

CO-OPERATIVE SOCIETIES ACT

1968 (NLCD 252)

Section 1-The Registrar of Co-operative Societies.

There shall be appointed by the National Liberation Council an officer who shall be called the Registrar of Co-operative Societies (in this Decree referred to as "the Registrar") and such other officers as may be required who shall perform the functions assigned to them by this Decree or any other enactment.

Section 2-Societies which May be Registered.

Subject to the provisions of this Decree, any society which has as its object the promotion of the economic interest of its members in accordance with co-operative principles, may be registered under this Decree with or without limited liability.

Section 3-Conditions of Registration.

(1) No society, other than a society consisting of co-operative societies which are registered in accordance with the provisions of this Decree (in this Decree referred to as "registered societies"), shall be registered unless it consists of at least ten persons qualified for membership under paragraph 34 of this Decree.

(2) A society established with the object of facilitating the operations of registered societies in accordance with co-operative principles (in this Decree referred to as a "central society") shall not be registered unless it consists solely of registered societies not being less than two in number.

(3) The word "co-operative" shall form part of the name of every registered society.

(4) The word "limited" shall be the last word in the name of every registered society with limited liability.

(5) Except in the case of a registered society whose principal object it is to grant loans to other registered societies (in this Decree referred to as "central financing society") the word "bank" or "banking" shall not form part of any registered society:

Provided that where a central financing society registered under this Decree carries on the business of banking within the meaning of the Banking Act, 1970 (Act 339) its operations shall be governed by the provisions of that Act and for the avoidance of doubt in the event of any conflict the provisions of the Banking Act, 1970 (Act 339) shall prevail over the provisions of the Co-operative Societies Decree, 1968 (N.L.C.D. 252) in relation to such society [As substituted by Co-operative Societies (Amendment) Law, 1986 (PNDCL 158)].

(6) No society shall be registered by a name which is identical with that by which a society is

already registered, or so nearly resembles that name or the name by which any body or association of persons is registered under any enactment or which in the opinion of the Registrar is calculated to deceive.

(7) No society shall be registered by any name which in the opinion of the Registrar may, or may be likely to mislead the public as to the identity of the society or the nature of its business.

(8) If a society through inadvertence or otherwise is registered by a name identical with that by which a society is already registered, or so nearly resembles that name or the name by which any person is registered under any enactment as in the opinion of the Registrar is calculated to deceive, or which is prohibited under sub-paragraph (7) of this paragraph, the society shall, if the Registrar so directs, change its name.

Section 4-Application for Registration.

(1) Every application for registration shall be made to the Registrar and shall be signed—

(a) in the case of a society other than a central society, by at least ten persons qualified for membership; or

(b) in the case of a central society by persons duly authorised by each such society.

(2) The application shall be accompanied by three copies of the bye-laws of the society, and the persons by whom or on whose behalf the application is made shall furnish any information in regard to the society as the Registrar may require.

Section 5-Registration and Appeal.

(1) If the Registrar is satisfied that a society has complied with the provisions of this Decree and that its bye-laws are not contrary to the objects thereof, he may register the society and its bye-laws.

(2) A Society whose application for registration has been refused by the Registrar in accordance with sub-paragraph (1) of this paragraph shall have the right to appeal to the Commissioner responsible for Labour and Social Welfare whose decision shall be final. [As substituted by Co-operative Societies (Amendment) Decree, 1968, (NLCD 292)].

Section 6-Registered Societies to be Bodies Corporate.

(1) A society registered under the provisions of this Decree shall be a body corporate with perpetual succession and may sue and be sued by the corporate name under which it is registered.

(2) A registered society shall have a common seal to be approved by the Registrar.

(3) A registered society shall have power to hold movable and immovable property of every

description and may enter into contracts and do all things necessary for the purposes of its constitution.

Section 7-Evidence of Registration.

A certificate of registration, signed and sealed by the Registrar shall be conclusive evidence that the society therein mentioned is duly registered unless it is proved that the registration of the society has been cancelled.

Section 8-Power to make Bye-laws.

(1) Any registered society may make bye-laws for the purpose of carrying out the objects for which the society is established.

(2) Any bye-laws made by any registered society shall be of no effect unless they are registered in accordance with the provisions of this paragraph.

(3) For the purpose of registering bye-laws, a registered society shall submit to the Registrar three copies of the bye-laws made by it.

(4) If the Registrar is satisfied that any bye-laws submitted to him under sub-paragraph (3) of this paragraph are not contrary to the provisions of this Decree or any regulations made thereunder, he may register the bye-laws.

(5) When the Registrar registers any bye-laws of a registered society, he shall issue to the society a copy of the bye-laws certified and sealed by him, and such copy shall be conclusive evidence of the fact that the bye-laws have been registered.

Section 9-Amendment of Bye-laws of a Registered Society.

(1) Any registered society may amend its bye-laws, including the bye-law which declares the name of the society.

(2) No amendment of the bye-laws of a registered society shall be valid until that amendment has been registered under this Decree and, accordingly, the provisions of paragraph 8 of this Decree relating to the registration of bye-laws shall apply to the registration of an amendment to bye-laws.

Section 10-Imposition of Fines on Members.

(1) Bye-laws made by a registered society may provide for the imposition of a fine not exceeding one hundred new cedis on members who contravene any provision of the bye-laws.

(2) The governing body of a registered society to whom the management of the affairs of the society is entrusted (in this Decree referred to as "the committee") or such other person as may be specified by its bye-laws shall enforce the provisions of this paragraph.

Section 11-Change of Name.

An amendment made under paragraph 9 of this Decree which changes the name of a society shall not affect any right or obligation of the society or of any of its present or past members, and any legal proceedings pending may be continued by or against the society under its new name.

Section 12-Address of Societies.

(1) Every registered society shall have a registered address to which all notices and communications may be sent.

(2) Notice of the registered address and of any change therein shall be given to the Registrar who shall record the same.

Section 13-Copy of this Decree to be Open for Inspection.

Every registered society shall keep a copy of this Decree and of the regulations made thereunder and of its bye-laws open to inspection, free of charge, at all reasonable times at the registered address of the society.

Section 14-Amalgamation or Transfer of Societies.

(1) Any two or more societies may by resolution passed by their respective general or special meetings in accordance with the regulations and with the approval of the Registrar, amalgamate as a single society.

(2) The amalgamation may be effected without a dissolution, or a division of the funds, of the amalgamating societies.

(3) The resolution of the societies concerned shall on amalgamation be a sufficient conveyance to vest and vest without further authority than this sub-paragraph the assets and liabilities of the amalgamating societies in the amalgamated society and the amalgamated society may sue and be sued accordingly.

(4) Any society may by a resolution passed in accordance with the procedure laid down in sub-paragraph (1) of this paragraph transfer its assets and liabilities to any other society which is prepared to accept them.

(5) Whenever an amalgamation or transfer of assets and liabilities involves the transfer of liabilities by one society to any other society, three months' notice of the amalgamation or transfer of assets and liabilities shall be given to the creditors of the societies or society concerned.

(6) Creditors of any of the societies concerned shall be entitled to a refund of any sum due to them if they make a written demand to this effect at least one month before the date fixed for the amalgamation or transfer.

Section 15-Conversion of a Company into a Society.

(1) A company registered under any enactment relating to the formation and registration of companies may, by a special resolution, determine to convert itself into a registered society.

(2) A resolution for the conversion of a company into a registered society shall be accompanied by three copies of the regulations of the company and shall appoint ten persons being members of the company, who, together with the secretary of the company shall sign the application for registration under paragraph 4 of this Decree, and who may be authorised to accept any alterations made by the Registrar to the regulations of the company without further consulting the company, or may be required to lay all such alterations before the company at a general meeting for acceptance as the resolution may direct.

(3) A copy of the special resolution for conversion of the company into a registered society shall be sent, together with the regulations of the company to the Registrar, who shall thereupon proceed to deal with the resolution as if it were an application for registration under paragraph 4 of this Decree.

(4) A copy of the resolution for the conversion of a company into a registered society under the seal of the company, together with the certificate of registration issued by the Registrar, shall be sent for registration to the office of the Registrar of Companies, and, upon the registration of the resolution and certificate, the conversion shall take effect.

(5) Upon the conversion of a company as a registered society the registration of the company as a company shall become void, and shall be cancelled by the Registrar of Companies and the regulations of the company shall, for the purposes of this Decree, be deemed to be the bye-laws of the registered society.

(6) The registration of a company as a registered society shall not affect any right of claim for the time being subsisting against the company, or any claim or right of the company to enforce any right, claim, or penalty, and accordingly the registered society concerned may sue and be sued in the name of the company as if the company had not become registered as a society.

(7) Every right or claim, and the liability to penalty of the company so registered shall have priority as against the property of the society over all other rights or claims against or liabilities of the society.

Section 16-Restrictions on Loans.

Subject to paragraph 17 of this Decree, a registered society shall not grant a loan to any person other than a member:

Provided that a society may, with the sanction of the central society of which it is a member, grant a loan to another society being a member of this same central society.

Section 17-Registrar to Control Granting of Loans.

The Registrar may—

(a) issue directions either of general or particular application prescribing the maximum loan which may be made by a society to any of the members thereof without his prior consent;

(b) by general or special order prohibit or restrict the lending of money on the security of immovable property by any registered society.

Section 18-Government Assistance.

The Government may, subject to such regulations as may be made, grant loans to, take shares in, or give financial assistance in any other form to any registered society.

Section 19-Restrictions on Borrowing.

Subject to the provisions of paragraph 20 of this Decree, a registered society shall receive deposits and loans from persons who are not members only to such extent and under such conditions as may be prescribed, by regulations or its bye-laws.

Section 20-Deposits by Minors.

(1) A registered society may receive deposits from, or for the benefit of minors, and it shall be lawful for a registered society to pay to such minors the interest which may become due on the deposits.

(2) Any deposit made by or on behalf of a minor may be paid to him personally, or to his guardian for his use if the deposit was made by any person other than the minor, together with the interest accrued thereon.

Section 21-Restrictions Regarding Non-members.

Save as provided in paragraphs 16, 18 and 19 of this Decree the transactions of a registered society with persons other than members shall be subject to such prohibitions and restrictions as may be prescribed.

Section 22-Debts of Members of Society.

All moneys payable or due by a member to a registered society under this Decree or the bye-laws of the society or in connection with its business shall be a debt due from the member to the society.

Section 23-Charge in Respect of Shares of Members.

A registered society shall have a charge upon the shares or interest in the capital and on the deposits of a member or past member and upon any dividend, bonus, or accumulated funds payable to a member or past member in respect of any debt due from the member or past

member to the society, and may set off any sum credited or payable to a member or past member in or towards payment of any such debt.

Section 24-Priority of Claim of Society Against Crops.

(1) Subject to any prior claim of the Government and to any claim in respect of rent—

(a) any debt or outstanding demand owed to a society by any member or past member shall be a first charge—

(i) upon any crops or other agricultural produce raised in whole or in part by means of a loan obtained from the society by the member or past member; and

(ii) upon any cattle, fodder for cattle, agricultural or industrial implements, or raw materials for manufacture, or workshops, stores or places of business, supplied to the member or past member by the society, or purchased by him in whole or in part with the proceeds of any loan, whether in money or goods, granted to him by the society;

(b) any outstanding dues payable to a housing society by any member or past member in respect of rent, share capital, loans, purchase money, or any other rights or amounts payable to such society, shall be a first charge upon his interest in the immovable property of the society.

(2) Nothing in this paragraph shall affect the claim of any bona fide purchaser or transferee without notice.

Section 25-Share or Interests not Liable to Attachment.

Subject to the provisions of paragraph 23 of this Decree the share or interest of a member in the capital of a registered society shall not be liable to attachment or sale under any decree or order of a Court in respect of any debt or liability incurred by the member.

Section 26-Investment of Funds.

(1) A registered society may invest or deposit its funds in—

(a) the Ghana Savings Bank;

(b) any securities issued or guaranteed by Government;

(c) the shares of any other registered society;

(d) any other bank registered under the laws of Ghana.

(2) In exceptional cases the Registrar may sanction investment or deposit in any other manner approved by him.

Section 27-Contract with Members to Dispose of Produce.

(1) A registered society having as one of its objects the disposal of any produce of agriculture or animal husbandry or handicraft or fishing or any other product, may contract with any member that the society shall dispose of all such produce of the member or of such amount or description as may be stated therein, not being produce in respect of which he has previously entered into a contract for its disposal to some other person, to or through the society; and may in the contract provide for infringement of the contract.

(2) Any such contract shall, subject to any existing charges, create in favour of the society a first charge upon all produce mentioned therein to cover any expenses incurred in connection with the marketing of the same.

(3) No contract entered into under the provisions of this paragraph shall be contested in any Court on the ground only that it constitutes a contract in restraint of trade.

Section 28-Payment of Dividend and Bonus.

No society shall pay a dividend or bonus or otherwise distribute any part of its net surplus before the balance sheet has been certified by an auditor and before any scheme for the distribution of the net surplus has been approved by the Registrar.

Section 29-Reserve Fund.

(1) Not less than one-fourth of the net surplus disclosed in the profit and loss account for the year shall be carried to a fund to be called the Reserve Fund, so, however, that the Registrar shall have the power to prescribe the manner in which such Fund shall be invested or deposited.

(2) The remainder of the net surplus, together with any balance remaining from previous years and available for distribution, may be divided among the members by way of dividend, bonus, or otherwise, or allocated to any funds constituted by the society, to such extent or under such conditions as may be prescribed by regulations or bye-laws.

(3) The Registrar may exempt any society of limited liability from further contributions to the Reserve Fund, or reduce the rate of contribution and may revoke or vary any such exemption or reduction.

Section 30-Power of Registrar to Prescribe with Regard to Certain Matters.

The Registrar may issue directions of a general or specific nature prescribing—

(a) the accounts and books to be kept by a registered society;

(b) the returns to be submitted by a registered society to the Registrar and the persons by whom and the form in which the returns shall be submitted.

Section 31-Proof of Entries in Societies Books.

A copy of any entry in a book of a registered society regularly kept in the course of business, shall, if certified in such manner as may be prescribed, be received in any legal proceedings as prima facie evidence of such entry and of the matters, transactions and accounts therein recorded.

Section 32-Exemption from Compulsory Registration of Instruments.

Nothing in any enactment relating to the registration of instruments for the time being in force shall apply to—

- (a) any instrument relating to shares in a registered society notwithstanding that the assets of the society consist in whole or in part of immovable property;
- (b) any debenture issued by a registered society and not creating, declaring, assigning, limiting or extinguishing any right, title, or interest to or in immovable property except in so far as it entitles the holder to a security afforded by a registered instrument whereby the society has mortgaged, conveyed or otherwise transferred the whole or part of its immovable property or any interest therein to trustees upon trust for the benefit of the holders of such debentures;
- (c) any endorsement upon or transfer of any debentures issued by a registered society; or
- (d) any charge created in favour of a registered society by a member of the society over any of his agricultural produce or immovable property.

Section 33-Exemption from Certain Duties and Fees.

The Commissioner responsible for Labour and Social Welfare may, with the prior approval of the Ministry of Finance, by legislative instrument, in the case of all or any registered society, reduce or remit—

- (a) the stamp duty with which, under any enactment for the time being in force, instruments executed by or on behalf of a registered society or by an officer or member thereof and relating to the business of the society or any class of such instrument are respectively chargeable;
- (b) any fee payable under any enactment relating to the registration of instruments for the time being in force.

Section 34-Qualification for Membership.

(1) In order to be qualified for membership of a registered society a person shall be—

- (a) capable of entering into a legally enforceable contract;
- (b) resident within or in occupation of land within the area of operations of the society as defined in its bye-laws.

(2) The Registrar may in the case of a society of limited liability, grant exemption from the qualification prescribed in paragraph (b) of the preceding sub-paragraph.

(3) Any question which arises as to the qualification of any person for membership shall be decided by the committee, provided that if the committee is unable to decide the question, they may refer it to the Registrar whose decision thereon shall be final.

Section 35-Restriction on a Company to be a Member of a Society.

No Company incorporated or registered under the Companies Code, 1963 (Act 179) and no unincorporated body of persons shall be entitled to become a member of a registered society except with the written permission of the Registrar and subject to such conditions as may be prescribed.

Section 36-Exercise of Rights of Membership.

No member of a registered society shall exercise the rights of a member unless and until he has made such payment to the society in respect of membership or acquired such interest in the society as may be prescribed by regulations or by the bye-laws of the society.

Section 37-Shareholding.

No member other than a registered society shall hold more than one-fifth of the share capital of any co-operative society.

Section 38-Restriction on Membership.

No member of any registered society which has power under its bye-laws to grant loans to its members shall, except with the prior approval of the Registrar, become a member of any other registered society having such power.

Section 39-Votes of Members.

(1) Each member of a registered society shall have one vote only as a member in the affairs of the society.

(2) In any case where the votes are equally divided the chairman may exercise a casting vote.

(3) In the case of a central society the voting powers of its members shall be as prescribed by its bye-laws.

(4) A registered society which is a member of any other registered society may appoint, as its proxy, for the purpose of voting in the affairs of the other registered society, any one of its members.

Section 40-Restrictions on Transfer of Share or Interest.

(1) Any transfer or charge of the share or interest of a member in the capital of a registered society shall be subject to such conditions as to maximum holding as may be prescribed.

(2) No member of a registered society shall transfer any share held by him or his interest in the capital of the society or any part thereof unless—

(a) he has held such share or interest for not less than one year; and

(b) the transfer or charge is made to the society or to a member of the society.

Section 41-Transfer of Interest on Death.

(1) On the death of a member the registered society may transfer the share or interest of the deceased member to the person who is proved to the satisfaction of the committee to be the heir of the deceased or his personal representative or the representative of the deceased's family who is entitled to administer his property either under a will or in accordance with the customary law of inheritance obtaining in the area of which the deceased was a subject:

Provided that—

(a) in the case of a registered society with unlimited liability, the heir or representative, as the case may be, may require payment by the society of the value of the share or interest of the deceased member;

(b) in the case of a registered society with limited liability, the society may transfer the share or interest of the deceased member to the heir or representative, as the case may be, being qualified for membership of the society, or to any person specified in the application who is so qualified.

(2) A registered society may pay all other moneys due to the deceased member from the society to the heir or representative, as the case may be.

(3) Any transfer or payment made by a registered society in accordance with the provisions of this paragraph shall be valid and effectual against any demand made upon the society by any other person.

Section 42-Liability of Past Members.

The liability of a past member for the debts of a registered society as they exist at the time when he ceased to be a member shall continue for a period of two years from the end of the financial year of the society following the date of his ceasing to be a member.

Section 43-Liability of the Estates of Deceased Members.

The estate of a deceased member shall be liable for a period of two years from the date of his death for the debts of a registered society as they existed at the date of his death.

Section 44-Register of Members.

Any register or list of members or shares kept by a registered society shall be prima facie evidence, if any, of the following particulars entered therein, that is to say:—

- (a) the date at which the name of any person was entered in the register or list as a member.
- (b) the date at which such person ceased to be a member.

Section 45-Settlement of Disputes.

(1) If any dispute touching the business of a registered society (other than a dispute regarding disciplinary action taken by the society or its committee against a paid servant of the society) arises—

- (a) between a member, past member or person claiming through a member, past member or deceased member and the society, its committee or any officer, agent or servant of the society;
- (b) between the society or its committee and any officer, agent or servant, or past officer, agent or servant or any nominee, heir or legal representative of any deceased officer, deceased agent, or deceased servant of the society;
- (c) between the society and any other registered society the dispute shall be referred to the Registrar for decision by him.

(2) Nothing in the preceding sub-paragraph shall empower the Registrar to decide any dispute relating to the ownership, possession or occupation of land.

(3) Without prejudice to the generality of the provisions of the two immediately preceding sub-paragraphs, a claim by a registered society for any debt or demand due to it from a member, past member or the heir or representative of a deceased member, whether the debt or demand be admitted or not, shall be deemed to be a dispute touching the business of the society within the meaning of the said sub-paragraphs.

(4) The Registrar may, on receipt of a reference under the provisions of sub-paragraph (1) of this paragraph:

- (a) decide the dispute, or
- (b) refer it for disposal to an arbitrator appointed by him.

(5) Where the Registrar is satisfied that a party to any reference made to him under sub-paragraph (1) of this paragraph with intent to defeat or delay the execution of any award that

may be made thereon:

(a) is about to dispose of the whole or any part of his property;

(b) is about to remove the whole or any part of his property from the local limits within which the property is situate, the Registrar may, unless adequate security is furnished, apply in writing to a Court for an interim attachment of the said property or of such part thereof as he thinks fit.

(6) The Registrar may, of his own motion or on the application of a party to a reference, revise any award thereon by the arbitrator to whom it was referred.

(7) Any decision given by the Registrar under paragraph (a) of sub-paragraph (4) or under sub-paragraph (6) and, subject to the provisions of sub-paragraph (6) any decision of an arbitrator appointed by the Registrar under paragraph (b) of sub-paragraph (4) shall be final and shall not be called in question in any Court.

(8) Any decision or award under this paragraph shall, on the application of the party in whose favour it is given, be enforced by any Court which would have jurisdiction in civil suits between the parties to the dispute to give a judgment for the payment of the amount awarded or, where the decision does not relate to the payment of money, to give a similar decision, in the same manner as if the decision or award had been a judgment or decision of such Court.

Section 46-Audit.

(1) The Registrar shall audit or cause to be audited the accounts of every registered society at least once in every year.

(2) The audit shall include an examination of overdue debts, if any and a valuation of the assets and liabilities of the registered society.

(3) The person appointed to audit the accounts of a registered society shall have power when necessary—

(a) to summon at the time of his audit any officer, agent, servant or member of the society who he has reason to believe can give material information in regard to any transactions of the society or the management of its affairs;

(b) to require the production of any book or document relating to the affairs of, or any cash or securities belonging to, the society by the officer, agent, servant or member in possession of such book, document, cash or securities;

(c) the Registrar, if he considers it necessary, or an officer appointed by him shall, in the exercise of his function of control,—

(i) countersign before payment all cheques issued by any co-operative society;

(ii) disallow any item of expenditure which is contrary to law or which, in his opinion, is unjustifiable.

(4) Any person aggrieved by a disallowance by the Registrar may appeal to the Commissioner responsible for Labour and Social Welfare who may confirm, vary or quash the decision of the Registrar, for reasons stated.

Section 47-Power of Inspection.

The Registrar or any person authorised by him in that behalf, shall at all reasonable times have access to all books, accounts, papers, cash and securities of a registered society, and every officer of the society shall furnish such information in regard to the transactions and working of the society as the person making the inspection may require.

Section 48-Enquiry by Registrar.

(1) The Registrar may of his own motion, and shall on the application of a majority of the committee, or of not less than one-third of the members, hold an enquiry or direct some person authorised by him in that behalf to hold an enquiry into the constitution, working and financial condition of a registered society.

(2) Every officer and member of a registered society shall produce such of the books and documents of the society and furnish such information in regard to the affairs of the society, as the Registrar or the person so authorised by him, may require.

Section 49-Inspection of Books of Indebted Society.

(1) The Registrar shall, on the application of any creditor of a registered society, inspect or direct some person authorised by him in that behalf to inspect the books of the society:

Provided that the applicant shall:—

(a) satisfy the Registrar that the debt is a sum then due and that he has demanded payment thereof and has not received satisfaction within a reasonable time; and

(b) deposit with the Registrar such sum as security for the cost of the proposed inspection as the Registrar may require.

(2) The Registrar shall communicate the result of any such inspection to the creditor.

Section 50-Cost of Enquiry or Inspection.

Where an enquiry is held under paragraph 48 of this Decree or an inspection is made under paragraph 49 of this Decree the Registrar may, by a certificate under his hand and seal, make an award apportioning the costs, or such part of the costs as he may think right, between the society,

the member or creditor demanding the enquiry or inspection, and the officers or former officers of the society.

Section 51-Recovery of Costs.

Any sum awarded by way of costs under paragraph 50 of this Decree shall be recoverable in the same manner as a civil debt in any Court having jurisdiction over the person against whom the award is made, on the production before the Court of the certificate referred to in the said paragraph.

Section 52-Recovery of Sums Due to Government and Other Persons.

(1) Sums due from a registered society to the Government and other persons may be recovered from the property of the society by legal proceedings duly instituted.

(2) In the event of a deficiency the balance may in the case of a registered society of limited liability be recovered from the members subject to the limit of their liability, and in the case of other societies, may be recovered from the members.

Section 53-Super Sessions of Committee.

(1) If, after an enquiry has been held under paragraph 48 of this Decree or after an inspection has been held under paragraph 49 of this Decree, the Registrar is of opinion that any registered society is not performing its functions in a proper manner he may, in writing after giving an opportunity to the committee to state its objections, if any, dissolve the committee and appoint a suitable person to manage the affairs of the society for a period not exceeding one year.

(2) The period specified by the Registrar may from time to time be extended by the Registrar so however that the total period of extension shall not exceed two years.

(3) The person so appointed shall, subject to the control of the Registrar and to such instructions as he may from time to time give, have to exercise all or any of the functions of the committee or of any other officer of the society, and to take all such action as may be required in the interests of the society.

(4) The Registrar may fix the remuneration to be paid to the person so appointed the amount of which remuneration and other costs, if any, incurred in the management of the society shall be paid from the funds of the society.

(5) The person so appointed shall, at the expiry of the period of his appointment, arrange for the constitution of a new committee in accordance with the bye-laws of the society.

(6) Nothing in this paragraph shall be deemed to affect the power of the Registrar to cancel the registration of a society under paragraph 54 of this Decree.

Section 54-Dissolution of Registered Society.

(1) If the Registrar, after an enquiry has been held under paragraph 48 of this Decree or after an inspection has been made under paragraph 49 of this Decree or on receipt of an application made by not less than three-fourths of the members of a registered society, is of the opinion that the society ought to be dissolved, he may by executive instrument cancel its registration.

(2) Where the Registrar cancels the registration of a society under sub-paragraph (1) of this paragraph he may make such order as he may deem fit respecting the custody of the books and documents and the protection of the assets of the society until the instrument cancelling the registration of the society takes effect.

Section 55-Cancellation of Registration.

Where it is a condition of the registration of a society that it shall consist of at least ten members the Registrar may by executive instrument cancel the registration of the society if at any time it is proved to his satisfaction that the number of the members has been reduced to less than ten.

Section 56-Effect of Cancellation of Registration.

(1) Where the registration of a society is cancelled the society shall cease to exist as a corporate body:

(a) in the case of a cancellation in accordance with the provisions of paragraph 54 of this Decree, from the date on which the instrument of cancellation is made;

(b) in the case of cancellation in accordance with the provisions of paragraph 55, of this Decree from the date of the instrument and the Registrar shall by writing under his hand determine the custody of the books and documents and the protection of the assets of the society.

(2) The powers and privileges vested in registered societies by paragraphs 23 to 25, 33 and 41 of this Decree shall survive in any duly appointed liquidator.

Section 57-Appointment of Liquidator on Cancellation of Registration.

Where the registration of a society is cancelled under paragraph 54 or 55 of this Decree the Registrar may appoint one or more persons to be liquidators of the society subject to his directions and control.

Section 58-Powers of Liquidator.

A liquidator appointed under paragraph 57 of this Decree shall, subject to the provisions of paragraph 59 of this Decree, be empowered to—

(a) decide the contributions to be made by members and past members of the society to its assets;

(b) appoint by notice in the Gazette a day before which creditors shall state their claims for admission;

- (c) decide any question of priority which arises between creditors;
- (d) institute and defend suits and undertake legal proceedings on behalf of the society as liquidator of the society;
- (e) decide by what persons and in what proportions the costs of liquidation are to be borne;
- (f) give such directions in regard to the collection and distribution of assets as may be necessary in the course of winding up the society;
- (g) compromise any claim by or against the society with the prior sanction of the Registrar;
- (h) call such general meetings of members as may be necessary for the proper conduct of the liquidation upon giving not less than fourteen days notice;
- (i) take possession of the books, documents and assets of the society;
- (j) realise the assets of the society;
- (k) carry on the business of the society so far as may be necessary for winding it up to the best advantage:

Provided that he shall not for this purpose be entitled to issue any loan;

- (l) distribute the assets of the society in accordance with any scheme approved by the Registrar.

Section 59-Registrar to Control Liquidation.

In connection with the liquidation of a registered society the Registrar may, for reasons stated—

- (a) rescind, vary or stay any decision, appointment, direction or other action given, made or taken by the liquidator and give, make or take such other decision, appointment, direction or other action as he may deem necessary:

Provided that this power shall not be exercised to the prejudice of a bona fide purchaser or transferee for value;

- (b) remove a liquidator from office;
- (c) call for all books, documents, and assets of the society;
- (d) upon such terms as the Court may direct, withdraw any action instituted by a liquidator;
- (e) in writing limit the power of a liquidator under paragraph 60 of this Decree;

- (f) require accounts to be rendered to him by the liquidator;
- (g) procure the auditing of the liquidator's accounts and authorise the distribution of the assets of the society;
- (h) determine the remuneration of the liquidator.

Section 60-Attendance of Witnesses.

The Registrar and any liquidator appointed under this Decree shall have the powers of the High Court to summon witnesses and to call for the production of books, documents and accounts and to examine witnesses on oath which oath may be administered by the Registrar or liquidator as the case may be.

Section 61-Enforcement of Decisions.

Any decision of a liquidator or the Registrar given under paragraph 58 or 59 of this Decree which involves the payment of any money by any person shall be binding on the parties and shall be enforced by any Court having jurisdiction in the same manner as an order of the said Court.

Section 62-Limitation on the Jurisdiction of Courts.

Except where it is otherwise expressly provided in this Decree, no Court shall have jurisdiction in respect of any civil matter in connection with the dissolution of a registered society.

Section 63-Closure of Liquidation.

- (1) When a liquidation has been closed and any creditor of a liquidated society has not claimed or received what is due to him under the scheme of distribution, the closing of the liquidation shall be published in the Gazette and no claims shall lie against the funds of the society liquidated after the expiration of two years from the date of the publication of the Gazette notice.
- (2) All moneys lying so unclaimed shall be available for use by the Registrar for any co-operative purpose at his discretion.

Section 64-Offences.

- (1) It shall be an offence under this Decree if—
 - (a) a registered society or an officer or a member thereof wilfully neglects or refuses to do any act or to furnish any information required for the purposes of this Decree by the Registrar or other person duly authorised by him in that behalf;
 - (b) a registered society or an officer or member thereof wilfully makes a false return or furnishes false information; or

(c) any person wilfully and without any reasonable excuse disobeys any summons, requisition or lawfully written order issued under the provisions of this Decree or does not furnish any information lawfully required from him by a person authorised to do so under the provisions of this Decree.

(2) Any registered society, officer or member of the society or other person guilty of an offence under this paragraph shall be liable on conviction to a fine of two hundred new cedis in respect of any offence under sub-paragraph (b) and of one hundred new cedis in respect of any other offence under this paragraph.

Section 65-Prohibition of the Use of the Word "Co-operative".

(1) No person other than a registered society shall, without the prior approval of the Commissioner responsible for Labour and Social Welfare, trade or carry on business under any name or title of which the word "Co-operative" is part.

(2) Nothing in this paragraph shall apply to the use by any person or his successor in interest of any name or title under which he traded or carried on business on the 8th day of May, 1937.

(3) Any person who contravenes the provisions of this paragraph shall be guilty of an offence and shall be liable on conviction to a fine not exceeding one hundred new cedis, and in the case of a continuing offence to a further penalty of two new cedis for every day during which the offence continues.

Section 66-Non-Application of Company Laws.

The provisions of any enactment relating to the formation and registration of companies shall not apply to societies registered under this Decree.

Section 67-Power to Make Regulations.

The Commissioner responsible for Labour and Social Welfare may, by legislative instrument, make regulations for the purpose of carrying into effect the provisions of this Decree.

Section 68-Remuneration of Registrar.

In relation to the duties to be performed by the Registrar under this Decree the Commissioner responsible for Labour and Social Welfare may determine the fees to be paid to the Registrar by any society and may require the society to pay into the Consolidated Fund, and shall have the power to recover, such fees together with any expenses incurred by the Registrar in the performance of his duties.

Section 69-Interpretation.

In this Decree, unless the context otherwise requires:

"bonus" means a share of the net surplus of a registered society divided among its members in proportion to the volume of business each member has transacted with the society, or in proportion to the services or labour contributed to the society from which the net surplus of the society was derived;

"bye-laws" means a registered bye-law made by a registered society in the exercise of any power conferred by this Decree and includes a registered amendment of a bye-law;

"central society" has the meaning assigned to it by sub-paragraph (2) of paragraph 3 of this Decree and includes a central financing society;

"central financing society" has the meaning assigned to it by sub-paragraph (5) of paragraph 3 of this Decree;

"committee" has the meaning assigned to it by sub-paragraph (2) of paragraph 10 of this Decree;

"dividend" means a share of the profits of a registered society divided among its members in proportion to the share capital held by them;

"member" includes a person or registered society joining in the application for the registration of a society, and a person or registered society duly admitted to membership after registration;

"officer" includes a president, chairman, secretary, treasurer, member of committee or other person empowered under the regulations or bye-laws to give directions in regard to the business of a registered society;

"registered society" has the meaning assigned to it by sub-paragraph (1) of paragraph 3 of this Decree;

"Registrar" means the Registrar of Co-operative Societies.

Section 70-Repeal and Saving.

(1) The Co-operative Societies Ordinance (Cap.190) is hereby repealed.

(2) Notwithstanding the repeal of the enactment referred to in sub-paragraph (1) of this paragraph, every statutory instrument made under that enactment and in force on the day immediately before the commencement of this Decree shall, until it is altered, revoked or otherwise modified under this Decree, continue in force as if made under this Decree.