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CHAPTER 29

CO-OPERATIVE SOCIETIES

A Law to make provision with respect to Co-operative Societies.

[6th February, 1936]

1. This Law may be cited as the Co-operative Societies Law.

2. Definitions—

“bonus” means a share of the profits of a registered society divided among its members in proportion to the volume of business done with the society by them from which the profits of the society were derived;

“by-laws” means the registered by-laws made by a society in the exercise of any power conferred by this Law, and includes a registered amendment of the by-laws;

“central financing society” means a registered society of which the principal object is to make loans to other registered societies;

“central society” means a registered society established to facilitate the operations of registered societies in accordance with co-operative principles and includes a central financing society;

“committee” means the governing body of a registered society to whom the management of its affairs is entrusted;

“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 admitted to membership after registration in accordance with the by-laws and regulations;

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

"registered society" means a co-operative society registered under this Law;

L.N. 112 of
1964.
L.S.L.N. 16
of 1972.

"registrar" means the registrar of co-operative societies under this Law.

Registration of Co-operative Societies

Appointment
of registrar,
etc.
L.N. 112 of
1964.

3. There may be appointed a fit person to be registrar of co-operative societies and such other persons to assist him as may be necessary; and the persons appointed to assist the registrar shall have such of the powers of the registrar as may from time to time be conferred upon them by notice in the State Gazette.

Seal.
L.N. 112 of
1964.

4. Any person appointed as a registrar under section 4 shall have a seal of such device as may be approved by the State Commissioner. Impressions of such seal shall be judicially noticed.

Societies
which may
be registered.

5. Subject to the provisions of this Law, a society which has as its objects the promotion of the economic interests of its members in accordance with co-operative principles, or a society established for the purpose of facilitating the operations of such societies, may be registered under this Law with or without limited liability.

Conditions
of registra-
tion.

6. (1) No society, other than a society of which a registered society is a member, shall be registered under this Law which does not consist of at least ten persons qualified for membership under this Law.

(2) No society established for the purpose of facilitating the operations of registered societies shall be registered unless at least two registered societies are members thereof.

(3) (a) The word "co-operative" or its vernacular equivalent shall form part of the name of every society registered under this Law.

(b) The word "limited" or its vernacular equivalent shall be the last word in the name of every society with limited liability registered under this Law.

(c) Save in the case of a central financing society, the word "bank" or "banking" shall not form part of the name of any society reg-

7. (1) For purposes of registration an application to be registered shall be made to the registrar.

(2) The application shall be signed—

(a) in the case of a society of which no member is a registered society, by at least ten persons qualified for membership under this Law; and

(b) in the case of a society of which a registered society is a member, by a duly authorised person on behalf of every such registered society, and where all the members of the society are not registered societies, by ten other members or, where there are less than ten other members, by all of them.

(3) The application shall contain details of the objects of the society and such application shall be submitted by the registrar to the State Commissioner and shall be subject to the State Commissioner's approval:

Provided that where the State Commissioner has given his general approval to certain objects and the registrar has been informed of such fact an application in respect of any such object need not formally be referred to the State Commissioner but the registrar may endorse the application to the effect that it is in respect of an object approved of by the State Commissioner and such endorsement shall, for the purposes of this Law, serve as the State Commissioner's approval to such application.

(4) The application shall be accompanied by two copies of the proposed by-laws of the society, and the persons by whom or on whose behalf such application is made shall furnish such information in regard to the society as the registrar may require.

8. If the registrar is satisfied that the objects of the society have been approved as in subsection (3) of section 7 and that the society has complied with the provisions of this Law and the regulations and that its proposed by-laws are not contrary to the Law or to the regulations, he may, if he thinks fit, register the society and its by-laws.

9. The registration of a society shall render it a body corporate by the name under which it is registered, with perpetual succession and a common seal, and with power to hold movable and immovable property of every description, to enter into contracts, to

institute and defend suits and other legal proceedings and to do all things necessary for the purposes of its constitution.

Evidence of registration.
L.N. 112 of 1964.

10. 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.

Power to exempt societies from requirements as to registration.
L.N. 257 of 1959.

11. Notwithstanding anything contained in this Law the State Commissioner may, by writing under his hand and subject to such conditions, if any, as he may impose, exempt any particular society from any of the requirements of this Law as to registration.

Duties and Privileges of Registered Societies

Power to make by-laws.
L.N. 112 of 1964.

12. Every registered society may, subject to the approval of the registrar, make by-laws for any such things as are necessary or desirable for the purposes for which such society is established.

Change of name.

13. A society may, by an amendment of its by-law on the subject duly registered, change its name, but such change shall not affect any right or obligation of the society or of any of its members or past members, and any legal proceedings pending may be continued by or against the society under its new name.

Amendment of the by-laws of a registered society.

14. (1) No amendment of the by-laws of a registered society shall be valid until the same has been registered under this Law, for which purpose two copies of the amendment shall be forwarded to the appropriate registrar.

(2) If the registrar is satisfied that the amendment of the by-laws is not contrary to this Law or to the regulations, he may, if he thinks fit, register the amendment.

(3) When the registrar registers an amendment of the by-law of a registered society, he shall issue to the society a copy of the amendment certified and sealed by him, and such copy so certified and sealed shall be conclusive evidence that the amendment is duly registered.

Address of societies.

15. Every registered society shall have an address, registered in accordance with the regulations, to which all notices and communications may be sent, and shall send to the registrar notice of every change thereof.

16. Every registered society shall keep a copy of this Law and of the regulations and of its by-laws open to inspection, free of charge, at all reasonable times at the registered address of the society.

17. (1) A registered society shall not make a loan to any person other than a member:

Provided that, with the general or special sanction of the registrar, a registered society may make loans to another registered society.

(2) The State Commissioner may by order prohibit or restrict the lending of money on mortgage of immovable property by all or any societies registered under this Law.

18. Subject to the provisions of section 19, 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 the regulations or by-laws.

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

(2) A receipt signed or otherwise validly given by a minor or his guardian for money paid to him under this section shall be a sufficient discharge therefor.

20. Save as provided in sections 17, 18 and 19 the transactions of a registered society with persons other than members shall be subject to such prohibitions and restrictions, if any, as may be prescribed.

21. All moneys payable or due by a member to a registered society under this Law or the regulations made thereunder or the by-laws of the society or in connection with its business shall be a debt due from such member to the society.

22. 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 fund payable to a member or past member in respect of any debt due from

such 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.

Priority of claim of society against crops, cattle, and other property.

23. Subject to the prior claims of the Government on the property of its debtors and of landlords in respect of rent, or any money recoverable as rent—

- (a) any debt or outstanding demand owed to a society by any member or past member shall be a first charge—
 - (i) upon crops or other agricultural produce raised in whole or in part with a loan taken from the society by such 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 such member or past member by the society, or purchased by him in whole or in part with any loan, whether in money or goods, given him by the society:

Provided that nothing contained herein shall affect the claims of any *bona fide* purchaser or transferee for value without notice of any such crops, or other, agricultural produce, cattle, fodder for cattle, or raw materials for manufacture, or agricultural or industrial implements or workshops, stores or places of business:

- (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.

Share or interests not liable to attachment.

24. Subject to the provisions of section 22 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 such member, and the official receiver under any law relating to bankruptcy which may for the time being be in force shall not be entitled to or have any claim on such share or interest.

25. A registered society may invest or deposit its funds—
- (a) in the Post Office Savings Bank; or
 - (b) in any securities approved by the registrar, issued or guaranteed by a Government of a Commonwealth country; or
 - (c) in the shares of any other registered society; or
 - (d) with any bank or person carrying on the business of banking, approved for this purpose by the registrar; or
 - (e) in any other mode permitted by the regulations.

26. (1) A registered society, having as one of its objects the disposal of any produce of agriculture or animal husbandry or handicrafts, may contract with its members, either in its by-laws or by a separate document, that they shall dispose of all their produce, or of such amounts or descriptions as may be stated therein, not being produce in respect of which they have previously entered into a contract for its disposal, to or through the society, and may in the contract provide for payment of a specific sum per unit of weight or other measure as liquidated damages for infringement of the contract, and such sum shall be a debt due to the society.

(2) Any such contract shall, subject to any existing charges, create in favour of the society a first charge upon all produce mentioned therein in order to secure the due marketing of the same in accordance with the contract.

27. No society shall pay a dividend or bonus or otherwise distribute any part of its net surplus except as provided in its by-laws or until the proposed payment or distribution has been approved by the registrar.

28. At least 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. 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 the regulations and by-laws:

Provided that the registrar shall have power in the case of any society of limited liability to grant from time to time exemption

from further contributions to the reserve fund, or to reduce the rate thereof. He shall also have power to revoke such exemption or reduction.

Power of registrar to prescribe with regard to certain matters.

29. (1) A registrar shall have power to give directions prescribing—

- (a) the accounts and books to be kept by a society;
- (b) the returns to be submitted by a society to the registrar and the persons by whom and the form in which such returns shall be submitted;
- (c) the maximum loan which may be made by a society to any of the members thereof without the prior consent of the registrar.

L.N. 112 of 1964.

(2) Directions given by the registrar under this section may apply to all or any societies registered under this Law.

Proof of entries in societies' books.

30. (1) 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 by the regulations, be received in any suit or legal proceedings as *prima facie* evidence of the existence of such entry and shall be admitted as evidence of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is admissible.

(2) No officer of a society shall in any legal proceedings to which the society is not a party be compelled to produce any of the society's books, the contents of which can be proved under subsection (1); or to appear as a witness to prove the matters, transactions and accounts therein recorded, unless by order of the court made for special cause.

Exemption from compulsory registration of instruments relating to shares and debentures of registered society.

31. Nothing in the law 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 such society consist in whole or in part of immovable property; or
- (b) any debenture issued by any such 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; or

- (c) any endorsement upon or transfer of any debentures issued by any such society; or
- (d) any charge created in favour of a registered society by a member of that society in respect of any produce of his agriculture or his land.

32. (1) The State Commissioner by a notice published in the State Gazette may in the case of all or any of the societies registered under this Law reduce or remit—

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

(2) The State Commissioner may by a notice published in the State Gazette cancel or modify any notice published under subsection (1).

Membership, Rights and Liabilities of Members

33. (1) To be qualified for membership of a registered society a person must be—

- (a) capable of entering into a legally enforceable contract;
- (b) resident within the society's area as defined in its by-laws or, in the case of a society of limited liability, a holder of landed property within such area:

Provided that the registrar shall have power, in the case of a society of limited liability, to grant exemption from the second qualification.

(2) When any question arises, for the purposes of this section, as to whether any person is of the age referred to in paragraph (a) of subsection (1) or as to the residence of any person, or as to whether any person is the holder of landed property, the same shall be decided by the committee, subject to an appeal to the registrar, whose decision shall be final.

Member not to exercise rights until prescribed payment made.

Restriction on interest of member of society.

Restriction on membership of more than one society.
L.N. 112 of 1964.

Votes of members.

Restrictions on transfer of share or interest.

Transfer of interest on death of member.

34. No member of a registered society shall exercise the rights of a member unless or 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 the regulations or by-laws.

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

36. No member of any registered society which has power under its by-laws to grant loans to its members shall, except with the sanction of the registrar first had and obtained, be a member of any other registered society having that power.

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

Provided that in the event of the votes given for and against any proposal being equal in number the chairman shall have a casting vote.

(2) 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 such other registered society, any one of its members.

38. (1) The 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 by this Law or by the regulations.

(2) In the case of a society registered with unlimited liability a member shall not 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.

39. (1) On the death of a member a registered society may transfer the share or interest of the deceased member to the person nominated in accordance with the regulations made in this behalf, or if there is no person so nominated, to such person as may appear to the committee to be the legal personal representative of the deceased member, or pay to such nominee or legal personal representative

as the case may be, a sum representing the value of such member's share or interest, as ascertained in accordance with the regulations or by-laws:

Provided that in the case of a society with unlimited liability, nominee or legal personal representative, as the case may be, require payment by the society of the value of the share or interest of the deceased member ascertained as aforesaid.

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

(3) All transfers and payments made by a registered society in accordance with the provisions of this section shall be valid and effectual against any demand made upon the society by any person.

40. The liability of a past member for the debts of a registered society as they existed 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.

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

42. Any register or list of members or shares kept by any registered society shall be *prima facie* evidence of any of the following particulars entered therein—

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

43. All information contained in the books and accounts of a registered society relating to the property or the financial situation of the society's members shall be wholly exempt from disclosure for any purpose relating to any income or other tax or to rating.

Disputes

44. (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) among members, past members and persons claiming through members, past members and deceased members; or
- (b) 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; or
- (c) between the society or its committee and any officer, agent or servant of the society; or
- (d) between the society and any other registered society,

such dispute may be referred to the registrar for decision, or, if the dispute is one between a society registered in the Lagos State and a society registered in another State of Nigeria of which the law contains provisions similar to those contained in this section, to the registrar for the Lagos State and the registrar of the other State jointly (hereafter in this section referred to as the joint registrars).

Without prejudice to the generality of the provisions of this subsection, a claim by a registered society for any debt or demand due to it from a member, past member or the nominee or legal personal representative of a deceased member, whether such debt or demand be admitted or not, shall be deemed to be a dispute touching the business of the society within the meaning of this subsection.

L.S.L.N. 16
of 1972.

(2) On receipt of such reference, a registrar, or the joint registrars together, may—

- (a) decide the dispute; or
- (b) subject to the provisions of any regulations, refer it for disposal to an arbitrator or arbitrators.

L.S.L.N. 16
of 1972.

(3) Subject to the provisions of any regulations, a dispute referred under paragraph (b) of subsection (2) may be withdrawn by the registrar, or by the joint registrars acting together, and decided under paragraph (a) of the said subsection.

L.S.L.N. 16
of 1972.

(4) Where it appears to the satisfaction of the registrar, or joint registrars together, that a party to any dispute referred under subsection (1), with intent to defeat or delay the execution of any decision that may be passed thereon—

- (a) is about to dispose of the whole or any part of his property, or
- (b) is about to remove the whole or any part of his property from the territorial limits of the jurisdiction of the registrar or joint registrars,

the registrar, or one or both of the joint registrars, may, unless adequate security is furnished, direct the conditional attachment of

the said property or such part thereof as seems necessary; and such attachment shall have the same effect as if it had been made by a competent court.

(5) The registrar, or the joint registrars acting together, on his or their own motion, or on the application of a party to the dispute, may, at any time, revise any decision thereon by the arbitrator or arbitrators to whom it has been referred.

(6) (a) Any decision given under paragraph (a) of subsection (2) or under subsection (5) shall be final and shall not be called in question in any court.

(b) Any decision given by an arbitrator or arbitrators under paragraph (b) of subsection (2) shall, save as otherwise provided in subsection (5), be final and shall not be called in question in any court.

(c) The decision 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 the judgment for the payment of the amount awarded or, where the decision does not relate to the payment of money, to give effect to the decision, in the same manner as if the decision had been a judgment or decision of such court.

Audit, Inspection and Inquiries

45. (1) The registrar shall audit or cause to be audited by a person authorised by him in writing in this behalf the accounts of every registered society once at least in every year.

(2) The audit under subsection (1) shall include an examination of overdue debts, if any, and a valuation of the assets and liabilities of the society.

(3) The registrar and every other person appointed to audit the accounts of a 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 may be able to give material information in regard to any transactions of the society or the management of its affairs; or
- (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.

Power of
registrar to
inspect.
L.N. 112 of
1964.

46. The registrar, or any person authorised in writing in this behalf by the registrar, shall at all times have access to all books, accounts, papers, cash and securities of a 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 such inspection may require.

Inquiry by
registrar.
L.N. 112 of
1964.

47. (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 inquiry or direct some person authorised by him in writing in this behalf to hold an inquiry into the constitution, working and financial condition of a registered society.

(2) All officers and members of the 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 the registrar may require.

Inspection
of books of
indebted
society.
L.N. 112 of
1964.

48. (1) The registrar shall, on the application of a creditor of a registered society, inspect or direct some person authorised by him in writing in this behalf to inspect the books of the society:

Provided that—

- (a) the applicant satisfies 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) the applicant deposits with the registrar such sum as security for the costs of the proposed inspection as the registrar may require.

(2) The registrar shall communicate the results of any such inspection to the creditor.

Costs of
inquiry or
inspection.
L.N. 112 of
1964.

49. Where an inquiry is held under section 47 or an inspection is made under section 48 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 members, or creditor demanding an inquiry or inspection, and the officers or former officers of the society.

Recovery
of costs.

50. Any sum awarded by way of costs under section 49 shall be recoverable in the same manner as a 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 section.

51. (1) Such sums as may be due from a registered society from an officer or member or past member of a registered society such to the Government under section 49 may be recovered in the manner provided for the recovery of debts due to the Government under the law for the time being in force.

(2) Sums due from a registered society to the Government recoverable under subsection (1) may be recovered first, from the property of the society; secondly, in the case of a society of which the liability of members is limited, from the members subject to the limit of their liability; and, thirdly, in the case of other societies, from the members.

Dissolution of a Registered Society

52. (1) If the registrar, after an inquiry has been held under section 47 or after an inspection has been made under section 48 on receipt of an application made by three-fourths of the members of a registered society, is of opinion that the society ought to be dissolved he may cancel the registration of the society.

(2) Any member of a society may, within two months from the date of an order made under subsection (1), appeal from such order to the State Commissioner.

(3) Where no appeal is presented within two months from the making of an order cancelling the registration of a society, the order shall take effect on the expiry of that period.

(4) Where an appeal is presented within two months the order shall not take effect until it is confirmed by the State Commissioner.

(5) Where the registrar cancels the registration of a society under subsection (1) 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 order cancelling the registration of the society takes effect.

53. Where it is a condition of the registration of a society that the number of members should be at least ten the registrar may 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.

54. Where the registration of a society is cancelled the society shall cease to exist as a corporate body—

- (a) in the case of cancellation in accordance with the provision

of section 52, from the date on which the order of cancellation takes effect;

- (b) in the case of cancellation in accordance with the provisions of section 53, from the date of the order:

Provided that the privileges conferred on registered societies by sections 22, 23, 24, 32 and 39 shall survive in any duly appointed liquidator.

55. Where the registration of a society is cancelled under section 52 or section 53, the registrar may appoint one or more persons to be, under his guidance and control, liquidators of the society.

56. A liquidator appointed under section 55 shall, subject to any limitation under section 57, have power to—

- (a) decide, subject to any by-laws defining the liability of members, the contributions to be made by members and past members of the society to its assets;
- (b) appoint by notice in the State Gazette a day before which creditors shall state their claims for admission or be excluded from any distribution made before they have proved them;
- (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 provided the sanction of the registrar has first been obtained;
- (h) call such general meetings of members as may be necessary for the proper conduct of the liquidation, giving not less than fourteen days' notice of every such meeting;
- (i) take possession of the books, documents and assets of the society;
- (j) sell the property of the society;
- (k) carry on the business of the society so far as may be necessary for winding it up beneficially, provided that he shall not for

Liquidation after cancellation of registration of society. L.N. 112 of 1964.

Liquidator's powers.

L.N. 112 of 1964.

- (l) arrange for the distribution of the assets of the society in convenient manner when a scheme of distribution has been approved by the registrar.

57. (1) In exercise of the powers of control and revision conferred upon him by this Law the registrar may—

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

Provided that this power shall not be exercised to the prejudice of a *bona fide* transferee of any property for value;

- (b) remove a liquidator from office;
- (c) call for all books, documents, and assets of the society;
- (d) withdraw from court any action instituted by a liquidator;
- (e) by order in writing limit the powers of a liquidator under section 56;
- (f) require accounts to be rendered to him by the liquidator at his discretion;
- (g) procure the auditing of the liquidator's accounts and authorise the distribution of the assets of the society;
- (h) make an order for the remuneration of the liquidator;
- (i) refer any subject of dispute between a liquidator and a third party to arbitration if that party shall have signed an assent to be bound by the decision of the arbitrator.

(2) The decision of any arbitrator so appointed shall be binding upon the parties and shall be enforceable as an order of the registrar under section 60.

58. Regulations may be made for the purpose of providing for appeal to the High Court against any order made—

- (a) by a liquidator under paragraph (a), (c) or (e) of section 57 and
- (b) by the registrar rescinding or varying, or given in substitution for, any order of the liquidator made under any of the said paragraphs.

Attendances of witnesses and production of documents.

59. Subject to anything in the regulations provided, a registrar and any liquidator appointed under this Law shall, in so far as such powers are necessary for carrying out the purposes of sections 56 and 57 have all such powers as are vested in a magistrate on the occasion of any action in respect of summoning parties, enforcing the attendance of witnesses and compelling the production of documents.

Enforcement of decisions of liquidator and registrar.

60. Any decision of a liquidator or a registrar given under section 56 or 57 which involves the payment of any money by any person, may be enforced by any court having jurisdiction in the same manner as an order of the said court.

Limitation of the jurisdiction of courts.

61. Save in so far as is hereinbefore expressly provided, no court shall have any jurisdiction in respect of any civil matter connected with the dissolution of a registered society.

Closure of liquidation.

62. (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 State Gazette and all claims against the funds of the society liquidated shall be prescribed when two years have elapsed from the date of the publication of the State Gazette notice.

L.N. 112 of 1964.

(2) All money lying thus unclaimed shall be available for use by the registrar for any administrative or co-operative purpose at his discretion.

Regulations

Power to make regulations. L.N. 112 of 1964.

63. (1) The State Commissioner may make regulations for the purposes of this Law—

- (a) respecting the duties and functions of the registrar;
- (b) with regard to all or any societies registered under this Law.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may—

- (a) subject to the provisions of section 35, prescribe the maximum number of shares or portion of the capital of a society which may be held by a member;
- (b) prescribe the forms to be used and the conditions to be complied with in the making of applications for the registration of societies, and the procedure to be followed with regard to such applications;
- (c) prescribe the matters in respect of which a society may or shall make by-laws and for the procedure to be followed in

- making, altering, and revoking by-laws, and the conditions to be satisfied prior to such making, alteration or revocation;
- (d) prescribe the conditions to be complied with by persons applying for admission or admitted as members and provide for the election and admission of members, and the payment to be made and the interests to be acquired before the exercise of the right of membership;
- (e) provide for the consent of any authority before funds raised by means of shares or debentures or otherwise regulated in the manner in which the same are to be raised and prescribe the form in which any application for financial assistance from the Government shall be made;
- (f) provide for general meetings of the members, empower the registrar or any person authorised by him to summon such meetings, provide for the procedure at such meetings, and the powers to be exercised by such meetings, and the appointment of representatives of affiliated societies to the meetings of central societies;
- (g) provide for the appointment, suspension and removal of members of the committee and other officers, and for the procedure at meetings of the committee, and for the powers to be exercised and the duties to be performed by the committee and other officers;
- (h) provide for the audit of the accounts and books to be kept by a society and the charges, if any, to be made for such audit;
- (i) provide for the periodical publication of a balance sheet showing the assets and liabilities of a society;
- (j) provide for the persons by whom and the form in which copies of entries in books of societies may be certified;
- (k) provide for the formation and maintenance of a register of members and, where the liability of members is limited by shares, of the register of shares;
- (l) provide for the withdrawal and expulsion of members and for the payments, if any, to be made to members who withdraw or are expelled;
- (m) provide for the mode in which the value of a deceased member's interest shall be ascertained and for the nomination of a person to whom such interest may be paid or transferred;
- (n) provide for the mode in which the value of the interest of a member who has become of unsound mind and incapable of managing himself or his affairs shall be ascertained, and for

the nomination of any person to whom such interest may be paid or transferred;

- (o) provide that the giving of a receipt by or on behalf of a minor shall be a valid discharge for the sums so paid;
- (p) prescribe the conditions to be complied with by members applying for loans, and make provision with respect to the periods for which loans may be made and the amounts which may be lent to, and the payments to be made by, an individual member;
- (q) prescribe the maximum rate of interest which may be charged on loans by societies and the maximum rate of interest which may be paid on deposits with societies;
- (r) provide for the formation and maintenance of reserve funds, and the objects to which such funds may be applied, and for the investment of any funds under the control of the society;
- (s) prescribe the extent to which a society may limit the number of its members;
- (t) prescribe the conditions under which accumulated funds may be distributed to the members of a society and the maximum rate of dividend which may be paid by societies;
- (u) prescribe the procedure to be followed by a liquidator appointed under section 55;
- (v) prescribe in accordance with section 58 the cases in which an appeal shall lie from an order of a liquidator or the registrar, and prescribe the procedure to be followed in presenting and disposing of such appeals.

L.N. 112 of
1964.

(3) In any case where the registrar is satisfied that a substantial number of members of any society are unacquainted with the English language, he shall cause such regulations to be translated into a language with which such members are acquainted, and additionally to be made known in such manner as is customary for the community concerned.

Miscellaneous

64. The State Commissioner by writing under his hand, may exempt any particular registered society registered under this Law from any of the provisions of this Law or direct that such provisions shall apply to such society with such modifications as the State Commissioner may specify.

Power to
exempt
registered
societies
from pro-
visions of
the
Law.
L.N. 257 of
1959.

65. Any co-operative society with a registered address in the Lagos State which, immediately before the 27th May, 1967, was or was deemed to be, a registered society under the Co-operative Societies Law of the former Western Nigeria shall be deemed to be a registered society registered under this Law.

66. (1) In this section "the Regional Law" means the Co-operative Societies Law of the former Western Nigeria.

(2) In relation to any such registered society as is referred to in section 65 of this Law—

- (a) nothing in this Law shall affect any order, rule, regulation, certificate, exemption, appointment, conveyance, mortgage deed or agreement made or issued, resolution passed, direction given, proceeding taken, instrument issued or thing done under the Regional Law and any such order, rule, regulation, certificate, exemption, appointment, conveyance, mortgage deed or agreement which was in force immediately before the commencement of this Law shall, so far as it could lawfully have been made, passed, given, taken, issued or done under this Law, have effect and may be amended or revoked as if it had been so made, passed, given, taken, issued or done;
- (b) any document referring to the Regional Law shall, in relation to anything which takes place after the 1st May, 1968, be construed as referring to the corresponding enactment of this Law;
- (c) the registration register or other record of registered societies (by whatever name it may be known) kept by the registrar in the Lagos State shall contain copies of any entries made in the registration register kept by the registrar appointed under the Regional Law;
- (d) any funds held by the registrar appointed under the Regional Law on behalf of or to the credit of a registered society shall be transferred to and held by the registrar in the Lagos State for a like purpose.

(3) Where the registration of a registered society with a registered address in the Lagos State has been cancelled under section 42 of the Regional Law and the liquidation of the society has not been completed, the liquidator appointed under the Regional Law, or liquidator appointed in his place by the registrar in the Lagos State shall have power to proceed with the liquidation of the society as if the registration of the society had been cancelled and the liquidator

tion commenced under this Law, and the provisions of subsection (2) of section 62 of this Law shall apply in respect of any money lying unclaimed when the liquidation has been closed.

Special provisions for central societies with addresses outside Lagos. Powers of State registrar. L.N. 112 of 1964. L.S.L.N. 16 of 1972.

67. (1) Where—

- (a) a co-operative society is registered with an address anywhere in the Federation outside the Lagos State, under the provisions of any Ordinance or Law enacted, or having effect as if it had been enacted, by the Legislature of any other State of Nigeria;
- (b) the purposes of the society are such that if it had been registered with an address in the Lagos State under this Law it would have been a central society for the purposes of this Law; and
- (c) the society carries on any business or has any assets, records or books of account in the Lagos State;

the registrar of the other State shall have and may exercise in the Lagos State in relation to such society and to the officers, agents, servants, members and creditors of such society all the powers conferred upon the registrar in the Lagos State by sections 45, 46, 47, 48 and 49 of this Law, and the provisions of sections 50, 51 and 68 of this Law shall apply in relation to the exercise of such powers by the registrar of the other State.

L.N. 112 of 1964.

(2) In this section "registrar of the other State" means any officer appointed under the Ordinance or Law under which a society referred to in subsection (1) is registered and exercising function analogous to those conferred upon the registrar in the Lagos State by this Law.

Offences.

Wilful neglect or default by a society. L.N. 112 of 1964.

Wilful furnishing of false information. Disobedience of summons, requisition or order.

68. (1) It shall be an offence under this Law if—

- (a) a society or an officer or a member thereof willfully neglects or refuses to do any act or to furnish any information required for the purposes of this Law by the registrar or other person duly authorised by him in writing in this behalf; or
- (b) a 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 lawful written order issued under the provisions of this Law or does not furnish

any information lawfully required from him by a person authorised to do so under the provisions of this Law.

(2) Every society, officer or member of a society or other person guilty of an offence under this section shall be liable to a fine of fifty naira.

69. (1) No person other than a registered society shall trade or carry on business in any State under any name or title of which the word "co-operative" is part without the sanction of the State Commissioner.

(2) Whoever contravenes the provisions of this section shall be liable to a fine of ten naira, and in the case of a continuing offence to a further fine of two naira for each day during which the offence continues.

70. (1) The provisions of the Moneylenders Law shall not apply to societies registered under this Law.

(2) The provisions of the Arbitration Law shall not apply to proceedings under section 44 of this Law.

(3) The provisions of the Pawnbrokers Law shall not apply to agricultural produce or the products of handicraftsmen pledged, pawned or otherwise delivered to a society registered under this Law, by the members of the society.

Note on Sources

In the Revised Edition of the Laws of the Federation of Nigeria and Lagos, 1958, the provisions of the Co-operative Societies Act and the Co-operative Societies (Lagos) (Miscellaneous Provisions) Act were printed as Parts A and B of Chapter 39. In this edition they are printed as a single Law, and the sources of the sections of the Law are as follows—