

1. The present Rules will be referred to as the Co-operative Societies Rules of 1987 up to 2012.

INTERPRETATION

2. In the present Rules, unless the outcome of the text is different:

“*Secretary*” means the secretary of a registered society.

“*Law*” means the Co-operative Societies Law or any other law amending or substituting the aforementioned.

“*Chairman*”

- (a) Wherever used in relation to a committee means the chairman of the committee.
- (b) Whenever used in relation to a council means the chairman of the council.
- (c) Wherever used in relation to a general meeting of a registered society means the chairman of the Meeting.
- (d) Wherever is used in relation to a joint meeting of the committee and the council, means the chairman of the council; and in any of the aforesaid occasions, includes the person who in the absence of the chairman, exercises his duties.

“*Council*” means the supervisory council of a registered society.

FORMS

The Forms mentioned in the present Rules are those specified in the List.

Written
declaration
form for
undertaking
responsibility.

- 3.A** The form as provided from the reservation of section (5) of article 12 of the Law for the written declaration of undertaking responsibility is determined by the committee by a relevant decision that is issued by virtue of paragraph (1) of section (1) of article 41Z of the Law.
- 4.** The Commissioner issues instructions for using additional Forms for the implementation of the provisions of the Law.
- 4.A** Every registered society adopts and implements the provisions of the general or specific instructions that are issued based on section (2) of article 38 and the article 53A of the Law.

R.A.A.
874/2004

R.A.A.
464/2001

R.A.A.
464/2001

REGISTER OF CO-OPERATIVE SOCIETIES

5. The Commissioner shall keep or ensure that a Register is kept in his Office the Register referred to as the “Register of Co-operative

Societies in which details referring to the registration of the societies and to their special regulations shall be filed.

6. The Register of Co-operative Societies shall be in accordance to Form 1 and shall include the details that are exhibited therein.
7. All the initial entries in the Register of Co-operative Societies will be filed by the Commissioner or by following his instructions and shall be signed by him.
8. Any change, addition in between the lines or deletions in the Register of Co-operative Societies shall be initialed by the Commissioner.
9. The Register of Co-operative Societies shall be available for public inspection, in reasonable time, free of any charge of any right.

APPLICATIONS FOR REGISTRATION OF SOCIETIES

10. The application for the registration of a society based on article 6 of the Law is submitted-
 - (a) In accordance to Form 2, in case the applicant or one of the applicants is not a registered society;
 - (b) In accordance to Form 3, in case the applicant or one of the applicants is a registered society and the proposed society is not established for the purpose of facilitating the functioning of the registered societies;
 - (c) In accordance to Form 4, in the case the applicants are five or more registered societies and the proposed society is established for the purpose of facilitating the functioning of the registered societies.

REGISTRATION OF SOCIETIES

11. If the Commissioner decides to register any proposed society, the society and its special regulations shall be registered in the Register of Co-operation Societies as per Form 1.
12. After the registration of a society, the Commissioner shall send to the society without defraying any right-
 - (a) A Registration Certificate in accordance to Form 5;
 - (b) A copy of the special regulations of the society as approved by him and be certified as being approved by his handwritten signature and
 - (c) A copy of the Law and Rules.

13. If the Commissioner objects to register any proposed society, he shall send to the applicants a document signed by him in hand on which such a decision and the reasons justifying such a rejection are cited.

REGISTER OF MEMBERS AND ACCOUNTING BOOKS

- 14.(1) Every registered society must keep a Register which is called "the Members Register" in which shall be filed-
- R.A.A.
464/2001
- (a) The name, the identity card number, the age, the occupation and the address of each member and shares possibly held by him in case where the member is an ordinary person and the name, the number of the registration certificate, the address and the shares held by the society in case where the member is a registered society;
- R.A.A.
464/2001
- (b) The date at which the name of every member is filed in the Register;
- R.A.A.
464/2001
- (c) The date on which and the reason for which a member ceased to be a member; and
- R.A.A.
464/2001
- (d) The possible appointee by the society in accordance to Rule 22.
- R.A.A.
464/2001
- (2) At the end of every six months the registered society sends to the Commissioner a list of the members who were registered or deleted during the last six months, and which includes all data mentioned in paragraph (1) above.
- R.A.A.
464/2001
15. The Commissioner shall specify:
- (a) After consultations with the Authority, the form of the accounts and books that every registered society shall keep, and
- (b) The reports which shall be submitted to him by the registered societies.
- 16.(1) The acceptance of members to a registered society, others than the founding members, shall be made by the Committee. Every member shall pay a registration fee, an amount which shall be defined by the special regulations:
- R.A.A.
464/2001
- Provided that it is impossible to be or become a member of a Co-operative Society a person who-
- (a) Is exercising competitive activities in relation to those exercised by the registered society to which he applies to be registered or holds shares in a legal entity or in a group of individuals in which he is exercising these activities; or
- R.A.A.
464/2001

(b) He is under prohibition or been convicted for a crime or a willful indictable offence against the property of a Co-operative Society or was declared bankrupt and has not been restored.

R.A.A.
464/2001

(2) In case that the committee decides to reject the application for membership in a registered society, the interested person may apply to the Commissioner, and in case the decision of the Commissioner is negative then the interested applicant has the right to appeal to the Minister.

R.A.A.
464/2001

17. A member may withdraw from any registered society after the submission of a written notice to the secretary, but that resignation shall be done in accordance to the provisions of section (1) of article 31 of the Law. Any member who withdraws shall not be anew accepted as a member unless a decision is taken in a general meeting of the members in accordance to the provisions of Rule 16.

18.(1) With the observance of the provisions of article 31 of the Law, in case that a member acts in breach of the Law, the Rules or the special regulations, shall be suspended by a decision of the two thirds of the present members of the general meeting, by proposal of the committee.

(2) The general meeting decides by a justified decision, the deletion of a member who -

(a) Ceased to satisfy the pre-requisitions of Rule 16,

(b) Caused intentional damage to the interests of the Co-operative Society,

(c) Unjustifiably denied to fulfill his obligations against the Co-operative Society.

(3) The deletion at the general meeting is proposed by the committee which is obliged, as the general meeting is also obliged, to hear the member prior his deletion.

(4) The duly justified decision of the general meeting shall be notified to the interested person as well as to the Commissioner.

(5) The Commissioner, following the consultations after the Advisory Committee, makes a final decision on the decision of the general meeting and makes known his final decision both to the general meeting as well as to the interested person. Anyone of the two may challenge the decision of the Commissioner by appealing to the Minister.

19. Any member who lost any of his qualifications as a member as these are specified in the Law and the Rules or the special regulations, ceases to be a member of the registered society and the committee must delete his name from the Register of Members without prejudice

to any of the obligations of this person in virtue of paragraph (l) of Article 31 of the Law:

Provided that such a person may be anew accepted as a member if at any time from that time onwards acquires the necessary qualifications and submits an application to be re-registered.

20. In case that any registered society of limited liability which has deposits or loans by non-members, non member who is withdrawn, ceased or expelled from the society is eligible to receive back the amount paid by him for the shares bought.
21. Non registered society can exist or function if it does not have the minimum number of members which is required by article 9 of the Law for the registration of a society, or to restrict the number of its members.

APOINTED PERSONS

22.
 - (1) Any appointment of a member of a registered society for the purposes of sections (1) and (2) of article 30 of the Law is done in writing and signed by the member in the presence of two witnesses who countersign.
 - (2) Non member of a registered society who has a shared capital has the right to appoint more than one person unless the member has more than one share.
 - (3) In case that a member appoints more than one person the number of shares that shall be transferred or the exact proportion of the available amount which shall be transferred to every appointed person shall be specified at the time of their appointment.
 - (4) Every appointment shall be recorded in the Register of Members.
 - (5) For the purpose of the transferring to the appointed person, the value of any share or interest shall be represented by the amount that was truly paid by the member who possessed that share or interest, unless it is otherwise provided by the special regulations of the registered society.
 - (6) In case that any amount of money is paid to an appointed person who is a minor, any receipt signed by the minor or by his guardian shall be a satisfactory payment for the registered society which is paying the amount.

MAXIMUM NUMBER OF POSSESSION

23. No member, besides the registered society, may possess more than one fifth of the shared capital of a registered society either being of limited or unlimited liability.

SHARING OF PROFITS

24. (1) No amount of the shared capital of a registered society shall be distributed among its members as interim dividend or in any other way, without the approval of the Commissioner, until the registered society enters to its annual profit and loss account all the expenses occurred during the previous year prior to the estimation of the net profit of the year.

R.A.A.
464/2001

(2) No registered society shall pay a dividend on the paid up shared capital which exceeds the amount specified in its special regulations: Provided that for the determination of the payable dividend, the financial position of the registered society shall be taken into consideration in coordination with the wider interests of the Co-operative Movement.

R.A.A.
464/2001

MAXIMUM RESPONSIBILITY

25. With the observance to the provisions of the Law, every registered society shall receive loans and accept deposits up of such a maximum amount as specified from time to time by the general meeting and shall be included in its special regulations.

GENERAL MEETINGS

26. The supreme authority of a registered society shall be owed by the general meeting of its members in which every member has the right to be present and vote on all issues. Each member has only one vote which, in accordance to the provisions of sections (2) and (3) of article 15 of the Law, will exercise in person and not by proxy.

FIRST GENERAL MEETING

27. The first general meeting of members for the election of the committee and/or the council in accordance to the provisions of the Rules 28, 29 and 70 shall be called by the Commissioner not later than a month from the date of the registration of the society.

ELECTION OF THE COMMITTEE AND/OR SUPERVISORY COUNCIL

- 28.** (1) The election of the committee and/or supervisory council takes place every three years by majority method. If for any reason, the election delays further than the expiration of the term of three years, the existing committee and/or the supervisory council shall continue to be in office until elections are performed. R.A.A. 464/2001
- (2) The conducting of elections is instructed by the Commissioner by relevant notifications which are posted in prominent places at the society's operations or/and they are published in the local press, at least 20 days prior the day of the elections. R.A.A. 464/2001
- (3) The officials of the society shall clarify promptly the members' register in order to be clear which members have the right to vote and any member shall have access to inspect the list at any time at the offices of the society during its working hours. The list of the nominees shall be available for inspection at the place of the elections. R.A.A. 464/2001
- (4) No new member shall be registered from the date the elections are announced until the day of the elections. In accordance to the Co-operative Societies Law, each member has only one vote. R.A.A. 464/2001
- (5) Nominations, by virtue of section (1) of article 43 of the Law, shall be submitted in writing and handed in person to the secretary of the society at least 120 hours prior the day and time of the commencing of the election. Each nominee shall be proposed in writing by two members of the society:
Provided that for the first elections of a committee and/or supervisory council the nominations are handed in person to the chairman of the general meeting and during its session. R.A.A. 464/2001
- (6) The ballot papers shall be prepared in alphabetical order by the surname of the nominees and one shall be given to each voter while going to the ballot box. The voters shall hold their identity card or their electoral book. R.A.A. 464/2001
- (7) The voting in favor of a nominee shall be indicated by the insertion of the signs \surd , x, + in the square box opposite the name of the nominee. R.A.A. 464/2001
- (8) Each voter has the right to vote as many nominees as the number of the members of the committee and/or the supervisory council or less. A ballot paper which is recording a greater number of nominees is by its whole null and void. R.A.A. 464/2001
- (9) The opening and closing time of the voting is determined by the Commissioner and is recorded in the relevant announcements. The Commissioner may decide for a shorter duration of the voting, in the case of a Co-operative Society with small number of voters. R.A.A. 464/2001

- (10) The Commissioner may decide to set more than one voting centers, as well as the location of each voting center, depending on the circumstances. In such a case the Commissioner in agreement with the officials of the society, shall proceed to the allotment of the voters to each voting center. R.A.A. 464/2001
- (11) The Commissioner shall appoint a chairman and his necessary assistants for every voting center. R.A.A. 464/2001
- (12) The sorting of the ballot papers is done immediately after the conclusion of the voting procedure and anyone of the nominees may attend it. R.A.A. 464/2001
- (13) In case of equal division of votes, the successful nominee is selected by lot. R.A.A. 464/2001
- (14) Those who received the greatest number of votes are declared members of the committee or of the supervisory council, according to the circumstances. R.A.A. 464/2001
- (15) Any issue raised in relation to the elections, shall be decided by the Commissioner or his representative, who during the examination of each case shall take into consideration the parameters applied in other Laws of the Republic regulating the issues regarding the elections. R.A.A. 464/2001

WITHDRAWAL OF A CANDIDATE

29. (1) Every nominee may, at any time prior the voting, or in case that no election is conducted, prior his declaration as being elected, to withdraw his nomination by written notification given to the chairman of the elections.
- (2) The chairman of the elections in receiving the notification by virtue of paragraph (1) makes sure that the withdrawal is made public by bill-posting it at a prompt place at where the nominations take place.
- (3) There is nothing in the present Rules that makes a ballot paper invalid just by indicating the name of a withdrawn candidate; the ballot paper shall be valid for the rest of the nominees.
- (4) In case that a duly declared nominee passes away prior to the termination of the voting, the chairman of the election, when the demise is confirmed, submits a report in relation to the event to the Commissioner.
- (5) Nevertheless the procedure of the election continues unless the number of the remaining candidates is equal or lower of the number of

the committee or of the members of the supervisory council, depending on the case, so the nominees are declared as elected.

(6) The Commissioner may specify another suitable day to fill the vacancy which remains pending due to the death of one of the nominees and the procedure for the substitutive elections shall start anew.

(7) If during the date of the submission of nominations within the specified for the event time, or after the declaration of a nominee and prior the date of the voting, no one stands as nominee, the chairman of the election shall immediately submit a report to the Commissioner.

(8) In such a case the Commissioner specifies another suitable day for the election and the new procedure for the election starts anew.

(9) If, due to the withdrawal of a nominee, at any time between the submission of the nomination and the day of voting, the number of nominees is equal to the number of the committee or the council:

- i. Is equal to the number of the members of the committee or members of the supervisory council, the proposed nominees are declared as elected; or
- ii. The number of the nominees is smaller than those elected, the remaining nominees are declared as elected and the Commissioner sets another suitable day to fill the vacant position or positions by a substitutive election and hereby the electoral procedure begins anew.

ANNUAL GENERAL MEETING

30. (1) Within three months from the reception of the report of the audited accounts of the registered society, the annual general meeting of members is called by the committee.

(2) If the committee fails to call the annual general meeting within the period referred to in paragraph (1), the above mentioned annual general meeting shall be called by the Commissioner.

(3) The Commissioner may, if the committee requests, call the annual general meeting even prior to the expiration of the time period mentioned above in paragraph (1).

(4) The annual general meeting shall deal with the following issues:
(a) Consider the report of the committee and the council and the balance sheet as well as the report of the audited accounts of the registered society of the previous year as they were prepared by the Audit Service and where is practically possible to post the documents to all members.

- (b) Approve the accounts.
- (c) Examine any complains submitted by members who consider themselves as being unfairly treated by a decision of the committee and take decisions upon the issue:
Provided that such complaints shall be submitted in writing to the committee at least two days prior to the general meeting.
- (d) Conducts any other general operation of the registered society.

SPECIAL GENERAL MEETING

- 31. (1)** A special general meeting of members may be called at any time by the committee or the council.
- (2)** It is the duty of the Chairman of the Committee to call such a meeting provided that it is requested by the following members, depending on the occasions, of a co-operative society:
- (a) In case that a society whose members are less than a hundred 20% of the members.
 - (b) In case that a society whose members are more than a hundred but less than two hundred 15% of its members provided that the number of these members will not be less than 25 members.
 - (c) In case that a society which has more than two hundred members but less than five hundred members
..... 12% of the members
provided that the number of these members shall not be less than 50.
 - (d) In case that a society which has more than five hundred members but less than one thousand
..... 10% of the members
provided that the number of these members shall not be less than 75.
 - (e) In case that a society which has more than one thousand members
..... 8% of the members
provided that the number of these members shall not be less than 150 members.
- (3)** The applicant members who request the general meeting shall state in their application the purpose for calling the requested general meeting.
- (4)** If the chairman of the committee fails to convene the general meeting within fourteen days (14) from the time he received the application as aforesaid, the members who are requesting such general meeting have the right to convene the meeting themselves by sending a notice stating

the purpose of it and a declaration that the meeting is convened after the omission of the chairman of the committee to convene the requested meeting.

- (5) The Commissioner or an authorized by him person may, at any time, convene a special general meeting of a registered society in such a way and time and at such place as the Commissioner or the authorized by him person has the discretion to set and specify the issues to be discussed in the meeting. Such a meeting shall have all authorities as the meeting convened in accordance to the Rules.

NOTIFICATIONS

32. The general meetings are convened in accordance to the provisions of the Law and the present Rules by written notifications which shall:
- (a) Specify the place, the date and the time of the meeting as well as the issues to be discussed.
 - (b) Be signed by the Commissioner or the chairman and the secretary of the registered society or by the members who leave the meeting, as the case may be; and
 - (c) Be placed on the announcement board at least eight (8) days prior to the set date of the general meeting, outside of the offices of the registered society and at least at two prompt places in the city or in the village or in the case of a complex of villages, to each village of the complex in which the society conducts its activities or/and publishes at the local press.

QUORUM

33. (1) For the purposes of the annual or the special general meeting, they are in quorum if:
- (a) One half of its members plus one, when the registered society has less than twelve members, R.A.A. 464/2001
 - (b) Ten numbers, when any registered society has at least twelve but not more than forty members, and R.A.A. 464/2001
 - (c) One quarter of its members when the registered society has more than forty members. R.A.A. 464/2001
- (2) The meeting which was convened after the request of its members, if within half an hour from the time set the present members are not in quorum, the meeting is deemed to have been ceased. In any other case after the lapse of half an hour from the time set the present members are in quorum. R.A.A. 464/2001

34. Unless otherwise provided by the Law and the present Rules, any issue raised to be decided upon by the present members of the meeting, it shall be decided by simple majority verdict.

CHAIRMAN OF THE MEETING

35. (1) The chairman of the committee or in his absence, any other person appointed by the present members shall chair during the annual or special general meeting, with exception to the general meetings where the Commissioner is present in which case he shall chair. The Commissioner or any person appointed by him shall be the chairman in any meeting convened by him.
- (2) The secretary or in his absence any other person appointed by the chairman, shall act as secretary of the meeting. The chairman may, if needed, appoint other persons to facilitate the meeting.
- (3) Once the discussion of an issue is completed, the chairman of the meeting decides upon its termination and puts the issue to vote.

VOTING

36. (1) In every general meeting any issue which is put to vote shall be decided upon by rising of hands, unless 1/5 of the present members request to have a secret voting by ballot.
- (2) In the case of equal division of votes the chairman has the right to have a second or the casting vote.
- (3) Every decision taken upon any issue as well as the procedure and the result of voting are recorded in the practice book.

PRACTICES

37. (1) The practices of the meeting shall be recorded in the practice book and shall be signed by the chairman and the secretary and shall include:
- (a) The number and the names of the members present in the meeting and the name of the chairman or the person who chaired during the meeting.
 - (b) The time set for the meeting as well as the time of commencing of the meeting.
 - (c) The total number of the present members at the date the meeting was convened.
 - (d) All the issues discussed in the meeting, as well as all decisions made.
- (2) True copy of the practices of all meetings shall be sent to the Commissioner.

COMMITTEE

- 38.(1)** **a.** The members of the committee may be members or authorized representatives of the registered society as regards to the members which are registered societies. R.A.A.
464/2001
- b.** The members of the committee shall be in office until the election of the new committee and are eligible for re-election: R.A.A.
464/2001
Provided that the special general meeting convened for by the Commissioner may dismiss the committee or few of its members prior to the due date of their term of office by a majority a vote of three quarters of the present members who, in that meeting, shall proceed to the election of other members for their substitution. The new members shall be in office until the election of the new committee.
- c.** The committee shall be composed of five members. R.A.A.
464/2001
Provided that in a registered society the area of its activities which is extended in more than one community, its committee shall be composed by a greater number of members as it shall be provided by its special regulations.
- d.** The majority of the members of the committee shall form a quorum. R.A.A.
464/2001
- (2)** The members of the committee shall not receive any salary or any other remuneration, but they shall be allowed to receive from the society any expenses paid by them in relation to the work done for the registered society or on its behalf and up to that amount which shall be specified at the general meeting after a proposition by the committee. R.A.A.
464/2001
- (3)** If any issue is raised in relation to the method that the election of the Committee or its substitute members is conducted or the status of such an election, such issue shall be decided upon by the commissioner. R.A.A.
464/2001

CONSTITUTING THE COMMITTEE INTO A BODY

- 39.** The committee of every registered society is constituted into a body by the election of its chairman who, in case of equal division of votes, has the second or casting vote. In the temporary absence of the Chairman, the committee shall appoint one of its members to perform the duties of the Chairman.

DUTIES OF THE COMMITTEE

- 40. (1)** The Committee shall represent the registered society in front of all the competent public authorities and to all its dealings and transactions with third parties, to have the authority to raise and defend actions and other judicial proceedings on behalf of the society and

generally to perform all the duties related to the managing of affairs of the registered society which are not specially assigned under the present Rules or the special regulations in the general meetings or to the council or to any other official of the society.

(2) Wherever court actions or other judicial procedures are raised by or against the registered society, the secretary immediately informs in writing the Commissioner about it.

(3) The committee shall always keep the last annual balance sheet of the registered society together with the report which is referred in Rule 30, posted at a prompt place in the offices of the registered society.

SESSIONS OF THE COMMITTEE

41. The committee conducts sessions whenever needed by the activities of the registered society, yet in any case not less than once a month. The meetings of the committee are to be convened in writing by the secretary or any other way decided by the committee:
Provided that the chairman may, on his own discretion, convene an urgent meeting of the committee to conduct a specific activity, he shall convene such a meeting after a written application of two members of the committee.

WAY OF ACTION IN MEETING OF THE COMMITTEE

42. In every meeting of the committee, the secretary shall-
- (a) Read the practices of the previous meeting;
 - (b) Notify the members of the committee about the general activities of the society; and
 - (c) Present all issues to be examined by the committee.

MINUTES OF MEETINGS OF THE COMMITTEE

43. The practices of the meeting of the committee shall be recorded by the secretary in the practice book and shall be signed by all present members of the committee and by the secretary; they shall also include the following details:
- (a) The names of the present members and the date of the meeting;
 - (b) The name of the chairman; and
 - (c) A short report on all issues discussed as well as the method by which decisions were made and the result of such decisions.

OMMISSION ON BEHALF OF THE COMMITTEE TO ATTENT THE MEETINGS OF THE COMMITTEE

44. Any member of the committee who, without a serious approved by the committee reason, omits to attend three consecutive meetings of the committee shall be deemed as being resigned from his position which shall be filled in accordance of the present Rules.

VACANT POSITIONS IN THE COMMITTEE

45. (1) In case that there are vacant positions in the committee, which are less than half of the number of its members, shall be filled within eight days (8) by the appointment of substitutes, from the runners of the last committee election, by the rest of the members of the committee and the members of the council at a joint meeting convened for such purpose. Every substitution must be made known to the Commissioner: Provided that the committee fails to proceed to such appointment, the Commissioner may appoint the necessary substitutes as per paragraph (1) above. R.A.A. 464/2001
- (2) If the vacancies of the members of the committee are more than half of the members of the committee or if there are no runners to fill the vacant positions, as provided for in paragraph (1) of the present Rules, the vacant positions shall be filled by a substitutive election instructed by the Commissioner. R.A.A. 464/2001
- (3) Anyone appointed or elected based on the present Rules as a substitute member shall hold the office until the expiration of the term of office of the committee. R.A.A. 464/2001

LENDING AUTHORITY

46. Without prejudice to the provisions of the Law, the committee may borrow money on behalf and for the account of the registered society up to an amount not surpassing the maximum limit as defined in the provisions of Rule 25.

BANKING ACCOUNT

47. (1) The committee may open a bank account to the Co-operative Central Bank, and by the approval of the Commissioner to any other Bank. R.A.A. 464/2001
- (2) The cheques issued by the registered society and any other document issued in relation to the bank account shall be signed by the chairman of the committee and the secretary or by the secretary and an employee of the society or by two employees of the society who all have been duly authorized by the committee. R.A.A. 464/2001

SECRETARY

48. (1) The committee or if there is council, the committee and the council, in a joint meeting convened for this purpose shall appoint a secretary and shall specify his remuneration. R.A.A. 464/2001
- (2) If the secretary is a member of the committee or the board he shall not be remunerated. R.A.A. 464/2001
- (3) The remuneration and the other conditions of service of the secretary shall be specified in a scheme of service which is prepared by the committee or, if there is a Council, by the committee and the board and be approved by the Commission. R.A.A. 464/2001
- (4) The appointment and the dismissal of the secretary are decided by the committee and ratified by the Commissioner. R.A.A. 464/2001
- (5) The retirement age of the secretary shall not exceed the pension age, as it is defined by the Social Insurance Law and the committee or the council commence the procedures for the appointment of the secretary at least three months prior to the vacancy of the post. R.A.A. 464/2001
- (6) In case of omission by the committee or the committee and the council, as the case may be, to appoint the secretary, the Commissioner shall appoint a secretary in accordance to the schemes of the service set out by him. R.A.A. 464/2001

QUARANTEE ON THE PART OF THE SECRETARY

49. (1) The secretary shall offer such a guarantee as the committee or if there is a council, the committee and the council in a joint meeting shall decide.
- (2) Any such guarantee is made known in writing to the Commissioner and it is subject to ratification by the general meeting.

TEMPORARY ABSENCE OF THE SECRETARY

50. The committee may give leave of absence to the secretary and to appoint a substitute during his absence. Such an appointment shall be made known to the Commissioner. Any appointment which lasts for more than three months is ratified by the Commissioner. R.A.A. 464/2001

DUTIES OF THE SECRETARY

51. (1) The Secretary is the executive agent of the registered society and acts in accordance to the instructions given from time to time by the committee.
- (2) He is responsible for the organization, administration, co-ordination and planning of the activities of the society.

(3) Ensures for the convention and attends all the meetings of the committee or and of the council of the society.

(4) Performs any other duties that are assigned to him by the committee.

MEMBERS OF THE STAFF

52. (1) The committee may appoint as many employees as it deems necessary. Every appointment of a member of the staff shall be made known to the Commissioner. R.A.A. 464/2001

(2) The terms of employment of the members of the staff, especially those of appointment, dismissal, leave of absence, medical and social security, salary and other benefits are governed by the Regulations which are prepared by the Committee or, if there is a council, the committee and the council are ratified by the Commissioner. R.A.A. 464/2001
Provided that the appointment and the dismissal of the members of the staff, as well as the opening of new posts, are decided by the committee and are ratified by the Commissioner.

(3) The retirement age of the members of the staff shall not surpass the pension age as specified by the Social Security Law. R.A.A. 464/2001

TEMPORARY DISMISSAL OF THE SECRETARY AND OTHER MEMBERS OF THE STAFF

53. (1) The committee or, if there is a council, the committee and the council in a joint meeting, may at anytime, either on their own discretion or after the justified proposal of the Commissioner, dismiss temporarily the secretary or any other member of the staff of the society for any serious breach during the performance of their duties. R.A.A. 464/2001

(2) A temporary termination or any other decision is immediately notified to the Commissioner attached with a relative report. R.A.A. 464/2001

(3) In case of a temporary dismissal of the secretary or any member of the staff the committee or if there is a council, the committee and the council in a joint meeting shall immediately appoint the substitute to cover the position during the hereby temporary dismissal. Any appointment of a substitute is only valid after the approval of the Commissioner. R.A.A. 464/2001

(4) In case that there is an omission by the committee or by the committee and the council, depending on the case, to terminate temporarily the services of the secretary or of any other member of the staff of the society, as provided in paragraph (1), the Commissioner R.A.A. 464/2001

may temporarily dismiss the secretary or any other member of the staff and immediately appoint a substitute.

ASSETS AND FUNDS OF REGISTERED SOCIETIES

- 54.** With the observance to the provisions of the Law, every registered society may:
- R.A.A.
464/2001
- (a) Deposit its funds to the Co-operative Central Bank, and with the approval of the Commissioner, to any other bank or and registered society.
- R.A.A.
464/2001
- (b) Invest, with the approval of the Commissioner, its funds into shares of a registered company or of other company either public or not.
- R.A.A.
464/2001
- (c) Invest, with the approval of the Commissioner, its funds to Government Bonds by taking into consideration all the investments made as well as the required liquidity percentage of the society.
- R.A.A.
464/2001
- (d) Use its funds for the acquisition, renovation and extension of its immovable property and for the acquisition of movable property for the purposes of the society or to sell, after the approval of the Commissioner, any immovable or movable property in accordance to the general or special instructions given from time to time by the Commissioner.
- R.A.A.
464/2001

Provided that the Commissioner when issuing the instructions takes into consideration among otherthings the size, the financial position, the peculiarities and the needs of the societies.

RESERVATION OF FUNDS

- 55.** The reservation of funds of a registered society is used for its operations and to cover incidental losses.
- 55.A** The opening of current accounts and the provision of cheque books is conducted in accordance to the instructions, general or specific, which are issued by the Commissioner.
- R.A.A.
464/2001

APPLICATIONS FOR LOANS

- 56.** For the purpose of getting a loan application is submitted to the committee where the amount and the purpose of the loan is stated, the period and the method of its repayment as well as the proposed security and other information as specified in the general or specific directives which are issued by the Commissioner.
- R.A.A.
464/2001

APPROVAL OF LOANS

57. (1) The committee shall examine every loan application and may approve it provided that it is satisfied that the applicant is a reliable person, has the required capability for the repayment of the loan, the proposed security is sufficient and the proceeds of the loan shall be used for the benefit of the applicant. R.A.A.
464/2001

(2) No person, apart from the members of the committee and the secretary of the society, may be present in any meeting of the committee when a loan application is examined. Any member of the committee, who applies for a loan or is proposed as guarantor for a loan, is obliged to depart from the meeting during the time of the examination of the relevant application. When the committee is in session discussing issues in relation to loans, everything laid down in such discussion shall be kept confidential and if any official breaches this rule shall immediately be subject to dismissal. R.A.A.
464/2001

57.A The transactions of a registered society which conducts activities of a Co-operative Credit Society with private individuals or legal entities who are not members of it, are subject to prohibitions, restrictions, terms or conditions as it may be possibly defined by the Committee by a relevant decision which is issued by virtue of section (2) of article 41F of the Law. R.A.A.
464/2001

PURPOSE AND LIMIT OF LOANS

58. (1) Loans are issued for the purposes specified by the committee.
(2) No member shall owe to a registered society any amount in excess to the limit specified under its special regulations.

INTEREST ON LOANS

59. The interest rate on deposits and loans shall be specified by the committee in accordance to the special regulations. R.A.A.
464/2001

DOCUMENTS RELATED TO LOANS

60. The approved loan is provided to the applicant after he signs the relevant document and offers the requested security.

CHARGES ON LOANS

61. The committee may demand that the borrower pays charges to the registered society in relation to the issuance of the loan. The secretary shall give to the interested to the loan party a statement with all the details of the imposed charges.

RESTRICTIONS ON THE ISSUANCE OF LOANS

62. The Committee strictly implements the general and specific directives issued by the Commissioner, which provide for restrictions on the issuance of loans and may refuse the issuance of any new loan to members who unjustifiably delay the repayment of standing loans to the registered societies.

MISUSE OF LOANS

63. The Committee may demand the direct repayment of a loan prior its due date if after an investigation it is proven that the member uses the loan for purposes other than the one it was approved for.

EXTENTION OF LOANS

64. The Committee may extent the repayment period of a loan of any member if it is satisfied that the reasons put forward in writing by the member are justifiable.

PROCEEDS OF LOANS

65. (1) The committee and the Secretary are responsible to monitor the status of the receivable loans and ensure their timely repayment in accordance to the terms of the contract agreement.
- (2) The committee shall check the list of debtors and shall refer those debtors who unjustifiably delay the repayment of their loans to arbitration, as provided in the article 52 of the Law.

NON RECEIVABLE LOANS

66. The committee, or if there is a council, the committee and the council in a joint meeting may, by the approval of the Commissioner, to set off any amount owed to the registered society if following an investigation and the reception of all necessary measures is proved to be non receivable.

REPRESENTATION OF BANK OR AUTHORITY OR BODY

67. Any registered society may act as a representative of the Co-operative Central Bank, of other registered society or of any other public legal entity as specified in the special regulations of the society.

TRANSFER OF SHARES

68. (1) The shares of any registered society are transferred from one member to another only by the approval of the committee.
- (2) The assignor pays transfer fees to the society which is specified in the special regulations of the society.

(3) Transfer of any share shall be valid after its registration in the Register of Shares:

Provided that non transfer of share is registered, if the assignor has a debt against the registered society.

SEIZURE OF SHARES OVER DUE LOANS

69. The committee may seize a share or shares of any member and use their value for the repayment of due loans of a member against the registered society:

Provided that prior to such seizure a written notice shall be sent to the interested member one month in advance.

SUPERVISORY COUNCIL

70. (1) When the regulations of a registered society provide for a supervisory council, such council shall be elected every three years during the election of the Committee that was instructed by the Commissioner and in accordance to the procedure as defined in the Rules 28 and 29 its members shall be in office until the election of the new council and shall be eligible for re-election.

R.A.A.
464/2001

(2) The members of the supervisory council may be members or authorized representatives of the registered society in case the members are registered societies.

R.A.A.
464/2001

(3) The council shall be consisted of five members who shall not be members of the committee and three of them form a quorum.

R.A.A.
464/2001

(4) The members of the Committee shall not receive any salary or other remuneration, but have the right to receive from the society any expenses made by them personally in relation to services offered to the registered society or on its behalf and up to such an amount that is defined at the general meeting after a proposal of the committee.

R.A.A.
464/2001

CHAIRMAN OF THE COUNCIL

71. The council elects its chairman who in case of an equal division of the votes shall have a second vote or a casting vote. In case of temporary absence of the chairman, the council shall appoint one of its members to execute his duties.

DUTIES OF THE COUNCIL

72. (1) The secretary is responsible convene the council to meeting, provide the council with information in relation to the operations and the situation of the registered society and shall note the practices of the meeting.

(2) The council shall meet at least once every three months and shall inspect and supervise the situation of the society and shall ensure that the committee is functioning well and in accordance to the

provisions of the Law, of the present Rules and of the specific regulations of the society.

(3) If the council realizes that the committee does not function in a rightful manner and that there is a risk that the interests of the registered society are jeopardized, may submit a report to the Commissioner suggesting the conduct of an investigation or to convene an unexpected general meeting of the members in order to present the situation to them.

POWERS OF THE COUNCIL

73. The council or a fully authorized member of the council has the power, for the purposes of investigation and inspection, to have full access to the accounting books and documents of the registered society and the officials and the members of the society are obliged to provide any information and present any books and accounts as well as their cash, whenever they are asked to do so by the council or by the authorized member of the council.

ANNUAL REPORT OF THE COUNCIL

74. The council shall prepare with the Committee jointly or separately a yearly report of everything that had happened during the past year which shall be submitted in the annual general meeting of members.

JOINT MEETINGS OF THE COMMITTEE AND COUNCIL

75. Joint meetings of the committee and council shall be convened to discuss issues whenever this is demanded by the Law or by the present Rules and by the special regulations of the registered society, they may also be convened if the committee or the Council so wish to discuss any issue of general or special interest whenever this is deemed necessary. A quorum at a joint meeting is constituted by the presence of such a number of members as needed to form a quorum in the separate meeting of the two bodies. Decisions are taken by simple majority verdict. In the case of an equal division of votes the chairman shall have a second vote or a casting vote.

CHAIRMAN OF COMMON MEETINGS

76. In the joint meetings of the committee and the council the chair goes to the chairman of the council or in his absence at a member of the council which shall be elected by the members of the joint meeting. In the case of an equal division of votes the chairman has a second or a casting vote.
77. The provisions of article 43 of the Law and the provisions of the Rules 44 and 45 related to the dismissal and substitution of the members of

the committee and the fulfillment of vacant positions herein are implemented mutatis mutandis for the council.

REFERING A DESPUTE TO THE COMMISSIONER

78. (1) Wherever a dispute is raised, this is referred to the Commissioner by virtue of section (1) article 52.

(2) Such a reference shall be done by written report and shall be dated and addressed to the Commissioner, shall be signed by the person who has written it, shall define the dispute and shall contain full details regarding the dispute.

(3) On the reception of that reference the Commissioner may:

- (a) Try to achieve a compromise, or
- (b) Refer the dispute to one or three referees.

REFERING THE DISPUTE TO ARBITRATION

79. (1) In the case that the Commissioner refers any dispute to arbitration he shall specify the name, place of living and the occupation of the arbitrator or arbitrators and the deadlines within which the arbitration decision shall be submitted by the arbitrator or arbitrators to the Commissioner.

Provided that the Commissioner may extend the time period within which the decision of the arbitrator or arbitrators is issued.

(2) When a dispute is referred to more than one arbitrator, then such reference shall be sent to three arbitrators, one appointed by each of the interested parties and the third appointed by the Commissioner shall also act as the chairman.

(3) When a dispute is referred to three arbitrators by virtue of paragraph (2) above the following provisions shall apply:

- (a) In the case that any interested person in the dispute omits to appoint an arbitrator within the period defined by the Commissioner, the Commissioner may appoint an arbitrator.
- (b) In the case that one of the arbitrators appointed by one of the interested parties in the dispute dies or denies or omits to exercise, or due to absence or otherwise does not exercise the duties of an arbitrator, the Commissioner shall ask the interested party to appoint a new arbitrator within a time period that the Commissioner may specify and if such an appointment is not made, the Commissioner may himself appoint an arbitrator.
- (c) In the case that the arbitrator who is appointed by the Commissioner dies or denies or omits to exercise the duties of the arbitrator or due to absence or otherwise does not exercise

the duties of an arbitrator the Commissioner shall appoint another arbitrator in his place.

- (4) On the determination of the remuneration of the arbitrator or arbitrators the Commissioner shall take into consideration the nature and the volume of the work. In so doing he may take guidance by the Civil Procedure Rules that apply to the remuneration of lawyers on court actions.

DISPOSAL OF PRODUCTS THROUGH A REGISTERED SOCIETY

80. (1) In any registered society which has among its purposes the disposal of any kind of product, produced or derived from the work or activities of its members, every member which either by virtue of the special regulations of the bodies or by virtue of a contract assigns to the registered society the disposal of the whole or part of its production, is obliged to hand over all the production to the society.
- (2) The special regulations or internal regulations of the society shall define:
- (a) The method by which a member could be proved or found guilty of breach of the special regulations or of the internal regulations of the society or of the contract with the society;
 - (b) The amount which such a member shall pay to the registered society in the form of net compensation.
- (3) Every amount which is specified by virtue of paragraph (2) above shall be considered as debt of the member to the registered society shall be collected as such and shall be credited to the reservation of funds of the society.

SPECIAL REGULATIONS

81. (1) The special regulations of a registered society shall include:
- (a) The name of the society;
 - (b) The registered address of the society;
 - (c) The region of the activities of the society;
 - (d) The purposes for which the society is established;
 - (e) The purposes for which its capital shall be disposed;
 - (f) The qualifications, the method and the conditions of accepting members;
 - (g) The type and the limit of the liability of members;
 - (h) The method of creating capital;
 - (i) The method of determining interest rates on deposits and loans;
 - (j) Provision for the disposal of Capital reserve in case of dissolutions of the society.

R.A.A.
464/2001

- (2) If the purposes of a registered society include the forming of capital of its members by loans through the special regulations may also include:
- (a) The occupation and address of residence of members;
 - (b) The terms under which loans are provided to the members, the method of determination of the interest rate as well as the maximum amount a member may borrow;
 - (c) Reference to the arrangements made for connection with the Central Body in case where the registered society shall be connected with, in accordance to the provisions of the Law:

R.A.A.
464/2001

R.A.A.
464/2001

Provided that similar reference is also included to the special regulations of the Central Body:

It is further provided that the details in relation to the implementation of the above subparagraph are defined by general or specific circulars of the Commissioner.

AMENDMENT OF SPECIFIC REGULATIONS

82. (1) Any amendment of the specific regulations of a registered society shall be effected after a decision taken by a majority of the three quarters of the present members in a general meeting.
- (2) A copy of the decision as per paragraph (1) above together with two copies of the amended specific regulations shall be submitted to the Commissioner who if persuaded that the said amendment is not contrary to the present Law or the Rules and the Co-operative principles and that it does not negatively affect the smooth functioning and the financial condition of the society, in connection to the general interests of Co-operation, registers the amendment.

R.A.A.
464/2001

R.A.A.
464/2001

Amendment
of specific
regulations.

- 82.A (1) The specific regulations of the registered societies, including the Central Body, are amended by the registered societies based on the relevant provisions of the Law or the present Rules, so as to be in conformity with the Law, the present Rules and by the decisions, orders or directives issued by virtue of the Law.

R.A.A.
874/2004

(2) Irrespective of the provision of paragraph (1), any provision in the specific regulations of a registered society, including the Central Body, which is partly contrary to any provision of the Law, the present Rules of the decisions, orders or directives, issued by virtue of the Law shall only be implemented to the extent and degree that is not contrary to any such provision.

PREPARATION OF THE ANNUAL ACCOUNTS AND THE ANNUAL REPORT

83. The officials of a registered society are responsible for the yearly preparation of:

- (a) The Balance Sheet and Profit and Loss account, not later than three months after the end of every financial year and shall submit copies to the Service and to the Commissioner.
- (b) Report what has happened during the year which shall be presented in the annual general meeting.

INTERNAL REGULATIONS

- | | | |
|------------|--|--------------------|
| 84. | <p>(1) The Commissioner issues general and specific directives for the preparation of internal regulations on specific topics of the functioning and management of the affair of the Society.</p> | R.A.A.
464/2001 |
| | <p>(2) The committee, after the preparation of such internal regulations, notifies the Commissioner about these and such regulations are deemed to be valid, binding and in force after the approval of the Commissioner.</p> | R.A.A.
464/2001 |

PROVISIONS CONCERNING CHARGES ASSIGNMENTS AND REASSIGNMENT OF CHARGES

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|------------|---|--|
| 85. | Every charge, assignment of charge and re-assignment of charge by virtue of the provisions of article 23 and 26 of the Law may be in line with the Forms which are issued by virtue of the Rule 4 of the basic Rules. | R.A.A.
464/2001 |
| 86. | <p>(1) No fee shall be payable for the registration of a charge.</p> <p>(2) The fee paid for the registration of an assignment of charge or for a re-assignment of charge is the equivalent of one pound (CP 1.00).</p> <p>(3) The fee which is specified in the present Rule shall be paid by stamps by the registered society which performs the assignment or re-assignment. The stamps shall be affixed on the copy of the assignment or re-assignment, depending on the case, which shall be sent to the Commissioner by virtue of the provisions of paragraphs (2) or (4) of article 26 of the Law and the stamps shall be cancelled in accordance to the method provided by the Commissioner.</p> | <p>R.A.A.
464/2001</p> <p>R.A.A.
464/2001</p> <p>R.A.A.
464/2001</p> |
| 87. | The Commissioner keeps separate files for every registered society and places therein all copies of charges, assignment changes and re-assignments of changes which shall be registered and related to such registered society. | R.A.A.
464/2001 |
| 88. | The book referred to as the Register of Charge of Co-operative Societies which the Commissioner keeps by virtue of the provisions of section (3) article 24 of the Law shall be in accordance to Form 6. | R.A.A.
464/2001 |
| 89. | The fee which shall be paid for the inspection of the file of charges and the Register of the charges of the Co-operative Societies by virtue of | R.A.A.
464/2001 |

the provisions of section (4) of article 24 of Law, shall be twenty five cent (£0,25).

CONTRACTS

- 90. (1)** Contracts on behalf of a registered society shall be entered into as follows:
- R.A.A.
464/2001
- (a) Contract which, if entered between private individuals, is requested by the Law to be in writing, shall be in writing and shall be signed on behalf of the society by the committee and the secretary or by any person duly authorized for this purpose and shall bear the stamp of the society;
- R.A.A.
464/2001
- (b) Contract which, if entered between private individual, would be legally valid if it was only made orally and not in writing, may be entered into on behalf of the society by the committee and the secretary or by any person duly authorized towards that purpose.
- R.A.A.
464/2001
- (2)** Every contract entered into by virtue of paragraph (1) above shall be legally valid and shall bind the society and its successors as well as the other contracting parties.
- R.A.A.
464/2001
- (3)** Contract entered into by virtue of paragraph (1) above may be amended or cancelled in the same way as authority may be provided by the present Rules to be entered into.
- R.A.A.
464/2001

CERTIFICATION OF COPIES OF ALL FILED ENTRIES FOR PROOF

- 91.** A copy of every entry filed in any book or register or a list kept regularly by the registered society during the conducting of its business and being in its possession, shall be acceptable evidence of the filed entry if the secretary in hand writing or at least the majority of the members of the committee confirmed that as true copy of the initial filed entry.
- R.A.A.
464/2001
- 92.** (1) Every co-operative credit institution which is connected to the Central Body reserves its independence as a separate legal entity with its own independent administration address and management, as provided by the Law and the present Rules.
- R.A.A.
874/2004
- (2) The arrangements connecting each co-operative credit institution with the Central Body define that:
- R.A.A.
54/2012
- (a) The commitments of the connected credit society are fully covered by guarantee of the Central Body; and
- (b) The Commitments of the Central Body including those mentioned in sub-paragraph (a) above are covered by guarantees of the connected credit institutions.

Connection of
co-operative
credit
institution
with Central
Body

(3) With the observance to the provisions concerning the Central Bank of Cyprus Law of 2002 and 2003 and the Banking Operations Law of 1997 up to (N.2) of 2004 the reliability and the liquidity of the Central Body and the Co-operative Credit Institutions which are connected with it are subject to the whole supervision in, a unified basis, by the Commissioner, in accordance to the provisions of the Law of the present Rules and by virtue of the Law, judgments, orders and directions issued.

(4) The committee following a recommendation of the Central Body may specify the commitments and the rights of the Central Body and of the Co-operative Credit Institutions connected with it.

(5)(a) The Central Body issues to the Co-operative Credit Institutions connected with its general or specific directions which deem to achieve at least -

- (i) The conformity of the connected co-operative credit institutions with the requirements of the regulating framework that are implemented therein, including, in accordance to the proportionality principle, the requirements of cooperate government, the internal auditing, organizational restructuring, risk and operational and logistics management procedures, in addition to the provisions of the connecting agreement as well, so as to secure the stability and the financial robustness of the Central Body and of the connected Co-operative Credit Institutions.
- (ii) In, on a concentrating base, compliance of the Central Body and the connected Co-operative Credit Institutions to the requirements of the regulating by the Central Body framework by which the connected Co-operative Credit Institutions are excepted on an individual base, in accordance to paragraphs (7) and (8) of the present Rule. For such a purpose the Central Body takes all necessary measures, including the issue of directions to the connected Co-operative Credit Institutions, for the, on a concentrated base, compliance of the Central Body and of the connected Co-operative Credit Institutions to the regulating and supervisory requirements including the requirements of liquidity and fund sufficiency, with the Law and the Rules, judgments, orders and directives issued by virtue of the Law, as well as the issued directives by virtue of the Central Bank of Cyprus Law as amended from time to time and the Banking Operations Law as amended from time to time, issuing directives;
- (iii) Monitoring the connected Co-operative Credit Institutions in relation to administrative, technical and financial purposes.
- (iv) The compliance of the officials of the connected co-operative credit institutions, with the provisions of the Regulatory Decision

for the Capability and Capability (Evaluation Criteria) of the Officials of the Co-operative Credit Institutions.

- (v) The preparation by the Central Body and the submission to the complement authorities of the reports, documents, and data for the prudential supervision purposes;
- (vi) The formulation of the principles and the evaluation policy (including the simulations of extreme situations) and the procedures of auditing, managing, monitoring and configuring the risks that are related to the operations of the Co-operative Credit Institutions, as for example operational risks, credit risks, interest rate risks, market risks and liquidity risks for the Central Body and the connected Co-operative Credit Institutions with the target of safeguarding the policy and strategic targets of every connected Co-operative Credit Institution to comply with the general strategy and policy, in addition to the strategic targets of the Central Body, as with the appetite and his risk bearing capacity as well:

Provided that the strategy and the targets set by the Central Body are formulated after taking into consideration the special characteristics of every connected Co-operative Credit Institution.

- (vii) The determinations and the monitoring of the procedures of internal auditing for the Central Body and for every Co-operative Credit Institution.
- (viii) The formulation of the criteria or rules for the day to day basis, conducted activities of the connected Co-operative Credit Institutions, including investments, authorizations to offer credit facilities and in monitoring the credit facilities.
- (ix) The formation of the criteria or rules for the offering of financial assistance to the connected Co-operative Credit Institution.
- (x) The determination of the criteria or rules in relation to the establishment of new unites of enterprises, opening new branches and/or the cross-border activities; and
- (xi) The coverage of concrete management issues, including issues relating to the achievement of specified business objectives and the effective carrying out of activities of a Co-operative Credit Institution and the general safeguarding of the interest of the Central Body and of the Co-operative Credit Institution connected with it.

Provided that the committee may specify the provisions of the hereby subparagraph to the decisions made by itself in virtue of the article 41E of the Law.

- (b)** The directives of the Central Body issued by virtue of the subparagraph (a) are general and uniform for all the connected Co-operative Credit Institutions except where due to objective factors, which relate to the size of the institutions and other allied factors and data, it is necessary to issue special directives.
- (c)** The Central Body may exercise the necessary monitoring with the intention to ensure, verify and secure the implementation of the directives that issues to the Co-operative Credit Institutions which are connected with it, including the realization of the existence in the connected Co-operative Credit Institutions of the satisfactory internal auditing and methods of internal auditing and the implementation wherever necessary for such audits and methods in co-operation with the connected Co-operative Credit Institutions:

Provided that the audit mechanisms and the tools that comprise the implemented by the Central Body of the internal government of the Central Body itself and of the connected Co-operative Credit Institutions, to contribute to the compliance of the connected Co-operative Credit Institutions with the relevant provisions of the regulating and supervising framework, and the directives of the Central Body:

It is further provided that the following up of the connected Co-operative Credit Institutions by the Central Body in accordance to the present paragraph is exercised in a way that it safeguards that there is no conflict or breach of the regulating and supervisory duties of the Committee and the Commissioner of the Central Body and the connected Co-operative Credit Institutions.

- (d).** Prior to the issuance of the directives, the Central Body notifies the Commissioner for these and proceeds with him to the necessary consultation, so that his directives to be in line with the legal regulating framework of supervisions and development of the registered societies.
- (e).** In case of omission of a connected co-operative credit society to comply with the directives of the Central Body, the Commissioner may impose admin suctions as provided by the article 41H of the Law, or recall the operational permission of the co-operative credit society by virtue of section (4) of article 41F of the Law or take other measured decisions as provided, orders or directives or to take any other measure provided by the Law or the present Rules or the decisions, orders or directions issued by virtue of the Law while the Central Body in such a case may under the terms and conditions that are defined by the committee by virtue of paragraph (6) and with the agreement of the Commissioner, to terminate the relation with the specific institution and to withdraw his guarantee.

It is understood that the Commissioner will document his decision sufficient in case that he does not provide his support.

- (f).** The competencies of the Central Body for the issuance of directives, monitoring and ensuring the compliance of the above by the connected Co-operative Credit Institutions, in no way substitutes, underestimate or restrict the duties and responsibilities of the committee, the secretary, the officials and the staff which are provided for in the legislation and the special regulations of the conducted Co-operative Credit Societies:

Provided that the primary responsibility for ensuring the sustainability, the economic stability and generally for the perfectly smooth conduct of the activities of their companies, still rests within the board committee, the secretary, the officials and the staff of every connected co-operative credit institution.

It is further provided that the Committee, the Secretary, the officials and the staff of every Co-operative Credit Institution shall be responsible for the full compliance of the Co-operative Credit Institution with the directors of the Central Body in the framework of their duties.

- 6.(a)** Without prejudice to the provisions of the present Rule, the other relations among the Central Body and Co-operative Credit Institutions which are connected with it, are regulated by the Committee by decisions issued by the Committee by virtue of the Law.

- (b)** Without any restriction of subparagraph (a) the Committee may at least regulate the minimum issues that relate to:

- (i) The methods and the procedures materializing and implementing the arrangements of connection and the preconditions and procedures of connection and termination including as well the observance of a register of the connected members:

Provided that the Central Body may reject the connection of a co-operative credit institution if such a connection creates difficulties when it comes to satisfying, in a united base, the criteria for the same funds and factor of solvency.

- (ii) The form and the content of the guarantees that are provided in paragraph (2) and other related issues to these guarantees including the arrangements of counter indemnity in case of activating the guarantee as well as the activating in combination with the Fund of Solidarity, support and development as provided in paragraph (1a) of section (1) of article 41F of the Law and the protection deposit scheme which was introduced by virtue of the Co-operative Society setting up and operation scheme for the protection of depositors rules of 2000 and 2014;
- (iii) Details as to the commitments and rights of the Central Body and the co-operative credit society that are related with it,

including the authority of the Central Body as provided in subparagraph (c) of paragraph (5);

- (iv) The exceptions by any specified arrangements and other criteria for compliance purposes to the provisions of the related enactments of the European Community;
- (v) The methods and the preparation procedures and submission of consolidated accounts, data, information and statements;
- (vi) The monitoring and support of the Central Body to the related co-operative credit institution for the purpose of implementing the related provisions of the Law;
- (vii) The implementation of subparagraph (b) of paragraph (2) of article 41E of the Law;
- (viii) The computerization procedure, the accountancy infrastructure and the principals and framework of internal audit mechanisms:

Provided that prior to the issuance of its decision, for any of the above issues that relate to the connection arrangements, the Committee shall consult with the Central Body on the base of the recommendations by virtue of paragraph (H) of (1) of article 41F of the Law.

7. A Co-operative Credit Institution receives permit of operation after its connection with the Central Body, irrespective of whether it satisfies the requirements in relation to-

- (a) The existence of at least two persons who administer and specify effectively the orientation of its activities;
- (b) The initial capital and capital sufficiency;
- (c) Scheduled activities;
- (d) Large exposures; and
- (e) The participations outside the financial area.

Provided that the Central Body as on a personal and on a concentrated base, together with the Co-operative Credit Institutions which are connected with it, satisfies such provisions as those specified in the Co-operative legislation and within the frameworks of the existing instruments of the European Union.

8. A Co-operative Credit Institution which has received a license to operate, after its connection with the Central Body is exempted from having to implement the requirements in relation to:

- (a) The presence of at least two persons who are administrating it and specify effectively the orientation of its activities;
- (b) The same funds and capital sufficiency;

- (c) The large exposures; and
 - (d) The participants outside the financial area, provided that the Central Body, as on a personal and on a concentrated base together with the Co-operative Credit Institutions which are connected with it, satisfies such provisions as those specified in the co-operative legislation and within the frameworks of the existing instruments of the European Union.
9. The Central Body during the exercise of the performance of its duties and commitments which are referred to in the present Rule and the Rule 93 is in close co-operation with the Commissioner and the Supervisory and Development Authority of Co-operative Societies, so as to safeguard the mutual updating and co-ordination for the purpose of achieving the common targets and aims within the framework of the competencies and responsibilities of the two parties.
10. With reference to the establishment or and of the conducting of cross-border activities (hereinafter referred to as “cross-border activities”) to other state member of the European Union or a third country by the Central Body or a connected Co-operative Credit Institution and without prejudice to the terms and conditions which are specified with Regulatory Decision which is issued by virtue of article 41F of the Law for the purpose of conducting cross-border activities by all recognized Co-operative Credit Institution, the following apply:
- (a) Any connected co-operative credit institution which wishes to conduct cross-border activities to another member state of the European Union, provided that its special regulations and to the permit of its operations allow it to do so, submits a related request to the Central Body which may approve or reject the request requested, if it accepts the request, the Central Body proceeds to a related notification to the Commissioner highlighting that the cross-border activities shall be conducted by the specific connected Co-operative Credit Institution; the cross-border activities shall be conducted under the terms and conditions which may be specified by the Commissioner or and by the Central Body or and the special regulations:

Provided that the notification of the Commissioner clarifies the nature of the arrangements of the Central Body and the connected co-operative credit institutions, including the Co-operative Credit Institution(s) which shall be covered by the scheduled activities for the conducting of cross-border activities, and confirms the way that the requirements are satisfied; further, for the notification the relevant guiding lines of the European Banking authority, in relation to the conduct of cross-border activities, are applied.

- (b) Connected co-operative credit institution which wishes to conduct cross-border activities in a third country and provided it is so anticipated in the special regulations and the permit of its operation, submits a relevant report to the Central Body which may approve or reject it. The cross-border activities are conducted under the terms and presuppositions that may be specified by the Commissioner or and the Central Body or and the special regulations.
- (c) The Central Body may carry out by itself the cross-border activities in a member state of the European Union or a third Country, provided it is so anticipated by its special regulations, and the terms and conditions that may be specified by the Commissioner or and the special regulations.

Cross-boarder activities of recognized Co-operative Credit Institutions which have not been connected with the Central Body.

92A(1).

A Registered Society which has received a permit of operation as an acknowledged Co-operative Credit Institution on its own, not connected with the Central Body may conduct cross-border activities as these are specified in paragraph (10) of Rule 92 in a member state of European Union or third country provided the following preconditions are satisfied:

R.A.A.
54/2012

- (a) The conducting of cross-border activities is provided in its special regulations and is covered by the permit of its operation;
- (b) Compliance with the terms and conditions that are specified by the Regulated Decision which is issued by virtue of article 41L of the Law for the purpose of conducting cross-border activities by all the acknowledged Co-operative Credit Institutions.

- (2) The cross-border activities are conducted under the terms and conditions that may be specified by the Commissioner or and the special regulations.

Internal organization and the role of the Central Body.

93.

The Central Body forms the organizational restructuring and regulates its internal organization and functioning in such a way to respond to the competing and commitment that derive from its role-

R.A.A.
874/2004

- (a) As the banker and supplier of the necessary services to all registered societies;
- (b) As a Central Banker of all the registered societies who conduct (workman steps) activities of a co-operative credit institute, with possibilities and functions of support and assistance, on central level and without influencing the independence of each institution, as regards, among others, the concentration and management of the available liquids, the offering of liquids facilities and the management of the operational and other risks;
- (c) As the Central Body of Co-operative Credit Institutes that are connected with it.

Regulation of issues by the Commission in relation to the responsibilities of the Central Body.

94. The committee after the recommendation of the Central Body and consultation with it may, by virtue of section (2) of article 41F of the Law, to define the procedures and details of maintenance of the Registered Societies that conduct activities of Co-operative Credit Institutions of specific percentage of deposits or of their available liquids in special account of minimum inventories to the Central Body and also as the method and the procedures of performing its role as a Central Body as specified in paragraphs (a) and (b) of Rule 93, including the probability of granting liquidity facilities and specific credits in the framework of its functioning as a lender of last resort for the registered societies that conduct activities of Co-operative Credit Institutions.

R.A.A.
874/2004

Exemption from the application of certain provisions of the Rules from the recognized co-operative credit institutions.

95. The Council of Ministers, after a recommendation of the Committee, may by a general or specific decision which is published in the Official Gazette of the Republic, to exclude for a certain period of time and under the terms and conditions specified by it, recognized Co-operative Credit Institutions from the implementation of any provision of the present Rules that it considers necessary provided that such an exclusion is not contrary to any act of European Community.

R.A.A.
874/2004

Corporate governance arrangements at the co-operative credit institutions.

96. Any provision of the present Rules which concerns the issues defined in paragraph (a) of section 1 of article 15A of the Law is implemented to the extend and in a way that the implementation of the provisions of the Regulatory Decisions which are provided for in the hereby article.

R.A.A.
140/2007

**TABLE
FORM No.1
CO-OPERATIVE SOCIETIES RULES (RULE 6)
CO-OPERATIVE SOCIETIES REGISTER**

(1) NAME OF DISTR ICT	(2) SERIAL NUMBER OF APPLICATION (increasing order)	(3) YEAR OF APPLICATION	(4) NUMBER OF APPLICATION	(5) NUMBER OF APPLICANT S	(6) NAME OF APPLICA NT REGISTE RED SOCIETY	(7) NAME OF SOCIETY	(8) DATE OF CERTIFICATE OF REGISTRATION	(9) NUMBE CERTIFIC REGISTR
(11-12) SPECIAL REGULATIONS		(13-14) AMENDMENT OF SPECIAL REGULATIONS		(15) PLACE OF ACTIVITIES /OPERATIONS OF THE SOCIETY	(16) LOCATION /REGION OF ACTIVITIES	(17-18) LIQUIDATION OF THE SOCIETY		(19) REMA
Number of special regulations	Date of registration of the special regulations	Number of amendments	Date of registration of the amendments			Date of liquidation	Reasons of the liquidation	

UNOFFICIAL UNIFICATION

**FORM No.2
CO-OPERATIVE SOCIETIES RULES (RULE 10 (a))**

**APPLICATION FOR THE REGISTRATION OF A SOCIETY IN CASE THE
APPLICANT OR ONE OF THE APPLICANTS IS NOT A
REGISTERED SOCIETY**

(For official use only)

District Number of ApplicationYear 20.....

To the Commissioner
Of Co-operative Societies,
Nicosia

Sir,

We the undersigned residents..... of the district..... we hereby inform you that we intend to establish a Society under the name “.....” and we request a registration of the aforesaid society in accordance to the provisions of the Co-operative Societies Law and the Co-operative Societies Rules.

2. The place of the operations will be of the District

3. The region of the operations of the establishing Society will be the

4. The purposes of the establishing Society shall be as in the article..... of its special regulations.

5. We enclose the proposed special regulations of the Society in duplicate duly signed by us.

Details related to us and our qualifications are exhibited in the Index.

**INDEX
DETAILS REGARDING APPLICANTS AND THEIR QUALIFICATIONS**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Serial Number of Applicant (in an increasing order)	Name and Surname of Applicant	Ordinary place of residence of Applicant	Occupation of Applicant	Age of Applicant	State whether the applicant is owner of immovable property within the proposed region of the activities of the Society	Town, village or parish within which the immovable property is erected	Declare whether the immovable property is registered or not in the name of the applicant in the register of the District Land Registry Office
(9)	(10)		(11)	(12-13)		(14)	

Extend of immovable property

Boundaries of the immovable property if not registered	Number and date of certificate of registration of immovable property	Kind of immovable ownership	Number of acres	Number of square feet	Share of applicant on the immovable property	Estimated value of the immovable property	Value of immovable property estimated by the applicant

In On20.....
(Signature of the Applicants)

CERTIFICATION

We the undersigned, president and members of the Community committee of the District hereby confirm, that the above mentioned applicants signed the application in our presence on the20..... and the application was read to them prior to their signatures.

.....
Signature of the President
.....
Signature of members

(Stamp of the President of the Community Committee)

CERTIFICATION

We, the undersigned president and member of the Community Committee..... of the district hereby confirm the above mentioned applicant residents and the above mentioned representative of the registered society under the name “.....”, signed the present application in our presence on the of 20..... and that the application was read to them prior to their signature:

Signature of the president:.....

.....

Signature of members:.....

.....

(Stamp of the President of the Community Committee)

**FORM No.3
CO-OPERATIVE SOCIETIES RULES (RULE 10(b))**

**APPLICATION FOR THE REGISTRATION OF CO-OPERATIVE SOCIETY IN THE CASE
THAT ONE OF THE APPLICANTS IS A REGISTERED SOCIETY AND THE PROPOSED
SOCIETY IS NOT ESTABLISHED FOR THE PURPOSE OF FACILITATING THE
FUNCTIONING OF THE REGISTERED SOCIETIES**

(For official use only)

District.....Number of Application..... Year 20.....

Commissioner of Co-operative
Societies,
Nicosia

We the undersigned residents of the district
..... (hereinafter referred to as “the applicant residents”) and
I the undersigned duly authorized
representative of the registered Society named “.....” and
acting on behalf and for the account of the aforesaid Registered Society we
hereby inform you that we intend to establish a society under the name
“.....” and we apply for the registration of the aforesaid society in
accordance to the provisions of the Co-operative Societies Law and the Co-operative Societies
Rules.

2. The place of the activities of the established society of the district
.....
3. The Region of the activities of the established society shall be
4. We enclose the special regulations of the society in duplicate duly signed by us.
5. Details in relation to the applicant residents and their qualifications are presented in the
Index.

Index
DETAILS REGARDING APPLICANTS AND THEIR QUALIFICATIONS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Serial Number of Applicant (in an increasing order)	Name and Surname of Applicant	Ordinary place of residence of Applicant	Occupation of Applicant	Age of Applicant	State whether the applicant is owner of immovable property within the proposed region of the activities of the Society	Town, village or parish within which the immovable property is erected	Declare whether the immovable property is registered or not in the name of the applicant in the register of the District Land Registry Office
(9)		(10)	(11)	(12-13)		(14)	

Extend of immovable property

Boundaries of the immovable property if not registered	Number and date of certificate of registration of immovable property	Kind of immovable ownership	Number of acres	Number of square feet	Share of applicant on the immovable property	Estimated value of the immovable property	Value of immovable property estimated by the applicant

In on 20.....
(Signatures of applicant residents)

.....
(Signatures of representative of the registered society)

.....

FORM No.4

THE CO-OPERATIVE SOCIETIES RULES (RULE 10 (c))

APPLICATION TO REGISTER CO-OPERATIVE SOCIETY IN CASE THAT THE APPLICANTS ARE FIVE OR MORE REGISTERED SOCIETIES AND THE PROPOSED SOCIETY IS ESTABLISHED FOR THE PURPOSE OF FACILITATING THE FUNCTIONING OF REGISTERED SOCIETIES

(For official use only)

District.....Number of Application..... Year 20.....

Commissioner of Co-operative Societies,
Nicosia

We, the undersigned, duly authorized representatives of the registered societies, details of which are exhibited in the Form, acting on behalf and for the account of the aforesaid Co-operative Societies, we hereby inform you that we intent to establish a society under the name “.....” and we apply for the registration of the aforesaid society in accordance to the provisions of the Co-operative Societies Law and Rules.

2. The place of the activities of the established society shall be of the District
3. The region of the activities of the established society shall be
4. The purpose of the established society is the facilitating of the functioning of registered societies.
5. We enclose the proposed special regulations of the society in duplicate duly signed by us.

FORM No.5
THE CO-OPERATIVE SOCIETIES RULES
(RULE 12)
CERTIFICATE OF REGISTRATION
(Article 10 of the Co-operative Societies Law)

Registration Number.....

In relation to the application No..... of the year 20..... in the District.....

I hereby certify that the society under the name of “.....” and its special regulations are duly registered today by me in the Register of Co-operative Societies in accordance to the provisions of the Co-operative Societies Law and the Co-operative Societies Rules.

Signed by me in Nicosia on day of the month of the year 20.....

Commissioner of Co-operative Societies

FORM No.6
THE CO-OPERATIVE SOCIETIES RULES (RULE 84)
DOCUMENT OF CHARGE
(Article 23(1)(b) of the Co-operative Societies Law)

(For official use only)

1. District
2. Name, surname and usual place of residence of the member who establishes the charge.....
3. Name of the registered society for the benefit of which the charge is established.....
4. Number of registration of the charge
5. Date of registration of the charge.....

The undersigned..... From (hereinafter called "the provider of the charge") who is the owner of the property which is described in the Index (hereinafter referred to as "the property") who is member of the registered society under the name "" giving in exchange the amount of €..... which is borrowed and was paid to him by the registered society under the name "....." (hereinafter referred to as the "acceptor of the charge" or "the chargee") is hereby established as a charge on the property for the benefit of the acceptor of the charge as security for the payment of the provider of the charge to the acceptor of the charge of the above said amount of €..... on the day of20..... together with interest at yearly on that amount, from the day of 20.....

2. The provider of the charge hereby declares that received from the acceptor of the charge the aforesaid amount of €.....

3. The hereby provider of the charge is subject to the provisions of the Co-operative Societies Law and the following agreement, terms and provisions, namely:

- (1) That the provider of the charge shall pay to the acceptor of the charge by the hereby secured capital and interest at a rate and time as determined hereby.
- (2) That the provider of the charge will not perform or accept the performance, as long as there is any money payable by virtue of the above, any act by which the specified charged property is affected or may possibly be affected.
- (3) Until the provider of the charge perpetrates a breach-
 - (a) In relation to the payment of any fund or interest which have been hereby agreed to be paid on the date which shall be paid in accordance to the terms mentioned above, or
 - (b) In relation to the observance or performance of agreements or terms included hereby and which shall be observed or performed by the provider of the charge,
 - (c) The provider of the charge may possess and use the hereby charged property.
- (4). In case the provider of the charge perpetrates a breach-

- (a) In relation to the payment of any fund or interest which have been hereby agreed to be paid on the date which shall be paid in accordance to the terms mentioned above, or
- (b) In relation to the observance or performance of agreements or terms included hereby and which shall be observed or performed by the provider of the charge,

then, immediately after the breach or after that time, the acceptor of the charge may, through any representative he authorizes-

- (i) By seize and take under his possession the hereby charged property or any part thereof, and
- (ii) To sell the said seized and under his possession property either by auction in accordance to the provisions of article 23(2)(b) of the Co-operative Societies Law, or by private agreement, and in any case the property may be sold separately, jointly or by segments or by payment in a lump sum or by payment installments, as the acceptor of the charge deems necessary.

(5). On the sale of the hereby charged property or any part of it by the acceptor of the charge in exercising the powers that are hereby provided to him, the following will be applied, namely:

- (a) No buyer of such property shall be obliged to examine the truthfulness or regularity of such sale nor shall be affected due to any fault or irregularly of such sale or during that sale; and
- (b) The provided receipt of payment by the acceptor of the charge or his representative to the buyer shall consist of sufficient evidence for the payment of the value of sale of such property made by him; and
- (c) The acceptor of the charge shall not be responsible against the provider of the charge in the form of compensation or otherwise due to any damage caused by such a sale to the provider of the charge or due to an act, omission, or a breach of the acceptor of the charge or to his representative; and
- (d) The acceptor of the charge shall withhold the proceeds of such a sale and, after the payment by him of the related to such a sale expenses and costs as well as the expenses and costs related to the seizure and taking into possession of the sold property, shall dispose the rest of such proceeds to pay-off or set-off against the money owed by the provider of the charge towards the amount payable for the charge.

(6). In the case that the charged property is constituted either in total or in part of harvest or other agricultural products produced or which will be produced on the land or trees, the following additional provisions shall apply, namely:

- (a) In case of perpetration of a breach by the provider of the charge-
 - (i) in relation to the payment of any fund or interest that were hereby agreed to be paid on the date that this shall be paid in accordance to the terms of the present, or

- (ii) in relation to the observance or performance of any agreements or terms included hereby and which shall be observed or performed by the provider of the charge,

The acceptor of the charge may through any representative who he authorizes, to collect, transport and render eligible for sale any harvest of other agricultural products, expenses and costs shall be of the provider of the charge; and

- (b) If these harvests or other agricultural products are sold by the acceptor of the charge during his exercising the provided to him powers, the acceptor of the charge shall pay the expenses and costs in relation to the product of such sale that occurred in order to be collected, transported or rendered eligible for sale and this harvest or other agricultural products.

INDEX
DESCRIPTION OF RPROPERTY WHICH IS HEREBY CHARGED

It is issued in duplicate in on the day of
.....20.....

(Signature and occupation of
the person who establishes the charge)

Signed in our presence by of and by the
registered society on the above mentioned date.

(Signatures of at least three members of the committee
of the registered society for the benefit of
which the charge is established)

.....
.....

(Signature of the secretary of the registered society
for the benefit of which the charge is established)

.....

Secretary

INSTRUCTIONS

1. On the base of article 23 (1)(b) of the Co-operative Societies Law may create a charge on the following types of possessions:

Of all harvest or other agricultural products, product of sea (including fish), lumber, animals, fodder, agricultural, industrial or fishing, tools, machines, boats, devices and networks, raw material, merchandise and generally everything that is produced manually and all the implements used in relation to the production irrespective of whether on the date the charge is established, the burdened property exists or not, or was acquired or not by the person that provided the charge.

2. The person who provided the charge and the registered society for the benefits of which the charge was provided shall consider the following issues, namely:

- (a) That the description of the property which is displayed on the Index is true and precise from every point of view; and

- (b) Whether the property is constituted either partially or in total of harvest or other agricultural products produced or to be produced on the land or trees, the description of the property of which is exhibited on the Index shall include full particulars of the position and the boundaries of the land or the trees from which the said harvest or the other agricultural products are produced or will be produced.

FORM No. 7

THE CO-OPERATIVE SOCIETIES RULES (RULE 85)

DUCUMENT OF ASSIGNMENT OF CHARGE

(Article 26(1)) of the Co-operative Societies Law)

(For official use only)

District
Number of registration of charge
Date of registration of charge
Number of registration of assignment of charge
Date of registration of the assignment of charge.....

We the undersigned, representatives and acting on behalf and for account of the registered society under the name “.....” (hereinafter referred to as “the assignor”) giving in exchange the amount of €..... borrowed and paid to the assignor by (hereinafter referred to as “the assignee”) we now assign to the assignee, the requested established charge as had until now been for the benefit of the assignor, by virtue of the document of charge in accordance to Form 6, duly registered in the Register of Charges of Co-operative Societies, details of which appear on the Index (hereinafter referred to as “.....”), as a security for the payment of by the assignor to the assignee of the aforesaid amount of €..... together with yearly interest at% from Day of the month of 20.....

2. The provider with the present declares that he received by the assignee the aforesaid amount of €.....

3. The present assignment is subject:

- (a) To the provisions of the Co-operative Societies Law and
- (b) to the agreement, terms and provisions of the document of charge and
- (c) to the agreements-
 - (i) The provider shall pay the assignee the secured fund and interest at the rate and time which are determined in the present, and
 - (ii) The whole fund and interest payable to the “assignor” by virtue of the document of charge shall be paid to the assignee and that for their payment the assignee shall dispose the paid amount for payoff or set-off against the amount owed by the assignor to the assignee by virtue of the present amount.

INDEX

DETAILS CONCERNING THE HEREBY CHARGE ESTABLISHED

(1)	(2)	(3)	(4)	(5)
No. of registration of the charge	Date of registration of the charge	Name, surname and ordinary place of residence of the person who established the charge	Name of the registered society for the benefit of which the charge is established	Description of the property on which the change is established

Complied in duplicate in onday of the month
..... 20..... for

- Insert the name of the registered society for the benefit of which the assigned charge is established by virtue of the document of charge in accordance to Form 6.

Signatures of at least three members
of the committee of the registered society
for the benefit of which the assigned charge is established

.....

Members of the Committee of the Registered Society
(signature of secretary for the benefit of which the assigned charge is established)

.....

The secretary

FORM No. 8
THE CO-OPERATIVE SOCIETIES RULES (RULE 86)
(ARTICLE 26(4) OF THE CO-OPERATIVE SOCIETES LAW)

(For official use only)

-
1. District
 2. Number of registration of the charge
 3. Date of registration of the charge
 4. Number of registration of the assignment of the charge
 5. Date of registration of the assignment of charge
 6. Number of registration of the re-assignment of the charge
 7. Date of registration of the re-assignment of the charge

We, the undersigned, representing and acting on behalf and for the account of the registered society under the name established for the purpose of facilitating the functioning of registered societies (hereinafter referred to as “the re-assignor”) in exchange of the amount of €..... which is borrowed and paid to the re-assignor by(hereinafter referred to as “the re-assignee”) hereby re-assigns to the re-assignee the charge-

(a) the established for the benefit of the Registered Society under the name “.....” by virtue of the document of charge in accordance to Form 6 duly registered in the Register of Charges of Co-operative Societies, details of which are exhibited in the First Index (hereinafter referred to as “the Document of Charge”), and

(b) Assigned to the re-assignor by virtue of the document of assignment of charge in accordance to Form 7 duly registered in the Register of Charges of Co-operative Societies, details of which are exhibited in the Second Index (hereinafter referred to as “the Document of Assignment of Charges”),

As a guarantee of the repayment of the re-assignor to the re-assignee of the aforesaid amount of €..... together with interest% yearly on that amount from/...../.....

2. The re-assignor hereby declares that receives from the re-assignee the aforesaid amount of €.....

3. The present re-assignment is subject to-

(a) The provisions of the Co-operative Societies Law,

(b) The agreements, terms and provisions of the Document of Assignment of Charges, and

(c) The agreements that-

(i) The re-assignor shall pay to the re-assignee the hereby secured fund and interest at a rate and time as determined in the present, and

(ii) All the payable fund and interest shall be paid to the re-assignee, by virtue of the Document of Assignment of Charges and when these are paid, the re-assignee shall dispose the payable amount to pay-off or set-off against the amount owed by the re-assignor to the re-assignee by virtue of the present document.

**FIRST INDEX
DETAILS REGARDING THE CHARGE OF THE CHARGED FORM**

1	2	3	4	5
No. of Registration of the charge	Date of registration of the charge	Name, surname and ordinary place of residence of the person that establishes the charge	Name of the registered society for the benefit of which the charge is established	Description of the property on which the charge is established

DETAILS OF ASSIGNMENT BY VIRTUE OF THE DOCUMENT OF ASSIGNMENT OF CHARGE

1	2	3
Number of Registration of the Assignment societies	Date of registration of the assignment	Name of the registered society which was founded for the purpose of facilitating the functioning of registered for the benefit of which the charge is assigned

Combined in duplicate in on..... the day of of 20..... on behalf of.....

.....
(Signature of at least three members of the committee of the registered society for the benefit of which the re-assigned charge is established)

MEMBERS OF THE COMMITTEE

.....
(Signature of the secretary of the registered society for the benefit of which the re-assignment charge is established)

Secretary

Enter the name of the registered society for the benefit of which the re-assigned charge is established by virtue of the Document of Assignment of the charge as in Form No. 7.

FORM No.9
THE CO-OPERATIVE SOCIETIES RULES (RULE 89)
REGISTER OF CHARGES OF CO-OPERATIVE SOCIETIES

	Date of document of assignment of charge on Form 7	Assignment of charge	(11-15)	Name of District	(1)
	Name of assignee			Serial Number	(2)
	Amount payable of the assignment			Date of document of charge as in Form No.6	(3)
	Number of registration of the assignment			Name, surname and ordinary place of residence of the person establishing the charge	(4)
	Date of registration of re-assignment of charge as in Form No. 8			Name of the registered society for the benefit of which the charge is established	(5)
	Name of re-assignee	Re-assignment of charge	(16-20)	Description of the property of which the charge is established	(6)
	Amount payable by virtue of re-assignment			Amount payable by virtue of the assignment of charge	(7)
	Number of registration of the re-assignment			Period of time that charge is in force	(8)
	Date of registration of re-assignment			Number of registration of the charge	(9)
	Date of notice that the charge is paid-off	Pay-off of Charge	(21-22)	Date of registration of the charge	(10)
	Date of the reception of notice				
	Signature of the Commissioner		(23)		