

BYE-LAW OF

THE



**Nigerian National Petroleum Corporation (NNPC) Staff
Multipurpose Cooperative Society Ltd**

**Herbert Macaulay Way Central Business District,
Abuja.**

BYE-LAWS OF THE NIGERIAN NATIONAL PETROLEUM CORPORATION (NNPC) STAFF MULTI-PURPOSE CO-OPERATIVE SOCIETY LIMITED, NNPC TOWERS, ABUJA

PREAMBLE

We the members of the Nigerian National Petroleum Corporation (NNPC) Staff Multi-purpose Co-operative Society Limited, Abuja having resolved to come together as an organization for the promotion of the objectives stated herein and in order to provide Laws and Rules for our guidance, do hereby adopt the existing Bye-Laws and provide FOR OURSELVES as follows:

1. CITATION, APPLICATION AND COVENANT

- a) This document may be cited as the Laws and Rules of NNPC Staff Multi-Purpose Co-operative Society Limited, Abuja.
- b) The said document shall be binding on all members of the society and shall come into operation on such date as it is adopted by a simple majority of members present and voting at the general meeting and assented to by the Registrar of Cooperatives of the FCT.

2. INTERPRETATION

- a) All words and expressions used in the Bye-Laws and defined in the Nigerian Cooperative Act CAP N98 LFN 2004 and/or any amendments made thereto and the Regulations made there under shall have the meaning assigned to them in the above named sections and regulations.
- b) In addition, the following words or expressions shall have the meaning respectively assigned to them.
 - i. "NNPC" means Nigerian National Petroleum Corporation.
 - ii. "Financial Year" means the period of twelve calendar months beginning from 1st of January and ending on 31st of December of every year.
 - iii. "The Law" means the Cooperative Societies Laws (Nigerian Cooperative Act of 2004, CAP N98) as amended.
 - iv. "Regulations/Rules" means rules made under the law from time to time.
 - v. "The Registrar" means the Registrar of Cooperative Societies, FCT, Abuja.
 - vi. "Management Committee" means the governing body of a registered Co-operative Society to which management of its affairs is entrusted.
 - vii. "Committee" means a body elected or appointed within the society to whom specific duties are designated by the Society.
 - viii. "Officers" means the President, Vice President, General Secretary, Treasurer, Financial Secretary, Assistant Secretary and three (3) ex-Officio members.
 - ix. "Trustees" means the President, General Secretary and Treasurer.
 - x. "Member" means a person admitted as a member of the Society in accordance with the Bye-Laws and Regulations of the Society.
 - xi. "Contribution" means same thing as savings.
- c) If there arise any doubt regarding the meaning or intention of any Section(s) of the Bye Laws, the matter shall be referred to the Registrar for his rulings.

3. **NAME, ADDRESS, AREA AND SCOPE OF OPERATION**

NNPC Staff Multipurpose Cooperative Society, Abuja
Room 006, Ground Floor, Block D, NNPC Towers, Herbert Macaulay Way, Central Business District, Abuja.

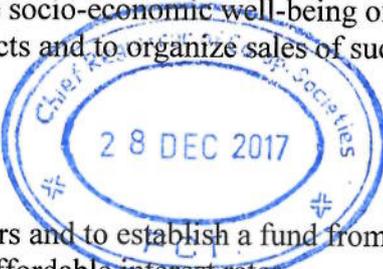
The area of operations is the Federal Capital Territory.

The scope of operations of the society shall be MULTI PURPOSE, i.e. Loans, LPO Financing, Real Estate Development, Acquisition/Operating Consumer Shop, Petroleum Products Marketing, Micro-financing, and all other businesses expressly authorized or necessarily implied under the Nigerian Cooperative Societies Act N98 of 2004 and amendments made thereto.

4. **OBJECTIVES**

The objectives of the society are to promote socio-economic well-being of its members, encourage and facilitate good quality products and to organize sales of such products to achieve maximum advantage.

These include but not limited to:

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- a) To encourage thrift amongst members and to establish a fund from which members can be granted loans at reasonable and affordable interest rates.
 - b) To provide facilities for regular thrift saving by members without such saving being removed from their control.
 - c) To promote any other measure designed on cooperative principles that shall encourage among its members, the spirit and practice of thrift, mutual help and self-help.
 - d) To encourage, facilitate, and/or provide good quality products and to organize sales of such products to achieve maximum advantage to members.
 - e) To procure consumer goods at reasonable prices for sale to members.
 - f) To engage in transportation and other related ventures.
 - g) To engage in any other economic activity that may tend to increase the earning capacity, maximize the society's wealth and ultimately improve the standard of living of the members.
 - h) To assist members to own assets.
 - i) To raise capital for the achievement of its objectives.

5. **MEMBERSHIP**

The members shall consist of:

- a) Willing permanent and pensionable staff of the Corporation (NNPC), its Subsidiaries and successor companies where applicable.
- b) NNPC Retirees who show interest in continuing their membership or who apply for registration.

- c) Employees of the NNPC Staff Multipurpose Cooperative Society, Abuja, who shall have no voting powers, both at Congresses and elections, and shall not hold any political office.
- d) Contract Employees of NNPC.

6. QUALIFICATION

- a) Every member of the Society must be a staff of NNPC in Abuja
- b) Members must not be of questionable character.
- c) Must not be less than 18 years of age.
- d) Must be a person of sound mind.
- e) Must not have been convicted by any Court of competent jurisdiction for a criminal offence involving violence, fraud or dishonesty.

7. ADMISSION

- a) Application for membership shall be made in writing to the General Secretary and shall be disposed of by the Management Committee who may grant or refuse admission. Where any application is refused, the basis of refusal must be clearly communicated to the applicant.
- b) Every member admitted shall complete the membership form.
- c) Upon exit from the services of the Corporation, staff must discharge all outstanding liabilities before reapplication.



8. DECLARATION OF OBLIGATION

Every member shall, on joining the Society, render to the Management Committee a true and complete statement of his indebtedness to any other society or organization.

9. THE NEXT OF KIN

- a) Every member shall nominate in writing his next of kin to whom should he die or become permanently insane; the amount standing on his credit should be transferred. The member may at any time change his nominee by paying a nominal fee of a sum as may be recommended by the Management Committee.
- b) In the absence of next of kin, the Management Committee shall refer to the deceased's estate's beneficiaries as recognized by competent court of law.

10. RIGHTS OF MEMBERS

Members shall have the rights:

- a) To be served notice of meetings, attend and to be heard at such meetings.
- b) To be paid dividend when recommended and declared.
- c) To receive any benefit that is given to all members.
- d) To vote and be voted for at any of the society's election subject to the provision of the bye-laws.
- e) To be given a copy of the Cooperative's Bye-Laws and any rules and regulations made thereto upon registration.
- f) Retirees and Contract Staff shall not hold any elective position.
- g) Access to information on the financial performance of the Society.

11. PRIVILEGES OF MEMBERS

Every member may:

- a) Have access to loans and other products offered by the Society after meeting the stipulated conditions.
- b) Serve in any capacity which the Society considers necessary subject to the provisions of the Bye-Laws.

12. OBLIGATIONS ON MEMBERS TO THE SOCIETY

Members shall abide by the following obligations:

- a) To obey all rules and regulations as approved in accordance with the Bye-Laws.
- b) To make the regular monthly savings with a minimum, as may be recommended by the Management Committee and approved by the General Meeting.
- c) To exhibit truthfulness and sincerity in all dealings with the Society.
- d) To make contributions to the upliftment of the Society.
- e) To disclose all material facts that will assist the Management Committee take appropriate decision on member's worthiness.
- f) To conduct oneself in reasonable manner in all activities of the Society.

13. TERMINATION OF MEMBERSHIP

- a) Membership shall be terminated by:
 - i. Death.
 - ii. Permanent Insanity/Incapacity.
 - iii. Disengagement from the services of the Corporation and where the member has indicated interest not to continue as a retiree.
 - iv. The Society, if for any reason, is unable to directly debit a member's salary account through the NNPC's payroll system.
 - v. Any conviction of a court of competent jurisdiction for a criminal offence involving violence, fraud or dishonesty.
 - vi. If a member is found guilty of a misdemeanor and membership termination is approved by Congress.



- b) A terminated member shall be able to appeal to the Management Committee against his termination. This appeal shall be presented at the next General Meeting of the Society and where such appeal is successful, the appellant shall be reinstated with effect from date of the termination as though such membership was never terminated.

14. WITHDRAWAL OF MEMBERSHIP

A written application to the General Secretary requesting withdrawal after a minimum of three (3) months, provided that the member withdrawing is neither indebted to the Society nor has guaranteed an unpaid debt.

15. LIABILITY OF PAST AND EXISTING MEMBERS:

- a) A former member shall be liable for the debts to the Society as they existed at the date when he ceased to be a member provided such debt is traceable to his person.
- b) In the event of the death of an indebted member, the level of indebtedness shall be deducted from the savings of the deceased. Where savings are insufficient to offset the indebtedness, the employer shall be advised to deduct and remit the outstanding sum from the deceased terminal benefits, where applicable. Where these sums are still insufficient, the guarantors shall become liable for the outstanding sum.
- c) Any money due on any account from the 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.

16. GUARANTORSHIP

Members who stand as Guarantors to other members of the Cooperative Society taking loans shall be required to repay such loans in the event of the borrower's default in repayment.

17. SOURCES OF FUNDS

The funds of the Society shall be made up of the following amongst others:

- a) Entrance/ Registration fees.
- b) Members' Ordinary Savings.
- c) Deposits and loans from members.
- d) Surplus arising from the business of the Society.
- e) Miscellaneous sources approved by the General Meeting.
- f) Withdrawal fees.
- g) Interest on various types of loans.
- h) Investment income (such as shares, placements of funds, dividends received etc.).
- i) Loans.
- j) Grants and donations.



18. APPLICATION OF FUNDS

- a) The funds of the Society shall be applied in furtherance and promotion of the stated objectives of the Society, and other objectives as approved by the General Meeting.
- b) For the disbursement of various types of loans.
- c) The Society must maintain a certain amount of money as a buffer at any point in time to take care of emergencies. This amount shall be determined by the Management Committee.

19. MEETINGS

a) TYPES OF MEETINGS

i. ANNUAL GENERAL MEETING



The Annual General Meeting of the Society shall be held not later than ninety (90) days after the end of the financial year. The business to be conducted at the Annual General Meeting shall include:

- a) To adopt the minutes of the previous Annual General Meeting or any intervening Extra Ordinary General Meeting.
- b) To consider the report of the Management Committee and Annual Accounts as approved by the Registrar.
- c) To decide on the disposal of the Society's surplus funds in accordance with the procedures recommended by the Management Committee.
- d) To conduct elections into various offices of the Society, if applicable.
- e) To approve the amendment and repeal of any existing bye-laws or enact new ones in accordance with the provisions of the bye-laws.
- f) To transact any other General Business of the Society.

i. NOTICE OF ANNUAL GENERAL MEETING

The Notice of the Annual General Meeting shall be issued to every Member entitled to attend twenty-one (21) days prior to the date, time and venue of the meeting.

ii. ORDINARY GENERAL MEETING

The business of the Ordinary General Meeting may include:

- a) To brief members on the activities of the Cooperative Society.
- b) To confirm the expulsion and readmission of any member
- c) To ratify the appointment or dismissal of any officer of the Society on the recommendation of the Management Committee.
- d) To dispose of any other business brought before it by the Management Committee. The agenda for the General Meeting shall be included in the Notice of Meeting to members.

- e) To initiate an amendment of any part of the existing bye laws. Approval for these amendment shall only be granted at the Annual General Meeting, after which, such amendments may take effect.
- f) Ordinary General Meetings may be held a minimum of once each quarter.

i. **NOTICE OF ORDINARY GENERAL MEETING**

The Notice of Ordinary General Meeting for any other matter not specified in Section 19.4.iii above shall be issued to every member entitled to attend fourteen (14) days prior to the date of the meeting stating the date, time and venue of the meeting.

iii. **EXTRA-ORDINARY GENERAL MEETING**

An Extra-Ordinary General Meeting may be called at any time at the instance of either of the following:

- a) The Registrar
- b) The President
- c) A majority of the Management Committee
- d) A written request of at least fifty (50) members submitted through the President. The President shall convene the meeting within twenty-one (21) days of receipt of such request.



a. **NOTICE OF EXTRA-ORDINARY GENERAL MEETING**

- a) The Notice of an Extra-Ordinary General Meeting shall be issued to every Member entitled to attend at least fourteen (14) days prior to the date of the meeting stating (i) the date of the meeting, (ii) the time and venue of the meeting and (iii) the express purpose for which the meeting has been called, (iv) issue(s) to be discussed and (v) draft of Resolution(s) to be proposed for passage.
- b) Where this Extra-Ordinary General Meeting is called to deliberate a petition against a member or members of the Management Committee, decisions taken at the meeting, irrespective of the member(s) presence, shall be binding.

In all cases, failure to convene an Annual General Meeting, Ordinary General Meeting as at when due is an impeachable offence, as contained in Section 29 of this Bye-Laws.

b. **QUORUM FOR MEETINGS**

- a) Quorum shall be formed where at least fifty (50) and one hundred (100) members of the Society are present at the beginning of a General Meeting and Annual General Meeting, respectively.
- b) Where no quorum is formed for the General Meeting, an adjournment shall be made for a date not more than seven (7) days from that date.

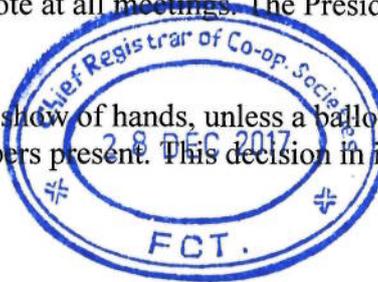
- c) Where no quorum is formed at the second meeting, a motion shall be moved by those present to conduct the meeting. Any decision taken shall be binding on all members provided adequate and proper notice was given for such meeting.
- d) In the case of an Annual General Meeting where no quorum is formed, the members present may move a motion for the meeting to either hold or be adjourned to a date not later than one (1) month from the date of the meeting.
- e) Where no quorum is formed at the second meeting, a motion shall be moved by those present to conduct the meeting. All the decisions taken at this meeting shall be binding.

c. VOTING AT MEETINGS

a) All questions except unanimously resolved shall be decided by majority of votes cast by the members present.

b) Each member shall have only one (1) vote at all meetings. The President shall have a casting vote in the event of a tie.

c) Voting at General Meetings shall be by show of hands, unless a ballot on any question is demanded by at least one-quarter of members present. This decision in itself shall be decided by show of hands.



20. ELECTIONS

Election shall be conducted biennially (~~i.e. once in every two years~~) to elect new Management Committee Members. This shall be preceded by an Ordinary General Meeting or Extra Ordinary General Meeting where the Electoral Committee, appointed by the Management Committee, shall be inaugurated. The Electoral Committee shall be responsible for the organization and administration of the election, while the election shall be conducted by the Registrar of Abuja Co-operatives or his representatives. All its activities must be in line with the tenets of the Co-operative movement.

a. ELECTION OF OFFICERS

A member wishing to vie for an elective post shall:

- a) Obtain a nomination form from the Electoral Committee.
- b) Be nominated by a minimum of two (2) members of the Society.
- c) Return duly completed forms at least twenty-one (21) days to the AGM. All screening of candidates and appeals must be concluded within this period.
- d) Abide by all the rules as may be prescribed by the Society on elections.
- e) Must be found fit and proper by the NNPC for the position he/she is seeking election for.

b. GENERAL ELIGIBILITY/QUALIFICATIONS

- i. Only members who are still in permanent and pensionable employment of NNPC shall be eligible to contest elections into any office of the Cooperative.
- ii. Must have been a member of the Society for at least three (3) years.
- iii. To contest for the position of President, the aspirant must have held an elective position in the Management Committee and must have been in permanent employment of the NNPC for ten (10) years.
- iv. Be of sound mind and good character
- v. Have been a staff of the Corporation for at least five (5) years and have no record of indictment in financial matters as shall be determined by the Electoral Committee and the NNPC.

c. ELECTIONEERING CAMPAIGN

Electioneering campaigns into all elective posts shall cease twenty-four (24) hours to the date fixed for the elections. The Registrar or his representative shall be responsible for conducting elections into all posts and declaring the elected members.

d. VOTING FOR ELECTION OF MANAGEMENT COMMITTEE MEMBERS

For the purpose of electing members into the Management Committee of the Society, balloting or electronic voting may be adopted.



21. TYPES OF COMMITTEES

- a) Management Committee
- b) Audit Committee
- c) Ad-Hoc Committee

22. MANAGEMENT COMMITTEE

All elected officers at the Annual General Meeting shall constitute the Management Committee of the Society. In the event of any vacancy in the position of President or General Secretary, as a result of death, removal, withdrawal or transfers, the affected position shall be occupied by the Assistant; thereafter a bye-election shall be conducted within sixty (60) days to fill the vacant position. In the event of a vacancy in any other elected position, the position shall be filled by nominees of the Management Committee pending the conduct of a bye election within sixty (60) days.

a. **COMPOSITION OF THE MANAGEMENT COMMITTEE**

The Society shall have a Management Committee consisting of nine (9) members, six (6) shall be duly elected by members of the Society and three (3) shall be ex-officio members. Members of the Management Committee shall be sworn into office after being elected.

b. **TENURE OF OFFICE**

Each term is for a maximum of two (2) years. A Management Committee member shall hold a particular office for a maximum of two (2) terms each, after which he/ she may vie for any other position. The position of the President is for a maximum of two terms only, after which he/she becomes ineligible for any other elective position.

c. **OFFICERS OF THE SOCIETY**

- i. President
- ii. Vice President
- iii. General Secretary
- iv. Assistant General Secretary
- v. Treasurer
- vi. Financial Secretary
- vii. 3 Ex-Officio Members



d. **EX-OFFICIO MEMBERS**

Ex-Officio members shall consist of the immediate past President and two other members of the Society nominated by the Management Committee.

e. **DUTIES OF THE MANAGEMENT COMMITTEE**

The Management Committee shall be charged with the following;

- i. Overall responsibility of running the affairs of the Society on day-to-day basis. In this regard, it shall meet from time to time to review and direct the affairs of the Society.
- ii. It is also their responsibility to formulate and implement various policies and procedures for better running of the Society and its general well-being.
- iii. The Management Committee shall conduct quarterly internal audit of the books of Accounts of the Society.

f. DUTIES AND RESPONSIBILITIES OF OFFICERS OF THE SOCIETY

1. THE PRESIDENT

The President shall:

- a) Serve as the Chairman of the Management Committee and is responsible for the overall direction and administration of its operations.
- b) Develop and maintain a positive organizational image between the co-operators and other customers.
- c) Develop, in conjunction with other members of the Management Committee, plans for the growth and development of the Society.
- d) Ensure that the Society's operations comply with applicable laws and regulations.
- e) Develop, monitor, approve and implement policies and procedures appropriate to the operation of a Cooperative Society in line with enabling laws.
- f) Serve as the final authority for employee relations and personnel matters.
- g) Handle negotiation with third parties on behalf of the Society.
- h) Oversee all operational areas of the Society through supervision of the Management Committee and administrative staff of the Society.
- i) Provide reports on all aspects of the Society's performance as may be requested.
- j) Be directly responsible to the Registrar and the members.
- k) Preside over all meetings of the Society and co-sign minutes of such meetings with the General Secretary.
- l) Be the Chief Accounting Officer of the Society.

2. VICE PRESIDENT

The Vice President shall:

- a. Deputize for and assume the responsibilities of the President in his absence.
- b. Carry out duties as assigned to him by the President/Management Committee.
- c. Report to the President and Management Committee and assist in all matters to enhance the Society's performance.

3. GENERAL SECRETARY

The General Secretary shall:

- a) Be responsible to the Society and the Management Committee for all administrative matters of the Society.
- b) Summon meetings of the Society on behalf of the Management Committee.
- c) Receive for processing, all applications for membership and screen same for approval.
- d) Produce and circulate minutes of all meetings.
- e) Maintain adequate database for all information to and from the Society.
- f) Receive and process the loan Application i.e. Loan Administration.
- g) Be responsible for the supervision of the Secretariat and its staff.



- h) Ensure good public relations with the internal and external customers.
- i) Handle the general administration of the Society and any other duties as may be assigned to him by the President of Management Committee.
- j) Supervise the System Administrator to ensure that the database is well managed.

4. ASSISTANT GENERAL SECRETARY

The Assistant General Secretary shall:

- a. Deputize for and assume the responsibilities of the General Secretary in his absence.
- b. Perform all duties as assigned to him/her by the General Secretary and the Management Committee.

5. TREASURER

The Treasurer shall:

- a) Have the overall responsibility for taking custody of all monies received and receivable, ensuring that they are lodged into the Society's approved Bank Accounts.
- b) Ensure that appropriate records are kept of all receivables.
- c) Develop, implement and manage appropriate internal financial control systems upon approval by the Management Committee.
- d) Supervise the Accountant to ensure that all banking relationships are carried out for the benefit of the Society.
- e) Ensure that all expenditures are duly approved by the President/Management Committee.
- f) Keep custody of all Cheque books of the Society.
- g) Be accountable to the Society and the Management Committee in all matters relating to safe keeping of the Society's funds.



6. FINANCIAL SECRETARY

The Financial Secretary shall:

- a) Collect monies from members and proceeds from sales and other sources and pay over to the Treasurer within 24 hours.
- b) Ensure that all accounting transactions are properly treated and posted.
- c) Maintain the General Ledger with proper documentation.
- d) Be responsible for maintaining the accounting system, backup, control, ensure reports and statements are generated.
- e) Coordinate monthly and periodic stock taking exercise of the Society's shops/super markets and filling stations.
- f) Prepare annual accounts of the Society.
- g) Ensure the preparation of the annual financial statements.
- h) Sign member passbooks or ledgers as the case may be.

- i) Ensure that all monies approved by the Management Committee are advanced appropriately.
- j) Open, keep and maintain various statutory financial records.
- k) Be responsible to the Society and the Management Committee on all financial matters

7. **EX-OFFICIO MEMBERS**

The ex-officio members shall:

- a) Carry out activities or functions assigned to them by the Management Committee.
- b) Attend and participate in all meetings of the Society.
- c) Serve in any committee so appointed.

23. **KEY PERFORMANCE INDICATORS**

The Management Committee shall present a half-year Performance Report apart from the year-end report at the AGM on the operations of the Cooperative Society not later than three (3) months after the period under review. The report shall highlight the under listed Key Performance Indicators (KPI) but not limited to them upon which the House shall appraise the performance of the Management Committee. It shall include:

- a) Growth in asset base of the Society.
- b) Growth in membership.
- c) Response time in respect of loans, advances and withdrawals.
- d) Return on Investment and
- e) Any other indicators as may be determined at a General Meeting by the members.

24. **CODE OF CONDUCT FOR MANAGEMENT COMMITTEE MEMBERS**

- a) A Management Committee member shall not, in the performance of his responsibility, act to the detriment of the Society for financial or any other gain.
- b) A Management Committee member shall not, without justifiable cause, absent himself/herself from three consecutive meetings of the Management Committee or the General Meeting of the Society.
- c) Contravention of either (a) or (b) may cause a Committee member to lose his seat if at a subsequent meeting of the Management Committee, two-third of members present at the meeting vote for his removal.

25. **GROUND FOR REMOVAL FROM OFFICE AS A MANAGEMENT COMMITTEE MEMBER**

A member of the Management Committee may be removed from office by a special resolution passed at the Annual General Meeting or Extra Ordinary General Meeting before the expiration of his tenure of office for:

- a) Non-compliance with Laws, Regulations and Bye-Laws guiding the activities of the co-operative Society.
- b) Failure to maintain true and accurate accounts of all financial transactions and all the assets and liabilities of the Society.
- c) Failure to present reports and accounts before the Annual General Meeting; Audited Income and Expenditure Account, Balance Sheet, together with the reports of activities in any particular year.
- d) Failure to facilitate inspection of books of the Society by any person authorized to do so.
- e) Failure to consider the Inspection Report of the Government co-operative staff and the recommendations of the Society's auditors and take appropriate actions thereon.
- f) Failure to convene meetings as required by the NNPC Staff Multi-Purpose Cooperative Society's Bye-Laws.
- g) Exceeding financial limits of authority.
- h) Any other acts considered inimical to the good conduct/running of the Cooperative Society.



26. PROCEDURE FOR REMOVAL OF MEMBER(S) OF MANAGEMENT COMMITTEE

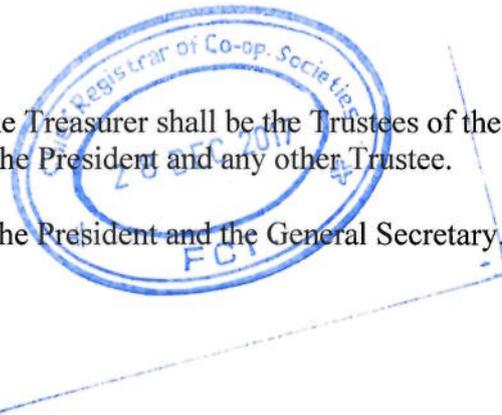
- a) The following procedure shall apply for any member of the Management Committee to be removed from office:
 - i. A petition must be submitted to the Management Committee and be posted on at least three (3) Notice boards within the Corporate Headquarters of the Corporation and endorsed by at least fifty (50) members of the Society.
 - ii. Such member(s) of the Management Committee must be given the opportunity to make either written or oral presentations to the Society within Fourteen (14) working days of the receipt of the allegation(s).
 - iii. The Management Committee shall convene Extra-Ordinary General Meeting to deliberate the content of the petition.
 - iv. At the Extra-Ordinary General Meeting, a committee shall be constituted to investigate the contents of the petition as well as representations made by the member(s) of the Management Committee to be investigated.
 - v. The committee shall submit its report within fourteen (14) working days of its inauguration.
 - vi. Another General Meeting shall be convened within seven (7) working days of the submission of the report of the investigative committee and a decision taken by the Congress.
 - vii. Where such representations are unable to be sent out as required within seven (7) working days as a result of being received too late or due to the Society's default, the aggrieved Management Committee member may (without prejudice to his right to be heard orally) require that the representations be read out at the meeting.
 - viii. The foregoing provisions need not be complied with by the members at the General Meeting if it is found and/or proven that the rights conferred by the section are being abused.

- b) Where the removal affects all the Management Committee members, a Petition shall be submitted to the Management Committee in line with Section 29 a (i) of the Bye-Laws.
- c) Where the Management Committee failed and/or neglected to convene the Extra-Ordinary General Meeting to deliberate the content of the petition, fifty (50) members may endorse the Notice of Meeting and summon Extra-Ordinary General Meeting. Members present at the meeting shall nominate two (2) members present to preside as President and General Secretary respectively.
- d) The Extra-Ordinary General Meeting convened may proceed to deliberate the content of the petition.
- e) Where 50 members endorse and convene the meeting in line with sub-section (c) above, that act automatically amounts to suspension of the Management Committee.
- f) If a vacancy created by the removal of the Management Committee Member/The Committee under the Section C shall subsequently be casual vacancies which shall be reported to the Registrar of Cooperative for a Bye-Election to be conducted.

27. TRUSTEES/ SIGNATORIES:

The President, the General Secretary and the Treasurer shall be the Trustees of the Society. All financial instruments shall be executed by the President and any other Trustee.

All Legal documents shall be executed by the President and the General Secretary.



28. SITTING ALLOWANCE

Each member of the Committees mentioned in section 23 above shall be entitled to a sitting allowance as may be recommended by the Management Committee and approved by the Congress/General Meeting.

29. FINANCIAL APPROVAL LIMIT FOR PROJECTS/INVESTMENTS/LOANS

For any Capital Projects/Investments or loans that the Management Committee shall embark upon, a presentation shall be made at the General Meeting at which approval shall be sought for.

30. AUDIT COMMITTEE

At a General Meeting the members shall nominate a three (3) member audit committee with one of the members acting as the Chairman.

- a) It shall be the responsibility of the Committee to:
 - i. Meet at least once every three months
 - ii. Examine the affairs of the Society, which includes carrying out internal audit assessment.
 - iii. Inspect all securities as well as loan accounts.
 - iv. Check the financial transactions of the Society in the books of records and account and report to the Congress through the Management Committee.
- b) Honorarium shall be paid to the Audit Committee at the discretion of the Management Committee.

31. AD-HOC COMMITTEES:

- a) The society may from time to time appoint from its members such ad-hoc committee, as may be necessary or expedient and may delegate to them such powers and duties.
- b) An ad-hoc committee once appointed shall be free to co-opt other members of the society where necessary subject to the approval of the management committee.
- c) Any such ad-hoc committee shall stand dissolved on the completion of its assignments.



32. EXTERNAL AUDITOR

- a) The Society shall appoint an external auditor to audit the accounts of the Society at the end of the Financial Year.
- b) The External Auditor so appointed shall have access to all financial documents relating to the affairs of the Society.
- c) He may also request such from any officer, servant, agent or member of the Society he believes can give material information on the transactions of the Society.
- d) He shall submit his report to the Society through the Management Committee.
- e) He shall specifically cover profit and loss and the general state of the financial affairs of the Society.

33. LOAN ADMINISTRATION

It is the responsibility of the Management Committee to administer all loans in line with the relevant laws, policies and procedure of the Society.

- a) **Purpose of Loan:** Loans of the Society are to be extended to members upon such terms and conditions as the Management Committee may approve from time to time.
- b) **Application for Loans:** A member desirous of obtaining loan shall fill the appropriate loan form to the Management Committee through the General Secretary stating the

amount and the purpose for which the loan is required, the terms of repayment, and security being offered for the loan.

- c) **Interest on Loan:** Rates of interest on loans shall be as recommended by the Management Committee and approved at a General Meeting. In case of default in repayment, penalty may be an amount twice the normal rate.
- d) **Maximum Credit Limit:** The credit limit shall be twice the savings of a member subject to a determinable maximum and revisable from time to time. The loan shall be collateralized by the member's savings depending on the type of loan. The amount of loan shall not be above the balance in savings of the borrower and that of his guarantor(s). This rule may not be applicable in the case of special loans when granted.
- e) **Repayment Period and Guarantorship:** Loans shall be repayable within stipulated time. Every borrower shall execute a bond and shall furnish three guarantors who must be members of the Society. It is the duty of the guarantors to repay the loan in full, if the borrower defaults. Such guarantors must have been members of the Society for not less than three (3) years.
- f) **Recall of Loans:** All loans shall be subject to the right of the Society to immediate recall if:
 - i. The borrower indicates intention of resigning from the Society or on leaving the services of the Corporation on whatever grounds.
 - ii. The borrower persistently defaults in repayment for a period not more than three months.



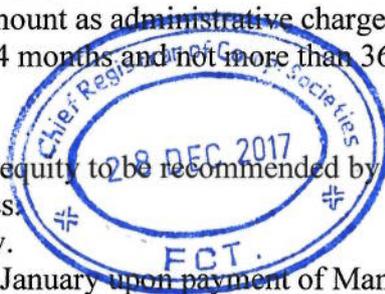
34. **TYPES OF LOANS**

- i. Short-term Loan
- ii. Normal Loan
- iii. Special Loan
- iv. Mortgage Loan
- v. Car/Asset Loan

However, all the above may be reviewed by the Management Committee from time to time.

- a) **SHORT-TERM LOAN:**
 - i. It shall have a repayment period of between six (6) and twelve (12) months, subject to the availability of funds.
 - ii. Cumulative deductions shall not exceed one-third of Member's monthly income.
- b) **NORMAL LOAN:**
 - i. It shall be collateralized with member's savings which should constitute no less than 50% of the loan applied for.
 - ii. Subject to the availability of funds
 - iii. Cumulative deductions shall not exceed one-third of member's Consolidated Monthly Salary (CMS).

- iv. It shall have a repayment period as recommended by the Management Committee and approved by Congress.
 - v. To be eligible for a normal loan, the applicant must have been a member of the Society for at least six (6) months.
- c) **SPECIAL LOAN:**
- i. It shall be collateralized with a percentage of savings as may be recommended by the Management Committee.
 - ii. Cumulative deductions shall not exceed one-third of Member's Consolidated Monthly Salary (CMS) or monthly pension.
 - iii. Members shall pay 6% of the loan amount as administrative charge upfront.
 - iv. It shall have a repayment period of 24 months and not more than 36 months.
- d) **MORTGAGE LOAN**
- i. Applicant must have a percentage of equity to be recommended by the Management Committee and approved by Congress.
 - ii. The interest may be serviced monthly.
 - iii. The Principal may be serviced every January upon payment of Management Monetized Benefit/Upfront.
 - iv. NNPC Retirees and staff of the Cooperative Society may participate in this product on the condition that they make outright payments upfront.
 - v. Pay back/repayment period is to be recommended by the Management Committee and approved by Congress.
- e) **CAR/ASSET LOAN**
- i. The Beneficiary will make an equity contribution of 30%.
 - ii. Pay back/repayment period is to be recommended by the Management Committee and approved by Congress.



35. **MEMBERSHIP SAVINGS, WITHDRAWALS AND CLOSURES**

a) **MEMBERSHIP**

As a Cooperative Society, members must ensure that they make their savings as at when due. Every member must have a passbook/electronic record, which shall reflect the correct amount of contributions made. Savings shall be made through the payroll/bank draft.

b) **WITHDRAWALS FROM SAVINGS:**

- i. Ordinary Savings: No member shall have the right to withdraw his entire savings except on the termination or final withdrawal of membership from the Society.
- ii. A member shall have right to withdraw up to a total of 50% of his savings, in not more than two installments in a financial year, provided he/she does not have any outstanding loan to which such a fund is pledged as collateral, except as may be decided otherwise by the Management Committee.

- iii. Application for withdrawals must be made in the appropriate form and approved by the President or his appointee. Withdrawals shall attract an administrative fee as may be determined by the Management Committee

c) **CLOSURES:**

- i. The account of such a member shall be properly reviewed to ascertain if there is any indebtedness, which shall be paid before clearance is issued.
- ii. In the event of closure, members' savings shall be repaid in no more than six (6) months.
- iii. Closure shall attract an administrative charge as may be determined by the Management Committee and approved by Congress.

36. **USE AND CUSTODY OF FUNDS:**

The funds of the Society may, with the approval of the Management Committee, be lodged with and managed by an approved financial institution.

37. **INVESTMENTS**

The funds of the Society that is not required for immediate use shall be invested in accordance with the rules and regulations governing investment of funds of the Society. The Management Committee shall carry its investment efforts in line with the investment policies and procedures as stipulated in the Bye-Laws



38. **DISPOSAL OF SURPLUS:**

The Annual net surplus of the Society shall be appropriated in the following manner:

- a) Not less than 25% to the Reserve Fund; unless a lower rate is prescribed by the Registrar under the law.
- b) 2.5% to the Education Fund.
- c) Honorarium and other appropriations payable to Management Committee and approved by the General Meeting shall not exceed 10% of the Net Surplus.
- d) Dividends of not less than 50% shall be payable to members, or as recommended by the Management Committee and approved by the members at the Annual General Meeting.
- e) Concern for Community provision of not more than 5%.
- f) Annual General Meeting expenses of not more than 6.5%.
- g) Supervisory and audit fees of 1% payable to the Office of the Registrar.

39. STATUTORY RESERVE FUNDS:

The Special Reserve Fund of the Society shall be indivisible and no member shall be entitled to claim a specified share from it except on dissolution. The fund may, with the approval of the Registrar, be utilized for special business of the Society.

40. AUDIT, LEGAL AND SUPERVISION FEES:

The Society shall pay annually or as the need arises, such audit, legal and supervision fees, as the Management Committee may approve from time to time.

41. DIVIDENDS:

Dividends, at a rate recommended by the Management Committee, shall be payable to members based on their savings as at 31st December of the year preceding the Annual General Meeting.



42. BOOKS OF ACCOUNTS:

Accounts and records shall be maintained in the form and manner as prescribed by the Registrar and shall meet the approved relevant financial reporting standards. These include the following amongst others:

- a) A cash Book showing the receipts, payments and balance of each day's business.
- b) General Ledger for all revenue, expenditure, assets and liabilities.
- c) Personal ledger with accounts of each depositor, creditor or debtor.
- d) Loan Register showing instalment repayment of loans;
- e) Cheque Register
- f) Fixed Asset Register
- g) Withdrawal Register
- h) Investment Register
- i) Loan Liquidation Register
- j) Debtors Register
- k) Register of third party transactions.
- l) Imprest Account System.
- m) Such other records as may be prescribed by the Management Committee

43. **PASSBOOK/ ELECTRONIC RECORDS:**

The Management Committee shall keep and maintain passbook/electronic record of every member of the Society showing particulars of his accounts.

44. **DISSOLUTION, DIVISION/SPLIT OF THE SOCIETY:**

The Registrar may, on the written request of not less than one-third of members, authorize such members to form themselves into Society of a type and to this shall transfer the total savings of those members. This same rule shall be applicable in the case of dissolution except that two third of member must request for dissolution.

45. **DISPUTE AND DISSOLUTION:**

a) **DISPUTE:**



In any dispute arising from the day to day running of the Society, its members, past or present, or persons claiming through them shall be referred to a dispute resolution committee set up by the Management Committee for the amicable resolution of such issues. Where the dispute resolution committee is unable to settle such issue(s), the matter shall be referred to the Registrar for settlement by arbitration.

b) **DISSOLUTION**

The Society shall not be dissolved except with the approval of the Registrar and in accordance with the provision of these Bye-Laws. The surplus fund of the Society after meeting all its liabilities including those of its members shall be distributed in accordance with the guideline approved in accordance with the provision of the Nigerian Cooperative Act CAP N98 LFN 2004.

46. **MISCELLANEOUS PROVISIONS:**

The Society may, with the approval of the Registrar unless there are reasons to the contrary, affiliate itself with any Multi-purpose Co-operative union in its area of operations.

47. **SEAL:**

The Management Committee shall be the custodian of the Seal and shall ensure its safe custody. The Seal shall be fixed on all documents requiring sealing and shall be authenticated by the President and General Secretary.

48. **AMENDMENT OF BYE-LAWS**

These Bye-Laws shall not be amended except by a resolution of at least two-third of the registered members of the Society present at an Annual General Meeting or any meeting specifically called for this purpose.

CERTIFICATION

2017 BYE LAW REVIEW

I hereby certify that the foregoing Bye-laws of NNPC Staff Multipurpose Cooperative Society LTD, Abuja has been registered under the Nigeria Cooperative Society Act (CAP N98) LFN 2004.

Day 2017



APPROVED UNDER THE SEAL OF THE CHIEF REGISTER OF CO-OPERATIVES, FEDERAL CAPITAL TERRITORY ADMINISTRATION ABUJA.