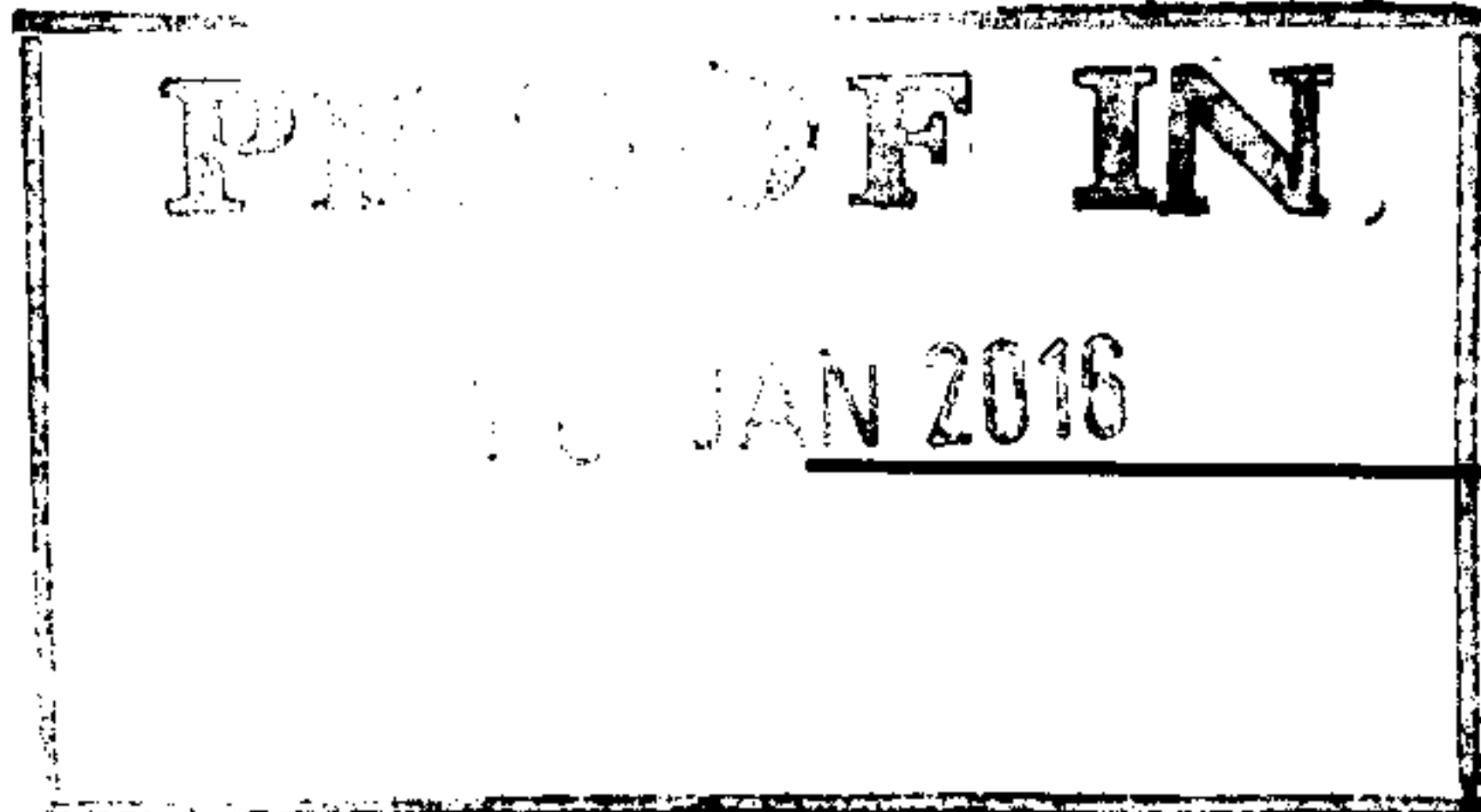


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COOPERATIVE SOCIETIES REGULATIONS
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GOVERNMENT NOTICE No. 272 published on 17/07/2015

THE COOPERATIVE SOCIETIES ACT
(ACT NO. 6 OF 2013)

REGULATIONS

(Made under section 141)

THE COOPERATIVE SOCIETIES REGULATIONS

PART I
PRELIMINARY

- Citation 1. These Regulations may be cited as the Cooperative Societies Regulations, 2015.
- Applica-
tion 2. These Regulations shall apply to all cooperative societies covered under the Act except for cooperative financial institutions unless otherwise specifically provided in their respective Regulations.
- Interpre-
tation 3. In these Regulations, unless the context otherwise requires-
- Act No. 6
of 2013 “ Act” means the Cooperative Societies Act;
“Board” means the governing body of a registered cooperative society to whom the management of its affairs is entrusted;
“budget” means and includes a projection of income and expenditure statement endorsed by the members at the general meeting and approved by the Registrar;
“Chairperson” has the meaning ascribed to it under the Act;
“charge” in relation to Part IX of the Act means security interest in cooperative society’s assets created in favour of creditor to secure the amount owing;
“code of conduct” means a set of rules governing the Cooperative leaders’ conduct and the manner in which management of Cooperative Societies is conducted and adheres to the cooperative principles and practices as prescribed in the Second Schedule to the Act;
“Commission” has the meaning ascribed to it under the Act;

Cooperative Societies Regulations

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- Cap. 185 “Corporation” means an Cooperative Audit and Supervision Corporation established under the Cooperative Audit and Supervision Act;
- “Cooperative Development Office” means a department, section or unit established under or by sectoral ministry, regional secretariat and local government authority to serve for cooperative development promotion matters;
- “cooperative officer” means a public officer employed as such to perform the functions of the commission under the Act;
- “cooperative leader” means a member of the Board or any committee of the cooperative society and shall include a member of executive staff in the senior management;
- “cooperative promotion officer” has the meaning ascribed to it under the Act;
- “ cooperative society” has the meaning ascribed to it under the Act;
- “debenture” means a document that acknowledges and contains the terms of a loan to a cooperative society;
- “delegate” has the meaning ascribed to it under the Act;
- “formation committee” means a committee formed for the purpose of forming a cooperative society as provided for under regulations 4 and 9 of these regulations;
- Cap. 342 “financial institution” means a financial institution as defined in the Banking and Financial Institutions Act.
- “formation meeting” means a meeting of founder members of the society for the purpose of agreeing on the formation of a society;
- “initial capital” means value of number of shares paid up as described in the respective by laws of the cooperative society;
- “initial meeting” means first meeting of the members of the prospective cooperative society as prescribed for under regulation 4;
- “joint enterprise” has the meaning ascribed to it under the Act;
- “letter of recognition” means a written document from the Registrar that acknowledges the existence of Pre-cooperative societies;
- “Manager ” means an officer of a cooperative society vested with the powers to manage and supervise day to day affairs of that cooperative society;
- “member” has the meaning ascribed to it under the Act;
- “middle level cooperative society” means cooperative society other than primary cooperative society and Federation formed pursuant to section 19 (2) of the Act;
- “notice of deferment” means a written document from the Registrar to entitle the cooperative society in respect of which it is issued

to operate as a registered cooperative society for a specified time during which they are required to fulfill the required conditions;

“officer” has the meaning ascribed to it under the Act;

“scheme” means a system established or approved by members to facilitate financial operations as prescribed in the By-laws of a cooperative society;

“specialized society” means a cooperative society that provides certain services to its members and includes the types of cooperative societies as ascribed under section 27 of the Act;

“surcharge” means a payment charged to an officer or a member of a cooperative society as provided for under section 95 of the Act and these Regulations;

“school society” means a cooperative society whose members are students of either a primary or secondary school.

PART II

FORMATION, REGISTRATION AND CANCELLATION OF REGISTRATION OF COOPERATIVE SOCIETIES AND PRE COOPERATIVE SOCIETIES

(a) *Formation of cooperative Society and pre cooperative society*

Initial meeting

4.-(1) Subject to section 20 of the Act and these Regulations, persons who wish to form cooperative society shall hold an initial meeting for the purpose of-

- (a) discussing and agreeing on the formation of the society;
- (b) determining among other things procedures for the election of the chairperson and secretary of the initial meeting; and
- (c) electing the formation committee.

(2) The initial meeting held under sub regulation (1) shall be under the guidance of the cooperative promotion officer or any other cooperative officer appointed by the Registrar.

Formation committee and its functions

5.-(1) The formation committee elected under regulation 4 shall consist of such number of members as determined in the initial meeting.

(2) The formation committee shall, under the guidance of Cooperative promotion officer or cooperative officer, elect a chairperson and appoint a secretary to prepare and maintain records of its proceedings.

(3) The functions of a formation committee shall be:-

- (a) to consider in detail the type of cooperative society to be formed and determine its objects;
- (b) to undertake a feasibility study into the economic viability of the society;
- (c) to compile a list of members and record of the required share capital and contributions as required in the proposed By-laws of the society;
- (d) to prepare, in consultation with the cooperative promotion officer or cooperative officer, appropriate by-laws for the proposed cooperative society;
- (e) to convene formation meeting; and
- (f) to do all such acts as may be necessary for the purpose of meeting registration requirements.

(4) For the purpose of registration of the society, the Formation committee shall prepare and submit a report to the formation meeting for discussion and approval.

Matters included in feasibility study

6. The feasibility study to be undertaken by the formation committee for the purpose of determining economic viability of the society shall include the following:-

- (a) potential members, common bond and felt need to establish a cooperative society;
- (b) potential members ability to buy shares and make contribution in order to raise enough initial capital for the purpose of sustaining the basic costs of running the cooperative society;
- (c) potential members' background and skills they possess;
- (d) potential capacity of management to organize and control the affairs of the cooperative society;
- (e) potential business volume of the cooperative society to enable continuous operations and profit;
- (f) the minimum required infrastructure and supporting services available within the area of operation of the cooperative society; and
- (g) any other information that the Registrar may direct.

Formation meeting

7.-(1) Without prejudice to regulation 4, there shall be a formation meeting which shall be convened by formation committee for the purpose of receiving the report for forming and registering a society.

Cooperative Societies Regulations

GN. No. 272 (contd.)

(2) The formation meeting held under sub regulation (1) shall be under the supervision of the cooperative promotion officer or any other cooperative officer appointed by the Registrar and shall have the following functions:-

- (a) to determine its own procedures including the election of the chairperson and secretary of the formation meeting;
- (b) to receive and discuss the formation committee report;
- (c) to adopt the name of the society;
- (d) to endorse the by-laws of the prospective cooperative society;
- (e) to endorse the projected financial statement of the society;
- (f) to endorse the economic viability report of the prospective cooperative society; and
- (g) to assign the formation committee to finalize necessary documents for registration and submit them to the Registrar.

Formation of pre-cooperative society

8.-(1) Subject to section 38 of the Act, persons who wish to form a pre-cooperative society shall hold a constituent meeting of at least five persons for the purpose of:-

- (a) agreeing and declaring their intention to form a pre-cooperative society;
- (b) making and adopting their respective by-laws;
- (c) determining the number and tenure of delegates; and
- (d) agreeing on other matters as the Registrar may direct.

(2) The constituent meeting held under sub regulation (1) shall be under the supervision of the cooperative promotion officer or any other cooperative officer appointed by the Registrar.

(3) The constituent meeting shall elect the chairperson and secretary of the meeting and determine its own meeting procedures.

(4) The declaration for formation of pre-cooperative society shall be made in Form No.1 prescribed in the First Schedule to these Regulations.

Formation of middle level cooperative society

9.-(1) Subject to the requirements provided for under sections 19, 26 and 29 of the Act, the registered cooperative society may agree to form middle level cooperative society if members of each cooperative society in their general meetings have agreed to form a middle level cooperative society.

(2) Unless otherwise directed by the Registrar, the cooperative societies aspiring to form middle level cooperative society shall convene an initial meeting of delegates from each cooperative society, which shall have the following functions:-

- (a) to form a formation committee;
- (b) to determine its own proceedings including the election of its chairperson and the secretary ; and
- (c) to perform any other relevant function as determined by members of the proposed middle level cooperative society.

(3) The formation committee formed under sub regulation (2)(a) shall have the following functions:-

- (a) to consider in detail the type of middle level cooperative society to be formed and determine its objects;
- (b) to undertake a feasibility study into the economic viability of the proposed middle level cooperative society;
- (c) to compile a list of members of the proposed middle level cooperative society and a record of the probable share capital or contributions from each cooperative society;
- (d) to prepare appropriate by-laws for the proposed middle level cooperative society;
- (e) to convene formation meeting of delegates from each cooperative society aspiring to form middle level cooperative society;
- (f) to prepare and submit a report to formation meeting for discussion and approval; and
- (g) to do all such acts as may be necessary for the purpose of meeting registration requirements of middle level cooperative society.

(4) Upon the receipt, discussion and approval of the report submitted by the formation committee, the formation meeting may assign the formation committee to finalize necessary documents for registration of middle level cooperative society and apply for registration in accordance with the Act and these Regulations.

Guidelines

10. The Commission may, for the purpose of these

Cooperative Societies Regulations

GN. No. 272 (contd.)

Regulations, issue guidelines for the formation of cooperative societies and pre-cooperative societies.

(b) Registration of cooperative societies and pre cooperative societies

Application for registration

11.-(1) Every society which intends to be registered as cooperative society, shall apply to the Registrar for registration.

(2) The Registrar may, upon receipt of the application made pursuant to sub regulation (1), register a society subject to terms and conditions as the Registrar may determine.

(3) The Registrar shall process and determine the application for registration within sixty days from the date of receipt of an application under sub-regulation (1).

Mode of application for registration

12.-(1) The application for registration shall be made to the Registrar in Form No. 2 as prescribed in the First Schedule.

(2) Every application for registration shall be signed on its behalf by persons duly and authorized by the formation meeting and the application shall be accompanied by the following:-

- (a) certified copies of resolutions passed at the initial and formation Meetings;
- (b) a report of the formation committee including feasibility study or project write-up;
- (c) members declaration form as set out in Form No. 14 as prescribed in the First Schedule;
- (d) four original copies of the by-laws which were duly adopted by the formation meeting; and
- (e) such other related information or documents as the Registrar may require.

Determination of application for registration

13.-(1) The Registrar shall, in the determination of the application for registration, take into account the economic viability of the society and that the society has fulfilled the conditions for registration pursuant to relevant provisions of the Act.

(2) For the purpose of these Regulations, the economic viability of the society shall be assessed using form no 3 as prescribed in the First Schedule to these Regulations.

Registration of society

14.-(1) The Registrar shall register a society and its by-laws if he is satisfied that:-

Cooperative Societies Regulations

GN. No. 272 (contd.)

- (a) the society has complied with the provisions of the Act and these Regulations;
- (b) the proposed by-laws of the society are not contrary to the Act and the Regulations; and
- (c) the proposed by-laws of the society are sufficient to provide for its proper administration and management.

(2) Where the Registrar determines that an application meets the requirement under sub-regulation (1), he shall issue a certificate of Registration in Form No. 2 as prescribed in the First Schedule.

Refusal of registration

15.-(1) Subject to section 32 of the Act, the Registrar may refuse to register a society and its by-laws, if he is satisfied that-

- (a) the application for registration does not comply with the requirement under Regulation 14;
- (b) the society is to be established not for the interests of its members;
- (c) the proposed by-laws of the society are not consistent with the provisions of the Act or these Regulations ;
- (d) there is no sufficient capital as determined by feasibility study report for the commencement and maintenance of the operations of the society;
- (e) there are no available officers capable of directing and managing the affairs of the society and keeping the records and accounts of the society, having regard to the reputation, character, financial integrity and reliability of the proposed officers.

(2) Where the Registrar refuses to register a society, he shall issue a written notice to the society stating the reasons thereof.

(3) Notwithstanding the provisions of this regulation, the society whose application has been refused may submit a fresh application based on the reasons of refusal by the Registrar and such application received by the Registrar shall be treated as the new application.

Prohibited Names

16.-(1) The name of a cooperative society shall not be:-

- (a) general;
- (b) descriptive in any language, of the quality, function or other characteristic of the goods or services in which the cooperative deals or intends to deal in;

(c) only a single name or surname used alone of an individual; or

(d) only a geographic name used alone, unless the proposed name has been established for a long time and continuous use prior to the date of registration or the proposed name of the cooperative society has through use acquired a meaning which renders the name distinctive.

(2) Subject to sub regulation (1), the Registrar shall, when determining whether a name of a society is distinctive, consider that name as a whole and not only its separate elements.

(3) The name of a cooperative society shall not contain a word or expression, an element of which is the family name of an individual whether or not preceded by the given name or initials, unless the individual, or his legal representative, consents in writing to the use of the name.

Appeal
against
refusal of
registra-
tion

17.-(1) A society aggrieved by the decision of the Registrar under regulation 15 may, within sixty days from the date of receipt of the written notice of refusal, appeal to the Minister.

(2) The Minister shall within thirty days from the date of receiving the appeal, subject to sub regulation (1), make decision

Applica-
tion for
Recogni-
tion and
registra-
tion of
pre-coo-
perative
society

18.-(1) Subject to sections 38 and 40 of the Act, a society shall apply for recognition and registration as a pre-cooperative society in Form No 5, as prescribed in the First Schedule.

(2) The application for recognition and registration of a pre cooperative society made pursuant to sub regulation (1) shall be signed on its behalf by persons duly appointed and authorized by the constituent meeting and such application shall be accompanied by the following:-

- (a) a certified copy of a resolution passed at the constituent meeting;
- (b) four original copies of the by-laws which were duly adopted by the constituent meeting; and
- (c) such other information or documents as the Registrar may require.

Cooperative Societies Regulations

GN. No. 272 (contd.)

(3) The Registrar shall process the application made under sub regulation (1) within sixty days from the date of the receipt of the application.

Recogni-
tion and
registra-
tion of
pre-coo-
perative
society

19.-(1) Where the Registrar is satisfied that the application for recognition and registration of pre-cooperative society meets the conditions, he shall issue a letter of recognition in Form No.6 as prescribed in the First Schedule.

(2) The letter of recognition issued pursuant to sub regulation (1) shall last for a term not exceeding three years and may contain terms and conditions as the Registrar may prescribe from time to time.

Evidence
of
recogni-
tion

20.-(1) Without prejudice to the generality of section 40 of the Act, a letter of recognition shall be deemed to be a provisional certificate of registration of the pre-cooperative society.

(2) Where a duly recognized and registered pre-cooperative society fulfills conditions of formation and registration of a cooperative society pursuant to the provisions of the Act and these Regulations, the Registrar may register a pre-cooperative society as a cooperative society.

(3) Where the Registrar refuses to register a society as a pre-cooperative society, he shall issue a written notice to the society stating the reasons thereof and the aggrieved society shall have the right to appeal as provided for under the Act.

Notice of
deferment
for
probati-
onary
societies

21.-(1) Pursuant to section 36 of the Act, where the Registrar is unable to register a society by reason of non-compliance, he may, in writing, issue a notice of deferment for the registration of that society pending compliance with relevant conditions of registration.

(2) The notice of deferment issued under sub regulation (1) shall be made in Form No.7 as prescribe in the First Schedule.

(3) Where a probationary society becomes a cooperative society after fulfilling conditions of registration of a cooperative society, the Registrar shall cancel notice of deferment.

Powers to
make By-
laws

22.-(1) Subject to section 52 of the Act, every cooperative society shall have the power to make by-laws to manage its

undertakings and conduct of its members.

(2) The by-laws made under sub-regulation (1) shall comply with the Act and these Regulations.

(4) Without prejudice to sub-regulation (2), a cooperative society may opt to add in their by-laws any provisions provided that such provisions are not repugnant to the provisions of the Act and these Regulations.

(5) Without prejudice to section 52 of the Act, the by-laws made under sub-regulation (1) shall be binding if such by-laws:-

- (a) are made in compliance with the Act and these Regulations; and
- (b) are presented, discussed and endorsed by the general meeting and registered by the Registrar.

Record
keeping

23.-(1) A cooperative society shall prepare and maintain at its registered office or at any other place in Tanzania as designated by its Board the following records:-

- (a) the cooperative society's by-laws, including any amendments and a copy of any unanimous agreement;
- (b) financial or accounting records;
- (c) the minutes of meetings of the members and the Board;
- (d) copies of all notices of Board meetings and notices of change of such meetings;
- (e) membership register setting out their names and addresses, the number of any membership shares owned and the amount of any loans;
- (f) a register of Board members, setting out the names and addresses of the individuals who are or who have been Board members and the dates on which they became or ceased to be members of the Board;
- (g) a securities register as approved by the Registrar if any; and
- (h) any other records as required under the Act and these Regulations or as directed by the Registrar.

(2) Any register or record required under these Regulations shall be prepared and maintained in a form that is capable of reproducing any required information in intelligible written form within a reasonable time, including:-

- (a) a bound or loose-leaf form;
- (b) a photographic form;

Cooperative Societies Regulations

GN. No. 272 (contd.)

- (c) a system of mechanical or electronic data processing; or
- (d) any other information storage device.

(3) A cooperative society, its officer or agent shall take reasonable precautions in respect of the registers and records required by these Regulations to:-

- (a) prevent their loss or destruction;
- (b) prevent the falsification of entries in them; and
- (c) detect and correct inaccuracies..

Retention
of
accounti-
ng records

24. Subject to any other relevant law, every cooperative society shall retain the financial or accounting records for a period of ten years after the end of the financial year to which they relate.

Request
for List of
members

25.-(1) Member, shareholders and creditors of a cooperative society and their personal representatives or any other person dealing with the cooperative society, may request the cooperative society to provide them with a list of members.

(2) A request under sub regulation (1) shall be accompanied by an affidavit containing:-

- (a) the name and address of the applicant; and
- (b) an undertaking that the list of members or shareholders requested shall be used for the lawful purpose.

(3) The request made pursuant to sub-regulation (1) shall be made not later than ten days after the cooperative society receives the affidavit referred to in sub regulation (2) and after payment of a fee as may be prescribed in the by-laws of a cooperative society.

(4) Every cooperative society shall process the requested list of members in 10 days and may provide it to the applicant if satisfied that the request is made for stipulated purpose.

(5) The list of members or shareholders provided under this regulation must set out in alphabetical order the names and addresses of the members or shareholders of the cooperative society and member's interest in the cooperative society.

(6) A member or shareholder may advise the cooperative society in writing that his name is not to be included in a list prepared by the cooperative society further to a request under sub regulation (1), in which case the cooperative society shall not include that name in the list but shall mention on the list that the list is incomplete.

Cooperative Societies Regulations

GN. No. 272 (contd.)

(7) The provisions of sub-regulation (1) shall not apply to Assistant Registrars, Cooperative Officers, Cooperative Inspectors, Cooperative promotion Officer, Auditors or any other person authorized by the Registrar.

(c) Cancellation of registration of cooperative societies and pre-cooperative societies

Cancellation of registration of cooperative societies

26.-(1) Without prejudice to section 100 of the Act, the Registrar may, upon being satisfied that a registered cooperative society or pre-cooperative society has failed to comply with terms and conditions of registration or is in breach of the provisions of the Act and these Regulations, cancel the registration of a cooperative society or pre cooperative society.

(2) Where the Registrar intends to cancel the registration of a cooperative society or pre-cooperative society, he shall give to the cooperative society or pre cooperative society ninety days' notice in the *Gazette* after which if that cooperative society or pre cooperative society does not show cause why its registration should not be canceled, he shall cancel that cooperative society or pre cooperative society as the case may be from the register.

(3) The notice given under sub regulation (2) shall include the reasons for proposed cancellation, the date on which the cancellation is to be effected and any other relevant matters as the Registrar may prescribe.

(4) The Registrar may inform the general public through public media about the Notice executed under sub regulation (2).

Appeal against cancellation

27. The right of appeal against cancellation of Registration and the effect and consequences of cancellation of Registration under the Act shall apply and have similar effect to cancellation of registration under these Regulations.

PART III
MANAGEMENT OF COOPERATIVE SOCIETY

(a) *Membership, Rights and Obligations*

Membershi
p
of
cooperative
society

28.-(1) Membership of a cooperative society shall be open to all persons who possess qualifications for membership as provided for in the Act, these Regulations and the by-laws of the cooperative society.

(2) Without prejudice to sub regulation (1), persons who wish to become members of the cooperative society must be of sound mind, age of majority and capable of paying fees and acquiring shares.

(3) Unless otherwise provided for in the by-laws, no person shall become a member of the cooperative society unless he has a common need to those other members which the cooperative society seeks to achieve.

(4) Notwithstanding the provisions of this regulation, a person who is of the age of fifteen years or below herein referred to as a "minor" may become a member of a school society or any other cooperative society provided that the Registrar grants the approval thereof.

Restriction
of dual
membe-
ship.

29.-(1) Subject to section 41(3) of the Act, a person who is a member of a cooperative society may become a member of another cooperative society with similar objectives if-

- (a) such person discloses in writing to both cooperative societies his membership or intended membership as the case may be, his obligations and liability status;
- (b) the location and activities of the cooperative society to which he is a member and that of another cooperative society are not likely to affect the business of any of the two cooperative societies.

(2) A cooperative society which registers a member who is a member of another cooperative society contrary to the provisions of this regulation, commits an offence and in addition to penalties provided for under the Act and these Regulations, such cooperative society shall be responsible for liability of such member to another cooperative society.

Cooperative Societies Regulations

GN. No. 272 (contd.)

(3) A member of a cooperative society who contravenes this regulation commits an offence and shall, in addition to penalties provided for under the Act and these Regulations, be responsible for any consequential financial liability to the initial cooperative society.

Register of members

30.-(1) Every cooperative society shall keep and maintain a Register of members and shall ensure that Register contains:

- (a) Name and address of a member;
- (b) Registration number of a member;
- (c) Number and value of shares paid for;
- (d) Where applicable, name and address of successor;
- (e) Date of confirmation;
- (f) Date of registration of membership
- (g) Declaration of compliance with by-laws; and
- (h) Other particulars as provided for in the by-laws.

(2) A person who wishes to become a new member of registered cooperative society may not become a member of such registered cooperative society unless:-

- (a) such person has made an application in writing to the Board and his application discussed and assented by the General Meeting;
- (b) in case of a primary cooperative society such member signs or affixes his thumbprint against his name to such entry in the presence of at least two members of the Board; and
- (c) in case of middle level cooperative society and federation, the authorized person signs on behalf of a member of cooperative society in the presence of at least two members of the Board.

Rights of members

31.-(1) Subject to section 52 of the Act, every cooperative society shall provide in its by-laws the rights of the members of such cooperative society.

(2) Without prejudice to the provisions of sub-regulation (1), the rights of members of the cooperative society shall include among others things:-

- (a) Right of members to vote and to be voted for;
- (b) right to attend and participate in cooperative society meetings;

Cooperative Societies Regulations

GN. No. 272 (contd.)

- (c) right to participate in the leadership of the cooperative society;
- (d) right to call a special general meeting in accordance with these Regulations and by-laws;
- (e) where applicable, the right to nominate a successor in accordance with the by-laws;
- (f) right to borrow from the cooperative society;
- (g) right to acquire shares of the cooperative society;
- (h) right to be informed of all affairs of the cooperative society;
- (i) right to receive dividends and or other benefits from the cooperative society's business operations;
- (j) right to participate in the making and amendment by-laws;
- (k) right to withdraw from membership;
- (l) right to initiate an inquiry into affairs of the cooperative society;
- (m) right of appeal as provided for in the Act, these Regulations and by-laws; and
- (n) any other rights as the cooperative society may, in terms of the by-laws, consider appropriate.

(3) The right provided for under sub-regulation (2) shall be included in the by-laws of every cooperative society.

(4) No member of a registered cooperative society shall exercise the rights of a member unless he participates fully in the business of the cooperative society and that he has made payments in respect of shares and fees as provided for in the by-laws.

Rights of
minors

32.-(1) Subject to section 44 of the Act, where a minor intends to become a member of the cooperative society, a parent or a guardian of such a minor shall be informed of the minor's intention to become a member and the parent or guardian shall open a share account or pay a membership fee and buy shares as the case may be.

(2) Where the account has been opened for deposit by a minor such minor may make payments to and withdraw money from such account, or make such other use of the account provided with the approval of his parent or guardian.

(3) The provisions of this Regulation shall not apply in the case of school cooperative society.

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Obligations of members

33.-(1) Subject to section 52 of the Act, every cooperative society shall provide in its By-laws the obligations of members.

(2) Without prejudice to the provisions of sub-regulation (1), the obligations of members of the cooperative society provided for in the by-laws shall include-

- (a) to comply with the Act, these Regulations, by-laws, code of conduct, internal regulations, policies and procedures;
- (b) to pay fees, shares and any other cooperative society dues;
- (c) to participate in the economic activities of the cooperative society as required in the by-laws;
- (d) to attend meetings of the cooperative society;
- (e) where applicable to nominate their successors;
- (f) to pay debts to the cooperative society;
- (g) to implement the resolutions of the general meetings;
- (h) to protect and defend cooperative society's assets and equity;
- (i) to reserve and protect society's image and reputation;
- (j) to accept guidance for any situation deemed potentially harmful to the cooperative society or its members; and
- (k) to perform any other obligations as the cooperative society may deem necessary and as provided for in the by-laws.

Services in priority

34. A member of a cooperative society shall have priority in receiving certain services as may be provided for in the by-laws of the cooperative society.

Shares and deposits of cooperative societies

35. Shares and deposits in a cooperative society may be held by a duly authorized person on behalf of school cooperative society or other organizations, and withdrawals may be made on behalf of such cooperative society or organization with the written approval of the person authorized to hold shares or to make such deposits.

Votes of members

36.-(1) Every member of a registered cooperative society shall have one vote at general meetings of the cooperative society irrespective of the number of shares held by him.

(2) A member of a registered cooperative society shall not vote by proxy or representative.

(3) Save as otherwise provided in sub regulations (1) and (2), a cooperative society may provide in its by-laws the voting

procedures at general meetings.

Nomination
of
successors
by
members of
a primary
cooperative
society

37.-(1) Every member of a primary cooperative society shall, at the time or after he becomes a member, nominate in writing with two attesting witnesses, a successor who shall, in the event of a member's death, succeed his shares or other interests in the cooperative society.

(2) The nomination of a successor under sub regulation (1) shall be made in Form No. 8 as prescribed in the First Schedule.

(3) Where a successor does not become a member or is not admitted to membership by the Board the value of the share or other interest shall nevertheless be paid to him.

(4) In the event of death of such successor or of the member desiring to cancel such nomination, the member may from time to time nominate in writing another person in the same manner as in sub-regulations (1) and (2), and the necessary alterations shall be made in the records of the cooperative society.

(5) If there is no successor, interest which includes the sum actually paid to the cooperative society by the member or credited to his share capital or other account from time to time out of the earnings of the society, shall be paid to his legal representative.

(6) In the event of there being no successor or legal representative, the amount of share paid by the member or credited to his share capital or other account from time to time out of the earnings of the cooperative society shall be transferred or kept in non-distributable reserve of the cooperative society for a period of three years before being transferred to distributable reserve of the cooperative society.

(7) The value of the interest of a member who has become of unsound mind and incapable of managing his affairs shall be ascertained and paid or transferred to a successor to whom such interest shall vest.

Withdrawal
from
member-
ship

38.-(1) A member who wishes to withdraw from a cooperative society shall give notice and follow procedures as provided for in the by-laws.

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(2) Without restricting the generality of sub-regulation (1), a cooperative society may require an additional notice if the member who wishes to withdraw is-

- (a) a borrower or guarantor of loan owing to the cooperative society;
- (b) otherwise indebted to the cooperative society ; or
- (c) supposed to provide other necessary information which in the opinion of the Board is necessary.

(3) A member who has withdrawn himself from a cooperative society shall not be entitled to a refund of his entrance fee.

Suspension
and
termination
of member-
ship

39.-(1) Subject to section 52 of the Act, every cooperative society shall provide in its by-laws the reasons and procedures for suspension and termination of members.

(2) For the purpose of sub regulation (1), the grounds for termination of membership shall be made upon-

- (a) a member's death;
- (b) a member ceasing to hold a share or shares and any contributions as required by the by-laws of a cooperative society;
- (c) expulsion of the member by the general meeting;
- (d) failure of the member to participate in the activities of the cooperative society as required by the by-laws;
- (e) a member becoming of unsound mind; and
- (f) withdrawal from membership.

(3) A member of a cooperative society shall not be suspended or terminated unless he is served with a notice stating out the ground of suspension or termination and is accorded opportunity to be heard to that effect.

(4) A member who is not satisfied with decision rendering the suspension or termination pursuant to this regulation may, within thirty days of such notice of suspension or termination, appeal to the Commission, and the Commission may, within twenty one days from the date of receipt of the appeal, make decision thereof.

(b) General Meetings and Board Meetings of Cooperative Society

Chairman
at General
Meetings

40.-(1) The chairman of general meetings shall be elected by members at every general meeting and may be re elected for another general meeting,

Provided that no Chairman shall serve for more than two

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consecutive general meetings.

(2) A chairman of the general meeting shall not, at any one time, serve both as a chairman of the general meeting and chairman of the Board.

(3) The election of the chairman of the general meeting shall be supervised by the Election Supervising Officer.

First
general
meeting

41.-(1) Every cooperative society shall, within two months from the receipt of the certificate of registration, hold a first general meeting at which all members shall have the right to be present and to vote, except that, the Registrar may extend the period prescribed herein.

- (2) The business of the first general meeting shall include-
- (a) the presentation of Registration Certificate by the Registrar or his representative appointed by him in writing;
 - (b) the election of the members of the Board and chairman of the Board;
 - (c) the election of the supervisory committee in case of Savings and Credit Cooperative Society (SACCOS); and
 - (d) any other business as the members of the first meeting deem necessary or as may be provided for in the by-laws.

(3) Nothing in these Regulations shall prevent the Board from appointing different committees from amongst themselves as it deems necessary for better carrying out its functions.

Annual
General
meeting
and other
meetings

42.-(1) Every cooperative society shall hold an annual general meeting at least once a year and may hold special and ordinary general meeting as provided for in the Third Schedule of the Act.

(2) Without prejudice to sub regulation (1), an annual general meetings shall, unless otherwise approved by the Registrar, be held within nine months after the closure of the preceding financial year of the cooperative society for the purpose of-

- (a) considering and confirming with such amendments as it may deem fit, the minutes of the previous annual general meeting and of any other intervening general meeting not previously approved;
- (b) receiving and considering annual financial statements and auditors reports, summary of management audit report or management letter, and other relevant reports;

- (c) declaration of dividends out of profit available for distribution;
- (d) receiving, discussing and endorsing the annual estimates or budgets;
- (e) receiving, discussing and approving the cooperative society's corporate strategic plan and implementation programs;
- (f) subject to the provisions of the Act, these Regulations and the by-laws, considering and determining the manner in which any available net surplus shall be distributed or invested;
- (g) considering and adopting any amendments to the by-laws;
- (h) proposing and approving any honoraria, allowances, audit fees or other remuneration as defined in the Act or these Regulations;
- (i) electing members of the supervisory committee, if any;
- (j) appointment of the auditors of the society ;
- (k) determination of appeals of persons whose application for membership has been rejected by the management;
- (l) considering and determining the maximum amount a society may borrow;
- (m) hearing and deciding upon any complaints brought by members aggrieved by a decision of the management, provided that notice of the intention to bring such complaints before the meeting has been given to the secretary or manager at least two days prior to the meeting;
- (n) if so requested, hearing the complaints of any auditor who has been removed by the society; and
- (o) transacting any other general business of the society of which due notice has been given to member.

(3) Pursuant to section 52 of the Act, every cooperative society shall provide in its By-laws the procedures for conducting its annual general meeting and special meetings including election of the chairperson, secretary of the meetings and the manner of conducting such meetings.

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Ordinary
general
meeting

43.-(1) Every cooperative society may, apart from an annual general meeting and special general meeting, hold an ordinary general meeting for the purpose of-

- (a) determining the number of members of the Board in accordance with the by-laws of the society where the need arises;
- (b) amendment of the By-laws where the need arises;
- (c) discussing the suspension and expulsion of member of a cooperative society;
- (d) approval of the acquisition or disposal by the cooperative society of any movable and immovable property;
- (e) discussing the implementation of the Cooperative Development Policy, the Act, these Regulations and by laws; and
- (f) the approval of contracts and agreements which are required to be approved by the general meeting in accordance with the Act, Regulations and by-laws.

(2) Notwithstanding provisions of sub-regulation (1), the business of the ordinary general meeting may be combined in a single meeting with the business of the annual general meeting described under these Regulations.

Special
general
meeting

44.-(1) Subject to the provisions of the Third Schedule to the Act, no special general meeting shall be held unless such meeting has been convened by at least one third of members or by the Board or by the Registrar.

(2) Where a special general meeting is convened by at least one third of members of the cooperative society or by the Board, such special general meeting shall have one specific agenda, unless otherwise provided for in the by-laws.

(3) The Registrar or any person authorized by him may summon and preside over a special general meeting of the cooperative society in such manner and at such time and place as he may direct and may direct the matters or agenda to be discussed at that special general meeting provided that-

- (a) such special general meeting shall have the powers and subject to the same regulations in accordance with the by-laws of the cooperative society; and
- (b) all expenses for any special general meeting shall be met by the cooperative society.

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Delegates

45.-(1) A cooperative society may elect or appoint

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to the
general
meetings

delegates to attend and have the right to vote at general meetings of middle level cooperative societies or federation for a specified period and such a delegate may be an ordinary member of the cooperative society or a member of the Board.

(2) A registered cooperative society may owing to its size and scope provide in its by-laws for a constitution of a meeting of delegates general meeting through the creation of basic units whose delegates shall attend the general meeting of that cooperative society for and on behalf of members and such a delegate may be an ordinary member of the cooperative society or a member of the Board.

(3) Every member of cooperative society mentioned in sub-regulation (1) or the basic units mentioned in sub-regulation (2) shall be represented by not more than two delegates to such general meetings.

Notice of
the general
meetings

46.-(1) No meeting shall be convened unless members of the meeting are duly served with at least twenty one days' notice in the case of an annual general meeting and ordinary general meeting and seven days' notice for special general meeting.

(2) The notice served pursuant to sub regulation (1) shall be served to the members through an advertisement, mail or as provided for in the by-laws.

(3) The notice shall contain date, venue and statement of the purpose of the meeting provided that wherever practicable, the agenda for the meeting are made available to each member or delegate before the general meeting is held.

(4) The non-receipt by a member of a notice or information in respect of the date, hour and place of the general meeting shall not invalidate the proceedings or the business transacted at the general meeting.

Quorum for
general
meetings

47.-(1) Without prejudice to the Third Schedule of the Act, every cooperative society shall prescribe the quorum of its general meetings, except that the quorum shall not be less than one hundred members, or fifty per centum of all the members whichever is less.

(2) Unless otherwise provided for in the by-laws, in the event the quorum prescribed herein does not suffice to conduct a general meeting, such general meeting shall be postponed for seven days.

(3) Where the postponed general meeting has been summoned after seven days and the quorum does not suffice again the general meeting shall be cancelled:

Provided that-

- (a) a special general meeting summoned by the Registrar shall proceed regardless of the number of members or delegates present at the meeting, and the resolution passed at such meeting shall be a valid resolution of the Board;
- (b) where the Registrar is of opinion that the members at meeting called under this regulations has failed to pass a beneficial resolution to the particular cooperative society, the Registrar shall in writing direct the cooperative society to implement appropriate action for the development of such cooperative society.

Procedure
for election
of Board
members

48.-(1) Without prejudice to the Second Schedule of the Act, members of the Board and chairman of the general meeting shall be elected by members or delegates of the cooperative society present at the general meeting and in accordance with the procedures provided for in the by-laws of the cooperative society provided that such election is-

- (a) supervised by the Election Supervising Officer;
- (b) freely and democratically conducted by secret ballot; and
- (c) conducted in such a way that, no member is elected through any other means not lawfully prescribed.

(2) Where an aspiring Board member or chairman of the general meeting is proved by the Election Supervising Officer or the Registrar that he was elected through means not lawfully prescribed, he shall automatically lose his Board membership or chairmanship to the Board, and in case of Board membership that person shall not be eligible for re-election.

(3) Every member aspiring to be elected to the Board or as chairman of the general meeting shall have to fill election form disclosing personal details, experience in leadership and other relevant particulars as provided for in the by-laws of the cooperative society provided that the election forms are-

- (a) obtained from the office of the cooperative society during office hours;
- (b) available at least twenty one days before the date of election; and
- (c) duly filled and returned to the Election Supervising Officer fourteen days before the date of election.

(4) For the purpose of supervision, the Election Supervising Officer shall form an election committee of at least four people to

scrutinize the election forms and perform any other functions necessary for supervision of election.

(5) The members appointed to form election committee shall be persons of recognized integrity with sound knowledge and experience in the activities of cooperative society, security, community development and any other related field as the case may be.

(6) The Election Supervising Officer shall be chairperson of the election committee

(7) Without prejudice to sub regulation (1), the following shall be functions of the election committee-

- (a) to determine the eligibility of candidates to be voted for in the general meeting;
- (b) to scrutinize the register of members in order to determine members who qualify to vote in the general meeting;
- (c) to prepare necessary tools for election of candidates;
- (d) to announce names of candidates eligible for election in the general meeting;
- (e) to supervise all activities in respect of campaigns, voting and counting of votes during the election; and
- (f) to perform any other function in order to ensure that the election is held in compliance with the Act, Regulations and By-laws.

(8) Candidates who have to be voted for, shall have scored 50 or more points out of 100.

(9) Counting of votes shall be done immediately after election and results shall be announced immediately thereafter by the Election Supervising Officer before the closure of the meeting.

(10) Save for the members elected in the first Board election, no member shall be eligible for election to the Board unless he or she has attended at least the last two annual general meetings.

(11) Members of the Board who served for consecutive two terms shall not be eligible for election for another term until after the expiration of one term of three years.

Minutes of
the general
meetings

49.-(1) All businesses discussed or decided at a general meeting shall be recorded in a minute book and signed by the Secretary, and on confirmation by the next general meeting, the Chairperson of such general meeting shall sign them accordingly.

(2) Unless the Registrar otherwise directs, each cooperative society shall, within thirty days from the date of general meeting, send copies of the confirmed minutes to the Registrar.

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Election,
suspension
or removal
of Board
members

50.-(1) Subject to the provisions of the Act and unless otherwise directed by the Registrar, members of the Board shall be elected, suspended or removed only by a majority of the members present and voting at a general meeting.

(2) The general meeting shall determine the number of members of Board in accordance with the Act, these Regulations and the by-laws.

Functions
of the
Board

51. Without prejudice to by-laws, the functions of the Board shall be as follows:-

- (a) manage the affairs of a cooperative society democratically on the basis of cooperative principles as described in section 3 of the Act;
- (b) strive to satisfy the economic and social-cultural needs of its members and improve the material living conditions of its members;
- (c) comply with the provisions of the Act, these regulations, Registrar's Circulars, Code of Conduct and the by-laws of the cooperative society;
- (d) lay down proper financial procedures and regulations necessary to maintain a transparent and accurate records of the business of the cooperative society;
- (e) ensure that the accounts of the society are prepared and audited according to the requirements of the Act, Regulations and by-laws;
- (f) lay before the annual general meeting an audited financial statement and Auditor's Management Report;
- (g) prepare annual estimates for income and expenditure prior to presentation to the general meeting;
- (h) facilitate the inspection of the books by any person authorized to inspect them;
- (i) ensure that loans are applied for the approved purpose for which they were made and that proper securities have been taken for any loans made in accordance with the by-laws;
- (j) ensure that the by-laws or the contract binding members to deal with the cooperative society are observed;
- (k) prepare contracts, schemes of service and regulations governing staff and employees of the cooperative society;
- (l) seek and arrange for appointment of the Managers and

- other executive staff of a cooperative society on renewable fixed contracts basis;
- (m) suspend any member of the Board who does not comply with the requirements of the Act, Regulations and by-laws pending the decision of the general meeting;
 - (n) ensure that relevant internal regulations are prepared and maintained in accordance with the requirements of the Act, these Regulations, by-laws or any other legislation;
 - (o) oversee the opening and operationalization of bank accounts;
 - (p) keep and maintain a correct register of members, attendance register for Board Members and minute books of all cooperative society's meetings;
 - (q) implement Cooperative Development Policy and prepare Corporate Strategic Plan and annual implementation programs;
 - (r) ensure that every member of the cooperative society is allotted with production facilities and inputs subject to availability of productive factors;
 - (s) oversee the production inputs and facilities of the cooperative society;
 - (t) supervise the ownership of property and assets acquired by the cooperative society;
 - (u) lay down management information and accountability systems;
 - (v) with the approval of the Registrar, cause bad debts to be written off the books of the registered society in such manner and at such times as the Registrar may deem fit; and
 - (w) supervise the management and day to day operations of the cooperative society.

Annual
financial
statements

52.-(1) Every cooperative society shall prepare financial statements in such form and for such period as per best accounting standards which shall include the preparation of-

- (a) statement of financial position;
- (b) statement of comprehensive income;
- (c) statement of cash flows;
- (d) statement of changes in equity;
- (e) accounting policies and explanatory notes; and
- (f) any other relevant information.

(2) The accounts of every registered cooperative society shall be audited at least once in a year by the Corporation or any

other competent registered auditor provided that, the appointment of any other competent registered auditor is made-

- (a) by members of the cooperative society at the general meeting;
- (b) competitively from among other competent registered auditors approved by the Registrar; and
- (c) in a manner as may be provided for in the by-laws.

(3) The accounts shall be made up to the last day of the period to which they relate, and a copy thereof shall be sent to the auditor not later than three months after the closing of the financial year and auditors shall complete the auditing work within one month after submission of accounts.

(4) A registered cooperative society shall make annual contribution through annual estimates of income and expenditure to the fund established under the Act.

Annual returns

53. Every Board of a registered cooperative society shall ensure that quarterly semi-annual and annual returns of its cooperative society are submitted to the Registrar in Form No. 9 prescribed in the First Schedule to these Regulations.

Board meetings minute book

54. All businesses discussed at a Board meeting shall-

- (a) be recorded in a minute book which shall be signed by the Board Secretary; and
- (b) upon confirmation by the Board meeting, be signed by the Chairperson of that meeting.

Economic activities under Board

55.-(1) All economic activities in a cooperative society shall, for the purpose of ensuring that they run with maximum efficiency, be under the general guidance of the Board.

(2) The Board may set up committees as it deems necessary for the purpose of performing its functions other than functions related to savings and credit cooperative society and Cooperative Bank.

Establishment of scheme

56.-(1) Board may establish a scheme for its members to facilitate the promotion and development of the business of the cooperative society.

(2) Members of cooperative societies wishing to establish a scheme shall notify the Commission of their intention to do so.

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Honorarium to Board Members

57. Subject to the by-laws, payment of honorarium to the Board members of registered cooperative society shall be determined and approved by the annual general meeting and endorsed by the Registrar:

Provided that payment of honorarium shall be dependent upon the liquidity position of the society upon which the sum is paid.

Cessation from office by Chairman and Board Members

58. Save as provided under the Act, these Regulations or by-laws of a registered cooperative Societies, a chairman of the general meeting or member of the Board shall cease to hold office, if that person-

- (a) ceases to be a member and shareholder;
- (b) becomes of unsound mind;
- (c) dies;
- (d) is convicted of an offence under the Act, these Regulations or any other legislation and sentenced to at least six months imprisonment;
- (e) deals in the same class of business in which the cooperative society deals;
- (f) voluntarily resigns;
- (g) engages in performing any activity contrary to the provisions of the Act, these Regulations or by-laws;
- (h) expelled by the general meeting.

PART IV

PROPERTY AND FUNDS OF REGISTERED COOPERATIVE SOCIETY

Property and assets of cooperative society

59.-(1) The property of a cooperative society shall consist of such movable and immovable property as may be registered by the cooperative society.

(2) Any property or asset acquired by the cooperative society shall be owned by the cooperative society through the Board and members of the cooperative society may use such property or asset on terms and conditions as determined by the general meeting and stipulated in the by-laws of the cooperative society.

Registration of charge

60.-(1) Subject to section 81 of the Act, a cooperative society shall submit particulars of the charge and any of its instruments thereof for registration in a Form No. 10 prescribed in First Schedule to these Regulations.

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(2) The Registrar may, upon receipt of particulars of a charge and instrument thereof if any, issue Certificate of Registration of a charge in Form No. 11 prescribed in First Schedule to these Regulations.

Funds of cooperative society

61.-(1) The sources of the funds of the cooperative society shall be as provided for in the Act and By-laws of the society.

(2) Every cooperative society shall have the responsibility of collecting such funds through proper procedures and to protect its funds through safe keeping.

(3) The funds of a cooperative society shall be devoted only to the promotion of the stated objects of the society, the running of the cooperative society and such other purpose as prescribed in the Act, Regulations and by-laws of the cooperative society.

Estimates of income and expenditure

62.-(1) Every cooperative society shall, unless the Registrar otherwise directs, submit for his approval an estimates of income and expenditure in such details as he may require for the next ensuing financial period and such estimates shall be submitted two months before the commencement of the period to which the estimates relates.

(2) A cooperative society shall not incur expenditure exceeding that provided in the estimates and approved by the Registrar.

(3) Notwithstanding the provisions of sub-regulation (2), the Board may revise the society's estimates of income and expenditure where the volume of business requires doing so and submitting them to the Registrar for approval.

Financial provisions

63.-(1) The by-laws of a registered cooperative society shall provide for the raising of funds to finance its activities by issue of shares, imposing levy on relevant commodities or by other means as may be approved by the Commission as provided for in the Act.

(2) Each share of a member shall be revalued in accordance with the existing value of a shilling at the closure of the financial year of a cooperative society.

Limit of loans and capital deposits

64.-(1) Every registered society shall, from time to time, fix at the general meeting the maximum liability it may incur in loans or deposits whether from members or non-members.

(2) The maximum liability fixed in terms of subregulation (1) shall be subject to the sanction of the Registrar, who may at any

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time reduce it.

(3) A registered society shall not receive loans or deposits which make its liability exceed the limit sanctioned by the Registrar.

Restriction
on credit
transactions

65.-(1) An officer or employee of a cooperative society shall not act on credit transactions without the prior approval in writing of the Board.

(2) The payment of interest rates on loans, shares and deposits shall be fixed by the general meeting.

Guarantors
for loan

66.-(1) A member of a cooperative society shall not guarantee a loan by the cooperative society to any other member where such other member has guaranteed a loan by the cooperative society to the afore mentioned member.

(2) A guarantor shall, in the case of default of payment of loan by the guarantee, be liable for the repayment of the loan for which he is a guarantor to the extent as guaranteed.

(3) Every loan shall be guaranteed by at least two guarantors.

(4) Security for loans shall be prescribed in the by-laws of each cooperative society.

Distribution
of net
balances

67. The annual net balance together with any sum available for distribution from previous years after the financial statement has been audited by a duly authorized auditor and the required provisions have been made, the equivalent sum set aside shall be applied in the following order-

- (a) not less than twenty percent of the surpluses retained in any one year shall be set aside in cash and be carried to the Statutory Reserve Fund;
- (b) at least fifteen percent of the annual net surplus of the cooperative society shall be credited to the Bad and Doubtful Debts provision account provided such an account does not exceed fifteen percent of the total cooperative society debts;
- (c) such amount not exceeding fifteen percent of the net surplus retained in any one year shall be set aside in cash in all cooperative societies to maintain the Share Transfer Fund provided such a Fund does not exceed fifteen percent of the core or institutional capital, which shall be used to purchase shares of members who have withdrawn or whose membership has been terminated;

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and

(d) the remainder of the annual net balance may then be disposed of as decided by the general meeting as follows:

- (i) payment of dividend or share income for members;
- (ii) recapitalization of member shares;
- (iii) contribution to a development fund or other funds;
- (iv) contribution to any charitable, educational, medical or other purpose in accordance with the provisions of section 80 of the Act;
- (v) payment of honoraria to Board members and other unsalaried officers;
- (vi) payment in any other way approved by the general meeting with the undistributed balance carried forward to the following year.

Statutory
Reserve
Fund

68.-(1) Unless the Commission otherwise directs, at least one fifth or twenty percent, whichever is greater of the gain or surplus resulting from the operations of a cooperative society in any financial year shall be set aside in cash and carried to the Statutory Reserve Fund.

(2) The reserve fund may, unless the Commission otherwise directs, be utilized in the business of the cooperative society or for share capital build-up.

(3) Any withdrawals from the reserve fund shall be made good from the next accruing funds in the following financial periods unless the Commission otherwise sanctions.

(4) The reserve fund shall not be available for distribution to members or subject of entitlement for claim of any specified share of it.

(5) On the dissolution of a cooperative society the reserve fund shall be applied to discharge the liabilities of the cooperative society and for the repayment of share capital.

(6) The Commission may permit any balance or portion of the reserve fund remaining after all liabilities have been met and share capital repaid to be divided amongst the members of cooperative society.

Education

69.-(1) Every registered cooperative society shall provide

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and training fund education and training for their members, elected representatives, Board members, managers and employees to enable them to effectively contribute to the development of such cooperative society.

(2) For the purpose of implementing its education and training programs pursuant to sub-regulation (1), every cooperative society shall, with the approval of the general meeting, establish a special fund or set aside some of its income for financing its education and training programs.

PART V

PROVISIONS RELATING TO JOINT ENTERPRISES

Formation of joint enterprises

70.-(1) Subject to section 26 of the Act, every joint enterprise shall be formed for specific activities or any other activity which is not undertaken by any of the cooperative societies forming such joint enterprise.

(2) A joint enterprise formed and registered under this Regulation shall have the power to make its By-laws and amendments in respect of the matters stipulated under section 52 of the Act.

(3) The Commission may issue guidelines on the modalities for the formation, registration and management of the joint enterprise.

Limitation of operations of Joint enterprise

71.-(1) Where it becomes necessary, for public interest, that the activities of the joint enterprise be run by another institution or organ, or that it be run jointly with another cooperative institution or organ, the Registrar shall cause a notice to that effect to be published in the *Gazette* and serve on the cooperative societies forming that joint enterprise.

(2) The cooperative societies may, within thirty days after such notice has been published in the *Gazette* make objections or other representations, if any, against such notice to the Registrar.

(3) Where no objections or other representations are made, the cooperative societies shall enter into an agreement with the cooperative institution or organ for the purpose of handing over the activities of the joint enterprise, to that institution or organ or for purpose of entering into a joint agreement with that cooperative institution or organ as the case may be.

(4) Upon finalization of the arrangements referred to in sub-regulation (1), the Registrar may cancel the original registration of the joint enterprise and shall register the cooperative institution or

Cooperative Societies Regulations

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organ which takes over the activities of the joint enterprise or the new body which is formed for the purpose of running the enterprise jointly.

(5) A person aggrieved by the decision of the Registrar may, within sixty days from the date of cancellation of registration, appeal to the Minister who shall, within sixty days, make a decision thereof.

Expansion of activities of joint enterprises

72. A registered joint enterprise may not, unless approved by the Registrar, expand its activities beyond the activities for which it is registered.

PART VI

INSPECTION AND SUPERVISION OF COOPERATIVE SOCIETIES

Duties and powers of cooperative inspectors

73.-(1) Cooperative inspectors designated in terms of section 92 (1) of the Act shall undertake the following duties-

- (a) inspection of a cooperative society to ascertain compliance with the Act, these Regulations and By-laws in carrying out its operations;
- (b) to inspect books of accounts and financial statements of a cooperative society;
- (c) to assess the effectiveness of the instituted control over operations, monies and other assets of a cooperative society;
- (d) to provide advice to a cooperative society on matters that need compliance ; and
- (e) to inspect on any other matters as the Registrar may, in writing direct.

(2) The cooperative inspector or any person authorized by general or special order in writing, upon production of identity card or a letter duly signed by the Registrar shall have the following powers-

- (a) to enter at any reasonable time into a registered office or premises of a cooperative society for the purpose of inspection;
- (b) to access books of account, various reports, documents and assets of a cooperative society;
- (c) to order the production of any document;
- (d) to conduct an inquiry on instruction by the Registrar pursuant to section 91 of the Act; and
- (e) to exercise any other powers for achieving the objective of the Act and these Regulations.

(3) Any person other than those approved under sub regulation (2), who conducts any of the activities of inspection or who exercises the duties and powers of cooperative inspector commits an offence.

Inspection guidelines

74. The Commission shall prepare and issue inspection guidelines in relation to exercise of the duties and powers of the cooperative inspectors and the procedures for conducting an inquiry as provided for under the Act.

Supervisio

75.-(1) Where it is proved that a cooperative society is not performing well

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n of cooperative societies and normal supervision procedures cannot remedy the situation, as a remedial measure, the Registrar may in writing order the Board of that cooperative society to remedy the shortcomings as it deems fit.

(2) In deciding which supervision action to take, the Registrar shall have regards to the following-

- (a) Severity of the problem and the time needed to resolve the problem;
- (b) financial condition of the cooperative society;
- (c) protection of members property;
- (d) disposition of management and the Board in the continuation of the cooperative society;
- (e) ability of management and the Board to manage the cooperative society effectively; and
- (f) local and macro-economic conditions.

(3) The order made under sub regulation (1) shall set forth specific remedial actions to be undertaken by the cooperative society within a specified time frame and shall be signed by the Board and the Registrar.

(4) The Registrar shall make periodic supervisory contacts and communicate with the cooperative society officers.

(5) The Registrar shall consider the order to have been complied with and may rescind it, upon the cooperative society shortcomings being rectified.

(6) A failure by a Cooperative Society to comply with an order under this regulation shall warrant de-registration of the cooperative society by the Registrar.

PART VII MISCELLANEOUS PROVISIONS

Contracts entered into by cooperative society

76.-(1) A cooperative society shall not, except with prior approval of the general meeting and thereafter with consultation in writing with the Registrar, enter into a contract in respect of a loan or credit service, work done, goods supplied or services provided for or by the cooperative society or receive rent for or by hire or disposal of any asset of the society where the value of the subject matter of such a contract exceeds five million shillings.

(2) Where a cooperative society enters into contracts for the supply of goods or services, it shall undertake and discharge the obligation of that contract and where the contract requires special skills it shall furnish evidence that some of its members or staff have the necessary skills required for the discharge of the contract.

(3) Any officer of the cooperative society who contravenes the provisions of sub regulation (1) commits an offence.

Procedure on voluntary

77.-(1) Where two or more existing cooperative societies resolve at their respective general meetings to amalgamate for their

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amalgamation mutual advantage, they shall entrust their Boards to arrange for a joint meeting for their Boards to elect, from amongst the members and on the basis of equal representation for each cooperative society, an amalgamation Board.

(2) It shall be the duty of the Amalgamation Board in consultation with the cooperative promotion officer, to prepare detailed amalgamation proposals which include-

- (a) a feasibility statement, in such form as the Registrar may approve
- (b) by-laws in respect of the proposed amalgamating cooperative society;
- (c) the date from which it is proposing to make amalgamation effective

(3) The amalgamation proposals shall be presented to a joint meeting of the Boards of the cooperative societies concerned for consideration and acceptance.

(4) Where amalgamation proposals are accepted by the joint meeting of the Boards an application shall be made to the Registrar for the approval to proceed in the manner prescribed under section 96 of the Act.

Procedure on voluntary division

78. Where an existing cooperative society resolves to be divided into two or more separate cooperative societies the Board shall prepare, in consultation with the cooperative promotion officer, such detailed proposals as may be necessary and shall make application to the Registrar for approval to proceed in the manner prescribed under section 98 of the Act.

Election of new Board

79. After the registration of cooperative societies emerging from the division of the cooperative society pursuant to regulation 78, each cooperative society formed shall proceed to hold a general meeting and elect members of a board, but such period shall not exceed three calendar months.

Miscellaneous powers of Registrar

80.-(1) In addition to the powers of the Registrar provided in the Act and the provisions of these Regulations, the Registrar shall have powers to-

- (a) attend, personally or by his representative, general meetings, board meetings and committee meetings of a cooperative society and require by written directions every cooperative society to send to him, at the proper time, notice and agenda of every meeting, and all minutes and communications in respect thereof;

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- (b) rescind any resolution or action of a member of the Board, an officer or a committee of management or of a general meeting of a cooperative society which, he is satisfied that it contravenes provisions of the Act and these Regulations.

(2) The Registrar may from time to time issue written directives, either of a general or specific nature, to any cooperative society, any class of cooperative societies or all cooperative societies to comply with such requirements as he may specify in the written directives.

(3) Without prejudice to the generality of sub regulation (2) written directives may be issued:-

- (a) with respect to the standards to be maintained by a cooperative society in the conduct of its affairs;
- (b) with respect to the investment policies and procedures to be maintained by a cooperative society; or
- (c) for any purpose specified in the Act, these Regulations or any other Rules made there under.

Issuance of
Circulars,
Orders and
guidelines

81.-(1) The Registrar may issue and publish in such form and manner as he considers appropriate, such circulars, orders, codes, guidelines and practice notes as it deems fit for providing guidance-

- (a) in relation to any matter relating to any of the functions or powers of the Cooperative Inspector under the Act and these Regulations; or
- (b) on the management and operation of the cooperatives societies.

(2) The Registrar may, at any time, amend or revoke the whole or any part of any circular, code, guideline or practice note issued under this regulation.

(3) Where amendments are made under sub regulation (2):-

- (a) the other provisions of this regulation shall apply, with the necessary modifications, to such amendments as they apply to the circular, code, guideline or practice note; and
- (b) any reference in this regulation, the rules made there under or any other written law to the circular, code, guideline or practice note, however expressed, shall,

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unless the context otherwise requires, be a reference to the circular, code, guideline or practice note as so amended.

Power to
freeze bank
accounts

82.-(1) Where the Registrar is satisfied that it is necessary to prevent the loss or misuse of the funds of a cooperative society, the Registrar may and in consultation with relevant authority, order, direct any financial institution not to pay any money out or cheques drawn on the account of the cooperative society for a specified period not exceeding three months.

(2) A financial institution which complies with an order of the Registrar under sub regulation (1) shall be relieved of any liability to any other person in respect of the payment prohibited by the order.

(3) Any financial institution which contravenes an order of the Registrar under sub regulation (1) shall be guilty of an offence and shall be liable on conviction to a fine not less than ten million shillings and in addition to the fine such financial institution shall reimburse the monies withdrawn from the date of order.

Dispute and
complaints
settlement
procedures

83.-(1) Any dispute concerning the business of a cooperative society between the members of the society or persons claiming through them or between a member or persons so claiming and the Board or any officer, or between one cooperative society and another shall be settled amicably through negotiation or reconciliation.

(2) Where the dispute under sub-regulation (1) is not amicably settled within thirty days pursuant to sub regulations (1), such dispute shall be referred to the Registrar for arbitration through Form No. 13 appearing under the First Schedule to these Regulations.

(3) Reference to arbitration under sub-regulation (2) may be made by the Board or the cooperative society by resolution in the general meeting or by any party to the dispute, or if the dispute concerns a sum due from a member of the Board to the society, by any member of the society.

(4) In making reference to the Registrar under sub-regulation (3), the claimant shall serve a copy of the reference to the respondent.

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(5) On receipt of the reference under sub regulation (2), the Registrar shall endorse the date and send a copy to the respondent and all other parties who for his opinion may be interested in the proceedings.

(6) Upon receipt of a reference for dispute in terms of sub regulation (2), the respondent shall within fifteen days from the date of receipt, file a statement of reply to the Registrar.

(7) In resolving the dispute under this regulation, the Registrar may appoint a committee of experts and persons conversant with the cooperative matters and law to assist him in reaching appropriate decision or he may refer the matter to an independent arbitrator nominated after consultation with the parties to the dispute.

(8) Without prejudice to the preceding provisions of this regulation, the Registrar may order a party to the proceedings to supply any document that may be necessary for the settlement of dispute that has been referred before the Registrar.

(9) A person aggrieved by a decision of the Registrar under sub-regulation (3) may within thirty days of the receipt thereof appeal in writing against such decision to the Minister whose decision shall be final.

(10) In deciding the appeal the Minister shall not be confined to the legal procedures or technicalities.

(11) In the event of conflict between the by-laws of a secondary society and the By-laws of a primary society which is a member of such secondary society or conflict between the by-laws of middle Cooperative Societies and the by-laws of a secondary society and of the federation, such dispute shall be referred to the Registrar for decision.

(12) In the event of conflict between the by-laws of a joint enterprise and the by-laws of a cooperative society which is a member of such joint enterprise, such dispute shall be referred to the Registrar for decision.

(13) Where, in pursuance of the provisions of sub regulation (7), the Registrar exercises the power of deciding the dispute himself, the proceedings before him in relation thereto shall, as nearly as possible, be conducted in the same way as proceedings before a court of law.

(14) Where, in pursuance of the provisions of sub regulation (7), the Registrar decides to refer a dispute to an independent arbitrator, such decision shall be embodied in an order of reference under his hand.

(15) Every order of reference under sub regulation (14) shall:-

- (a) specify the name, surname, place of abode and occupation of the arbitrator;
- (b) set out the dispute and full particulars thereof; and
- (c) limit the time within which the award shall be forwarded by the arbitrator to the Registrar:

Provided that, on good cause shown to his satisfaction, the Registrar may by a further order enlarge the time whether before or after the time limited by the order of reference has expired.

(16) The proceedings before the arbitrator shall be conducted in accordance with the arbitration Act and in particular the following provisions shall have effect in respect thereof:-

Cap. 15

- (a) notice of the time and place at which the proceedings are to be held shall be given to the parties to the dispute, and such notice shall be a ten days notice;
- (b) a record of the evidence adduced before the arbitrator shall be made, dated and signed by the arbitrator;
- (c) documents produced as evidence before the arbitrator shall be marked, dated and initialed by the arbitrator and shall be attached to the file of the proceedings; and
- (d) in the absence of any party duly notified to attend, the dispute may be decided by the arbitrator *ex parte*.

(17) The award of the arbitrator shall:-

- (a) be in writing;
- (b) be dated and signed by the arbitrator; and
- (c) state the amount of costs and expenses of the arbitration, if any, and by which party or parties to the dispute the same are to be paid.

(18) Upon the completion of the proceedings, the arbitrator shall forward to the Registrar the file of the proceedings and the award.

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Registrar to
decide on
interpretatio
n of by-
laws

84. Where there is any doubt in respect of the interpretation of by-laws of the cooperative society such doubt shall be referred to the Registrar for decision.

Certificate
of surcharge

85. Subject to section 95 of the Act, the Registrar shall issue a Certificate of surcharge in Form No. 12 prescribed in First Schedule to these Regulations.

Payable
Fees

86.-(1) The fees specified in the Second Schedule to these Regulations shall be payable for the matters to which they relate and unless otherwise directed by the Registrar, such fees shall not be refundable.

(2) Without prejudice to sub regulation (1), the Commission may amend or vary the provisions of the Second Schedule.

Property and
interest
declaration

87.-(1) Subject to clause 10 of the Second Schedule to the Act, a member of the Board of cooperative society shall make declaration of interest, assets and liabilities in Form No. 14 as prescribed in the First Schedule.

(2) A declaration made in compliance with this regulation, shall be submitted to the Registrar within the time prescribed under sub-regulation (4) and on such interval as the Commission may from time to time prescribe.

(3) The Commission shall treat personal information under this regulation as confidential and may only disclose part of such information which to the opinion of the Registrar are required to be disclosed to the members of the particular cooperative society for compliance to the declaration required under clause 10 of the Second Schedule to the Act.

(4) A member of the Board shall submit property declaration form to the Commission-

- (a) within thirty days after assuming office as a member;
- (b) at the end of every twelve months from the day of submission of the first report; and
- (c) at the end of the member's term of service.

(5) Where a declarant cannot personally and physically submit his declaration to the Commission, it shall be sufficient proof that a declaration was made within the prescribed time on

Cooperative Societies Regulations

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production of evidence showing that submission was made by registered mail.

(6) The Commission shall keep and maintain the Register of all declared property and each and every particular contained in a declaration form shall be entered in the Register.

(7) The Register may be available for inspection by any member of the public upon satisfaction of the following conditions-

- (a) a person wishing to make inspection has lodged with the Commission a complaint against a cooperative leader;
- (b) on his assessment, the Commission is satisfied that the complaint is genuine, relevant and was made in good faith; and
- (c) an inspection fee as prescribed in these Regulations has been paid.

(8) Where the Commission, on assessment of the complaint lodged, is not satisfied with the genuines or is otherwise dissatisfied with the intention of the complainant, he may refuse to grant permission for inspection or may require the complainant to furnish to him more information relating to the complaint.

(9) Any person who, having made inspection in the Register misuses information so obtained commits an offence against these Regulations.

(10) Any cooperative leader who has previously made a declaration of assets shall, during the subsequent declaration be required to declare as to the increase or decrease of assets as the case may be.

(11) A declaration made for the purposes of this Regulation shall be deemed to be a statutory declaration.

(12) A public leader who is subject to section 134 shall be considered to have breached the Code if-

- (a) he fails, without reasonable cause, to make a declaration required by that section; or
- (b) he knowingly makes a declaration under this regulation that is false or misleading in a material particular.

(13) A cooperative leader shall be considered to have breached the Code if he knowingly acquires any significant pecuniary advantage, or assists in the acquisition of any pecuniary advantage by another person, by:-

- (a) improperly using or benefiting from information which is obtained in the course of his official duties and which is not generally available to the public;
- (b) disclosing any official information to unauthorised persons;
- (c) exerting any improper influence in the appointment, promotion, disciplining or removal of a any officer in the cooperative society;
- (d) directly or indirectly converting cooperative society property for personal or any other unauthorised use for the purposes of reaping private economic benefit;
- (e) soliciting or accepting transfers of economic benefit, other than benefits of nominal value, including-
 - (i) customary hospitality and traditional or token gifts; or
 - (ii) gifts from close family members or from public leaders elsewhere.

Declaration
of interest
by
Cooperative
society
leader

88.-(1) Where a cooperative leader has an interest in a contract that is made, or is proposed to be made, by his cooperative society, and has not made a sufficient declaration under sub regulation (4) in relation to the contract, such leader shall as soon as practicable make a declaration of his interest in relation to the contract, specifying the nature and extent of his interest.

(2) Where:-

- (a) immediately before the commencement of the Act, a public leader has an interest in a contract that has been made by his cooperative Society; and
- (b) the contract is not completely performed by all parties within six months after the commencement of these Regulations, the cooperative leader shall, within six months after the commencement of the Act, declare the interest in accordance with this regulation.

(3) The interest of the spouse or spouses or of the children of a leader in relation to the cooperative Society contract shall be deemed to be the interest of the cooperative leader.

(4) A declaration for the purposes of this regulation shall be made to the Commission in writing.

- (5) A declaration by a cooperative society leader that:-
- (a) states that he has an interest in any legal entity;
 - (b) specifies the nature and extent of the interest;
 - (c) where the interest is a shareholding or partnership, specifies the proportion of the ownership of the company or firm represented by the shareholding or partnership; and
 - (d) states that he is to be regarded as interested in any contract which may, after the date of the notice, be made with his cooperative Society by that legal entity,

shall be a sufficient declaration of interest in relation to any contract so made unless, at the time the question of confirming or entering into any contract is first taken into consideration by the cooperative Society, the extent of his interest in the legal entity is greater than is stated in the declaration.

(6) For the purposes of this regulation , a cooperative leader has an interest in a contract if:-

- (a) he will derive any material benefit, whether direct or indirect, from the contract;
- (b) one party to the contract is a firm or body corporate and he has a material interest, whether direct or indirect, in the legal entity.

(7) For the purposes of paragraph (b) of sub regulation (6), a cooperative leader shall not be considered to have a material interest in a body corporate by reason only that:-

- (a) he holds debentures of the body corporate; or
- (b) he holds shares in the body corporate with a total market value of less than the annual emoluments from office of the cooperative leader.

(8) A cooperative leader shall not attend a meeting or forum or part of it, on any matter in which he has a direct pecuniary interest unless he has disclosed the nature of that interest to such meeting or forum or part of it.

(9) For the purposes of sub regulation (7), the separately owned assets of the spouse or minor children of a leader shall be deemed to constitute an interest for disclosure by him.

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Complaints
for breach of
Code.

89.-(1) An allegation that a cooperative leader has breached regulation 87 and 88 may be made to the Commission by any person in writing signed by the complainant and giving the complainant's name, address and particulars of the breach alleged:

Provided that the Commission shall not refuse any allegation submitted to him for the reason only of lack of signature, names or address of the Complainant.

(2) Upon receipt of a complaint or allegation against any cooperative leader in relation to compliance with the Code, the Registrar shall cause thorough preliminary investigation to be carried out by or on behalf of the Commission into the allegation or complaints, and if he is satisfied that the investigation discloses a prima facie case for which a cooperative leader may be justly required to give an explanation of his conduct or property and the Commission may consider appropriate measures to be taken against such cooperative leader.

(3) Where the allegation received by the Commission relates to the Criminal offence, the Commission shall immediately submit the allegation to the relevant authorities for investigation.

Offences
and
penalties

90.-(1) Any person who-

- (a) by deceitful or fraudulent or dishonest means or by means of any other fraud induces any person to give credit to the cooperative society; or
- (b) with intent to defraud creditors of the cooperative society, makes or causes to be made any gift or transfer of or charge on, or causes or connives at the levying of any execution against, the property of the cooperative society; or
- (c) with intent to defraud creditors of the cooperative society, has concealed or removes any part of the property of the cooperative society; or
- (d) uses cooperative societies' properties for purpose of taking personal or related parties loans; or
- (e) willfully provides wrong information to creditors or any other person with intent to get loan or defraud,

Commit an offence.

(2) Any person who contravenes the provisions of these Regulations, in the case where no specific penalty has been prescribed, is liable upon conviction to a fine not less than five

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million shillings but not exceeding ten million shillings or to imprisonment for a term not exceeding three year or to both.

Revocation
of the
Cooperative
Societies
Rules

91.- (1) The Cooperative Societies Rules, 2004 are hereby revoked.

(2) Notwithstanding the revocation of the Cooperative Societies Rules 2004, all orders, directives, appointments and other acts and things lawfully made or done under any of the provisions of the revoked Rules and in force immediately before the commencement of these Regulations shall be deemed to have been made or done under the corresponding provisions of these Regulations and shall continue to have effect accordingly.

FIRST SCHEDULE

Coop. Form No.1

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

DECLARATION FOR THE FORMATION OF A PRE COOPERATIVE SOCIETY

(Made under Regulation 8 (4))

We the undersigned in the meeting held on..... at.....have agreed and declared to form a pre cooperative society by the name of.....

.....
NAME

.....
SIGNATURE

Cooperative Societies Regulations

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Coop. Form No.2

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

APPLICATION FORM FOR REGISTRATION OF COOPERATIVE SOCIETY

(Made under Regulation 12 (1))

TO: THE REGISTRAR OF COOPERATIVE SOCIETIES
P. O. Box.....
.....

RE: APPLICATION FOR REGISTRATION OF LIMITED

1. I.....We the undersigned, apply that the above society be registered as a Cooperative Society under the Cooperative Societies Act, 2013.
2. We the undersigned being eligible to become members, do hereby apply for the Registration of Cooperative Society with liability, under the title of..... having its registered office at.....District.....in the United Republic of Tanzania and its by-laws.
3. We are enclosing Four copies of the said by-laws duly signed by us together with the following documents:
 - a. a list of persons who have come forward to organise the society with their full names , addresses and share amount and entrance fee contributed by them.
 - b. A feasibility report or evidence showing the details, explaining as to the economic viability of the society.
 - c. certified copies of resolutions passed at the initial and formation Meetings.
 - d. a copy of the resolution authorising member of the society to sign the application on behalf of the society in case the applicant is itself a registered society.
 - e. the name and address of the person to whom correspondence regarding registration or other matter be addressed.
4. We also declare that the information given above including the enclosures, is correct to the best of our knowledge and belief.

Note:— Where all the applicants are individuals, not less than twenty who have attained the age of majority and are of sound mind and each being a member of a different family should attest the application and the by-laws. Where the applicant is a society, the application and the by-laws should be signed by a member duly authorised in this behalf by such society.

2.

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3. Other required details are shown on the back of the form:

* (a) Name and surname	Age	Residence	Local Authority	District	Signature
* (b) Name of society and Reg. No		Area of Operation of the Society	Region/District	Name of Authorized Person	Signature
* (c) Name of Union/ Other Society and Reg. No.		Area of Operation of the Union/ Society	Region/District	Name of Authorized Person	Signature
* (d) Name of an Apex/ Other Society and Reg. No.		Area of Operation of Apex/ Other Society		Name of Authorized Person	Signature

NOTES

- (a) **Primary Society**
In the case of a society which after registration will be a primary society, the application shall be signed by at least the minimum number of persons who have attained the apparent age of eighteen except for the school society.
- (b) **Secondary Society**
By at least twenty registered Primary Societies. In the case of a society of which a member is a registered society the application shall be signed by a duly authorized person on behalf of every such registered secondary society.
- (c) **Federation Society**
In the case of a society of which a member is a secondary society, the application shall be signed by duly authorized persons on behalf of at least ten registered secondary, apex or specialized primary societies.
- (d) **Co-operative Joint Enterprise**
The application shall be signed by duly authorized persons on behalf of at least two registered societies which form the membership of such joint enterprise.

REGISTRATION DETAILS

(a) Primary Society

1. Name of the proposed society.....
2. Address of the society.....
3. Objects of the society.....
4. Area of operations.....
5. Nationality of members.....
6. Occupation of members.....
7. Proposed qualifications for membership of the society.....
8. Whether liability to be limited or unlimited.....
9. Amount of entry fee.....

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10. Authorised number and value of shares and contribution.....
11. Rate of levy or other incomes.....
12. Maximum liability requested for loans or deposits from members and non-members.....
13. Name of proposed Bank.....
14. Financial year of society.....

REGISTRATION DETAILS

(b) Union/Federation

1. Name of proposed Union/Federation
2. Address of the Union/Federation
3. Objects of the Union/Federation
4. Area of Operation
5. Name of societies forming the Union/Federation
6. Activities of member societies
7. Proposed qualifications for membership of the Union/Federation
8. Whether liability to be limited or unlimited
9. Amount of entry fees
10. Authorised number and value of shares and contributions.....
11. Amount of expected income
12. Maximum liability requested for loans or deposits from members and non-members.....
13. Name of proposed Bank
14. Financial year of the Union/Federation

REGISTRATION DETAILS

(c) Joint Enterprise

1. Name of proposed joint enterprise.....
2. Address of joint enterprise
3. Objects of the joint enterprise
4. Area of Operation
5. Name of societies (and private company) forming the joint enterprise
6. Activities of member societies and partner company

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- 7. Proposed qualifications for membership of the joint enterprise
- 8. Whether liability to be limited or unlimited
- 9. Amount of entry fees
- 10. Authorised number and value of shares and contributions.....
- 11. Amount of expected income
- 12. Maximum liability requested for loans or deposits from members and non- members.
- 13. Name of proposed Bank
- 14. Financial year of the joint enterprise

ADDITIONAL INFORMATION¹.

SWORN STATEMENT

I/We..... hereby declare that I/We do not possess any disqualification as specified under the Cooperatives Societies Act 2013 and the Regulations. I/We also declare that I/We have read the Cooperative Societies Act, Regulations and the by-laws and I am/We are familiar with the rights, duties and obligations of membership and am willing to discharge them to the best of my ability in the interest of the cooperative society and its members and the society at large, that I/We shall always strive to further the interests of the cooperative society and the cooperative movement in general and I shall not do any acts of omission or commission which will bring me, my society and the cooperative movement to disrepute.

Name: :.....

Place:.....

Date:.....

1. Signature of the Member:

(Attach a separate sheet of member list show signed Sworn Statement)

¹ The Registrar may require additional information in respect of different types of cooperative societies

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

ECONOMIC VIABILITY ASSESMENT GUIDE FOR A COOPERATIVE SOCIETY.

(Made under Regulation 13 (2))

PART I

1.0 Introduction:

- 1.1 Proposed Name
- 1.2 District
- 1.3 Region
- 1.2 Area of operation
- 1.3 Type of operation.....
- 1.4 Nearest society/societies (include name & distance).....
- 1.5 Existing Civil and Community groups

PART II

2.0 Field of membership:

2.1 Information on membership

- Total Population.....
- Number of household within area of operation
- Number of Adults
- Number of Youths
- Male
- Female
- Population mobility in the area of operation
- Number of initial members
- Number of potential members (those shown interest)
- Membership quality factors
 - The common needs criterion
 - The common Bond criterion

2.2 Information on Economic Factors

(a) Production aspects

- Production per annum
- Potential production capacity
- Availability of inputs, raw materials
- Type of product produced
- Special features of product
- Product demand

Cooperative Societies Regulations

GN. No. 272 (contd.)

- (b) Marketing
 - Marketing systems
 - Business competition
 - Business efficiency and effectiveness
 - Purchasing power of community
 - Availability of markets and market share
 - Potential market and amount to be marketed
 - Actual product marketed in last three years

- (c) Management and accountability
 - Availability of human resources
 - Skilled
 - Unskilled
 - Professional
 - Management system and accountability
 - Adherence to leadership code of conduct
 - Availability of society's regulations and procedures/policies
 - Organisation structure
 - Established linkages and partnerships

- (d) Service and support systems
 - Support from other institutions/ organisations
 - Government support
 - Good and reliable services
 - Owned/rental – office, storage, transport, processing facilities
 - Insurance, postal, police, banking services facilities e.t.c.
 - Communication network

- (e) Environment
 - Political environment
 - Geographical environment

- (f) Social consideration
 - Members awareness on cooperative values
 - Social cost
 - Social impact to the community

- (g) Financial consideration
 - Sources of funds
 - Budget projection for 3 years
 - Audited Balance Sheet/ Statement of Affairs for the amalgamating or dividing societies.
 - Projected investment
 - Basic requirements for assets and capital
 - Sound financial management systems

Cooperative Societies Regulations

GN. No. 272 (contd.)

PART III

3.0 Recommendations:

3.1 District Cooperative Officer

- (a) To give a general opinion regarding
 - Business efficiency and effectiveness.....
.....
.....
 - Management and accountability
.....
.....

- (b) To give advice to the Assistant Registrar/Registrar regarding
 - Viability and suitability of cooperative activities and a society in general for registration
.....
.....
.....

- (c) Signature
.....

3.2 Assistant Registrar

- (a) To give a general opinion regarding
 - Business efficiency and effectiveness.....
.....
.....
 - Management and accountability
.....
.....

- (b) To give advice to the Registrar regarding
 - Viability and suitability of cooperative activities and a society in general for registration
.....
.....
.....

- (c) Signature

Cooperative Societies Regulations

GN. No. 272 (contd.)

PART IV

4.0 Approval for registration:

I Assistant Registrar/
Deputy Registrar/Registrar hereby approve/disapprove the registration of
..... Ltd. this
day of
20.....

.....
Registrar of Cooperative Societies

N.B: In case of disapproval sections 26 and 30 of the Act shall apply.

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 4

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

CERTIFICATE OF REGISTRATION OF COOPERATIVE SOCIETY

—————
(Made under Regulation 14(2))
—————

No.

I.....hereby certify that.....
.....Cooperative Society /Union//Federation Limited is registered having
satisfied the conditions provided under the provisions of section of the Co-
operative Societies Act 2013.

GIVEN UNDER MY HAND THIS day of..... 20.....

.....
Registrar/Assistant Registrar of Cooperative Societies

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 5

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

APPLICATION FOR RECOGNITION AND REGISTRATION AS A PRE COOPERATIVE
SOCIETY

(Made under Regulation 18(1))

To: The Registrar of Cooperative Societies
P.O.Box.....,
.....

u.f.s: Co-operative Promotion Officer,
P.O. Box.....
.....

RE: APPLICATION FOR RECOGNITION AND REGISTRATION OF

We the undersigned apply that the above pre cooperative society be recognized and registered as such by the name of Four copies of the application and four copies of the By-laws are enclosed together with the fees, as required by regulation of the Regulations.

.....
NAME

.....
SIGNATURE

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 6

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

LETTER OF RECOGNITION OF PRE –COOPERATIVE SOCIETY

(Made under Regulation 19(1))

Date:.....

To: The Chairman of.....
P.O. Box.....
.....

LETTER OF RECOGNITION OFPRE-COOPERATIVE SOCIETY

Pursuant to the provisions of section and of the Cooperative Societies Act, 2013
I.....Registrar of Cooperative Societies do hereby issue letter of
recognition for a period lasting three years from the date of this letter.

This letter of recognition shall be deemed as a Certificate of Registration during the period of
recognition stated above.

.....
REGISTRAR/ASSISTANT REGISTRAR OF COOPERATIVE SOCIETIES

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 7

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

NOTICE OF DEFERMENT OF REGISTRATION

(Made under Regulation 21(2))

Date:.....

To: The Chairman and Formation Board,
The proposed.....Cooperative Society Ltd,
P. O. Box

u.f.s: Assistant Registrar/District Co-operative Promotion Officer,
P. O. Box

RE: NOTICE OF DEFERMENT OF REGISTRATION

Your application for registration did not meet the requirements of the provisions of the Act. For this reason I defer registration of your society until you fulfill the following conditions:.....

In the meantime your society shall be termed as Probationary Society and shall operate as a registered society for a period not exceeding two (2) years from the date of this notice.

.....
Registrar/Assistant Registrar of Cooperative Societies

I APPROVE

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 8

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

NOMINATION OF SUCCESSOR

(Made under Regulation 37(2))

Date:.....

To: The Registrar of Cooperative Societies
P. O. Box.....,
.....

u.f.s: District Co-operative Promotion Officer,
P.O. Box.....
.....

RE: NOMINATION OF A SUCCESSOR (S)

I,a member of.....Cooperative Society Ltd. do hereby
nominate..... of P. O. Box..... to succeed shares and other
interests of mine in the event of my death or otherwise

Signature

Date.....

Witness 1 Name

Signature

Witness 1 Name

Signature

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 9

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

SUBMISSION OF RETURNS TO THE COMMISSION

(Made under Regulation 53)

Date:.....

To: The Registrar/ Assistant Registrar of Cooperative Societies
P.O.Box.....,
.....

RE: SUBMISSION OF RETURNS

I,.....Board Chairperson ofCooperative Society Ltd. on behalf of the Board
submits annual returns prepared pursuant to section.....of the Cooperative Society Act, 2013.

.....
CHAIRMAN

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 10

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

PARTICULARS OF A MORTGAGE/CHARGE CREATED BY A
COOPERATIVE SOCIETY/JOINT ENTERPRISE

(Made under Regulation 60(1))

To: THE REGISTRAR OF COOPERATIVE SOCIETIES
P.O. Box

Name Cooperative Society/Joint Enterprises/
Union //Federation Limited.

Registration Number.....

Date of resolution authorizing creation of charge/issue of debenture

Agenda No..... General

description of property charged

Date and description of Instrument creating or evidencing mortgage/charge

Amount secured by mortgage/charge.....

Name, address and description of persons entitled to the mortgage/charge

Name of trustees (if any) for debenture

holders.....

Delivered on behalf of

Date

Fees paid shillings E. R. V. No. Date.....

Signature

CHAIRMAN

.....
SECRETARY/MANAGER

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 11

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

CERTIFICATE OF REGISTRATION OF CHARGE
(Made under Regulation 60 (2))

I hereby certify that a Charge/Mortgage
dated the day of
.....created by
..... Cooperative Society/Joint Enterprise/ Union/Federation
Limited Registered No in favour of
..... to secure the sum of shillings (Shillings
.....) has this day been registered in accordance with the provisions of the
Cooperative Societies Act, 2013 and has been entered in the chronological index of the
register under number.....

GIVEN UNDER MY HAND THIS day
of.....

.....
Registrar of Cooperative Societies

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 12

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

CERTIFICATE OF SURCHARGE
(Made under Regulation 85)

No.
NAME

No.
NAME

COOPERATIVE SOCIETY/JOINT ENTERPRISE/UNION/
FEDERATION LIMITED

Where by notice issued by
..... the Registrar/Deputy
Registrar/Assistant Registrar of Cooperative Societies
.....

Name.....
.....

.....
.....
of
was surcharged the sum of Shs.....
AND WHEREASdid/did not appeal against the said
surcharge to the Minister responsible for
Cooperatives, and it was decided on the said appeal that
.....

Surcharge I:
Date Issued.....
Amount.....
Appeal.....
.....
.....

Surcharge II:
Date
File

I..... hereby certify
that the sum of Shs
is due from the said by way of surcharge
issued under my hand and seal this.....
day of 20.....

REGISTRAR OF COOPERATIVE SOCIETIES

Date

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form No. 13

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION
ARBITRATION FORM

(Made under Regulation 83)

Before: Registrar Cooperative Societies.

Arbitration Case No.....20.....

In the matter of reference of dispute under regulation 83 of the Cooperative Societies Regulations, 2014

- 1.
- 2.
- 3.

Claimant

Versus

- 1.
- 2.
- 3.

Respondent

(Name, father's Name, occupation and complete postal address of the claimants and Respondents).

CLAIM

- 1. Facts showing that the matter in dispute falls within the scope of regulation 83 and is between the parties mentioned therein.
 - 2. Facts showing that the reference is within the Regulations
 - 3. Facts constituting the cause of action.
 - 4. Relief either simple or in the alternative which the claimant claims.
 - 5. List of document to be filed along with the claim:
 - 6. List of any witnesses if needed.
 - 7. Copy of the resolution of the Board/Committee if the society is the claimant.
 - 8. Pay-in-slip for application fee.
- (Claim shall be divided in paragraphs consecutively numbered).

Dated at.....day ofyear.....

Claimant's Signature.....

Cooperative Societies Regulations

GN. No. 272 (contd.)

Verification from Societies

Verified at thisday of 20..... that contents of this claim are true to the best of information and knowledge (derived from the record of the society which are believed to be true and kept in the regular course of its business.

Society..... For

For Others

Verified atthis day of 20..... that the contents of the above claim are true to the best of my knowledge believed to be true.

Claimant

Presented for filing this:day of20.....

For Official use:

To be completed by Commission.

Date of lodging the complaint

Signature

Official stamp

Cooperative Societies Regulations

GN. No. 272 (contd.)

Coop. Form

No. 14

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

DECLARATION OF INTERESTS, ASSETS AND LIABILITIES BY THE COOPERATIVE LEADERS

(Made under regulation 87)

NOTE: MEMBERS ARE ADVISED TO CAREFULLY READ THE NOTES FOR COMPLETION OF DECLARATION OF PROPERTIES. THIS FORM SHALL BE FILLED BY ALL COOPERATIVE LEADERS (BOARD MEMBERS, A MEMBER OF EXECUTIVE COMMITTEE, AND ALL SENIOR EXECUTIVE STAFF IN THE MANAGEMENT OF A COOPERATIVE SOCIETY)

Declaration Status:

(Tick appropriate box)

1. Surname of Declarant
(In block letters)
Other Names:
2. Date of Birth:
3. Place of Birth:
{Village, Ward and District}
4. Marital Status:
5. Citizenship:
6. Address P.O.Box
(a) Physical Contact:
(b) Telephone Contact:
7. Personal details
(a) Rank/Position/Title:
(b) Date of Present appointment:.....
(c) Name of Employer:
(d) Nature of employment (contract, permanent, temporary etc).
(e) Salary per annum:.....
(f) Allowances per annum (approximate)
Biannual
(g) Other sources of income:.....
8. DETAILS OF INCOME:

Cooperative Societies Regulations

GN. No. 272 (contd.)

Cash:

(a) Cash in bank or other Financial Institution in Tanzania.....

(Give location of the bank/institution, name(s) of account holder, account number, type of account)

Bank/Institution Name and.....

Location.....

Name(s) of Account Holder Account type and its number.....

(b) Cash in bank or Financial Institution outside Tanzania

(Give details as in (a) above and particulars of countries).

Bank/Institution Name and

Location

Name(s) of Account Holder Account type and

its.....number

(c) Treasury bills or Investments in securities.....

(Give details and address of the bank/company, and amount)

(d) Amount of money owed to you by

debtors.....

(e) Give details of the debt(s):

.....

9. DETAILS OF PROPERTIES

(a) Undeveloped/Vacant Land

(i) Location in Tanzania.....

Indicate Village, Ward, District

Value at acquisition Current

Block and Plot Number etc, and date acquired Market Value

(ii) Location outside

Tanzania.....

(iii) State how each land was acquired and source of funds if purchased.....

(b) Developed land (Buildings)

(i) Location in Tanzania

Indicate Village, Ward, District, District, Block

Plot Number, etc (approx.) Commercial (C)

(ii) Location outside

Tanzania.....

(iii) State source of funds, if building(s) was purchased or built by you

.....

(iv) State income per annum if building is for Commercial or

Rent.....

(c) Farms

(i) Location in Tanzania

Indicate Village..... Ward,

District.....

Market Value.....

Plot Number, etc date acquired (approx.)

Cooperative Societies Regulations

GN. No. 272 (contd.)

- (ii) Location outside Tanzania.....
- (iii) State how each farm was acquired, if purchased state source of funds.....
- (v) State income per annum accruing from the activity on each farm/Ranch mentioned above.....

(d) Vehicle(s)

- (i) Type and Make Registration Number:
.....
- (ii) Value at acquisition and date acquired.....
- (iii) Current Market Value (Approx.)
.....
- (iv) State how each vehicle was acquired, and source of funds if purchased.....
- (v) State how each vehicle is used (Personal or Commercial). If Commercial state.....

(e) Shares in a Business enterprise/Company within or outside Tanzania

Name and Address of Number of Business Enterprise/Company Nature of Business Shares

- (ii) State how share(s) were acquired, if purchased state source of funds
- (iii) State annual income accruing from the business above

(f) Other assets (other than household items)

- (i) Item Value a acquisition:
.....
- (ii) And date acquired.....
- (iii) Current Market.....
- (h) Value (Approx
- (i) **The interest/ position:** Are you a leader in any in any elected or appointed political position? (see the definition under section 132(4) of the Act), **IF YES**, mention the position and years serving:
.....
.....
.....


I, having been elected/appointed and sworn into the office of on the day of 20..... do hereby solemnly and sincerely declare that as of this day I own and I am owed the declarable assets and liabilities disclosed herein above.

Cooperative Societies Regulations

GN. No. 272 (contd.)

I do hereby make this declaration conscientiously believing the same to be true and in accordance with Oaths and Statutory Declarations Act Cap. 34 [R.E. 2002].

This declarations is made and subscribed at.....
by the said.....
.....
who is known to me personally/identified to me
DECLARANT
by.....
the latter being known to me personally
this day of.....20.....



BEFPORE ME:

Signature:
Qualifications:
Address:
.....
.....
.....

This declaration must be made before a Commissioner for Oaths or a Notary Public.

FOR OFFICIAL USE

- 1. Date of Declaration:
 - 2. Date of Receipt of declaration:
 - 3. Action taken (a) Acknowledgement Slip issued:.....
 - (b) Filed:
 - (c) Sent for verification/Clarification:
 - (d) Comments:.....
- Name of Receiving Officer:.....
- Title:.....
- Signature:.....

TO: THE REGISTRAR,
THE COOPERATIVE DEVELOPMENT COMMISION

Cooperative Societies Regulations

GN. No. 272 (contd.)

SECOND SCHEDULE

UNITED REPUBLIC OF TANZANIA
TANZANIA COOPERATIVE DEVELOPMENT COMMISSION

Payable Fees

(Made under Regulation 86)

1.	On issuance of letter of recognition to pre-cooperatives societies	Shs. 20,000/=
2.	On issuance of Registration Certificate and By-laws:-	
	(a) A Primary Cooperative Society	Shs. 50,000/=
	(b) A Secondary Cooperative Society	Shs. 100,000/=
	(c) Other middle level Cooperative Society	Shs. 200,000/=
	(d) The Federation	Shs. 1,000,000/=
	(e) A Joint Enterprise	Shs. 100,000/=
3.	On the registration of amendments to By-laws:-	
	(a) Primary Cooperative Society	Shs. 20,000/=
	(b) A Secondary Cooperative Society	Shs. 40,000/=
	(c) Other middle level Cooperative Society	Shs. 80,000/=
	(d) The Federation	Shs. 200,000/=
	(e) A Joint Enterprise	Shs. 80,000/=
4.	On search in the Cooperative Societies Register:-	
	(a) Primary Cooperative Society	Shs. 5,000/=
	(b) A Secondary Cooperative Society	Shs. 10,000/=
	(c) Other middle level Cooperative Society	Shs. 15,000/=
	(d) The Federation	Shs. 20,000/=
	(e) A Joint Enterprise	Shs. 15,000/=
5.	On the inspection of cooperative societies records or information:-	
	(a) Primary Cooperative Society	Shs. 5,000/=
	(b) A Secondary Cooperative Society	Shs. 10,000/=
	(c) Other middle level Cooperative Society	Shs. 20,000/=
	(d) The Federation	Shs. 50,000/=
	(e) A Joint Enterprise	Shs. 10,000/=
6.	On issuance of certified or uncertified copies of documents:-	
	(a) Primary Cooperative Society	Shs. 10,000/=
	(b) A Secondary Cooperative Society	Shs. 20,000/=
	(c) Other middle level Cooperative Society	Shs. 30,000/=
	(d) The Federation	Shs. 60,000/=
	(e) A Joint Enterprise	Shs. 20,000/=
7.	On registration of charges by a society 0.125% of the value of the charge or 4,000,000/= whichever is less.	

Cooperative Societies Regulations

GN. No. 272 (contd.)

On the inspection of registers of charges by a cooperative society	Shs.	50,000/=
8. On certifying any document or part therefrom and any matter in respect of which a fee is chargeable under the provisions of the Act	Shs.	50,000/=

Dar Es Salaam,
....., 2015

STEPHEN M. WASIRA
*Minister for Agriculture food Security
and Cooperative*