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**HHOHHO FRUIT AND VEGETABLE MARKETING
COOPERATIVE SOCIETY**

**POLICIES,
JOB DESCRIPTIONS,
AND BY-LAWS**

**SWAZILAND COMMERCIAL AGRICULTURAL PRODUCTION
AND MARKETING PROJECT**

March, 1996

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SECTION I - POLICIES

**HHOHHO FRUIT AND VEGETABLE MARKETING
CO-OPERATIVE SOCIETY LTD.**

LUG BOX POLICY

1. Lug boxes are to be used only for the transport of member's produce between farm and pack house.
2. Lug boxes supplied to members are only to be used for produce to be delivered to the co-op's pack house.
3. Members found to be using the society's lug boxes for other purposes than the delivery of produce to the pack house may be denied the use of the society's lug boxes by the committee.
4. All customers wishing to purchase produce in bulk must supply their own packaging material, as none of the society's lug boxes will be allowed to leave the pack house.
5. For produce sales, other than bulk sales, the co-op will pack all produce into disposable containers, the price of which will be added to the sale price of the produce.
6. The manager shall insure that all the society's lug boxes are clearly branded with the co-op's mark.
7. All lugs supplied to members must be signed for by the member or his agent, in a lug box book to be maintained at the pack house. This shall record the date, farmer name and number, the number of lug boxes taken, and the signature of the farmer or his agent and the signature of the co-op employee charged with the distribution of lug boxes. A copy of this record will be given to the farmer or his agent at the time lug boxes are issued.
8. The manager shall ensure that the bookkeeper maintains an individual lug box account for each farmer as well as a pack house lug box account, recording debit, credit, and balance of lug boxes to each account.
9. Members shall take lug boxes only for their own use and should not exchange lug boxes between members. If members must exchange lug boxes, both members must report the exchange to the book keeper so that lug box accounts may be properly adjusted. If this procedure is not followed, the member originally issued the lug boxes will be held responsible for their return and will be assessed any penalties resulting from the non-return of the lug boxes.
10. Return of lug boxes to the pack house is to be recorded in the produce delivery (receival) book. In cases, where boxes are returned with produce,

normal delivery (receival) records will be issued and the members lug box account credited with lug boxes returned. In the case, that lug boxes are returned empty, the quantity shall be recorded in the produce delivery (receival) book as return of empty lug boxes and the members account credited accordingly.

11. Broken or damaged lug boxes must be returned to the pack house for credit and are in no instance to be discarded by the farmer.
12. The bookkeeper shall provide each member with a statement of his/her lug box account balance at the end of each month. Members, who disagree with lug box account statement balances must make queries to the manager within 7 days of receipt of the statement. The committee shall mediate and make the final decision in the case of disagreements.
13. Members will be charged a penalty of E20,00 per lug box for each lug box not returned to the pack house. The committee reserves the right to change the penalty charged per lug box based on the replacement cost of new lug boxes.
14. The committee shall reserve the right to deduct any penalties, for the failure to return lug boxes, charged against a member, from monies owed to the member for the sale of produce through the pack house and/or shares held in the society by the member. In the event, that a member's produce and share accounts are liquidated by the assessment of penalties, the member shall cease to be a member of the society and the committee may pursue any other legal means to secure payment for lug boxes not returned to the society.
15. The committee shall direct the manager to recall all lug boxes to the pack house for stock taking twice per year, e.g., May, and december. The manager shall advise all members verbally and in writing of the date by which lug boxes are to be returned. Any member who does not return lug boxes held by this date will be subject to penalties as above.
16. The committee shall ensure the deposit of funds equivalent to 10% of the total value of lug boxes held by the society into a depreciation account annually. The lug box depreciation account is to be used for the replacement of lug boxes lost through normal wear and tear and for the provision of additional lug boxes that may be required from time to time by the co-op's marketing operations.

Approved: April 27, 1995, by Messrs. S. Mhlabane, A. Mhlanga, V. Mthetwa, P. Simelane, and M. Gule for the committee.

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HHOHHO FRUIT AND VEGETABLE MARKETING
CO-OPERATIVE SOCIETY LTD.

PERSONNEL POLICIES.

1. All employees shall report to and work under the supervision of the manager or his delegated representative.
2. Grave disciplinary offences, such as: theft, gross insubordination, fighting, striking or threatening a fellow employee, drunkenness, misuse of society property, etc., Will be grounds for immediate termination of employment.
3. For minor offences, such as tardiness, absenteeism, failure to follow instructions, etc., The manager must issue a written warning letter to the employee stating the nature of the offence, as well as the time and place it occurred. The warning letter is to be given directly to the employee with a verbal explanation of the offence.
4. All warnings of failure to perform assigned duties or other transgressions with regard to job performance or observance of the society's policies and rules must be signalled to the employee verbally and in writing by the manager, stating the nature of the offence, as well as the time and place it occurred. Three such warning letters will constitute grounds for termination of employment. Copies of warning letters must be kept in the society's office at the pack house, in the employees personnel file.
5. The manager must report any disciplinary action or problems to the committee within one week for minor offences and 24 hours for grave offences.
6. Unexplained absences of more than three days shall be considered abandonment of post and will be grounds for termination of employment.
7. For any offence in which termination is an option, the manager must consult with the committee before carrying out such actions.
8. The manager may temporarily suspend any employee for disciplinary reasons pending consultation with the committee on final action. In such cases, the committee must be informed within 24 hours.
9. Employee pay raises shall be based on job performance. The manager shall evaluate each employee based on the written job description and performance standards for each position and submit the evaluation reports to the committee for action.

10. The society will abide by all applicable Labour Laws of Swaziland in the employment of all workers.
11. The society shall endeavour to improve whenever possible the conditions of the employees of the society.
12. The society shall attempt to fill all vacancies and promote employees from with-in the organisation, when ever possible, provided employees of the society possess the skills being sought by the society and have demonstrated satisfactory job performance.
13. The manager shall establish and post a work schedule for each employee at least one week in advance. Working hours shall be set by management, in consultation with the committee, as dictated by the demands of the business.
14. The society shall observe all the national holidays of the Kingdom of Swaziland.
15. Full time permanent employees, will receive 15 paid sick days per year, in addition to 15 days paid recreational leave per year.
16. Casual labour, will be paid only according to the number of hours worked and will not accrue any recreational or sick leave.
17. Employees shall be entitled to one half hour lunch break and two 15 minute tea breaks per eight hour day, work in addition to eight hours will be paid in accordance with Swaziland Labour Laws.
18. The manager shall hold weekly meeting with employees to discuss progress and problems encountered and to review goals and tasks for the upcoming week.
19. The manager shall maintain an individual file for each employee. This file shall contain personnel details, employment agreement, salary details, evaluation reports, holiday and sickness record, training record, disciplinary notices, and any other pertinent information.
20. Any permanent employee shall receive and sign an employment agreement with the society, a copy of which will be placed in the individual employees personnel file.
21. The committee shall instruct the manager to ensure that the society deducts from every employee any and all applicable taxes, contributions, and other fees as may be legally required by the laws of the Kingdom of Swaziland. Furthermore, the committee shall ensure that all taxes, contributions, and fees collected by the society from any employee, as well as any statutory taxes, contributions, and fees owed by the society are properly accounted for and are submitted on schedule to the relevant authorities.

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22. Since employees are considered to be vital component of the societies overall plans, the manager shall allot a period of time in each weekly employee meeting to hear the suggestions and complaints of the workers.
23. All employees shall be subject to a three month probation period before being offered a permanent position with the society.
24. The manager will be responsible to insure that each worker employed by the society receives an introduction to explain the duties required of him/her and arranges for any required on the job training to ensure that the employee is aware of the duties expected of him/her and has been adequately trained in the requirements of the position.
25. Wages and benefits shall be determined by rates being offered for similar positions in competitive businesses, subject to approval by the membership of the society.
26. The society shall endeavour to offer training opportunities for employees to improve their knowledge and skills, according to the needs and ability of the society.
27. No visitors, other than those visitors on official business, shall be allowed in the pack house during working hours without the permission of the manager. Visitation shall be restricted to lunch and tea breaks and will be restricted to areas under the society's control outside the pack house building.
28. In instances of an urgent nature, family illness or emergency, the manager may, at his discretion, excuse the worker from his/her duties to attend to family matters. Visitors, carrying such news, will be permitted into the packhouse, but will be required to report directly to the manager or his delegate, who will be responsible to summon the worker in question.
29. Employees are reminded that the farmer/members are the owners of the society and as such shall be accorded the respect and dignity that they deserve.
30. As the society is primarily a marketing concern, employees are reminded that our customers are the reason for their employment and the basis for the existence of the society, therefore customers and potential customers are to be treated courteously and promptly to help ensure their repeat business.
31. In cases, where employees are suspended for disciplinary reasons and the committee finds the employee not at fault, the society shall pay the employee for those days that he/she was placed on suspension.
32. The society shall provide protective clothing to employees, which will remain the property of the society. Employees will be required to wear protective clothing issued.

Approved: May 16, 1995 by Messrs. P. Dlamini, M. Dlamini, E. Matsenjwa, and M. Ndzimandze for the committee.

**HHOHHO FRUIT AND VEGETABLE MARKETING
CO-OPERATIVE SOCIETY LTD.**

TERMS OF TRADE

The **Hhohho Fruit and Vegetable Marketing Co-operative Society** will sell produce to the public under the following terms:

1. All produce will be sized and graded into the following grades: grade 1, grade 2, grade 3, culls, and ungraded.
2. All produce will be packed into containers of standard weights. The actual weight will vary by variety and container size.
3. No produce will be delivered in reusable lug boxes owned by the society. Buyers must either provide their own lug boxes if so desired, otherwise all produce will be delivered in disposable cartons or bags.
4. Prices must be established in advance with prospective buyers for each variety, grade, and container size, alternatively produce will be offered on a consignment basis, by mutual agreement.
5. Buyers must inspect all goods upon delivery and either accept or reject the delivery at this time. No adjustments, refunds, or other claims will be entertained by the society, once goods have been accepted by the buyer.
6. All credit arrangements must be approved by the committee prior to any delivery, otherwise all sales will be cash on delivery.
7. Payment for all goods delivered on credit will be payment in full within 15 days, or alternatively payment on the 15th and the 30th of each month.
8. Payments on account must reference invoice numbers which are included in the payment.
9. Failure to meet these terms shall result in society suspending trade with prospective buyers.

Approved: August 17, 1995 by James Manana, Elijah Gule, Mboziswa Gule, William Shongwe, James Mamba, Lomgwaco Dlamini, Mary Simelane, and John Dlamini for the committee.

**HHOHHO FRUIT AND VEGETABLE
MARKETING CO-OPERATIVE SOCIETY LTD.**

TRANSPORT POLICY

1. Vehicles owned or operated by the society are to be used exclusively for the benefit of the members of the society.
2. Vehicles owned or operated by the society may be hired out on a commercial for-profit basis, provided that the transport needs of the society's member have been satisfied first.
3. Transport costs accruing from the use of society owned or operated vehicles shall be expensed against relevant business operations in such a way that all fixed and variable costs of such transport are covered.
4. Misuse of society owned or operated vehicles by employees of the society shall be considered grounds for termination of employment. Furthermore, any and all expenses incurred by the society as a result of employee misuse of society owned or operated vehicles will be charged to the employee responsible for misuse of the vehicle(s).
5. The manager of the society shall be responsible to ensure that proper periodic servicing and maintenance of society owned or operated vehicles is conducted to ensure maximum vehicle life and efficiency and to minimise maintenance costs and down time resulting from breakdowns.
6. All employees authorised to operate society owned or operated vehicles must be in possession of a valid Swaziland Drivers Licence appropriate to the class of the vehicle to be operated and must further demonstrate to the committee driving proficiency and basic mechanical and maintenance skills.
7. Only the manager or authorised driver shall be permitted to drive society owned or operated vehicles. Permission to drive society owned or operated vehicles shall be granted solely by the committee.
8. No member or committee member shall be authorised to drive society owned or operated vehicles, but shall instead be required to make use of authorised drivers employed to the society, with the exception of emergency situations when the committee shall be authorised to designate an emergency driver.
9. The committee shall ensure that all vehicles owned and operated by the society are legally licensed and insured according to the Laws of Swaziland.

10. The committee shall ensure that insurance coverage on society owned and operated vehicles is adequate to cover the repair or replacement of such vehicles in the event of accident or other mishap resulting in the partial or total destruction of the vehicle.
11. The committee of the society, in consultation with recognised expertise, shall determine the depreciable value of all vehicles owned by the society, and shall establish a vehicle depreciation account into which the committee shall deposit such funds, on an annual basis, which may be required to ensure the replacement of such vehicles on a five year basis or longer period as may be required.
12. No authorised driver shall pick up or otherwise offer transport to any passenger, whether gratis or for remuneration, other than for official society business.
13. No member or committee member shall be given any preference in regards the use or benefit of any society owned or operated vehicle. Priority for assignment or usage of society owned or operated vehicles shall be assigned by the manager, who shall make such determination according to the objectives, goals, and policies of the society, and guided by profit maximisation for the benefit of the society's members.
14. The manager shall maintain a log book to record all movement of society owned or operated vehicles. This log shall contain the date, destination, beginning and ending kilometres, total kilometres driven, purpose of the trip, and drivers name and signature. Any purchases of fuel, lubricants, or other goods or services for the use of the vehicle shall also be recorded in the log book.
15. In the event, that a society owned or operated vehicle is not required for use by the society's various business activities, the manager, in consultation with the committee, shall endeavour to engage such vehicles in profitable activities, so as to maximise the income generated by society owned or operated vehicles, thereby reducing operating costs to the society, provided that such usage does not pose the risk of excessive wear and tear on society owned or operated vehicles.
16. The committee shall make available to the manager adequate resources (financial and other) as may be required for the efficient usage and proper maintenance of society owned and operated vehicles.
17. The committee shall periodically review vehicle usage and profitability on a monthly basis with the manager, and shall recommend any changes and/or improvements which may be deemed necessary.
18. The manager shall provide the committee with monthly reports of vehicle usage and profitability.

19. The committee, using commonly accepted financial measures of profitability, shall review all vehicles owned or operated by the society to ensure their maximum contribution to the net profitability of the society.
20. The committee shall be authorised to purchase, lease, hire, or otherwise obtain such transport as may be needed to meet the objectives and goals of the society. However, before the committee shall make any such decision, it shall perform a proper business analysis and feasibility study, including budget projection, and use this feasibility study as the basis of any decision to purchase, lease, hire or otherwise obtain transport for the benefit of members. Any and all such analysis, feasibility studies, and/or budget projections shall be filed in the society's office and be available for study by any interested member of the society upon request.
21. The committee shall be authorised to sell, rent, or otherwise dispose of any vehicle owned by the society, provided that every effort is made to achieve the highest possible return on such assets for the benefit of the members of the society. Record of any such sale or other method of disposal of vehicles must be filed in the society's office and made available for the examination of any interested member.
22. All vehicles owned or operated by the society shall be parked at the society's registered office or police station.
23. The manager shall ensure that all vehicles owned or operated by the society are loaded according to the capacity rating of the vehicle to reduce wear and tear on the vehicle and assist in minimising breakdowns and repairs to the vehicles.

Approved: June 22, 1995, by Messrs. S. Mhlabane, M. Gule, J. Manana, and S. Ginindza for the committee

SECTION II - JOB DESCRIPTIONS

JOB DESCRIPTION - Bookkeeper.

The bookkeeper will be responsible to the manager

- Maintain (post to) and balance cash book on a daily basis.
- Journalize all transactions.
- Post all debtor and credit transactions to the appropriate ledger accounts.
- Post cash book to ledger weekly.
- Prepare profit and loss statement monthly.
- Prepare balance sheet monthly.
- Prepare wages monthly and post information to wages book.
- Reconcile bank accounts monthly (current, saving, and fixed deposit accounts).
- File all complete receipts/ delivery slips/orders/ and invoice for future reference.
- Prepare reports at the request of the manager.
- Alert the manager immediately to any irregularities.
- Perform any other duties as may be assigned by the manager.

JOB DESCRIPTION - Assistant Bookkeeper.

The assistant bookkeeper will be responsible to the bookkeeper

- Post cash sales analysis to cash book on a daily basis.
- Tally sales and deliveries from analysis sheet on a weekly basis, prepare weekly summary worksheet, and submit to manager for pricing.
- Using prices approved by the manager, complete weekly summary worksheet.
- Prepare farmer payment sheets in duplicate, using prices approved by the manager and the debtors list of deductions supplied by the bookkeeper, and write farmer payment checks for payment each Friday.
- File farmer payment sheets alphabetically by week upon completion.
- Prepare and make bank deposits daily.
- Post bank deposit information to cash book.
- Be responsible for all filing.
- Place orders for supplies as directed by the manager.
- Maintain the office in a tidy state.
- Alert the manager immediately of any irregularities.
- Assist the bookkeeper or manager as directed.
- Perform any other duties that may be assigned by the bookkeeper.

JOB DESCRIPTION - Cashier.

The cashier will be responsible to the manager

- Conduct all sales, including receipting of cash sales, invoicing of credit sales, and ensuring that goods match the grade and price per grade indicated.
- Receive, receipt, and secure all cash from sales, payment on accounts, membership joining fees and shares, and any other cash income received by the Society.
- Summarize all sales on weekly sales analysis sheet and record the breakdown of item.
- Provide daily sales analysis totals for the assistant bookkeeper for posting to the cash book.
- Balance cash box against cash sales receipts.
- Perform any other duty as may be assigned by the manager.

JOB DESCRIPTION - Collection clerk.

The collection clerk will be responsible to the manager

- Record all produce collected into the delivery book.
- Check produce quality and record any problems into the delivery book, inform farmer and manager of any problems.
- Issue farmer with delivery slip (white copy) at the time of collection.
- Advise and educate farmers as much as possible as to what quality standards the society is trying to maintain, and how can the farmers assist in this regard.
- Ensure that unmarketable produce is reported to the manager for rejection.
- Assist the graders with the emptying of the crates onto the grading machine, when not collection produce from the fields.
- Assist co-op, Namboard, and any other driver that the co-op may engage to collect farmers produce.
- Ensure that all crates carried to farmers are returned to the pack house.
- Assist in loading and unloading all produce collected or being sold.
- Alert the manager of any problems encountered in the fields or reported by farmers.
- Perform any other duties assigned by the manager.

JOB DESCRIPTION - Driver

The driver shall be responsible to the manager

- Operate the co-op vehicle according to co-op policy and the Road Traffic Act of Swaziland.
- Ensure the daily maintenance of the co-op vehicle.
- Alert the manager of any problems with the co-op vehicle.
- Collect, transport, and deliver goods and personnel as directed by the manager.
- Collect farmer produce from fields.
- Record produce collected into the delivery book.
- Check the quality of the produce collected and record in the delivery book.
- Issue delivery slip (white copy) to the farmer at the time of collection.
- Assist in the loading and off loading of vehicle.
- Perform any other duties the manager may assign.

JOB DESCRIPTION - Gate Keeper.

The gate keeper will be responsible to the manager

- Be responsible for the daytime security of the pack house premises.
- Record all incoming and outgoing goods.
- Check all outgoing goods to ensure correct payment has been made.
- Report all problems, suspicious activities immediately and/or abnormal occurrences to the manager.
- Prevent the entrance of the of unauthorized personnel to the pack house premises.
- Perform any other duties assigned by the manager.

JOB DESCRIPTION - Grader/ Packer.

The grader/ packer will be responsible to the quality control supervisor

- Work under the supervision of the quality control supervisor.
- Grade and pack all produce according to the standards required by the market. Tomatoes shall be graded by size and colour, other produce shall be graded by size.
- Select all reject produce (damaged, bruised, rotten etc.) and place in reject crate.
- Wear protective clothing provided by the co-op at all times.
- Keep the grading machine clean at all times.
- Stack all produce according to variety and grade in the place designated by the quality control supervisor or manager.
- Sweep and clean the pack house floor, store room, and grounds daily as directed by the quality control supervisor or manager.
- Assist in loading and off loading all deliveries and sales as required.
- Perform any other duties assigned by the quality control supervisor.

JOB DESCRIPTION - Secretary/ Manager.

The Secretary/ manager shall be responsible to the management committee

- Ensure safe keeping of keys of all vegetable houses and office.
- Supervise all packshed employees and all activities of the society.
- Preparation of monthly financial reports and distribution of the same to the management of the society and to the co-operative office in the region.
- Liaison with the Ministry of Agriculture and co-oparetives for technical advice to the vegetable and with the co-oparetive staff for smooth management of the society.
- Receive all goods delivered in the centre and sign for all consignments despatched.
- Credit control, where credit has been officially approved.
- Report any irregularities to the management committee.
- Maintain the books of account in such a way that they are readily available to the Ministry of Agriculture and co-operative inspectors, auditors and the management of the society.
- Count all stock at the end of each month.
- Produce final statements of accounts at the end of the year and distribute the same as in (b) above.
- Supervision of the society's assets and liabilities.
- Fulfilling such other related duties as may be assigned from time to time by the management committee.
- Take decisions where necessary for the benefit of the society.
- Authorise official journeys for the vehicle/s.
- Welcome all customers and visitors in a good mutual manner.

JOB DESCRIPTION - Quality Control Supervisor

The quality control supervisor will be responsible to the manager

- Receive all produce deliveries from farmer at the pack house.
- Record all deliveries into the delivery book.
- Check all produce deliveries for quality and inform the farmer and manager in cases of poor quality or other problems.
- Provide farmer with delivery slip (white copy) at the time of delivery.
- Ensure that all produce delivered is tagged with the farmer's number.
- Supervise grading of produce by grading labour to ensure maintenance of pack house quality standards.
- After grading, sort all produce and place according to variety and grade.
- Record grades onto delivery slips (pink and yellow copies).
- Check all deliveries bought to the pack house by co-op transport of quality and report any problems to the manager and collection alerts.
- Alert manager of any problems with regards to the grading machine or grading of produce.
- Supervise all grading labour.
- Ensure the cleanliness of the pack house interior and exterior.
- Perform any other duties assigned by the manager.

JOB DESCRIPTION - Stock Control Clerk.

The stock control clerk will be responsible to the manager

- Receive all incoming invoices, delivery slips, purchases, and check their correctness, and submit to the bookkeeper for posting.
- List all deliveries on the weekly analysis sheet and breakdown by item on a daily basis.
- Pull out all farmer delivery (pink) slips on a weekly basis, place in alphabetical order and submit to the assistant bookkeeper for payment.
- Submit all invoice to the manager for pricing.
- Daily stock-taking and maintenance of inventory records.
- Conduct all diesel fuel sales.
- Maintain diesel fuel control records and inventory.
- Perform any other duties assigned by the manager.

JOB DESCRIPTION - Vendor Sales Clerk.

The vendor sales clerk will be responsible to the manager

- Prepare and arrange stock for daily vendor sales.
- Conduct all vendor sales.
- Write payment voucher for the vendor to present to the cashier for payment.
- Maintain the vendor sales shelter.
- Ensure that the vendors are attended into accordance to the time of thier arrival, first come - first served.
- Obtain daily prices from the manager each day before selling.
- Perform any other duties as assigned by the manager.

SECTION III - BY-LAWS

BY-LAWS OF THE

HICHOHO FRUIT AND VEGETABLE MARKETING CO-OPERATIVE SOCIETY

NAME AND ADDRESS:

- (a) The name of the Society shall be the **HICHOHO FRUIT AND VEGETABLE MARKETING Co-operative Society.**
- (b) The Registered address shall be **P.O. BOX 95, NFTONJENI** and any change of address there of shall be notified to the Commissioner for Co-operative Development within fourteen (14) days of such change.

2. OBJECTS:

The objects of the Society are to promote the Economic interests of members of the society in accordance with co-operative principles and more particularly to:-

- (a) arrange the joint sale of the agricultural produce of members delivered to the society to which end the society may collect, grade, process, bulk and transport those products;
- (b) arrange the supply of seed, seedlings, fertilizers, pesticides, tools, equipment, material and other requisites;
- (c) accept deposits from members;
- (d) make advances to members on the security of their agricultural products delivered to the society or loans against other acceptable security or guarantee;
- (e) raise loans, subject to the maximum amount approved by the Commissioner, from financing institutions for the furtherance of these objects and in particular but without prejudice to the foregoing raise such loans on the security of agricultural products delivered to the society for marketing, or other acceptable security or guarantee;

6. Every member on admission shall:-

- (a) Sign his name or make his mark, in the presence of two witnesses, in the Register of members as a token of his acceptance of these bye-Laws;
- (b) Nominate some person to whom his interest in the capital of the Society may be paid in the event of death; and
- (c) Pay such entrance fees as may be decided from time to time by the general meeting.

7. Membership shall be terminated by:-

- (a) Death;
- (b) Ceasing to hold **FOUR (4)** Share(s)
- (c) Ceasing to farm land in the **HCHHO** area;
- (d) Withdrawal after giving at least six (6) months notice to the Secretary, Prior to the termination of the Financial year; provided that the member is not in debt to the Society;
- (e) Exclusion in terms of these bye-Laws and
- (f) Failure to do any business with the Society for two (2) years in succession.

8. (a) Withdrawal from membership shall be effective only from the end of the Financial year in which due notice to withdraw has been given;

(b) Upon withdrawal from membership, other than by expulsion, a member shall be entitled to receive within one year from the end of the Financial Year in which due notice to withdraw was tendered and accepted, the value of shares held by him PROVIDED that such value shall not exceed the amount paid to the Society in respect of such shares and may be a lesser amount due regard being made to the Financial condition of the society at the time when withdrawal became effective. No part of the Entrance Fee shall be returned.

9. A member may be expelled for:-

- (a) Failing to pay any sum due to the Society;
- (b) Failing to sell produce through the society as may be agreed by the General Meeting;
- (c) Any offence involving dishonesty on the part of a member or resulting in his imprisonment for six (6) months or more;
- (d) Giving or offering a present or gratuity to any officer or Employee of the Society;
- (e) Any action which the general meeting holds it to be contrary to the interests of the Society.

10. A member who is expelled shall not be entitled to any refund of the value of his shares which may, upon expulsion be forfeited to the society.

11. Upon the death of a member or if he should be certified insane, any transfer or repayment of shares shall be in accordance with the terms of Section 19 of the Co-operative Societies Proclamation, 1964.

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12. CAPITAL:

(a) The capital of the society shall be raised by the issue of an undetermined number of shares of the value of E50.00 (50) each, fully paid;

(b) (i) Every member shall hold at least TWO (2) share(s)

(ii) No member shall be eligible for election to the committee until he holds the fully paid share qualification;

(iii) The unpaid call on share capital shall be deemed a debt due to the society;

13. LIABILITY:

The liability of a member for debts of the society is limited to the payment of the nominal amount of the share held by him.

14. TRANSFER OF SHARES

Subject to the consent of the committee, a member may transfer his shares or any of them to another member or to a person qualified under these bye-laws and acceptable to the committee as a member.

15. No transfer of shares is permitted if the member has an outstanding debt due to the Society.

16. FUNDS;

(a) The funds of the society shall be composed of:-

(i) an undetermined number of shares of E50.00 each;

(ii) an undetermined number of entrance fees;

(iii) levies and commissions made in accordance with these bye-laws;

- (iv) loans from Financial institutions to the Maximum approved by the Commissioner;
- (v) the unallocated surplus of previous years;
- (vi) the reserve fund, unless the Commissioner otherwise directs; and
- (vii) the share transfer fund;

(b) The funds shall be used solely in pursuance of the objects of the Society.

17. To meet administrative and other current or special expenditure the society may:-

- (a) Make a charge for other services rendered by the Society to members, as may from time-to-time be determined by the Committee and approved by the general meeting.

18. BANKING ACCOUNT:

- (a) The society may open a current account or a deposit with Swaziland Development Bank or subject to approval by the Commissioner with a Commercial Bank.
- (b) Cheques shall be signed in accordance with Bye-Law 39 unless the Commissioner shall otherwise approve.

19. LIEN:

Any money due from the Society to a member or person claiming through him may be set off in payment of any sum which he owes to the Society or for which he have stood surety.

20. FINANCIAL YEAR:

The Financial year of the society shall be from the first day of **JANUARY** to the last day of **DECEMBER**.

21. GENERAL MEETINGS;

The supreme authority shall be vested in the general meeting of members which shall be held not later than three (3) months after the end of the Financial Year, and at such other times as may be necessary.

22. The general meeting may be summoned by the Chairman or the Committee or may be summoned at the written request of not less than **TWENTY (20)** members.
23. At least fourteen (14) days notice shall be given of the intention to hold the Annual General Meeting or seven (7) days notice to hold a special general meeting and that Notice shall be given, the date, time, place at which it is to be held and the matters to be discussed and shall be published on the notice board of the Society.
24. The presence of at least **TWENTY (20)** or $1/5$ of the total membership of the Society, whichever is the greater, shall be necessary for the Transaction of any business at the general meeting.

Provided that if within one hour after the advertised time of the meeting there is no quorum present, other than the case of a meeting summoned upon requisition by members which shall be deemed no meeting if a quorum is not present, the meeting shall stand adjourned to the same time at the same place on same day one week following and at that meeting the same business and no other than that proposed for the original meeting shall be discussed. The decision of the majority of members present at that meeting shall be binding whether a quorum is present or not.

25. At any general meeting convened or called by the Commissioner, bye-law 24 shall not apply and members present at the meeting shall constitute a quorum.

26. Except in the case of an amendment to these bye-Laws, all other questions before a general meeting shall be decided by a majority votes. When votes are equal, the Chairman shall have a deciding vote in addition to his deliberate vote.
27. Except as qualified in bye-Law 26, every member shall have one vote and only one vote, irrespective of the number of shares he holds. No voting by Proxy shall be permitted. No member who is in arrears in payment of his share instalments shall be allowed to vote.
28. In an Annual General meeting the following business shall be transacted:-
 - (a) Confirmation of the minutes of the Previous Annual General Meeting and any intervening special general meeting;
 - (b) The consideration and adoption of the Annual Accounts and Balance sheet, the Auditors Report and Inspection Notice of the Commissioner;
 - (c) The disposal of the surplus funds;
 - (d) The election, Suspension and removal of members of the Committee, including a chairman and, if desired a Vice-chairman;
 - (e) The confirmation of the admission of members;
 - (f) The Fixing of maximum Liability amount that may be borrowed by the Society from Non-members;
 - (g) The fixing of the maximum amount that may be lent by the society to any member and the maximum rate of advance on produce delivered to the society for marketing;
 - (h) The fixing of the commission or levy to be charged by the society on business undertaken on behalf of members;

- (i) The amendment of bye-Laws;
 - (j) The passing of Estimates of Income and Expenditure for approval by the Commissioner;
 - (k) To hear and determine complaints of members.
29. (a) All business discussed or decided at a general meeting shall be recorded in a minute book and signed by the Chairman of the meeting at which the minutes are confirmed;
- (b) Copies of minutes of general meeting shall be sent to the Commissioner within fourteen (14) days of the meeting.

AMENDMENT OF BY-LAWS

30. No alteration shall be made to those by-Laws except at a general meeting called specially to consider such amendment.

The following shall apply:-

- (a) Where written voting papers are to be used, the voting papers shall be given to all members of the Society and only written votes shall be accepted, examined and counted at a general meeting at which there is a quorum in terms of bye-Law 24. The amendment shall then be carried by a clear majority of the total members of the Society; and
- (b) Where written votes are NOT used the amendment shall only be carried by a clear majority of the members of the society. PROVIDED THAT where the amendment has received the prior approval of the Commissioner it may be carried by a two-thirds majority for the members present in person at the general meeting.

33. Meeting of the committee shall be held when necessary and at least **ONCE** (1) a month, or in accordance with any resolution passed at a general meeting. The attendance of at least **FIVE** (5) members is necessary for the disposal of any business. The Chairman or in his absence the vice chairman, shall preside. Each member shall have one vote save that the Chairman shall also have a casting vote in the case of an equality of the Votes.

34. The Committee shall exercise all the powers of the society except those reserved for the general meeting subject to any regulations or restrictions duly laid down by the society in general meeting or in the bye-Laws and in particular shall have the following powers and duties.

- (a) to confirm the minutes of the previous meeting;
- (b) to ensure that business is conducted in accordance with the Law and these bye-Laws;
- (c) to maintain true and accurate accounts of all money received and expended and of all items of business conducted by the society;
- (d) to keep a true account of the assets and liabilities of the society;
- (e) to keep a register of members correct and up to date;
- (f) to prepare and lay before the Annual General Meeting true accounts of the business undertaken and audited balance sheet;
- (g) to examine the accounts and the conduct of the business of the society at each meeting;
- (h) to elect new members, to issue new and transfer old shares, subject to confirmation by the General Meeting;

- (i) to frame, subject to the approval of the General Meeting, rules for the orderly conduct of business;
- (j) to contract loans as necessary subject to the maximum liability imposed by the General Meeting and approved by the Registrar;
- (k) to examine applications for loans from members; to ensure that proper provision has been made for repayment of the loan in due time; and if satisfied to approve loans subject to the maximum laid down by the General Meeting;
- (l) to ensure that loans are used for the purpose approved and are not mis-applied;
- (m) to take necessary steps for the recovery of loan;
- (n) to ensure that contracts or by-laws binding on the business of members with the society are complied with;
- (o) to arrange for the safe custody and insurance of all produce, stock and goods delivered to the society;
- (p) to guard against adulteration of produce sold through the society;
- (q) to supervise the business conducted by employees;
- (r) to appoint, suspend, or dismiss employees subject to any scales of pay approved by the General Meeting;
- (s) to obtain security, where necessary, for the diligent performance of the duties of employees;
- (t) generally to carry on the business of the society.

35. In their conduct of the affairs of the society, the Committee shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts contrary to the law or these by-Laws.
36. All business discussed or decided at a meeting of the Committee shall be recorded in a minute book which shall be signed by the Chairman and the members present at the meeting which confirms those minutes.

SECRETARY

37. (a) The Secretary shall be appointed and may be suspended or dismissed by the Committee:
 - (b) The Committee may fix his remuneration subject to any scale of pay laid down by the General Meeting but if a member of the Committee is appointed Secretary, the foregoing shall not apply and the Secretary shall not be paid.
38. The powers and duties of the Secretary shall be as follows:-
 - (a) To carry out the executive work of the society under the supervision of the Committee;
 - (b) To superintend the working of the office and to be responsible for the proper and punctual keeping of the accounts and registers;
 - (c) To deliver and obtain all due receipts;
 - (d) To sign on behalf of the society and to conduct its correspondence;
 - (e) To accept money due to the society;

- (f) To incur contingent expenditure subject to any limit imposed by the Committee;
- (g) To conduct the business of the society in accordance with the instructions of the Committee, the bye-laws and any rules of work approved by the General Meeting;
- (h) To summons and attend general meetings and meetings of the Committee;
- (i) To record the proceedings of those meetings and ensure that they are duly signed;
- (j) To perform all other duties entrusted to him by the Committee.

SIGNATORIES

- 39. All charges or other instruments executed on behalf of the society shall, except in the case of receipts, bear the signature of the Secretary and of two members of the Committee.

INSPECTION OF REGISTER AND OTHER DOCUMENTS, ETC

- 40. The register of members, the last audited accounts, balance sheet and report, a copy of these bye-laws and any resolutions of the General Meeting or of the Committee governing the conduct of the business of the society with the members shall be open for inspection by any member at all reasonable times.

GENERAL PROVISIONS

- 41. Subject to the exercise of the Committee its discretion especially during the formative state of the society. All business shall be conducted on a cash basis and no credit or loans shall be allowed.

42. (a) The general provisions of Regulations 42 - 49 of the Co-operative Societies Regulations, 1964, shall apply to all loans.
- (b) All applications for loans and the Reports of the Committee, and any loan officer thereon, shall be filed as permanent records of the society.
43. (a) The rate of interest shall be fixed from time-to-time by the Committee and shall in no case exceed 1 per cent per month on unpaid balances, inclusive of all charges incidental to making the loans.
- (b) No. loan shall be made in excess of the maximum amount approved by the General Meeting.
- (c) The period of the loan shall not exceed **TWO (2)** years or such less period as the General Meeting may determine.
44. (a) Every loan shall be guaranteed by two guarantors, unless other security for the repayment of the loan is offered and accepted by the Committee.
- (b) No Committee member shall act as guarantor for the members borrowing from the society.
- (c) No member shall guarantee a loan by the society to another member where that other member has guaranteed a loan by the society to the first mentioned member.
45. Application for loans shall be made in writing, in accordance with procedure laid down by the Committee from time-to-time, and shall state the purpose of the loan, the security proposed, the names of two guarantors and the period of the loan and terms of repayment requested.

46. (a) No loan shall be made unless it is approved by a majority of the entire Committee and by all the members present at the meeting at which the application is considered.
- (b) Before approval of a loan, the Committee shall satisfy themselves that the loan is for a productive purpose and of probable benefit to the borrower, that the borrower and his guarantors are of good character and that the obligations incurred will be fully and promptly met.
- (c) Upon approval of the loan, the member and his guarantors shall execute a deed setting out the terms of the loan, including the purpose to which it is to be applied and the date and method of repayment, in such form as the committee shall require, prior to the receipt of the money involved.
47. (a) A member may repay his loan, in part or in full, prior to maturity.
- (b) If a member uses a loan for an improper purpose or otherwise fails to comply with the conditions under which the loan was issued, the Committee may cancel the loan which will then become repayable, together with all charges immediately.
48. Subject to any restriction imposed by the General Meeting, the Committee may, for good and sufficient reason given and accepted, renew a loan upon such terms as it may require or extend the period of a loan for a period not exceeding one year provided that the period set out in by-laws 43(c) is not exceeded.
49. Should any member, without the authority of the society, sell, deliver or otherwise dispose of such produce, agreed in General Meeting to be marketed by the society, to any firm, person or body of persons other than the society, he shall pay by way of liquidated damages a sum equal to double the value of such produce at current local price or such less sum as the society may be willing to accept.

50. For the purpose of raising funds to make advances to members on the security of their agricultural produce delivered to the society for marketing, the society may pledge all or part of that produce so delivered by any member either separately from or jointly with all agricultural produce so delivered by all or any other members.
51. Provided that the society has funds available, it may make advances to members upon the security of the produce delivered to the society by members for marketing, an amount of money which shall not exceed seventy-five per cent (75%) of the local value of such produce as estimated by the Committee.

GENERAL PROVISIONS

52. All business shall be conducted on a cash basis and no credit or loans shall be allowed save as provided in these by-laws.
53. Upon admission to membership, each member shall be bound to observe these bye-laws and the rules or instructions for the conduct of business issued by the Committee, and the member's signature in the Membership Register shall denote acceptance of these bye-laws, rules and instructions.
54. No member of the Committee may receive payment of any kind, for services given, without the approval of the Commissioner provided that reasonable out-of-pocket expenses incurred on business undertaken on behalf of the society may be re-imbursed to the maximum amount shown in the Estimates of Income and Expenditure, for the current year, as passed by the General Meeting and approved by the Commissioner.

DISTRIBUTION OF SURPLUS

55. After all expenses of the society have been met within any financial year, the following provisions shall be made from surpluses accruing in that year and the undistributed surpluses from previous year:-

- b) provision for amortisation of loans, if necessary; The balance shall then be applied as follows:-
- (c) a sum of twenty-five per cent (25%) of the surplus to be placed to the General Reserve Fund;
- (d) ten per cent (10%) of the surplus shall be carried to a Share Transfer Fund until that fund is equal to one-tenth of the total nominal issued capital;
- (e) provision for a reserve for contingencies. The amount of such provision if any, to be determined by the Committee;
- (f) provision for interest not exceeding five per cent (5%) per annum on the amount paid by the members on their respective shares, ~~and~~ on the recommendation of the Committee;
- (g) distribution to members of the balance available proportionate to the total a value of business each member has conducted with the society during the past financial year.

DISPUTES :

56. Any dispute concerning these bye-Laws or the business of the society, between members or past members of the society or persons claiming through them or between such members, past members or persons so claiming and the Committee or any officer of the society or between this society or another registered society, shall be referred to the Commissioner whose decision shall be final.

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DISSOLUTION AND LIQUIDATION:

57. The society may be dissolved by resolution passed by two-thirds of the total number of members present at a general meeting called specially for that purpose and shall be wound-up by the Commissioner in terms of Part VIII "LIQUIDATION" of the Co-operative Societies Proclamation, 1964.