



Standard By-Laws

For

Credit Unions and Co-operatives
Operating in Fiji

Under the

Credit Union Act 2025

Table of Contents

I.	Interpretation	4
II.	Name	4
III.	Registered Address.....	4
IV.	Geographical Area of Operations and Common Bond of Membership.....	4
V.	Objectives.....	5
VI.	Capital, Funds and Liability	5
VII.	Membership (Age, Residence, Nationality and Common Bond)	6
VIII.	Membership Shares	8
IX.	Deposits.....	8
X.	Receipts and Disbursements	9
XI.	Meetings of Members	9
XII.	Quorum	11
XIII.	Elections.....	11
XIV.	Tenure of Office.....	12
XV.	Termination of Office	12
XVI.	Board of Directors.....	12
XVII.	Credit Committee	15
XVIII.	Supervisory Committee.....	17
XIX.	Remuneration of Directors/ Committee Members.....	19
XX.	Loans to Members.....	19
XXI.	Impaired Loans.....	22
XXII.	Reserve Fund, Liquidity Reserve and Capital.....	22
XXIII.	Dividend and Interest	22
XXIV.	Investment of Funds.....	23
XXV.	Banking Account.....	23
XXVI.	Annual Accounts, Reports and Audits	23
XXVII.	Financial Year.....	23
XXVIII.	Seal and Execution of Documents	23
XXIX.	Records and Forms.....	24
XXX.	Inspection of Records.....	24

XXXI. Disputes.....	24
XXXII. Amendment to the By-Laws.....	25
XXXIII. Dissolution	25

By-Laws

The
Credit Union/Co-operative (hereafter referred to as “The Credit Union or The
Co-operative”)

{These By-Laws are instituted under the Credit Union Act 2025, Section 14(1)}

I. Interpretation

1. In these By-Laws,

“Act” means the Credit Union Act 2025;

“By-Laws” means the standard By-Laws as issued by the Reserve Bank and any other supplementary By-Laws made by the Credit Union/Co-operative and approved by the Reserve Bank;

“Reserve Bank” means the Reserve Bank of Fiji established under the Reserve Bank of Fiji Act 1985 (Cap.210);

All the terms contained in the By-Laws and defined in the Act shall have the meanings given to such terms in the Act;

II. Name

2. The name of the Credit Union/Co-operative shall be Credit Union/Co-operative.

III. Registered Address

3. The registered address of the Credit Union/Co-operative shall be or at such place from time to time be determined by the Credit Union/Co-operative, and in accordance with Section 101 of the Act.

IV. Geographical Area of Operations and Common Bond of Membership

4. The area of operations and the common bond of membership of the Credit Union/Co-operative shall be:
- a)
 - b)
 - c)

or as subsequently amended in writing by the Credit Union/Co-operative and approved by the Reserve Bank on receipt of an application for variation from the Credit Union/Co-operative.

V. Objectives

5. The objectives of the Credit Union/Co-operative shall be:
 - a) to create wealth through the pooling of savings, investments and other financial services on a co-operative basis;
 - b) to promote thrift among its members by providing modalities whereby savings can be affected and whereby membership shares in the Credit Union/Co-operative can be acquired;
 - c) to educate its members in the Credit Union/Co-operative principles and methods, in family financial management and in the efficient management of its affairs;
 - d) to create out of the savings of its members and other business of the Credit Union/Co-operative a source of credit available to its members, on reasonable terms and conditions for provident and productive purposes; and
 - e) to undertake all other acts incidental or conducive to or consequential upon the attainment of the above objectives within the parameters provided under the Act, the Regulations and policies issued by the Reserve Bank.

VI. Capital, Funds and Liability

6. The capital and funds of the Credit Union/Co-operative shall be raised by means of:
 - a) the qualifying shares received on admission of each member;
 - b) the payments or subscriptions on membership shares;
 - c) the deposits from members;
 - d) loans from members or others within the parameters provided under the Act and the By-Laws;
 - e) entrance fees, other fees and charges, fines, interest on loans and investments, and other contributions received from members and others; and
 - f) general and specific reserves and retained earnings pursuant to the distribution of the annual surplus.
7. Each share of the Credit Union/Co-operative shall be of the par value of and the maximum number of shares which may be held by each member shall be subject to endorsement by the membership at the annual meeting where a motion is presented and passed to that effect.
8. Subject to the provisions of the Act and By-Laws, deposits may be received from members at such interest rates and on such terms and conditions as the Board may from time to time determine.
9. Subject to as hereinafter provided, the Board may, without sanction of a general meeting, borrow or raise money from any source in any manner the Board thinks fit, provided that it meets the requirements set in By-Law 55.

10. The members at the General Meeting shall, in accordance with the provisions of the Act from time to time fix the maximum amount which the Credit Union/Co-operative may owe.
11. The funds of the Credit Union/Co-operative may be applied to the following purposes only, namely:
 - a) the operational expenses;
 - b) loans to its members for provident or productive purposes; and
 - c) any other purpose authorised by the Act and these By-Laws.
12. The liability of a member to make contributions to the assets of the Credit Union/Co-operative in case of liquidation shall be limited to his or her qualifying shares and membership shares.

VII. Membership (Age, Residence, Nationality and Common Bond)

13. Every member of the Credit Union/Co-operative shall be:
 - a) either a citizen or resident of Fiji;
 - b) attained the age of 18 years;
 - c)
 - d)
14. Any person who has the necessary qualifications and who is desirous of becoming a member shall apply in writing to the Secretary of the Board. The application shall be in a form in compliance with Part 2 of the Financial Transactions Reporting Regulations 2007 and must include the state of residence, occupation and such other information as the Board may from time to time require for the purpose of meeting the objectives of the Credit Union/Co-operative.

Joint Membership

15. (1) Persons who already hold membership in their own name and are desirous of becoming joint members by holding joint accounts may apply in writing to the Secretary. The application shall state the residence and occupation of each person, whether the tenancy will be joint tenancy or a tenancy in common, and shall contain such other information as the Board from time to time require.
- (2) An application of a joint membership to withdraw from the Credit Union/Co-operative or to vary the composition of the joint membership must be signed by all the persons comprising the joint membership.

Qualification

16. (1) The membership requirements shall be established by the Board of Directors.
- (2) At a minimum, every application for membership shall pay such entrance fee not exceeding as the Board may from time to time determine, other than the required qualifying shares.

- (3) The applicant, upon acceptance and upon payment of the minimum qualifying share in force at the time of application, and the prescribed entrance fee, shall then be entitled to any of the rights and privileges of membership upon approval of application.
17. A person ceases to be a member of the Credit Union/Co-operative:
- a) on death;
 - b) on withdrawal or resignation from the Credit Union/Co-operative;
 - c) on ceasing to hold the prescribed minimum qualifying shares in the Credit Union/Co-operative;
 - d) if he or she applies for bankruptcy or is declared a bankrupt;
 - e) on expulsion from the Credit Union/Co-operative; or
 - f) if, subject to as hereinafter provided, he or she ceases to be qualified in accordance with By-Law 13.
18. No member shall resign while he or she is a borrower, an endorser (co-maker), or a guarantor on any loan due to the Credit Union/Co-operative.
19. The Credit Union/Co-operative shall keep a Register of its members in accordance with Section 23(9) of the Act.

Termination

20. (1) Any member who:
- a) fails to honour an obligation of a loan due to the Credit Union/Co-operative for over six months without any form of arrangement or agreement with the Credit Union/Co-operative, or
 - b) is convicted of a criminal offence involving dishonesty, illegal drugs or money laundering or an offence resulting in imprisonment of one month or more or a fine or both,
- will have his or her membership terminated.
- (2) Any member who in the opinion of the Board acts in any way detrimental to the interests of the Credit Union/Co-operative may be suspended. The suspension will only be confirmed for termination by a vote of at least two-thirds (2/3) of the members present at an annual general meeting. The charge must be communicated to the member in writing within ten (10) working days from the decision of the board for suspension.
21. A member whose membership has been terminated may re-apply for membership at a later date, if deemed exonerated and rehabilitated from such past behaviour. A criterion may be developed by the Board to guide the decision on the application.
22. Subject to Section 23(7) of the Act, after payment of any amount due to the Credit Union/Co-operative or of any contingent liability to the Credit Union/Co-operative, all amounts held to the credit of members who withdraw or whose membership has been terminated, together with any interest accrued on those amounts except the qualifying shares shall be paid to them upon termination.

VIII. Membership Shares

23. Membership shares shall have a par value Each Credit Union/Co-operative member must subscribe to a minimum of one (1) membership share.
24. Contributions to membership shares shall be payable in such amounts as the member is able on any day in which the Credit Union/Co-operative is open for business provided that in no case shall a contribution of less than the value of one membership share be paid.
25. Membership shares may be transferred to another member of the Credit Union/Co-operative by written instrument in such form as may be prescribed, but no transfer shall be registered until such transfer fee as the Board may from time-to-time fix but not exceeding per transfer has been paid. Such transfer shall carry dividend credits with it.
26. Except with the written approval of the Board, no member may transfer any membership share if the transfer will reduce his or her shareholding to less than his or her liability to the Credit Union/Co-operative as borrower or guarantor.
27. No membership share shall be transferred during the first twelve (12) months of a person's membership, so long as there is any sum owing to the Credit Union/Co-operative in respect of any money borrowed from the Credit Union/Co-operative, or in respect of any encumbered deposit, payment of which has been demanded, except with the permission of the Board.
28. The Credit Union/Co-operative shall have a lien on the membership shares, deposits, dividend, bonus or any amount standing to the credit of a member for any sum due to the Credit Union/Co-operative from the said member for any loan endorsed by him or her. If the member is in arrears of his or her engagements, the Credit Union/Co-operative may apply any sum standing to the credit of the member towards payment of any such debt.
29. A Credit Union/Co-operative shall notify the Reserve Bank of any application for corporate membership and obtain approval prior to the onboarding of the proposed corporate member.

IX. Deposits

30. Ordinary deposits may be accepted from any member in accordance with the Credit Union/Co-operative's policies and procedures.
31. Deposits may be received in the name of a minor or in trust for a minor who is a child or ward of a member, in such way or manner as the Board may determine.
32. Deposits made in a minor's name shall be held solely for their benefit, free from any external control or claims, and released with accrued interest to the account holder once they reach 18 years of age. The minor's receipt will serve as full and valid discharge to the Credit Union/Co-operative for the deposit or any portion thereof.
33. Deposits will earn interest from the day they are received by the Credit Union/Co-operative evidenced by its stamp on the deposit slip or an issue of a valid receipt.
34. Notwithstanding By-Law 30, deposit held by a member may be converted into a term deposit for a term not exceeding five (5) years and upon such terms and conditions as set out by the Board.
35. The rate of interest payable on ordinary and/or term deposits shall be fixed from time to time by the Board, based on the cost of funds and the general market trends.

X. Receipts and Disbursements

36. (1) Money paid in or out on account of shares, deposits, loans, interest, entrance fees, fines or transfer fees shall be evidenced by an appropriate voucher or receipt. Each voucher or receipt shall identify the person receiving or paying out, on behalf of the Credit Union/Co-operative, the money represented thereby.
- (2) A Statement of Account must be issued to each member at least quarterly and is to be stored as the member's permanent official record.

XI. Meetings of Members

37. The supreme authority of the Credit Union/Co-operative shall be vested in the General Meeting of members at which every member has a right to attend and vote on all questions and motions.
38. (1) Meetings of members shall be convened and held as required under Section 25(1) of the Act.
- (2) At least ten (10) working days' notice of any annual, special or other general meeting shall be given before any such meeting is held. Notice must be provided in effective mediums of media in all locations in which a branch of the Credit Union/Co-operative is situated.
- (3) Other General Meetings of the members shall be held at the discretion of and at a place determined by the Board.
39. (1) Consistent with Section 25(1) of the Act, the Annual General Meeting of members shall be held no later than four (4) months after the end of the financial year unless authorised by the Reserve Bank upon a written request from the Board to convene the meeting at a later date.
- (2) The functions of the Annual General Meeting shall be:
 - a) to confirm the minutes of the previous Annual General Meeting and of any other Special General Meeting during the financial year;
 - b) to consider the report of the Board of the immediate preceding year's work of the Credit Union/Co-operative;
 - c) to consider the financial statements presented by the Board for the preceding year, together with comparative statements for the year preceding it;
 - d) to consider the report of the Auditor;
 - e) to approve the financial statements and the Auditor's Report;
 - f) to receive and approve the reports of the Credit and Supervisory Committees;
 - g) to allocate the surplus from the preceding year, subject to Section 43 of the Act made hereunder;
 - h) to approve the budget for the next financial year;

- i) to authorise the maximum liability to be incurred by the Board;
 - j) where necessary, to amend the By-Laws;
 - k) to elect the Board, a Credit Committee and a Supervisory Committee on a rotating basis, where relevant, for the ensuing year;
 - l) to appoint Auditors for the ensuing year;
 - m) to hear and decide upon any unresolved complaints brought by members aggrieved by a decision of the Board, provided that notice of such complaint to be brought before the meeting has been given to the Secretary in writing within thirty (30) calendar days from the date the notice of the decision was received; and
 - n) to transact any other general business of the Credit Union/Co-operative.
40. (1) Prior to the calling of any Special Meeting, the member, the aggrieved party, the Supervisory Committee and/or the Reserve Bank must first engage the Board to discuss the object of the proposed meeting. Once agreed or if the matter remains unresolved, a Special Meeting may be called in accordance with the provisions below.
- (2) A Special General Meeting of members may be convened at any time by the Board, and on receipt of a demand stating the object of the proposed meeting, signed by at least twenty-five (25) of the members or one-fifth (1/5) of the total membership, whichever is less.
 - (3) It shall be the duty of the Board to convene such meeting within twenty (20) days of the receipt of the request. The purpose of the Special General Meeting shall be set forth in the notice and only such business as is described in the notice shall be dealt with at such meeting.
 - (4) Notwithstanding By-Law 40(1), the Board shall at the request of the Supervisory Committee and pursuant to Section 33(9) of the Act, convene a Special General Meeting of members.
 - (5) If the Board fails to convene a meeting within the stipulated time from the receipt of a demand or a request as abovementioned, the Supervisory Committee will have the right to convene the meeting by notice within:
 - a) fifteen (15) days after the expiry of the period of twenty (20) days from the receipt of the request to the Board to summon a special meeting of the members in accordance with Section 25(2) of the Act; or
 - b) seven (7) days after the expiry of the period of twenty (20) days where the meeting is requested by the Supervisory Committee.
 - (6) The notice must contain the object of the proposed meeting and a statement to the effect that the meeting is convened on the failure of the Board to convene the meeting demanded. Any cost incurred by the convening of the meeting shall be borne by the Credit Union/Co-operative.
 - (7) The Reserve Bank may at any time call a Special Meeting for the purpose of enabling members to secure any information regarding the affairs of the Credit Union/Co-

operative that they are entitled to receive and to deal with any matters affecting the Credit Union/Co-operative.

41. (1) At least ten (10) working days' notice of any General Meeting shall be given in any of the following ways namely:
- a) by a notice using two (2) forms of acceptable media in Fiji and by posting the notice in a place that is prominent and accessible to members; or
 - b) by a written notice delivered to each member in person or mailed to each member at his or her address as the same appears in the records of the Credit Union/Co-operative.
- (2) The accidental omission to give notice to/or the non-receipt of a notice by any member shall not invalidate the meeting.

XII. Quorum

42. (1) members shall form a quorum for the purposes of the Annual, Special or General Meeting.
- (2) Provided that when any meeting is summoned by the Reserve Bank, any members present shall be deemed to form a quorum.
- (3) One (1) hour after the time fixed for any meeting other than a meeting convened by the Reserve Bank, the members present are not sufficient to form a quorum, such meeting shall not proceed. Another meeting must be called within thirty (30) days.

XIII. Elections

43. (1) The following procedures shall apply to the conduct of elections in keeping with:
- a) At each Annual General Meeting, the membership shall appoint a Nomination Committee for a term of one year;
 - b) The Nomination Committee shall nominate at the Annual General Meeting at least one member for each vacancy for which elections are to be held;
 - c) After the Nomination Committee's candidates have been placed before the members, the Chairperson shall outline the fit and proper requirements as outlined in Section 35 of the Act to the membership and then ask for any nominations from the floor;
 - d) Each nominee introduced, either by the Nomination Committee or from the floor shall indicate his or her acceptance;
 - e) Where the number of nominees does not exceed the number of vacant positions, the Chairperson shall declare all the nominees elected;
 - f) If there is a need for elections, it shall be by ballot and shall be determined by a majority vote except where there is no contest.
- (2) No member may be elected to the Board, the Credit Committee, the Supervisory Committee or the Nomination Committee unless he or she has satisfied the fit and proper requirements as set in Section 35 of the Act.

XIV. Tenure of Office

44. (1) Each member shall hold office until his or her successor is elected and may be eligible or restricted for re-election as stipulated in Section 28(5) of the Act.
- (2) Where persons are to be elected for varying terms, the member receiving the highest or higher number of votes cast is to be declared elected for the longest or longer term.
- (3) Where two (2) or more candidates receive an equal number of votes, the Chairperson shall draw lots and the candidate whose lot is drawn is to be declared elected for the longest or longer term.
- (4) Where candidates are elected unopposed, the Chairperson shall draw lots to determine the tenure of office for each candidate.
45. In accordance with Section 28(2), 31(1) and 32(1) of the Act, at the first Annual General Meeting of the Credit Union/Co-operative, the entire Board, the Supervisory Committee, the Credit Committee and Nomination Committee shall be elected. A rotational procedure based on varying terms will take effect in the interest of continuity and new leadership development as far as feasible.

XV. Termination of Office

46. (1) Any member of the Board, Supervisory Committee or Credit Committee shall be deemed to have vacated office if:
- a) he or she dies or resigns by giving notice to the Board, or, if a member of the other committees, to the respective Committee; or
- b) he or she applies for bankruptcy or is declared bankrupt; or
- c) he or she is delinquent with his or her creditors, including this or any other Credit Union/Co-operative; or
- d) he or she becomes of unsound mind and has been found as such by a Court or an accredited medical facility in Fiji; or
- e) he or she is convicted of any criminal offence resulting in imprisonment of one (1) month or more or a fine of five (5) penalty units or both; or
- f) he or she has failed to attend three (3) consecutive meetings without an accepted excuse.
- (2) The Board, the Credit Committee, the Supervisory Committee, or any member thereof may be removed from office before the expiration of his or her term.

XVI. Board of Directors

47. (1) Subject to the provisions of the Act and the Regulations the general direction, control and management of the Credit Union/Co-operative shall be entrusted to a Board of Directors (herein referred to as the "Board").

- (2) The Board shall be elected at the Annual General Meeting and shall consist of not less than five (5) and not more than nine (9) Directors, in keeping with Section 28(1) of the Act.
- (3) The Board shall arrange the deposit of all funds of the Credit Union/Co-operative in its Bank Account at latest the day after they are collected, unless the collection takes place on a weekend or any day preceding a holiday.
- (4) The Board shall be responsible for making adequate arrangements for the safe keeping of funds of the Credit Union/Co-operative until they are deposited in the bank in accordance with By-Law 47(3) above.
- 48. (1) The Directors shall meet as often as the business of the Credit Union may require, but not less frequently than once per month. Due notice of such meetings shall be given to the Directors by the Secretary.
- (2) A simple majority of Directors shall constitute a quorum.
- 49. Any vacancies on the Board must be filled with the procedures set out in Section 30(2)-(5) of the Act.
- 50. The Board may appoint from among its number any Committee (except the Credit and Supervisory Committee) that it considers necessary and may by resolution delegate to any such Committee such powers that it considers necessary for the efficient conduct of the affairs and business of the Credit Union/Co-operative.
- 51. A Committee that has powers delegated to it, must consist of at least three (3) members of the Credit Union/Co-operative and one of which is a director and shall exercise these powers subject to the provisions of the Act, the Regulations and these By-Laws.
- 52. A director or Committee member of the Credit Union/Co-operative who is a party to a contract or proposed contract with the Credit Union/Co-operative shall disclose in writing to the Credit Union/Co-operative or request to have entered in the minutes of meetings of Directors, the nature and extent of his or her interest, in keeping with Section 36(2) of the Act.
- 53. A director shall not take part in discussions to consider or vote on a resolution to approve a contract in which he or she has a personal or material interest.
- 54. A Contract, approved by the Directors or members in which a director or Committee member disclosed a material interest, which is reasonable and fair to the Credit Union/Co-operative at the time it was approved is neither voidable by reason only of the relationship, or by reason only that a director with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of Directors, or a committee of Directors that authorised the contract.
- 55. The Board may borrow from any source and on such security and terms of repayment as it considers fit, provided that the total amount and the purpose of the borrowing is approved by the Reserve Bank, does not exceed ten percent (10%) of gross assets and is within the maximum liability limit which was fixed by a resolution of members at a General Meeting.
- 56. (1) At the meeting of the Board which be held within thirty (30) calendar days of their election, the Board shall at a minimum, elect from their own number a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer. These positions shall not be held by the same person.

Chairperson

- (2) The duties of the Chairperson shall be:
- a) to preside at meetings of the members and of the Board;
 - b) to sign and execute jointly with the Secretary all deeds and conveyances or real or personal property and such other documents as the Board may specify;
 - c) perform such other duties as customarily related to the Chairperson or as he or she may be directed to perform by resolution of the Board, not inconsistent with the Act, the Regulations and these By-Laws; and
 - d) such other duties as the Act and the Regulations may require to be performed by the Chairperson of the Board.

Vice Chairperson

- (3) The Vice Chairperson shall, in the absence or disability of the Chairperson or his or her refusal to act, perform the duties of the Chairperson and/or such other duties as the Board may from time to time prescribe.

Secretary

- (4) It shall be the duty of the Secretary to:
- a) attend all meetings of the Board and the Credit Union/Co-operative;
 - b) keep minutes of any meeting of the Board or the Credit Union/Co-operative;
 - c) conduct any correspondence on behalf of the Credit Union/Co-operative;
 - d) keep charge of all records, books, papers and other documents of the Credit Union/Co-operative;
 - e) issue notices for all meetings of the Board and general membership of the Credit Union/Co-operative in accordance with the Regulations and By-Laws;
 - f) sign and execute jointly with the Chairperson all deeds and conveyances or real and personal property and such other documents as the Board may specify; and
 - g) perform such other duties as are prescribed by the By-Laws or as directed by a resolution of the Board that are not inconsistent with the Act and these By-Laws.

Treasurer

- (5) Subject to such limitations and control as may be imposed by the Board, it shall be the duty of the Treasurer to:
- a) receive all monies due and payable to the Credit Union/Co-operative and issue receipts for the same;
 - b) deposit or cause to deposit all monies received in the name of the Credit Union/Co-operative in such bank or depository as specified by the Board;

- c) sign all cheques, notes, bills of exchange and other documents necessary to affect the business of the Credit Union/Co-operative;
 - d) record or cause the recording of all transactions effected by the Credit Union/Co-operative in the books provided for that purpose;
 - e) keep charge of all documents, books and vouchers for all payments made, and receipts issued on behalf of the Credit Union/Co-operative;
 - f) responsible for the preparation of the annual statement of accounts, balance sheet, monthly financial statements, including prudential statements, and other statements as the Board may request;
 - g) prepare and forward to the Reserve Bank such financial and other reports as may be required under Section 100 of the Act;
 - h) keep separate accounts of all monies belonging to the Credit Union/Co-operative;
 - i) produce a current statement of the Credit Union/Co-operative's monies held on demand;
 - j) make payments as authorised by the Board and obtain receipts for the same;
 - k) ensure that all promissory notes, drafts, negotiable instruments drawn in favour of the Credit Union/Co-operative are properly prepared; and
 - l) do such other duties pertaining to the office of the Treasurer.
57. The Board may employ a manager and may authorise him or her or another senior employee to perform any of the duties of the Treasurer, including the signing of cheques and online authorisation of payments. This must be within a set delegation of authority approved by the Board.
58. A joint meeting of the Board, Credit and Supervisory Committee shall be held no less than once per quarter to track results, review performance, share concerns and to plan improvements. The Secretary of the Credit Union/Co-operative shall be responsible for convening this meeting.

XVII. Credit Committee

59. The Credit Committee shall be elected at the Annual General Meeting in accordance with the Act. The Committee shall consist of not less than three (3) and not more than five (5) members.
- No member of the Credit Committee shall be elected or appointed for a term of more than three (3) years and may serve no more than two (2) consecutive terms but may be re-elected or re-appointed after an absence from serving the Credit Union/Co-operative for two (2) years.
60. Any member of the Credit Committee shall in addition to By-Law 46 be deemed to have vacated office if he or she:
- a) fails to attend three (3) consecutive regular meetings of the Committee without, in the opinion of the Board, having a reasonable cause; or

- b) fails to perform any of the duties assigned to him or her as a member of the Committee.
- 61. The Committee may be removed from office by a special resolution made at a Special General Meeting called for that purpose if it fails to submit a report to the Board pursuant to Section 34(10) of the Act.
- 62. Any vacancy on the Committee must be filled by the procedures set out in Section 30(2)-(5) of the Act.
- 63.
 - (1) The Credit Committee shall choose from their number a Chairperson and a Secretary. These positions shall not be held by the same person.
 - (2) The Secretary of the Committee shall prepare and maintain full and correct records of all actions taken by the Committee and shall submit a report to the Board pursuant to Section 34(10) of the Act. The report shall state:
 - a) the number of loan applications received;
 - b) the number and category of loans granted;
 - c) the security obtained, if any, for such loans;
 - d) applications denied;
 - e) the number and amount of delinquent loans;
 - f) the loan recovery rate;
 - g) the actions taken to follow-up delinquent loans; and
 - h) any other information relevant to such report upon the discretion of the Committee.
- 64. The Credit Committee shall hold such meetings as the business of the Credit Union/Co-operative may require, but not less frequently than once per month. Due notice of such meetings shall be given to the other members of the Committee by the Secretary.
- 65. A simple majority of the Credit Committee constitutes a quorum.
- 66. The Credit Committee shall consider all applications for loans, make recommendations to the Board in respect of improved policies, procedures, practices and performance. It shall also, subject to the authorisation of the Board, approve loans to members upon such terms and conditions as specified by the Board in its internal policies and procedures.
- 67.
 - (1) The Board may, by resolution, delegate the General Manager or other employee(s) to approve loans to members upon such terms and conditions as the Board specifies. A person, apart from the General Manager delegated this responsibility shall be referred to as a Loans Officer.
 - (2) Any person authorised by the Board to approve loans shall submit a written monthly report to the Credit Committee stating the:
 - a) number of applications received;
 - b) number of loans granted;

- c) security obtained, if any; and
- d) number of loans denied.

Such report shall become part of the records of the Credit Committee.

- (3) A loan not approved by the Loans Officer shall be subject to a review by the Credit Committee.
68. The Credit Committee and the Loans Officer shall enquire carefully into the character and financial condition of each applicant for a loan and his or her sureties to ascertain their ability to repay fully and promptly any obligation incurred by them. Consideration must also be given to determine whether the loan sought is for a provident or productive purpose and will be of profitable benefit to the applicant. They shall endeavour diligently to assist applicants in solving their financial problems.
69. (1) No loan shall be made unless approved in accordance with the internal policies and procedures of the Credit Union/Co-operative.
- (2) If a Director, Credit Committee member, Supervisory Committee member or employee requires a loan in excess of his or her total holdings in the Credit Union/Co-operative, it shall be referred to the Board by the Credit Committee for approval.
- (3) No member of the Credit Committee, the Board, the Supervisory Committee or any Loans Officer shall approve or be present at the discussion of the approval of a loan to himself or herself, to a person for whom he or she is proposed as surety or any other person with whom he or she has a fiduciary relationship towards.
70. When more loan applications are pending than can be granted within the funds available, preference shall be given in all cases to applications for smaller loans if the need and credit factors are nearly equal.

XVIII. Supervisory Committee

71. The Supervisory Committee shall be elected at the Annual General Meeting and shall consist of a minimum of three (3) and maximum of five (5) members none of whom shall be a member of the Board, the Credit Committee, the Nomination Committee, or an employee of the Credit Union/Co-operative.
- No member of the Supervisory Committee shall be elected or appointed for a term of more than three (3) years and may serve no more than two (2) consecutive terms but may be re-elected or re-appointed after an absence from serving the Credit Union/Co-operative for two (2) years.
72. Any member of the Supervisory Committee shall be deemed in addition to the provisions of By-Law 46, to have vacated office if he or she:
- a) fails to attend three (3) consecutive regular meetings of the Committee without, in the opinion of the other members, having a reasonable cause thereof; or
 - b) fails to perform any of the duties assigned to him or her as a member of the Committee.
73. Any vacancy on the Committee must be filled by the procedures set out in Section 30(2)-(5) of the Act.

74. (1) The Supervisory Committee shall choose from their number a Chairperson and a Secretary, but these offices shall not be held by the same person.
- (2) The Supervisory Committee shall meet at least once (1) a quarter to:
- a) examine the books of the Credit Union/Co-operative;
 - b) appraise the policies and operating procedures to make recommendations to the Board and the Credit Committee;
 - c) confirm the cash instruments, property and securities of the Credit Union/Co-operative;
 - d) confirm the shares, deposits and other balances or holdings of members;
 - e) monitor the management of the Credit Union/Co-operative;
 - f) verify the assets of the Credit Union/Co-operative and monitor whether the assets are properly protected;
 - g) receive and investigate any complaints made by any members affecting the proper management of the Credit Union/Co-operative;
 - h) ensure that all advances, loans, deposits and other transactions involving Directors, committee members and employees are compliant with the Act, Regulations, By-Laws, Prudential Requirements and Policies of the Credit Union/Co-operative.
- (3) Due notice of such meetings shall be given to the other members of the Committee by the Secretary. A majority of the members of the Committee shall constitute a quorum.
- (4) In the process of their examination, the Committee shall examine applications for loans made during the period and ensure that for each loan made, an application is on file and that each application states the purpose for which the loan was made, the description of the security offered, if any, and that it bears the signatures of approval of the Loans Officer or the Credit Committee; and
- (5) Within fourteen (14) days before the end of each month, the Treasurer shall submit for confirmation by the Supervisory Committee the financial statements including the ratio performance results for the month.
75. The Supervisory Committee shall keep minutes of its meetings and shall, in keeping with Section 33(5) of the Act:
- a) within seven (7) days of each meeting report the results thereof to the Board; and
 - b) submit a written report to the Annual General Meeting.
76. (1) In accordance with Section 33(9) of the Act, if in the opinion of the Supervisory Committee, the Board, the Credit Committee or General Manager of the Credit Union/Co-operative is guilty of any violation of the provisions of the Act, Regulations or these By-Laws or any misconduct or malpractice or misappropriation or misdirection of the funds, securities or other property of the Credit Union/Co-operative, the Supervisory Committee shall immediately inform the Board.
- (2) Should the incident be criminal in nature, the Board has a duty to report such matter to the relevant authorities.

XIX. Remuneration of Directors/ Committee Members

77. Subject to Section 38 of the Act, the Credit Union/Co-operative may provide remuneration, monthly stipend, payments in cash or in kind and the re-imbursement of expense to Directors and committee members for attending meetings and conferences based on the following limits:

- a) Annual remuneration, bonus or stipend not to exceed \$..... per person;
- b) Monthly expenses allowance not to exceed:
 - i. in the case of a flat monthly allowance of \$..... per person;
 - ii. in the case of a receivable expense, the actual cost of the expense.
- c) Annual training and conference budget not to exceed \$..... per person.

The amounts must be disclosed at the Annual General Meeting, and a resolution must be endorsed by the membership to that effect.

XX. Loans to Members

78. Loans shall be granted to members only and for provident and productive purposes. All loans granted shall be used by the borrowing members for such purpose stated and approved in the loan application.

79. (1) The terms and conditions on which loans may be made to members shall be fixed from time to time by the policy of the Board, provided always that in no case shall a sum be lent to any member above the following limits and restrictions:

Line of credit	\$.....
Consumer loan	\$.....
Mortgage	\$.....
Aggregate to one member	\$.....

- (2) Consumer loans must be secured by fifty percent (50%) unencumbered cash, deposit and/or realisable tangible assets duly encumbered in accordance with the loan policies of the Credit Union/Co-operative.
- (3) Each monthly payment must ensure that the principal and interest will be repaid over a maximum period of 84 months.
- (4) Mortgages must be secured by a first charge and clear of other mortgages, lien or encumbrances.
 - i. The monthly payment must ensure that the principal and interest will be repaid over a maximum of 360 months or until the applicant reaches fifty-five (55) years whichever is sooner;

- ii. Aggregate lending limits shall include all loans granted to the member including he or she that has acted as a guarantor or co-maker;
 - iii. The Board may set in its loan policy specific lending limits for the Credit Committee and its Loans Officers.
- 80. The rates of interest on loans shall be fixed from time to time by the Board and the interest payable on loans shall be assessed against the monthly unpaid balance.
- 81. No loan shall be made to a member who is not in good standing, that is to say, is not the holder of the minimum qualifying shares and if required the minimum fully paid membership shares in the Credit Union/Co-operative as prescribed in these By-Laws, or is in arrears in the payment of a current loan or instalment due from that person as borrower or co-maker or guarantor, or is otherwise a defaulter.

Loan Processing

- 82. (1) A member who wishes to obtain a loan shall submit an application on the forms provided by the Credit Union/Co-operative and shall state the amount and the purpose for which the loan is required, the term for which it is asked, whether it is desired to repay it by instalments and the name of any proposed sureties or any other security, if any, to be offered and such other information as may be required.
- (2) All meetings of the Credit Committee shall be conducted as follows:
 - a) the Credit Committee shall consider at a meeting every application for a loan, and if the Committee is satisfied with the trustworthiness of the applicant, the sufficiency of the security offered and the prospects of advantage to the borrower in the way of increased productivity or economy or otherwise, it shall, in keeping with the Loan Policy, approve, reject or defer the application or shall, if not authorised, recommend the decision of the loan to the Board;
 - b) no person other than members of the Credit Committee, its Secretary, the Loans Officer and his or her technical staff or representative from the Reserve Bank and its staff (only for the purpose of conducting regulatory on-site inspections) shall be present at any meeting of the Committee when an application for a loan is under consideration;
 - c) the proceedings with regard to loans at Committee Meetings shall be kept confidential, and any member of the Committee of the Credit Union/Co-operative infringing this By-Law shall be liable to immediate expulsion or dismissal.
- (3) Loans, when approved by the Committee, shall be granted to members who are able to obtain sureties approved by the Committee, and/or who can provide additional security and other pre-requirements to the satisfaction of the Committee or the Loans Officer.
- (4) This subclause relates to loans over \$..... When a loan is approved by the Committee or the Loans Officer, a notice shall be sent to the borrower to that effect and before the amount is advanced, the borrower and his or her sureties shall execute a written instrument as required under Section 69 of the Act setting out the terms of repayment of the loan and containing such other terms and conditions as the Committee may consider necessary.

- (5) A borrowing member or their representative shall, as a requirement of the granting of a loan execute any documents required to adequately register his or her security with the Office of the Registrar of Titles;
 - (6) A member may repay his or her loan prior to maturity in whole or in part on any business day of the Credit Union/Co-operative.
83. (1) A member failing to pay any amount falling due of a loan shall, unless the time has been extended, must pay a fine as the Board may from time-to-time fix. Such fines shall not exceed one point five percent (1.5%) per month on the amount in arrears with a minimum of five dollars (\$5.00) per month.
- (2) If a member fails to pay an instalment of a loan within three (3) months after the time fixed for payment and no extension of time has been granted, the whole or balance of the loan then owing shall immediately become due.
- (3) When a member:
- a) is in default in the payment of a loan, or of an instalment of a loan, or of any amount falling due of the loan; and
 - b) does not satisfy the Board that such default is due to a good cause,
- such a member shall not be entitled to receive another loan from the Credit Union/Co-operative.
- (4) If by reason of sickness, disaster or some other cause a member finds that he or she will be unable to discharge his or her obligations to the Credit Union/Co-operative and notifies the Secretary in writing before a loan is due, the Board may extend the time fixed for payment on such conditions as it deems fit.
- (5) Where the Board is convinced that a member of the Credit Union/Co-operative who has obtained a loan has applied the proceeds to a purpose other than the purpose, which is stated in the written application thereof, the Board may, by notice in writing to the debtor, demand payment of the loan before the agreed date of payment.
- (6) Where:
- a) a loan, or an instalment of a loan, or any amount falling due of the loan has not been paid on the date on which it became due and no extension for the payment thereof has been given to the debtor by the Board, under By-Law 83(4); or
 - b) a loan has been made to a director, committee member or senior management of the Credit Union/Co-operative in contravention of Section 72 of the Act;
- the Board shall take steps for the recovery of the same by:
- i. applying any monies standing to the credit of members towards the payment of the debt;
 - ii. exercising any rights arising by law; or
 - iii. any other action which the Credit Union deems necessary.

XXI. Impaired Loans

84. (1) The Board shall cause a list of all impaired loans to be made available at the registered office of the Credit Union/Co-operative for any examination required by the Reserve Bank, the Credit Committee, the Supervisory Committee and the Auditor and shall forward a copy of that list to the Reserve Bank as and when required.
- (2) The Credit Union/Co-operative shall establish an allowance for doubtful loans in accordance with section 81 of the Act and further prudential policies issued by the Reserve Bank.

XXII. Reserve Fund, Liquidity Reserve and Capital

85. (1) The Credit Union/Co-operative shall create a Statutory Reserve Fund pursuant of Section 43 of the Act, into which twenty percent (20%) of the net surplus before dividends shall be placed, until that Statutory Reserve equals ten percent (10%) of the Credit Union/Co-operative's total assets.
- (2) The Reserve Fund shall be kept intact and shall not be used or applied, except as provided in Section 43(3) of the Act.
- (3) At no time shall the aggregate of the Statutory Reserve, Retained Earnings, Qualifying and Membership Shares be less than ten percent (10%) of the total assets owned by the Credit Union/Co-operative.
- (4) In the interest of strengthening the institutional capital of the Credit Union/Co-operative, sums may be allocated annually from Retained Earnings and, after adequate provisions to the allowance for doubtful loans have been made; additional sums may be allocated annually to increase the Statutory Reserve, Development Fund, and other Reserves and the assignation for Dividends.
- (5) In keeping with Section 45 of the Act, the Credit Union/Co-operative shall establish a Statutory Liquidity Deposit as determined by the Reserve Bank to ensure sufficient liquidity.
- (6) The statutory reserve and liquidity deposit may be deposited with the Credit Union League.

XXIII. Dividend and Interest

86. (1) Subject to the By-Laws, the members at the Annual General Meeting may declare dividends out of the net surplus after allowing for the allowance for doubtful loans and setting aside the prescribed allocations to reserves, and after retiring all or any part of a deficit it has previously incurred.
- (2) A dividend shall be paid only on qualifying and membership shares fully paid to an active member in good standing before and during the dividend period.
- (3) Subject to compliance with Section 92(e) of the Act, the Credit Union/Co-operative may make contributions to any charitable purpose or to common good fund
- (4) The remaining net surplus of the Credit Union/Co-operative may be distributed as patronage rebates amongst the members who have borrowed from the Credit Union/Co-

operative during the financial year in proportion to the interest paid by them during such year.

- (5) The dividend and/or interest payable to a member in any financial year shall be administered in accordance with the credit union's policies and procedures.

XXIV. Investment of Funds

87. The Credit Union/Cooperatives shall invest its funds as provided under Section 84 of the Act and the relevant Prudential Policies.

XXV. Banking Account

88. The Board shall elect one or more reputable financial institutions in which the Bank Account of the Credit Union/Co-operative shall be kept. All cheques shall be signed and endorsed on behalf of the Credit Union/Co-operative as the Board prescribes.

XXVI. Annual Accounts, Reports and Audits

89. The Board shall comply with the provisions of the Act, the Regulations and the Prudential Policies and shall:
- a) ensure the books of the Credit Union/Co-operative are audited annually as per Section 41 of the Act;
 - b) approve the financial statements of the Credit Union/Co-operative and place the comparative financial statements before the members at every Annual General Meeting; and
 - c) within seven (7) days after the Annual General Meeting, furnish the Reserve Bank with a copy of the financial statements that was approved by the members.
90. A Credit Union/Co-operative that is eligible for an alternative auditor in accordance with Section 42, must ensure that it meets the minimum requirements set forth in its respective subsections.

XXVII. Financial Year

91. In accordance with Section 40(2), the financial year of the Credit Union/Co-operative may be 30 June of each year or as determined by the Reserve Bank.

XXVIII. Seal and Execution of Documents

92. (1) The Board shall adopt for the use of the Credit Union/Co-operative a distinctive seal having the name of the Credit Union/Co-operative inscribed thereon. The seal shall not be affixed to any instrument except by the authority of a resolution of the Board and in the presence of at least one (1) member of the Board along with the Chairperson, the Secretary or Treasurer.
- (2) Any instrument requirement to be signed on behalf of the Credit Union/Co-operative shall be duly executed if signed by at least one (1) member of the Board and the Secretary or Treasurer.

XXIX. Records and Forms

93. The Credit Union/Co-operative shall keep the following records and forms:
- a) a register of members;
 - b) a cash receipt journal;
 - c) deposit and withdrawal slips;
 - d) a cash disbursement journal;
 - e) a general ledger;
 - f) a register of loans;
 - g) loan application forms;
 - h) loan agreement forms;
 - i) a schedule of current fees and charges;
 - j) register of dormant accounts;
 - k) records on the details of all its operational accounts (deposit, loan, share accounts);
 - l) register of internal policies or procedures;
 - m) a file containing the Act, Regulations and these By-Laws and all relevant documents required to be retained under Section 39 and 168 of the Act; and
 - n) separate minute books for meetings of the Board, the Credit Committee, the Supervisory Committee, and any sub-committee appointed by the Board and meetings of members.

XXX. Inspection of Records

94. (1) The corporate records of the Credit Union/Co-operative, as stated in Section 39 of the Act, shall be open to the inspection of any member having an interest in the funds of the Credit Union/Co-operative.
- (2) The member, his or her agent or legal representative, a member of the Board, the Credit Committee or the Supervisory Committee, the Auditor or the Reserve Bank, or anyone appointed by it shall be allowed to see the personal account, loan agreement or the register or papers relating to the loan of any member.
- (3) No person, except as listed in subclause (2) above, shall be allowed to see the personal account, loan agreement or the register or papers relating to the loan of any member without the consent of such member in writing.

XXXI. Disputes

95. All disputes may be raised with the Board or during an Annual General Meeting. Should this remain unresolved, disputes may be raised to the Reserve Bank. Should the parties remain unsatisfied by the outcome(s), the dispute may be further escalated for review in accordance with the provisions of Part 13 of the Act.

XXXII. Amendment to the By-Laws

96. In keeping with Section 25 of the Act, these By-Laws may be amended at an Annual General Meeting of the members by a resolution of two thirds (2/3) of the members present at the meeting and must be subsequently ratified by the Reserve Bank to be in force.

XXXIII. Dissolution

97. (1) The Credit Union/Co-operative may be dissolved only in a manner provided for in Part 9 of the Act. It may also be dissolved under Part 10 should the Board and the members of the credit union request for a Voluntary Liquidation.
- (2) The funds of the Credit Union/Co-operative shall be distributed in accordance with Section 138 of the Act, in the event of dissolution.

Reserve Bank of Fiji
September 2026