of the Society, in the performance of powers conferred on them by the bye laws.
- 16. **Quorum:** The presence of at least one fourth of the total number of members on the list/database as the time of a meeting: **OR** total number of members exceeding 500, 125 members shall suffice as quorum.
- 17. **The Annual General Meeting**
  - (1) The Annual General Meeting shall be held within three months of the end of the financial year after the annual statements of accounts have been prepared.
  - (2) The duties of the Annual General Meeting shall be:
    - a. to receive from the Management Committee a report on the preceding year's working of the Society with the statement of accounts and decide accordingly.
    - b. to decide upon the disposal of the surplus/deficit in accordance with the provisions of the law, the regulations and this Bye-Law.
    - c. to consider any communication received from the Director and
    - d. to elect and swear in the President, the Vice President, the Secretary, the Treasurer and other Management Committee members for the ensuing year.

- e. to appoint delegates to represent the Society on any cooperative body to which it may be affiliated for services.

18. **Duties of Ordinary General Meeting**

When necessary a General Meeting shall:

- (a) suspend or remove from office any officer or member of the Management Committee in accordance with this Bye-Law;
- (b) confirm the admission or expulsion of members;
- (c) Amend or repeal any existing Bye-Laws or enact a new Bye-Law in accordance with Bye-Law XVI-95;
- (d) fix the rate of interest to be charged upon loans to members;
- (e) ratify the appointment or dismissal of the manager on the recommendation of the Management Committee; and
- (f) determine the programme of activities for the ensuing year on the recommendation of the Management Committee;
- (g) approve the annual budget of income and expenditure;
- (h) take necessary action regarding debtors or delinquent members on the recommendation of the Management Committee;
- (i) hear any complaint which may be preferred against the Management Committee/any other person by any member and disposed of any other business duly brought before it.

19. **Special General Meeting:** An Extra-ordinary General Meeting may be called at any time by a majority of the Management Committee or on request from the Director or from not less than one-fourth of the members of the Society and such a meeting shall be called within 30 days after receipt of a requisition in writing.

20. (a). **Elections:** Election into various offices of the Executive Committee as declared by the Election Committee shall hold at interval of two years, while such election must take place in November of the election year.

(b) . **Voting:**

- (a) All positions shall be decided by simple majority of votes of the members present and voting.
- (b) Each member shall have one vote only.
- (c) At all meetings, the President as Chairman shall have a casting vote in addition to his ordinary vote.
- (d) The voting shall be either by the show of hands or by secret ballot in physical meetings or as collated using a credible digital voting system or online or social media platform or as may be necessary.

IV. **OFFICERS OF THE SOCIETY**

22. (i) **Officers**

- (a) The President, the Vice President, the Secretary, and the Treasurer elected at the Annual General Meeting shall hold office for one term of office, but shall be eligible for re-election for another term of office. There shall be only one (1) ex-officio in the Management Committee who shall be the immediate past President or a member of the outgoing Management Committee. Any vacancy arising due to the death, removal, withdrawal or transfer of an officer shall be temporarily filled by a member of the Management Committee elected at a Committee meeting.
- (b) The officers stated above shall constitute the Executive Management Committee of the Society.

23. (i) **MINIMUM REQUIREMENTS FOR OFFICERS**

- (a) The Management Committee members on election shall serve for a two-year term and for a maximum of two terms, if re-elected at the end of the first term. Any Management Committee member(s) who served for two consecutive terms of two years each in the same posts shall be eligible for any different elective position.
- (b) The services of the members of the Management Committee shall be **gratuitous** except as provided for in the Bye Law.



- (c) Member elected into the Management Committee shall not have defaulted in their loans, shares and monthly savings.
- (d) Prospective officers must be making monthly contributions of not less than fifteen thousand naira (₦15,000); have accumulated asset of not less than two hundred thousand naira (₦200,000); and two guarantors of with not less than one fifty hundred thousand naira (₦150,000) each as accumulated asset, and such guarantors shall be liable to 50% of the officer's liability.

24. **President:**

**Eligibility:** Any member in good standing in the Society and who has been an up-to-date financial member of the AAUA Alumni Association and the Society for a minimum of two years shall be eligible to run the election for the post of President.

**FUNCTION**

- (a) The President shall be Chairman at all General and Committee Meetings of the Society and shall have powers to convene meetings and shall have control over all affairs of the Society in line with these laws.
- (b) The president shall be a compulsory signatory to the society's account.
- (c) In the absence of the President, the Vice President shall be Chairman at meetings, and as such shall have all powers of the President.
- (d) In the absence of both, a member of the Committee shall be elected Chairman of the meetings.

25. **Vice President**

**Eligibility:** Any member in good standing in the Society and who has been a financial member of the AAUA Alumni Association and the Society for a minimum of two years shall be eligible to run the election for the post of the Vice President.

**FUNCTION**

- (a) In the absence of the President, the Vice-President shall be Chairman at meetings, and such shall have all powers of the President.
- (b) Shall take up duties assigned to him by the President and or the Management Committee.

26. **SECRETARY:**

**Eligibility:** Any member in good standing in the Society and who has been a financial member of the AAUA Alumni Association and the Society for a minimum of two years shall be eligible to run the election for the post of Secretary.

**FUNCTION**

The function of the Secretary shall be:

- (i) to supervise the employees of the Society
- (ii) to summon and attend meetings of the Society and of the Management Committee in consultation with the president.
- (iii) to make all necessary arrangements for the meeting of the Society and the Management Committee, including the preparation and arrangement of the choice of venue either physically or virtually.
- (iv) to record the proceedings of the General and Committee Meeting in minute books/archive and deliver same to members email.
- (v) to carry out the business of the Society in accordance with the directions of the management Committee, the resolutions of the General Meeting and the Bye-law.
- (vi) to communicate the decisions of the General and Committee Meetings appropriately for implementation.
- (vii) to receive, collate and present all the correspondence for the Management Committee and the Society as and when due.
- (viii) to give replies to all correspondence of routine nature based on the existing policies of the Society.
- (ix) to be a signatory to the Bank Accounts of the Society.
- (x) to communicate decisions on discipline, promotion and leave matters etc. to members of staff of the Society.
- (xi) to perform all other duties that may be referred to him from time to time by the president, the Management Committee and the general body of members.

## 27. **TREASURER**

**ELIGIBILITY:** Any member in good standing in the Society and who has been a financial member of the AAUA Alumni Association and the Society for a minimum of 2 years shall be eligible to contest for the post of Treasurer. He must have verifiable knowledge of cooperative accounting procedures and practices.

### **FUNCTION:**

- i. to take charge of reports of all monies received by the Society from members through the cooperative digital system and from all other sources.
- ii. to make disbursement in accordance with the directives of the Management Committee.
- iii. to sign the Cash Book and reconcile same with the cooperative system balance in token of its correctness and produce the Cash Balance whenever called upon to do so by the Management Committee, the Director, the Inspector or Auditor and at every General Meeting.
- iv. to ensure all funds passes through the cooperative system for transparency except when it is over the limit fixed by the General Meeting in any Bank approved for this purpose by the General Meeting. All such sums shall be executed in the name of the Society with the express permission of the president or the Management Committee.
- v. to adequately provide for the safe keeping of all monies, receipts and security documents. However, cash transactions are not encouraged.
- vi. to ensure all members digital wallets/pass book are correctly reconciled.
- vii. to issue receipts for all monies received by the Society that do not by the approval of the President or the management committee pass through the cooperative payment system and obtain receipts for all payments made through an administrative set up for which he is fully responsible.
- viii. to conduct regular checks on cash and receipts books and verify same with the digital wallets / cash book and bank balances; and ensure that financial transactions posted into the accounting carry proper approval and authority which are also clearly stated on the payment voucher.
- ix. to ensure that the prescribed books of accounts in the Bye-Law are obtained and maintained through prompt postings; prepare all financial statement as may be required by the Society's Bye-Law and the

Management Committee; and sign all members' passbooks for correctness before the A.G.M.

28. **EX-OFFICIO:**

**ELIGIBILITY:** Any member in good standing and financial member of the AAUA Alumni Association and the Cooperative Society and who had previously served as a member of the Executive Committee with particular preference to an outgoing or outgone President, shall be eligible to contest for the post of Ex-Officio.

**FUNCTION**

- i. to play advisory roles in the Management Committee
- ii. to carry out any assignment as shall be given by the President, or and the Management Committee.

29. **Trustees:** The President, the Secretary and the Treasurer, shall be trustees of the Society. It shall be their duty to sign on behalf of the Society all cheques and legal documents, including those concerned with transfer of funds, acquisition and disposal of property of the Society.

30. **SECURITY OF EMPLOYEE:**

The Manager and other paid staff of the Society shall be considered necessary to provide security in such amount or freehold property as the executive may from time to time determined.

VII. **CONSTITUTION AND DUTIES OF THE COMMITTEE**

31. **Committee:** Subject to the Law, the Bye-Law and the resolutions of the General Meeting, the Executive Management of the Society shall be vested in a Committee.

32. **Constitution:** The Management Committee shall consist of the President, the Vice-President, the General Secretary, the Treasurer and the Ex-Officio of the Society who shall be elected for a term of office of two years at the Annual General Meeting and shall be eligible for re-election, provided that if for any unavoidable reason the Annual General Meeting cannot be held at the appropriate time within the year, the existing Committee shall continue in the office till the election of a new Management Committee, but such election shall in no case be held later that eighteen months, after the previous election of the Management Committee.

33. **Disqualification of Member of the Committee:** A member of the Management Committee shall cease to hold office if he/she:
- (i) ceases to be a member of the Society;
  - (ii) becomes of unsound mind;
  - (iii) acts in a manner prejudicial to the interest of the Society.
34. **Meetings:** Meetings of the Management Committee shall be held when necessary preferably monthly and at least once in 2 months. The attendance of at least three members shall be required for the disposal of any business.
35. **Responsibility of the Committee:** In their conduct of the affairs of the Society, the Management Committee shall exercise the prudence and diligence of reasonable men of business and **shall be responsible for any loss sustained through acts or omissions contrary to the law, the Regulations and these bye-laws.**

#### VIII. **CREATION OF FUNDS**

37. **Sources of Fund:** The fund of the Society may be derived from:
- (a) Shares
  - (b) Entrance Fees
  - (c) Refund of expenses and/or remuneration by Unions or by government or other purchasing agencies.
  - (d) Borrowing
  - (e) Saving and Fixed Deposits by members
  - (f) Surpluses arising from the business of the Society
  - (g) Government subsidy and grants
  - (h) Miscellaneous source approved by the Director
  - (i) Sales of loan forms and management fee charged on the cooperative management system

38. **Share:**
- (1) Each share in the society shall be of the value of **₱1.00. per Shares and** shall be paid up **in full on allotment**, or a **first installment of ₱5,000.00** may be paid on allotment and the remainder may be deducted from the amount payable by the member for his/her next monthly savings/contributions.
  - (2) A **share certificate**, bearing a distinctive number shall be issued for every share allotted and fully paid up.
39. **Minimum Holding:** Every member shall hold **at least ₱10,000.00 share** or any minimum amount as may be fixed by the General Meeting from time to time.
40. **Maximum Holding:** A member may hold any number of shares in excess of the minimum share-holding fixed in the Bye-Law provided that his **total holding shall not exceed 20% of the Society** total subscribed share capital.
41. **Withdrawal of Shares:** No member may withdraw his/her shares in the Society within **two years** after first taking them except in **exceptional case where Management may use its discretion**. A member may withdraw his/her shares after that period provided that:
- (a) He/she has given a six-month notice of withdrawal;
  - (b) the **total amount of share capital permitted to be withdrawn in any one year does not exceed 10% of the aggregate paid up share capital** of the Society as it was on the last day of December preceding;
  - (c) there is no money or goods due from him/her to the Society, a member who withdraws his/her share capital under this bye-law shall be paid back the amount of share capital actually paid by him/her.
42. **Transfer:** No member may transfer his/her shares.
43. **Entrance Fees:** Every member, on joining the Society, shall pay Entrance Fees as may be reviewed from time to time by the General Meeting which shall be credited to the account of the Society.
44. **Borrowings:** The Society shall not borrow money or accept deposits from any external source (**except in accordance with the Bye-Law of any union of which it is a member without the written permission of the Director**).
45. **Members' Savings and Fixed Deposit:** Thrift savings and fixed deposit of members shall be accepted and accounted for by the Society in accordance with

the rule approved by the Director and shall be debts due to such members by the Society. **Such savings could be for payment of school fees, house rent, Conference, festivities and celebrations and any other special purposes.**

## IX **USE AND CUSTODY OF FUND**

46. **Internal Funds:** The funds of the Society may be held in the form of:
- (a) Reserve fund
  - (b) Depreciation fund
  - (c) Insurance fund
  - (d) Developing, Education, Advertising, Marketing or others approved by the General Meeting and the Director
  - (e) Current or Savings Bank Accounts or Cash.
47. **Use of Funds:** The Funds of the Society shall be applied only to the furtherance of its stated objectives in accordance with these bye-laws.
48. **Current Expenditure:** The Society's overhead expenses shall be the first charge on current revenue.
49. **Capital Expenditure:** Share payments, members' savings and fixed deposits, loan interest and any excess of current revenue (as defined in bye-law 45 above) over current expenditure shall be available for use as capital expenditure or for making loans to members.
50. **Investments:** Such of the funds of the Society as are not required for current use may be invested in any manner permitted by these bye-laws, the law and the regulations and approved by the Director.
51. **Bank Accounts:** With the exception of such amount as it is essential to keep as petty cash, the liquid funds of the Society shall be kept in current or saving bank accounts operated in a manner to be mutually agreed upon by the Society, the Bank and the Directors.
52. **Operation of Bank Accounts:** The society's bank account shall be Trustee accounts.

While our settlement agency for all monies deposited and withdrawn through the cooperative payment system is **PAYSTACK PAYMENTS LIMITED.**

When money is paid into the bank through the Cooperative payment system, E-deposit, digital receipts are issued and sent to the cooperators email as evidence for successful transaction.

Before money is withdrawn from the bank, and upon withdrawals made, the management committee shall activate a withdrawal confirmation menu on the payment system and transfer of money from the bank to the beneficiaries will be effected to complete the process.

With this process, the balance on every members dashboard shall reflect this transaction as executed by the Trustees duly authorized by the General Meeting under bye-law. Payments shall be authorized by the President.

53. **Limit or Cash in Office:** The operations of this cooperative society do not encourage physical cash transactions and everything shall be done to restrict every transactions to online and digital processes.

Cash retained with the Society shall be no more than is required for immediate disposable working capital and shall at no time exceed such limit as shall be fixed from time to time by the General Meeting or by the Management Committee.

54. **Safe Custody of Cash:** Cash not invested shall remain deposited in the bank.

55. **Production of Cash Balance:** The cash balance as shown in the Cash Book shall be produced at all General and Committee meetings and on request by the Director or any person authorized by him/her in that behalf.

## X. **LOANS**

56. **Purpose of Loans:** Loans may be granted to members only for necessary or productive purposes.

### **Conditions Governing Loans:**

- (a) Loans shall be granted to qualified members on the security of two members of the Society as sureties or as the General Meeting may decide.
- (b) No loan shall be granted to any member whose installments of share are in arrears and has not made regular thrift savings.

57. **Application for Loans:** This shall be made through the General Secretary and **disposed of by the Loans Committee**. The application shall be sent to the email provided by the cooperative management committee..



58. **Loans to Members:** Except in the first year of a society, no loans shall be made to a member within six months of his/her admission by the loans Committee except in the case of the transfer of an existing loan of a past member to his/her nominee or other successor in interest who is or becomes a member of the Society.

No loan shall be granted:

- (a) for a period exceeding the time limit fixed by the General Meeting;
  - (b) If loan request exceeds twice members share capital
  - (c) if it would bring a member's total indebtedness at the time of the loan to a sum exceeding his/her maximum credit limit;
  - (d) Unless approved by Loans Committee.
59. **Maximum Credit Limit:** The maximum credit limit of each applicant for a loan shall be as fixed by the General Meeting. The Committee may, however, use its discretion based on fund available to as many members as are qualified and the securities offered.
60. **Interest of Loans to Members:** Interest on loans to members shall be charged at a rate to be fixed by the General Meeting, but shall in no case exceed 15 percent per annum.
61. **Bonds and Securities:** Every borrower shall execute bond and shall furnish two sureties. No extension of the period of repayment shall be granted without the consent of the sureties. Sureties must be a member of the Society.
62. **Duties of Sureties:** A surety must be reputable member of the Society and shall personally guarantee the issuance of the loan:
- (a) repayment of the loan if the borrower defaults
  - (b) the correctness of the particulars on which the value of the borrower's securities is based.
  - (c) that the loan is used for the purpose stated by the borrower in his application. Misuse of the loan shall be reported by the surety to the Committee immediately.
63. **Commitments as Surety:** A member's commitments as surety shall not, when taken together with his/her own existing borrowing, exceed his/her maximum credit limit.

64. **Repayment:** Both loans and interest are repayable not later than the period approved by the General Meeting after the receipt of the loans. If a borrower is unable to repay punctually, the Loans Committee may, for satisfactory and recorded reasons, grant extension not exceeding one year.
65. **Overdue Loans:** When a loan is not paid on the date due, the loan account shall, at once, be closed and the borrower is informed of the principal and interests outstanding against him/her. On the total amount so found due, the borrower shall be charged penal interest from the date of closing the loan account to the date of recovery in any lawful manner that the Committee may deem suitable.
66. **Appropriation of Debt Payment:** When a member from whom money is due, pays any sum to the Society, it shall be appropriated in following order:
- (i) to share payments, fines and other miscellaneous charges due by him/her;
  - (ii) to interest on loans;
  - (iii) to loan principal.

#### XI. **SUPPLY OF COMMODITIES/PALLIATIVE ITEMS**

67. The Society shall arrange to supply to **MEMBERS ONLY**, domestic needs and other goods and services as palliatives under the following requirements and arrangements.
- (i) domestic requirements and other necessities of life, on the basis of indents furnished by members or on the basis of assured demand.
  - (ii) all transactions by way of sale or distribution, shall be on payment and shall be confined to members as much as possible.
  - (iii) the Society may invest its funds in purchasing the above articles, but at no time the value of the stock should exceed the paid up value of the shares without the permission of the Director.
  - (iv) at the end of each quarter, stock of goods shall be taken and necessary depreciation allowed.
  - (v) it shall be competent for the **Consumer Committee** to frame regulations governing the purchase and distribution of member's requirement.
  - (vi) to qualify for palliative items, member must be guaranteed by another two members in good standing with the Society.

- (vii) Failure of any member to complete payment at the expiration of the stipulated period, shall attract regular/recurring penalty of 10% on the outstanding payment.

## XII. **DISPOSAL OF SURPLUS**

68. **Appropriation:** At the close of each financial year, the Society's expense, including the interest payable on deposits and loans from non-members and Audit and Supervision Fees dues, shall be deducted from the Society's income. The net surplus shall be appropriated as follows:
- (a) at least 5% shall be carried to the Reserve Fund unless permission is given by the Director to reduce this amount.
  - (b) at least 20% of the total surplus shall be carried as Bonus Shares
  - (c) at least one-tenth shall be carried to the Education Trust Fund of the alumni
  - (d) The balance shall be utilized for one or more of the following purpose:
    - (i) payment of dividend on total assets
    - (ii) donations, not exceeding 10% of the net surplus, to upgrade university infrastructures or social purpose approved by the Director.
    - (iii) building up General Reserve
    - (iv) institution of a Share Transfer Fund
    - (v) price fluctuation fund
    - (vi) bad debt fund
    - (vii) building fund
    - (viii) dividend equalization fund
69. **Dividend:** Dividend shall be paid on total assets and loan patronage as may be appropriate to annual operational results, subject to approval by the General Meeting. No dividend shall be paid if any overdue claim to a depositor or lender remains unsatisfied.
70. **Director's Approval:** The appropriation of the net surplus shall be subject to approval by the Director and governed in all respects by the spirit and letter of the law and the regulations.

### XIII. **RESERVE FUND**

71. **Reserve Fund:** The reserve fund is indivisible and no member is entitled to claim a special share in it. Except as otherwise decided by the General Meeting, it shall be utilized in the business of the Society, but may be deposited or invested in accordance with the law.
72. **Trading Losses:** Any loss on the year's working shall, possible be made good from non-statutory reserve, but if that is insufficient, it may with the written permission of the Director and by a resolution of the annual General Meeting be met from the reserve fund as soon as any surplus is earned.

### XIV. **AUDIT AND SUPERVISION FEES**

73. **Audit and Supervision Fees:** Audit and supervision fees at the rate assessed by the Director and published in the Ondo State of Nigeria Gazette shall be paid annually to the Co-operative Union Limited not later than the fifteen of March.

### XV. **DISSOLUTION AND DIVISION OF THE SOCIETY:**

74. **Splitting up of the Society:** If at any time the general body of members resolved to split into more than one society, part of Reserve Fund and other funds shall be transferred to the new society or societies as may be decided by the general body which resolves on the splitting of the original society subject to the approval of the Director.
75. **Liquidation:** The Society shall not be liquidated except in accordance with Section 39 to 47 of the Law. (Co-operative Law and Regulation Decree 90 of 1993).
76. **Disposal of Funds:** On the dissolution of the Society the Reserve and other funds of the Society shall be applied:
- (a) to discharging the liabilities of the Society;
  - (b) to the repayment of the share capital paid up. The remainder shall be placed in the bank by the Director until a new Multipurpose Cooperative Society with a similar area of operations is registered, in which event the funds shall be credited to the Reserve Fund of the Society.

### XVI. **MISCELLANEOUS PROVISIONS**

77. **Affiliation to Union:** Unless there are reasons to the contrary accepted by the Director, the Society shall affiliate to a Co-operative Union established in the area of operations to facilitate the operation of societies.

78. **Disputes:** Any dispute arising in or concerning the Society and its members or past members shall be referred to the Director for settlement by arbitration under the provision of section 51 of the Law. (Co-operative Law and Regulation Decree 90 of 1993).
79. **Losses:** Any amount of money lost by or owed to the Society and deemed to be finally irrecoverable may be written off with the permission of the Director.
80. **Seal:** The Secretary shall hold in safe custody, the Seal of the Society on behalf of the Trustees. The Seal shall be of a pattern approved by the Director. Documents shall be sealed by, at least, two of the trustees one of whom shall be the president.
81. **Fines:** The General Meeting of the Society may impose fines on member as may be determined by the General Meeting from time to time, for flagrant or repeated contravention of the Bye-Law.
82. **Amendment of the Bye-Laws:** Any amendment of or addition to these Bye-Laws shall be made by General Meeting of the Society in accordance with the Regulations and shall not be valid until registered by the Director.

I hereby certify that the foregoing bye-laws of the **ADEKUNLE AJASIN UNIVERSITY ALUMNI COOPERATIVE MULTIPURPOSE SOCIETY LIMITED (AAUACMS)** No31,887 Have been registered under section 7(1) of the Co-operative Society Law (Cap. 27 of the Laws of Ondo State of Nigeria 1978).

Dated this ..... day of .....

**(Sgd.)**

***Director of Co-operative Services  
Ondo State of Nigeria.***