

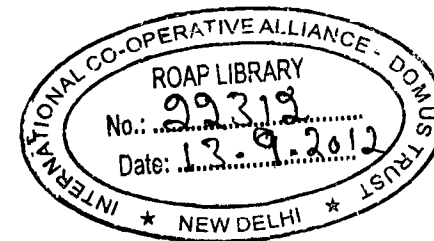
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COOPERATIVE LEGISLATION IN EIGHT COUNTRIES:
A COMPARATIVE STATEMENT

By

KATHLEEN C. BARCLAY

UNDERGRADUATE STUDENT AT GEORGETOWN UNIVERSITY,
WASHINGTON DC, USA.



Under the guidance of:
DR. S. DANDAPANI,
Secretary for Research,
International Cooperative Alliance,
London W1X 9PA,
United Kingdom.

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TABLE OF CONTENTS

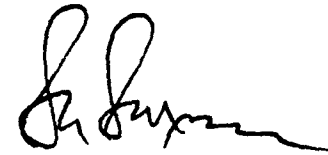
	<u>Page No.</u>
I Preface	1
II Introduction	2
III Scope and Methodology	4
IV Comparison and Analysis of Laws	5
V Conclusions	37
VI Appendices	41
(i) Brief History of Cooperative Legislation in the Countries Studied	42
(ii) Brief Statistical Data on the Countries Studied	45
(iii) (a) Section Numbers of Laws Studied	46
(b) Summarised Laws under Sections	64
(iv) Bibliography	293

I PREFACE

Miss Kathleen C. Barclay, an undergraduate student at Georgetown University, Washington DC, USA, was accepted for an internship at the ICA for a period of six weeks beginning 8th June 1978. A project for desk research, relevant to her area of interest, was undertaken and copies of cooperative legislation from Afghanistan, Canada, Ecuador, Hungary, Japan, Uganda, the United Kingdom and Zambia were collected for this purpose.

Miss Barclay's study covers many aspects relevant to the cooperative law such as the powers of the Registrar, the distribution of surpluses, voting and elections, etc. Some attention has also been given in the survey to those regulations which unnecessarily restrict the flow of trade from cooperative organisations. These matters will be of interest to cooperatives all over the world.

The Report "Cooperative Legislation in Eight Countries: A Comparative Statement" does not necessarily represent the views of ICA.



S. K. SAXENA,
Director, ICA.

II INTRODUCTION

Law represents the foundation for the growth of cooperatives in a world of nation states¹⁾. It provides a legitimising element for the foundation and continuation of cooperatives. It may be accepted that in any situation where men and money are involved, a certain amount of regulatory measures will have to be built into the legal framework, bearing in mind the cooperative philosophy and practices. The laws regulate the growth, but, in the process either strengthen or hinder the ability of a cooperative to organise and develop.

In relation to cooperatives, the law should define their specific nature and purpose with respect to other corporate bodies and serve to strengthen their basis in cooperative principles. The procedures involved in the everyday operation and registration should be simple and practical so as to avoid unnecessary bureaucracy.

As varied forms of corporate bodies, cooperatives are governed by a different set of principles. Firstly, membership should be available to all without artificial restriction and on a voluntary basis. Secondly, the foundation of the organisation should rest on democratic relationships. Management and officers should be duly elected to control and administer the affairs of the society. Thirdly, in relation to finances, members should equally participate in all distribution of wealth as well as receive a strictly limited interest on their share capital in order to avoid one member gaining at the expense of another. Finally, cooperatives should be stimulated through education on cooperation and technology, and through cooperation at local, national and international levels.

If the law promotes the above-mentioned principles, it supports the advancement of the cooperative movement on an equal basis with other forms of enterprise. Therefore, a comparative study of laws in selected countries may ascertain whether cooperative law, as it stands today, is promoting cooperative enterprises on the basis of cooperative principles or whether inconsistencies are hindering cooperative development.

It is, however, important to note the limitations. The acts studied are representative of various governmental types, social institutions and geographical features. Obviously, it is impossible to determine the exact influence all these features may have. Whether a country has fully developed or still remains on the road to development will affect the law. Colonial powers may set the example in some cases. This is only to mention a few of the difficulties.

1) There are some countries where cooperatives are functioning without cooperative legislation such as Denmark.

Structure may also vary from nation to nation. Three structures are evident. The first presents one law which is common to all groups without specific reference. Secondly, while there may be only one federal act, specific regulations are set up in relation to each cooperative type. Lastly, there may be several federal acts, each one pertaining to a specific field of cooperation. This also must be taken into account in any analysis of cooperative law.

Additionally, each nation's law makes a provision for a set of byelaws and rules for classification. Therefore, the scope of each act varies from country to country. While it may appear that an act fails to cover a crucial area, provision for that field may be made in the byelaws or rules. However, due to the limitation of time, these byelaws and regulations are not under study.

Moreover, cooperatives in many countries are affected by many laws other than cooperative legislation as such. For example, in the United Kingdom, cooperatives may be affected by the Agricultural Credits Act of 1923, the Corporate Bodies Contracts Act of 1960, the Companies (Floating Charges, Scotland) Act of 1961, the Friendly and Industrial and Provident Societies Act of 1968, the Income and Corporation Taxes Act of 1970 and the Industrial Common Ownership Act of 1976, as well as the Industrial and Provident Societies Acts of 1965, 1967 and 1975.

Having taken into account these limitations, this report may serve to enable a better understanding of the strengths and weaknesses inherent in present cooperative legislation. While the study encompasses only eight countries, some insight into the directions of cooperative law may be achieved.

III SCOPE AND METHODOLOGY

The data used in this analysis has come from the available cooperative laws in the countries studied. In all cases, the laws studied are federal laws.

Selection was made in an effort to maintain international coverage. However, the procedure was based largely on the amount of current information available. An attempt was also made to achieve a distribution between various economic and political systems in both developing and developed countries. Both members and non-members of the ICA were used. Of the cooperative laws studied, five continents are represented: Uganda and Zambia from Africa; Japan and Afghanistan from Asia; the United Kingdom and Hungary from Europe; Canada from North America and Equador from South America. No local laws, byelaws or rules were used.

The purpose of this report is to analyse the present cooperative laws and to bring out the differences in the legislation with special reference to cooperative principles set out by ICA. It is an attempt to point out inherent contradictions in the law and to determine the prospects for the growth of cooperatives in relation to the law.

The laws were divided into sixteen major areas and several sub-groups. The articles of the acts studied which pertain to the specific sub-groups are enumerated in Appendix (iii). Analysis and comparison of the laws were drawn from these major groups. From a mechanical point of view, many areas overlap. Therefore a section pertaining to one sub-group may be repeated under another group.

Due to limitations in time and availability of data, only eight countries are used here for the purpose of analysis. Each country remains inherently different. Size, population and political situation all play crucial roles in the type of law and its implementation. The analysis is strictly from the word of the law.

By restricting the study to the use of federal acts only, there arise many limitations. The appendices will show many blanks. In such cases a country may provide for that area in the byelaws or rules. However, the use of these byelaws is beyond the scope of this study.

All these limitations should be taken into consideration by the reader.

IV COMPARISON AND ANALYSIS OF LAWS²⁾

This is an attempt to compare and analyse some of the cooperative laws in the eight countries studied under sixteen groups.

1. Definition

Definition of the terms used in legislation improves communication and helps in the understanding and implementation of the set law in letter and spirit.

Some countries such as Japan, Canada and Equador have not provided any definition of the basic terms used in the cooperative laws as part of the legislation.

However, in some cases, the acts themselves define terms relevant to various forms of cooperatives. For example, Japan, having three separate laws, defines specific areas and the terms relevant to them in the law. In the case of the "Agricultural Cooperative Society Law" in Japan (c), article 3 defines farmer and agriculture as it pertains to this field of operation.

Uganda and Zambia provide for the most complete coverage of definition. Clearly, they have the advantage of the past experience of colonial rule and the historical development of practice. In fact, Surridge and Digby³⁾, in their analysis of the model law cover similar areas in their study of the definition problem.

Confusion may arise over terms such as dividend and bonus which may lead to difficulties in communication. Uganda provides the only definition for bonus. It is used here as a patronage bonus. On the other hand, only two countries - Uganda and Zambia - define dividend. However, while the other countries studied make no provision for the definition of these terms they are sometimes used synonymously. Such is the case in Japan (b). The law states that "the surplus fund shall be distributed to the members in no other way than in proportion to the extent which they patronised facilities of the society."⁴⁾ Yet, the article later states that "the dividend shall not exceed ten per cent per year on the units of share capital".

2) For details of the laws, under different groups, see Appendix (iii).

3) Surridge, B.J.; Digby, M.: "A Manual of Cooperative Law and Practice", Plunkett Foundation for Cooperative Studies, Oxford, 1972, p.125-129.

4) Consumers Livelihood Cooperative Society Law, Japan, 1964, Article 52.

To leave such an unclear foundation for the law could prove a detriment in practice. The problem of communication and understanding could be more easily avoided by a more specific definition of terms used in the acts.

2. Registration

Registration is basic to the formation of any cooperative. Ease of application promotes a greater readiness to join cooperative organisations. Method and procedures should promote voluntary affiliation with no artificial restrictions. The following areas are important to the analysis of registration:

- 1 Application (Table No.31)
- 2 Objectives and Purpose (Table No.32)
- 3 Reasons for Non-Registration (Table No.33)
- 4 Appeal (Table No.34)
- 5 Corporate Body (Table No.35)
- 6 Certificate of Registration (Table No.36)

2.1 Application

Application in all the countries is made by a minimum number of members (Uganda and Zambia - 10; Afghanistan and Equador - 11; the United Kingdom and Japan - 7; Canada - 12; and Hungary - to be set up in the byelaws). For secondary or apex societies, there is no minimum provision made in Hungary, Uganda, Canada and Equador. The United Kingdom, Japan (b and c) and Zambia require two societies to apply. Afghanistan requires three and Japan (a) requires fifteen. The members submit the application to the Registrar or the Minister as the case may be. A few countries (Japan and Equador) also require a charter general meeting before submitting an application. Decision to apply rests on a voluntary basis for all countries.

2.2 Objectives and Purpose

Afghanistan, the United Kingdom and Canada make no provision for the statement of objectives. Cooperative principles as well as the promotion of member welfare is the basis in Uganda, Zambia and Equador. Economic interests of the workers prevail in Japan. Hungary's basis is socialist economic principles.

2.3 Reasons for Non-Registration

In many countries (Uganda, Zambia, the United Kingdom, Equador) the Registrar or Minister may refuse registration at his own discretion. Afghanistan states no reasons for non-registration. Both the United Kingdom and Zambia prohibit membership by groups or individuals who are seeking individual profit. Canada states specifically which groups (credit unions, hospital, railway, etc.) are not to be allowed registration.

2.4 Appeal

There is an appeal against the decision of the Registrar in the case of Uganda, Zambia, Japan (b and c) and Hungary. Of these, appeal is taken to the Minister in Uganda and Zambia. The courts decide the appeals of Japan (b and c) as well as Hungary. Other countries have no appeal against registration.

2.5 Corporate Body

Registration provides legal status for cooperatives in all countries studied - that is, a group of persons whom the law recognises as having existence under the law with the power to hold property, to enter into contracts, and to do all things necessary to its constitution. This protects individual members from creditors especially in the case of societies with limited liability.

2.6 Certificate of Registration

Certificates of registration represent conclusive evidence of registration and approval of the byelaws, thus enabling the entity to enter into business. The certificate is issued in Japan, Hungary, Canada and Equador. Canada allows for publication in a newspaper to serve as evidence of registration. Inscription in the register is proof of registration for Equador.

The registration of societies in all the acts set down in the countries studied rests on a voluntary basis. A more consistent statement of cooperative principles could be used to highlight a cooperative's specific nature. This is especially true in Canada, the United Kingdom and Afghanistan. Afghanistan, Japan (a) and Canada should allow appeal against refusal to register. This would remove the possibility of being refused unfairly. Establishment of corporate body enables an easy atmosphere for cooperative business. Provision for proof of registration should be made in all countries to avoid legal problems.

3. Powers and Duties of the Minister

In many of the countries studied the Minister plays an important role in the day-to-day operation of a cooperative. In fact, he takes over many of the responsibilities commonly associated with the Registrar.

The Minister in Uganda has such powers. He hears appeals, provides for the committee, exempts societies from the law and approves expenditure, to mention a few. The same is true in Japan (a) and Equador, where the Minister also registers societies. Japan (b and c) also provides for the Minister to set financial standards.

In Afghanistan, Zambia, Canada and Hungary, however, the Ministers act in a supervisory role. For example, he may appoint a board of review in Zambia, while in Afghanistan he provides assistance and guidance to cooperatives. Here his role is to promote cooperatives as an alternative to other forms of enterprise.

The United Kingdom states no specific powers for the Minister.

There are two problems which may arise from giving too many powers to the Minister. Firstly, as a representative of the government, he is primarily responsible to the administration in power. Too much control here could cause conflicts when there is a change in administration. The Minister in charge of cooperatives may be the Minister of a larger field. Such is the case in Afghanistan, where the Minister in charge of cooperatives is the Minister of Agriculture and Irrigation. No specific knowledge of cooperatives and their specific problems is required of such a Minister. This may prove a hindrance to the development of cooperatives. Also as the Minister of Agriculture and Irrigation, he may not attempt to promote other forms of cooperatives such as consumer, credit or housing societies, as none of these areas are in his field.

The second major problem dealing with the Minister is in the financial sphere and its implications for cooperative management. Financial standards are set by the Minister in Japan (b and c). However, there is no guarantee that the Minister has any such qualifications. This may preclude the continuous revision of management techniques needed to form a productive enterprise. The Minister may not be able to provide the attention that cooperatives need.

Therefore, it would seem that ultimately, powers of management and financial standards should be left to those dedicated primarily to cooperatives. Disassociation from government provides a continuity and stability which is necessary for the democratic development of the cooperative movement.

4. Powers and Duties of the Registrar

Upon the success or failure of the Registrar may rest the future of the cooperatives in his specific country; he is vested with considerable powers, the most important of which are:

- 1 Registers Societies (Table No.39)
- 2 Approves Byelaws (Table No.40)
- 3 Authorises Investments and Loans (Table No.41)
- 4 Society Contributions (Table No.42)
- 5 Audit, Inspection and Inquiry (Table No.43)
- 6 Cancellation and Liquidation (Table No.44)
- 7 Surcharge of Officers (Table No.45)
- 8 Disputes (Table No.46)
- 9 Devolution of Power (Table No.47)
- 10 Power to Supercede the Committee (Table No.48)
- 11 Power to Merge or Divide (Table No.49)

Japan, Hungary, Canada and Equador state no specific powers for the Registrar.

4.1 Registers Societies

Provision for registration of societies through the Registrar is made for in Uganda, Zambia, Afghanistan and the United Kingdom.

In Japan, Hungary and Equador, this power falls to administrative authorities while in Canada the committee approves registration.

This power is very important. Whatever body registers societies, must do it in an educated, open and democratic way. Registration by the Registrar provides an effective method of achieving this since the Registrar is working for the advancement of the cooperative organisation. Other groups, such as the committee in Canada, are concerned with everyday management. The Registrar, however, takes into consideration the long-term effects of membership.

4.2 Approves Byelaws

The Registrar approves the byelaws and registers them in Uganda, Zambia, Afghanistan and the United Kingdom.

4.3 Authorises Investments and Loans

In Uganda, Zambia and Afghanistan, the Registrar approves loan decisions. Borrowing by a credit cooperative is authorised by the Registrar in Zambia. Afghanistan makes additional provision for the Registrar to approve investment of the reserve fund.

The Registrar plays a purely minor role in the investment for cooperatives in the United Kingdom. He has responsibility to acknowledge receipts of the loan applications. He has no power of approval in investment decisions.

4.4 Society Contributions

Only Uganda allows the Registrar to determine the society contributions for charitable or educational purposes. Provision should be made in all laws for determination by the Registrar of proper fields for contribution, since the Registrar is in continual contact with the direction of cooperative development. He perceives more fully which areas in education need more financing. He may determine more easily which areas need assistance and which contributions may be most beneficial to cooperative growth.

4.5 Audit, Inspection and Inquiry

This duty is crucial. The Registrar has the responsibility to ascertain whether a specific cooperative is financially feasible or not. Inquiry permits the Registrar to determine whether the societies follow cooperative principles in an honest way.

In Uganda, the Minister reports the state of affairs to the General Meeting but has no individual power to hold an audit. The audit is merely inspected by the Registrar in the United Kingdom. Only in Zambia and Afghanistan is the Registrar specifically called upon to conduct a yearly audit.

In Uganda and the United Kingdom, an application by members or creditors must first be submitted before an inspection or inquiry may be held. Zambia and Afghanistan allow the Registrar to inspect the books at any time.

4.6 Cancellation and Liquidation

Since the Registrar is informed of cooperative developments and has the responsibility of maintaining cooperative principles, he may determine which societies are not developing properly or which ones fail to keep to the spirit of cooperation. The Registrar's ability to cancel and liquidate ensures a constant check on the affairs of societies and enables the maintenance of development on cooperative principles.

Only Uganda provides for provisional registration and its cancellation by the Registrar. Provisional registration gives the Registrar an opportunity to determine whether a society is set up in the cooperative spirit as well as the letter of the law.

Cancellation of registration by the Registrar is allowed in Uganda, Zambia, Afghanistan and the United Kingdom. Uganda provides for cancellation after inspection or when the membership drops below the minimum allowable. The United Kingdom also provides for suspension of registration.

In Afghanistan, Zambia and Uganda, the Registrar controls liquidation. In the United Kingdom, he may petition for liquidation.

4.7 Surcharge of Officers

Uganda alone allows for the surcharge of individuals by the Registrar. This provision enables the Registrar to back up the policy of honest cooperative development. The ability to impose fines acts as a first step in preventing corruption. Without this power, the Registrar may have no choice but to cancel registration. It is, therefore, crucial that the law provides this alternative to liquidation. By allowing this, the laws enable cooperatives to develop openly; without it, there may arise an impediment to development.

4.8 Disputes

The Registrar may decide the dispute himself or refer it to arbitration in Uganda, Zambia, Afghanistan and the United Kingdom. Such a provision is necessary for the quick and efficient settlement of differences so that business may be maintained.

4.9 Devolution of Power

Only Uganda and Zambia provide for devolution of power by the Registrar. In Uganda, he may appoint a liquidator. In Zambia he may delegate his powers to assistants as well as appoint special members of the committee. To properly handle the office, a Registrar should be allowed to delegate such duties as he sees fit for the effective operation of his office.

4.10 Power to Supercede the Committee

This power allows the Registrar to maintain the cooperative but to eliminate ineffective or corrupt management. Zambia and Afghanistan provide for the Registrar to remove members of the committee or the entire committee and set up an administrative control. In the United Kingdom, an inspection of the committee is allowed only upon application of the members.

4.11 Power to Merge and Divide

Both in Uganda and Zambia the Registrar establishes procedures of amalgamation and division. The United Kingdom and Afghanistan allow the Registrar control of amalgamation only, while in Zambia the Registrar may require societies to join cooperative unions. This power enables the Registrar to continue maintenance of cooperative principles in the formation or division of societies.

All the powers and duties mentioned above are statutory obligations and powers. The role of the Registrar, however, is much more extensive. He must maintain personal contact with cooperative development throughout the world, so as to exercise the powers vested in him by the act. He must seek to promote the spirit of cooperation in personal contact and maintain a constantly democratic and open-minded attitude. None of these considerations can be analysed in the letter of the law. Where financial powers are vested in the Registrar, he should be supported by a secretariat of adequate technical and financial competence from which he could draw as and when needed. This is, however, not mentioned in the legislation.

5. Membership

Membership should be voluntary. Qualifications should not be unnecessarily restrictive. A society may be registered by an application by a specific number of persons who intend to be members.

Two requirements for eligibility are common to most of the countries studied - the first concerns age, and the second residence. Age qualification is a necessary restriction since it should be consistent with legal maturity. It is desirable that all members reside in the same area to enable easy meetings and coordination of activities.

The age limit in the countries studied varies: Uganda, Equador and Zambia - 18; the United Kingdom and Canada - 16; Hungary - "full age"). The age limit in Japan (b) is set up in the byelaws. Afghanistan and Japan (a and c) make no provision for an age restriction.

All countries, with the exception of the United Kingdom, Canada and Hungary, require the members to be in occupation of land in the area of the cooperative and/or to have an occupation compatible with the cooperative's fundamental activities. Such a restriction as to occupation may be necessary for the survival of the cooperative and the maintenance of its character. Land ownership may be relevant to agricultural cooperatives; but such a restriction may come in the way of membership to other categories of cooperatives, such as consumer, etc. This is also true in the case of women who in many circumstances may not own land in their names. Nevertheless, their contribution to cooperatives may be important.

Additionally, Afghanistan and the United Kingdom state mental capability as a requirement for membership. Ecuador and Hungary allow for the admission of minors under certain conditions. Ecuador provides membership for married women only and does not allow membership to a person who has committed fraud. Additional provisions for membership are set up in the byelaws in Afghanistan, Japan (b), Hungary, Canada and Ecuador.

Rights and obligations to be observed by all the members vary from country to country. Hungary provides a detailed list, while others, such as the United Kingdom and Afghanistan, provide for few rights and obligations in the act itself. Specific duties and powers may, however, be enumerated in the byelaws and rules. This may be both beneficial and restrictive at the same time: beneficial since the organisation has more freedom of operation - members are not limited in their activities; no unnecessary bureaucracy is set up - and restrictive as officers may take advantage of their decision-making positions if members' rights are not effectively enumerated.

All countries provide for the members to vote, which reinforces the democratic nature of the cooperative. However, not all countries make provision that members share in the profits. Only Zambia, Hungary and Canada state specifically the members' right to share in the profits.

Obligations and restrictions on members should mainly serve to preserve the cooperative nature of the enterprise. Uganda, Zambia, Afghanistan, Japan and the United Kingdom have set up a maximum shareholding limitation to ensure no member gains an unnecessary advantage over another member. This restriction should be provided for in the byelaws of Hungary, Canada and Ecuador.

In all countries, members are subject to provisions of the byelaws. Either the act or the byelaws should contain provision for the members to be able to transfer shares, to participate in the selection of the committee, to appoint nominees, to ask for a loan, to be given a say in the distribution of profits, to appeal against cancellation of registration and to inspect the books. A member should be able to freely withdraw from a cooperative if he disagrees with the decisions of the majority. However, he should also be obliged to take responsibility for any liability he holds at the time of his withdrawal.

Specifically, Uganda allows its members the right to vote, transfer share, appeal dissolution, share in the profits and appeal registration. The act requires all members to maintain a less than one-fifth share of the capital and to pay all dues before the cooperative may exercise its rights.

Zambia permits members to deposit money, to pay for shares by instalment, to receive a statement of the organisation's financial position, to vote, to transfer shares, to withdraw, to appeal expulsion, to share in the profits, to appeal against dissolutions, and to deposit monies. The duties in Zambia are to be governed by the byelaws, to pay all fees before exercising their rights and to maintain less than one-fifth share of the capital.

In Afghanistan members are allowed to withdraw with six months notice, to appeal against expulsion, to vote, to express views, and to appeal against refusal to register. At the same time, cooperative members are required to hold a minimum amount of shares not exceeding ten per cent of share capital and to maintain liability for two years after membership is terminated.

The members of a cooperative society in Japan have similar rights and obligations under the three different laws studied. All the members are allowed to freely withdraw, to share in the distribution of profits, to vote by proxy, to limited liability, to vote, to inspect the documents of the society and to request dismissal of an officer.

Similar obligations include a maximum shareholding of twenty-five per cent of the capital, and the duties; to pay all dues before exercising rights, to withdraw if expelled and to make all necessary payments to the cooperative.

The United Kingdom does not have a very detailed list of rights and duties. Responsibilities and rights of members rest on contractual relationships. The law does state that members are not to be bound to amendments which increase their liability as well as the rights to request loans and meeting or inspection. The members are required to maintain a minimum shareholding, not to exceed an amount set up in the byelaws, to pay debts and to be bound by the rules.

Hungary specifically enumerates the right and obligations of members. Among the rights are the abilities to vote, to share in profits, to merge or divide, to participate in the business of the cooperative, to limited liability and to equal consideration with other forms of work. The member is required to participate regularly, to contribute financially, and to protect the property of the cooperative.

Canada's membership rights include the right to vote, to withdraw, to transfer shares, to inspect documents of the cooperative, to participate in profit distribution, and to hold office. The member is required to maintain a minimum shareholding, to abide by the byelaws, and to pay all debts.

Equador permits members to vote, to participate equally, to transfer shares, to withdraw and to share in the profits. The members must obey rules and byelaws, pay all fees, and accept all losses.

Legislation should provide some certainty as to membership rights and obligations. Individual members need to be aware of these. However, it is not necessary to be too detailed since this may cause unreasonable restrictiveness. The law should state that members have the right to participation in profits and the right to withdraw. Participation is necessary to preserve the principle that profit belongs to the members. This right should be clearly stated in the law. The United Kingdom does not provide for this. Members should also be able to freely withdraw in order to maintain the democratic nature of the cooperative. Therefore, fundamental rights and obligations must be stated in the acts to preserve the cooperative character; but, specific rights and obligations may be provided for in the statutes.

6. Voting and Election

The ability of members to vote on issues and to elect officers stands as a major means of preserving and ensuring the cooperative's democratic nature. Also, it guarantees that each member has a check on the management of the cooperative enterprise, to determine whether other members have gained unfair advantage. Some important areas here are:

- 1 One man, one vote (Table No.53)
- 2 Secondary Societies' Voting Power (Table No.54)
- 3 Proxy Voting and Delegates (Table No.55)
- 4 Election of the Committee (Table No.56)
- 5 Duration of the Committee (Table No.57)
- 6 Removal of Members (Table No.58)
- 7 Casting Votes (Table No.59)
- 8 General Meeting by a Majority (Table No.60)

6.1 One man, one vote

No member should have more than one vote in the running of the society's affairs. This preserves the rights of each member on an equal basis.

Each country under study provides for one vote only by each member regardless of the number of shares held by him. Canada states that the byelaws may prevent a member, admitted less than three months before the holding of a general meeting, from voting. This clause may be unnecessarily restrictive. It is an attempt to protect the rights of current members over business carried out before the registration of the new member. However, since the new member takes on responsibility from the date of registration he should be entitled to his vote in the affairs of the society.

6.2 Secondary Societies' Voting Powers

Zambia, Hungary, Japan (a and c) and Equador provide no coverage of such powers in the Acts studied. The byelaws shall make provision for these powers in Uganda, Afghanistan, Japan (b) and Canada. The United Kingdom allows secondary societies to appoint proxy voters.

6.3 Proxy Voting and Delegates

Afghanistan makes no statement on proxy voting. Zambia, Canada and Hungary allow no proxy voting. Uganda and the United Kingdom allow proxy voting by secondary societies. Japan allows voting by proxy. Equador permits the use of a proxy only in the case where members have great distances to travel.

To permit proxy voting creates a possibility of its misuse. Japan does place a restriction on the number of individuals a proxy may represent - Japan (b), 10 persons; Japan (c), 5 persons. However, members should be present to maintain their own interests in the affairs of the society, as well as to create an open and useful forum for discussion and decision.

Additionally, Japan, Hungary and Canada permit a conference of delegates. This enables smooth operation of meetings where members live far away or where the number of members is prohibitively high to conduct business efficiently. No cooperative is required to hold a conference of delegates. But, the ability to do so makes for simplicity in the conduct of affairs.

6.4 Election of the Committee

In all cases, except Uganda and the United Kingdom, the committee is elected by the general meeting. Uganda provides for election or appointment of the committee through the Minister. In the United Kingdom the rules cover this area.

Election by the members is important. It allows the members to have control over the management of a society's affairs. Uganda, on the other hand, does not provide for its members to participate in the election of officials. This clause may act as a hindrance to the democratic operation of the cooperative since members are effectively separated from management.

6.5 Duration of the Committee

In Uganda, the United Kingdom and Equador no specific term of office is set up for the committee in the acts studied. The byelaws in Zambia provide for the duration of the committee. In other countries, the term of office varies - Afghanistan, Canada, Japan (a and c): three years or less; Japan (b): two years or less; Hungary: four years. The replacement of management enables a more efficient means of controlling everyday affairs. No one person gains too much power as a result of the cooperative's dependence on their knowledge. Further, an election is an occasion when a person's ability to manage comes into play.

6.6 Removal of Members

No provision is made in either the United Kingdom or Equador for the removal of members. The board of directors has the power to cancel registration in Zambia, Afghanistan and Canada. Hungary and Japan provide for expulsion by the general meeting. In Zambia, the appeal to cancel registration is also decided by the general meeting. The Minister removes members in Uganda.

Removal of members allows a society to maintain its existence if the problem centres around the activities of one member. However, expulsion should not be the decision of one person (as in the case of Uganda) since a decision taken in this manner may not reflect an objective point of view. A decision of the general meeting allows a forum for discussion and agreement by all members of the cooperative.

6.7 Casting Votes

Uganda, the United Kingdom and Japan (a) make no statement on casting vote. In all other countries the chairman of the general meeting has this privilege. A casting vote is necessary to avoid consistent stalemate in the general meeting and to enable an efficient business operation.

6.8 General Meeting by a Majority

Decisions taken by the general meeting should be made by a majority. This is the obvious basis for the democratic character of cooperatives. Uganda, the United Kingdom and Zambia make no provision for this. All other countries provide for majority decisions. However, Japan and Afghanistan require a two-thirds majority vote on certain decisions such as amalgamation, dissolution and amendment of the byelaws. Since these areas directly affect the nature of the organisation, a two-thirds majority assures that all member considerations are taken into account.

The ability of the members to participate in voting and election enables them to maintain constant contact with the affairs of the society. Officers should be accountable at all times to the members to enable the society to achieve its democratic and voluntary character for the benefit of all members. Uganda should make provision for the participation of the members in the selection of the committee. Otherwise, members are separated from the management operation.

7. The General Meeting

Some important areas here are:

- 1 Supreme Authority (Table No.61)
- 2 Annual General Meeting Period (Table No.62)
- 3 Purpose of the Annual General Meeting (Table No.63)
- 4 Extraordinary General Meeting and Founding Meeting (Table No.64)
- 5 Quorum (Table No.65)
- 6 Chairman (Table No.66)

7.1 Supreme Authority

The general meeting is the supreme authority of the cooperative where members may participate in discussion and decision on the affairs of the society. A statement of this should be made in the law to clarify where the ultimate power lies. Zambia, Afghanistan, Hungary and Ecuador clearly provide for the cooperative's supreme authority to be vested in the general meeting. The United Kingdom, Uganda, Japan and Canada make no provision for this. This is not to say the general meeting is not the seat of power; the spirit of the law must be taken into

consideration. However, to preserve the members' right to democratic and voluntary participation, a clause stating the supreme power lies in the general meeting should be added.

7.2 Annual Meeting Period

Cooperative law should provide for a general meeting at least once a year in order to keep members informed of the business of the cooperative and to allow them to make decisions on future operations. All countries under study make provision for an annual meeting. Ecuador requires a general meeting twice a year and at any other time when there is a request of one-third of the membership. The United Kingdom, Hungary and Zambia allow for additional meetings as set up in the byelaws.

7.3 Purpose of the Annual General Meeting

While the major purpose of the annual general meeting is the discussion and decision on business operations, certain specific items to be covered should be stated in the law. In all the countries studied the primary topic at the meeting is the approval of the financial reports.

Canada, Japan, Hungary, Ecuador, Zambia and Afghanistan provide for the election of officers at the annual meeting. These countries are more specific in itemising the areas of discussion. Such items as distribution of profits, amalgamation and dissolution are considered by the annual meeting. Provision for a discussion on the distribution of profits should be made under the acts in order to ensure membership participation.

The United Kingdom provides for other topics to be enumerated in the rules. Uganda only states minimal provisions for discussion at the annual meeting.

A small list of fundamental areas for discussion at the annual meeting is all that is necessary to maintain a cooperative's fundamental character. Specific areas may be enumerated in the rules so as to avoid unnecessarily restrictive articles and to promote easy operation of cooperative business.

7.4 Extraordinary General Meeting and Founding Meeting

In order to discuss issues of crucial importance to the continuation of the cooperative, all countries have provided for extraordinary general meetings. A simple and practical procedure should be established for the calling of these meetings. Reasons for them should not be too narrow. Uganda provides for extraordinary meetings only in the case of amalgamation or merger. Zambia, Afghanistan, Japan, the United Kingdom, Hungary, Canada and Ecuador allow these meetings to be called upon application of the members or request by the committee.

Founding meetings are necessary for application in Japan, Hungary, Canada and Equador. This provision enables members to approve the character of the enterprise before establishment.

7.5 Quorum

At least fifty per cent of the members should be present at meetings to enable the efficient operation of business. Members should be required to attend in order that they may participate in decisions of the cooperative. Meetings should not be allowed when the majority of members are not present.

Uganda, Japan, the United Kingdom and Equador do not require a quorum. Afghanistan requires a seventy-five per cent quorum at extraordinary meetings.

7.6 Chairman

All the countries studied, with the exception of Uganda, Japan (b) and the United Kingdom provide for a chairman of the general meeting. Duties and obligations of the chairman are not enumerated in most cases. However, the chairman has the casting vote. The chairman in Equador and Hungary is also the chairman of the management. Japan (c) provides for election of the chairman at the general meeting.

A simple and practical set up of the general meeting is evident in all countries. This ensures that members participate in the business of the cooperative. However, all countries should provide for a quorum, either in the laws or byelaws, to hold the meeting in order that no member or group of members maintains an unfair advantage.

8. Committee

The committee or board of directors is responsible for the administration and control of the affairs of the cooperative. As soon as a society becomes a certain size, it becomes practically impossible for day-to-day management to be handled by all its members. Therefore, management must be delegated. It is important, however, that the board remains accountable to other bodies such as the general assembly. The law should endeavour to construct a system whereby the risk of control being seized is minimized. Powers and duties of the committee should be specifically defined so as not to infringe on the membership as a whole. For example the general meeting should maintain the power to approve financial statements and elect the committee. Audit should be conducted by a group other than the committee itself. These measures are necessary to maintain the democratic nature.

The cooperative law in the United Kingdom provides for the election of the committee to be set up in the rules. Appointment is made by the Minister in Uganda. All other countries allow the general meeting to appoint members of the committee. It is important that election remains in the hands of the members. There is no guarantee that the Minister has any special qualifications which enables him to better select the committee (i.e. Uganda). Members should be allowed to determine the direction of management by selecting the committee.

The powers and duties of the board vary from country to country. A list of specific rights and obligations should be set up in the law. Members of the committee will then know the extent of their responsibilities within the limitation of their powers.

The United Kingdom and Uganda provide for powers to be set up in the rules or by the Minister respectively.

Zambian cooperative law requires the committee to examine reports, to prepare a resolution on the distribution of profits, to make recommendations to the general meeting and to maintain correct records. They have the power to recommend expulsion of members, supervise business, approve membership applications, appoint assistants and approve credit decisions.

In Afghanistan, the committee may expel members, administer the affairs of the society, convene special meetings, and establish rates of interest on loans. Other powers are specified in the byelaws. The law clearly states that the committee is responsible to the general meeting. Additionally, the committee must prepare financial reports, maintain a quorum and meet once a year.

The cooperative law of Japan provides for similar powers under each of the three laws studied. They have powers to control the business, to appoint advisors, to require members to pay up their shares, and other powers stated in the Commercial Code. Likewise, the duties are similar. The committee has the responsibility to convene general meetings, to hold only one office in the cooperative, and to keep business reports.

In Hungary, the committee must call general meetings and is responsible to the general meeting. The committee's powers include overseeing the chairman of the general meeting, deciding all other matters not covered by other organs and approval of admission.

The committee in Canada may suspend or expel a member, determine interest on shares, order special meetings, manage the affairs of the society within the scope of the byelaws, establish an executive committee and approve financial reports. At the same time, it must give notice of reasons for expulsion, give an account of its management, encourage cooperative education, maintain a quorum, be liable for damage and to dispose of reports.

Equador allows the committee to administer the affairs of the society, to settle certain disputes and to transfer shares. It has the duty to present recommendations to the general assembly and to maintain responsibility for cooperative funds.

The general meeting provides for the removal of officers in Canada, Zambia, Afghanistan, and Japan. Hungary and Equador make no provision for the removal of members. Members are removed by the Minister in Uganda. The rules provide for dismissal in the United Kingdom. Additionally, Zambia enumerates the reasons for dismissal thus protecting the interest of individual members of the committee.

Specific powers and duties should be set out for the committee, in order to control their scope of operation and ensure member rights. Countries such as the United Kingdom and Afghanistan have enumeration of these responsibilities in the rules. Too much is at stake to allow this; the law should be more definite to minimise the possibility of control being seized. To achieve this, the committee should be required to give an account of its operations as in the case of Japan. Specific clauses should place a responsibility to promote education and establish cooperation between societies.

9. Supervisory Bodies

Supervisory bodies should be elected by the general meeting and have as their function keeping under control the management of the cooperative. This serves to ensure the members' interest by maintaining a constant surveillance on the activities of those who deal with day-to-day business. The supervisory bodies set up in the specific acts should be small so as to maintain effectiveness.

The cooperative law in the United Kingdom and Japan does not provide for a supervisory committee. Zambia, Hungary and Equador provide for such a committee to be elected by the members. Afghanistan provides for a supervisory committee in its byelaws. Additionally, Zambia sets up a board of review whose purpose it is to consider Government loans and grants. Canada allows its board of directors to appoint an executive committee. In Uganda a supervisory manager is appointed by the Minister for a period not exceeding four years.

Zambia, Equador and Hungary lay down specific rights and obligations for the supervisory board. In these cases, they have the duty to examine regularly the affairs of the committee. In Afghanistan the powers are to be set out in the byelaws. The executive board in Canada exercises whatever powers are delegated to it by the board. In Uganda, the supervisory manager has all powers necessary for management and administration while it has the duty to keep the committee informed.

Canada's executive board serves as the second level of management. Since it is subject to the board it may be ineffective in supervising the board's activities. Therefore, the general meeting has to maintain an effective check on the directors.

A form of supervision should be maintained in all countries. The structure of management should be clearly defined in the law. Provision for this would not be unnecessarily restrictive. It may serve to minimise the possibilities of misuse of power and serve to preserve efficient handling of business.

10. Liability

Liability of a cooperative may either be limited or unlimited. In the countries under study, only Uganda allows for either. Others provide for strictly limited liability. In Ecuador a decision of the general meeting may amend limited liability for an extension.

Limited liability protects members of the cooperative. However, it may come in the way of credibility of the organisation since it cannot proceed against the assets of the members.

Likewise, where a society is set up on the basis of unlimited liability, precautions must be taken to ensure a secure financial status. In this case, responsibility rests with the members. Steps to protect members must be taken. Reserve should be maintained (as in Uganda) in order to cover the possibility of losses. Uganda also withholds dividends for ten years and requires individuals to hold shares one year before transfer or withdrawal. These regulatory measures are necessary in a society with unlimited liability to make them more efficient and financially feasible.

11. Duties and Privileges of Societies

Societies should be open and available for inspection to keep the public informed of their ideas. This preserves the open nature of cooperatives. The duties and privileges must maintain the rights of the members on an equal basis. In all the countries studied, the laws present detailed lists of rights and obligations.

Certain fundamental duties and privileges should be set up in the law. Societies should be allowed to amend their byelaws, to dispose of produce, to transfer interest upon the death of a member, to amalgamate or divide and to convert a company into a society. Responsibilities should include keeping rules and byelaws open to inspection and annual audit.

Uganda makes provision for all of the above listed powers with the exception of allowing a company to convert into a society. Uganda requires the society to set aside a reserve fund and education fund from its receipts. The education fund strengthens the cooperative movement since more people will be informed on cooperation. Also, the education fund enables members to keep up on new techniques in cooperative development.

Cooperative law in Zambia allows societies to have similar duties and powers. Additional powers are to be set up in the byelaws. It also requires societies to support cooperative education. Additionally, Zambia allows its cooperative societies to become involved with other organisations thus strengthening the foundations of cooperation. Specific types of societies (i.e. credit, housing) must obey certain rules which maintain their character. For example, credit unions must maintain a cash reserve to meet withdrawals.

Afghanistan's list of duties and powers is not extensive. Societies are not specifically allowed to divide, to approve byelaws, to dispose of produce or to convert from a company into a society. Clearly, a more detailed enumeration of powers is necessary to preserve their democratic nature and to ensure that no other group attains too much power. The articles of the act do not require the societies to keep their byelaws open to inspection. This may hinder the willingness of individuals to join the cooperative.

In Japan, no provision is made for the power to convert a company into a society or to divide societies. However, each of the laws studied in Japan specifically define the scope of business each type of society is allowed. Societies here must also maintain a reserve fund and submit reports to the administrative authorities. Japan (a) requires its societies to maintain a political neutrality as well as to avoid seeking profit as a primary motive. Both these clauses eliminate the possibility of the society losing its character.

The United Kingdom also states specifically the business which a society may carry on. However, there is no provision for the amendment of byelaws. It is the only country studied which allows a conversion to or from a company.

Hungary allows its societies to carry on all activities not prohibited or reserved for the state economic organs. The society determines its own plans. At the same time, the society is required to promote cooperative education (thus effectively supporting cooperative principles), to keep adequate records, and to be responsible for damages caused to members. This provides an additional guarantee that the society will not take advantage of its position over members.

The cooperative law of Canada enumerates several powers (to make loans, to borrow money, to create relief funds, to acquire assets, to amalgamate, etc.) However, it fails to allow for fundamental privileges. No provision is made for division of societies, transfer of share, approval of byelaws. Although the act does state that byelaws should be open to inspection and that financial records should be kept.

The rights and obligations for societies in Ecuador are to be provided for in the byelaws. The legislation does, however, attempt to promote cooperation by exempting societies from certain taxes. Such a clause emphasises the Government's intention to support the cooperative movement.

While many of the laws do not specifically provide for some fundamental rights and privileges of societies, these areas may be covered in membership rights or in the byelaws. However, they should be covered somewhere in the act itself to ensure a society's power to organise and operate business properly. Provisions in countries such as Hungary and Uganda to support cooperative education further clarify the specific character of the society on the basis of cooperative principles. All countries should include a provision for conversion of a company into a society. Only the United Kingdom does in the acts studied.

12. Property, Investment and Borrowing

The handling of assets in a cooperative is of very practical significance. If a cooperative is to operate efficiently, it must be allowed to manage its assets for the benefit of the societies and all their members. At the same time, the assets must be handled in such a way as to support the cooperative character as set out in the cooperative principles. Cooperatives in all the countries studied are set up as corporate bodies thus enabling them to act as a legal entity, to buy and sell property and to enter into contracts.

12.1 Property

Afghanistan and Japan (b) set up no provisions with regard to property. Uganda, Zambia, and Japan (a) treat misuse of property as an offence. In Zambia, Uganda and Hungary, all charges against the property of a registered society must be recorded. Investment of property belonging to a federation must first have the approval of the Registrar in Japan (c). Zambia and Canada allow immovable properties to be used as security. In Ecuador, annual reports must be submitted on amortisation and depreciation of immovable property.

None of the countries studied have restrictive clauses in relation to the handling of property. The laws allow for decisions regarding property to be made freely by the societies. The registration of all charges against property (as in Zambia, Uganda and Hungary) may be beneficial in ensuring proper records of debt are kept.

12.2 Investment

Very few regulations on investment policy are imposed under the acts studied. Specifically, Afghanistan, Japan, Hungary and Equador state none at all. - The rules shall provide for investment policy in the United Kingdom. In Canada the right to invest is stated in the law.

Both Zambia and Uganda limit the field of investment for cooperatives. Banks and Government securities are the only areas allowed. However, in Uganda other investments may be made with Ministerial approval. The restrictiveness of investment procedure may act as a hindrance to the efficient running of business. This clause effectively acts in a discriminatory way and impedes the development of cooperatives. It blocks a possible method of finance for the enterprise and promotes cooperatives on an unequal basis with other forms of corporate bodies.

12.3 Borrowing

In order to maintain efficient operations, borrowing should be allowed under cooperative law. Hungary and Japan (c) make no provisions for borrowing or lending money. In Uganda, Zambia, Afghanistan, Japan (a), United Kingdom and Equador, loans may be made to members. In Canada loans may only be given to federations or other societies. Ceilings on borrowing are to be set in by the general meeting in Afghanistan and Japan (b). The Minister directs loan decisions in both Uganda and Zambia. Additionally, Zambia sets up a maximum rate of interest (i.e. one per cent per month on un-paid balances) and a maximum loan to members (i.e. eight per cent of paid-up capital) for credit unions. This restriction in Zambia merely protects the interests of members in case money is withdrawn.

It is beneficial that none of the countries provide unnecessarily restrictive clauses relating to property, investment and borrowing. This way, the society may act on an equal basis with other forms of enterprise. As long as there is efficient management following a productive investment policy, there is no need for statutory impositions. Therefore, the primary task of the law in relation to property, investment and borrowing should be an efficient structure of management both in terms of the committee and the supervisory board.

13. Distribution of Profits

"Surplus or savings, if any, arising out of the operations of a society belong to the members of that society and should be distributed in such a manner as would avoid one member gaining at the expense of others".⁵⁾ This is the principle of equal distribution as set up

5) "Report of the ICA Commission on Cooperative Principles": ICA, London, 1967, p.33.

by the ICA. The most common method of cooperative distribution to members is in proportion to their transactions with the society. Provisions may be made for common services or for development of cooperation. In distributing the profits the following areas should be considered:

- 1 Reserve Fund (Table No.81)
- 2 Education (Table No.82)
- 3 Allocation for Members (Table No.83)
- 4 Reward for Capital (Table No.84)
- 5 Patronage Dividends (Table No.85)
- 6 Social Levies and Charitable Contributions (Table No.86)
- 7 Other (Table No.87)

13.1 Reserve Fund

Money must be set aside to cover any unforeseen expenses of a society. This is especially true in societies with unlimited liability. In this case, the greater the amount of the reserve fund, the less likely the members will be called upon to pay as a result of their unlimited liability. Credit unions also require the maintenance of a reserve fund to eliminate the possibility of bankruptcy upon withdrawal of deposits. It is also good business practice to maintain a reserve of funds to avoid possible bankruptcy.

The United Kingdom and Hungary make no provision for the establishment of a reserve fund. All other countries studied set up such a fund. However, the percentage of surplus allocated varies from country to country.

In Uganda, twenty-five per cent shall be set aside in societies of unlimited liability. In other societies, the percentage shall be determined in the byelaws.

The cooperative law of Zambia requires that credit unions set aside twenty per cent for the reserve fund until it equals ten per cent of the outstanding loans. All surplus of a community service or dairy society shall be transferred to the reserve fund. The byelaws of other types of societies shall provide for a reserve fund.

In Afghanistan, twenty-five per cent of surplus shall be allocated to the reserve fund. Additionally, provision is made for the use of the reserve to expand cooperative activities.

A minimum of ten per cent of surplus shall be maintained in the reserve fund for Japan. In all the societies this fund may be used only for the payment of losses.

All surplus may be allocated to the reserve in Canada. However, only ten per cent must be set aside for this. The specific amount shall be provided for in the byelaws.

In Ecuador, twenty per cent of the surplus received from appreciation shall provide a reserve fund. Rules for this fund are set up in the byelaws.

13.2 Education

The United Kingdom, Ecuador, Canada, Afghanistan, and Japan (a) make no provision for education. In Uganda, every society is required to make an annual contribution of not more than ten per cent to a National Cooperative Education Fund. Allocation for education shall be provided for in the byelaws of Zambia and Ecuador. In addition, the National Federation of Cooperatives in Ecuador must set aside twenty-five per cent of revenue for education. Japan requires five per cent or more of surplus to provide for education.

13.3 Allocation for Members

The addition to dividends and patronage bonuses, Uganda, Hungary and Canada provide for the allocation of surplus by various means to members. However, no society is required to make such allocations. Uganda allows the byelaws to establish a provident fund for members. Hungary requires all societies to pay a regular wage depending upon the results of economic activity. Common shares or rebates may be issued to members. However, no surplus share shall be distributed to members in the case of a cooperative for social objects.

13.4 Reward for Capital

Members' share capital should receive a strictly limited rate of interest to maintain cooperative character. The maximum interest received by members varies (Uganda - 10%; Zambia - 6%; Canada - 6%; Japan (a) - to be provided for in the articles; Japan (b) - 10%; Japan (c) - 8%; Afghanistan - 5%; Ecuador - no interest to be paid). In Uganda, a society with unlimited liability shall not pay dividends for ten years. A dairy society or a society for community service shall pay no dividends in Zambia. Canadian cooperative law does not allow dividends to be paid to members by cooperatives set up for social objects. Clauses

pertaining to dividends may be necessarily restrictive in order to maintain cooperative character and to avoid members seeking profit as an end.

13.5 Patronage Dividend

No provision for patronage dividends is set up in the United Kingdom. Both Uganda and Zambia allow patronage bonuses to be issued. However, the societies are not required to do so. Dairy and community service societies in Zambia may not pay patronage bonuses. Japan, Hungary, Equador, Canada and Afghanistan require surplus (not allocated for the reserve, etc.) to be distributed in proportion to the members' utilisation of services. In fact, Afghanistan requires a minimum of thirty per cent of surplus to be divided in such a manner.

13.6 Social Levies and Charitable Contributions

Uganda, Zambia and Canada allow allocation for social welfare as set up in the byelaws. In Equador, five per cent of surplus provides for a social assistance fund. None of the other countries studied enumerates specific regulations in this area.

13.7 Other

The byelaws may provide for the distribution of additional profit in Uganda, Zambia, Afghanistan, the United Kingdom, Hungary, Japan (b), and Equador. Japan (c) requires additional allocation of surplus to a revolving capital stock fund to cover losses upon liquidation. In Canada, the monies of a society for social objects shall be distributed for social purposes.

None of the countries studied enumerates restrictive clauses in the distribution of their profits. Reserve funds should be maintained in all societies. In societies with unlimited liability, they must be maintained. Uganda does require this - thus supporting cooperative principles. While funds do not need to be specifically set aside in the law for education, provision for education is beneficial. This guarantees that cooperative education is being maintained. However, the allocation for education should not be too high so as to effect efficient business. Allocation for members should be mainly on the basis of patronage bonuses. The cooperative law in the United Kingdom should provide for this.

14. Audit, Inspection and Inquiry

The instruments to maintain control of the society's management of finances are audit, inspection and inquiry. These tools help those in charge of supervision to have a clearer picture of operations, thus enabling them to more easily ascertain management problems. Therefore, cooperative laws must contain procedures for audits, inspections and inquiries without them being unnecessarily restrictive on everyday operations. The six areas listed below may give a clearer indication of how cooperative law in the eight countries studied respects the necessity for such provisions:

- 1 Internal Audit (Table No.88)
- 2 Statutory Audit (Table No.89)
- 3 Qualification of Auditor (Table No.90)
- 4 Rights and Obligations of Auditors (Table No.91)
- 5 Inspection and Inquiry (Table No.92)
- 6 Disposal of Reports (Table No.93)

14.1 Internal Audit

All the cooperative laws studied require an audit at least once a year. Uganda does allow an audit to be called upon application of a registered society. The supervisory committee has the responsibility to call the annual audit if the Registrar fails to do so in Zambia. In Equador, audit is required twice a year.

14.2 Statutory Audit

Statutory audit is only required in Uganda, Zambia, Afghanistan, the United Kingdom and Canada. Provision for this should be included in the other laws so as to maintain a contrast analysis on the direction cooperatives are taking and whether or not they are financially supporting the cooperative principles.

14.3 Qualification of Auditor

Persons must be members of the Institute of Registered Accounts and are appointed by the Minister in Uganda. In Zambia, the auditor is appointed by the Registrar. Public accountants need only be appointed when assets exceed an amount determined by the Minister. Japan and Canada does not allow auditors to be employees or directors. They are appointed by the general meeting. The United Kingdom requires its auditors to be public accountants and to be appointed by the Treasury.

14.4 Rights and Obligations of Auditors

There is no provision made for auditors' rights and duties in Hungary and Equador. The Registrar establishes procedures in Afghanistan. In Japan, the powers and obligations are set up in the byelaws. Canada, the United Kingdom, Uganda, Japan (a) and Zambia allow the auditor access to the societies' books and documents. With the exception of Japan (c) the auditors in these countries are required under the law to report on their findings. Additionally, Canada, Hungary and Zambia empower the auditors to demand all necessary information.

14.5 Inspection and Inquiry

Inspection and inquiry should be allowed as a deterrent to the possible misuse of the cooperative. In Uganda and the United Kingdom, the Minister has the power to hold inquiries and the Registrar has the right to continuously inspect the books. Cooperative law in Zambia requires the board of directors to inspect their affairs to ascertain whether business policy is effective and in line with cooperative principles. The Registrar may hold an investigation at any time. In Afghanistan the Registrar may hold an inspection or inquiry at any time. Canada provides for the Minister to call an inspection of affairs. However, inspection by the board may only be called upon application of the members. The National Director of Cooperatives has the right to inspect the cooperative's activity in Equador. No provision for inspection is made in Hungary.

Provision should be made in all cooperative laws for the possibility of inspection and inquiry. The advantage of this is that the members have an independent report on which they can take further action.

14.6 Disposal of Reports

Reports should be distributed to the proper authorities. Members should retain a copy to inform them on the results of the audit, inspection and inquiry as well as to enable them to take further action.

In Uganda, the results are given to both the Minister and the committee. Zambia, Japan, Canada and Equador require that reports are sent to the general meeting. In the United Kingdom and Afghanistan the Registrar retains responsibilities for all such reports. No provision is made for the disposal of reports in Hungary. All countries should turn over reports of this nature to the general meeting to keep them informed.

Internal audit should continue to be maintained in all countries. There are, however, advantages and disadvantages associated with statutory audit by professionals. These people may not have a background knowledge of or acquaintance with the special nature of cooperatives. When employing an auditor, this fact should be taken into consideration. The advantage of a professional auditor is in his experience and aloofness from the everyday operations of the firm. However, whether the society is audited or inspected, conducted internally or externally, no auditor or inspector should be a member of the board. A person from the board remains too close to the affairs of the society and may have some reasons for not entirely disclosing the workings of the society. Additionally, cooperative laws must specifically state that it is the duty of the auditor or inspector to see that the society is complying with its law, rules and byelaws. This is not effectively covered in the cooperative laws studied. An accurate report of the findings should necessarily be submitted to the members at the general meeting.

15. Disputes

The Registrar has the power to decide disputes in Uganda, Zambia, and Afghanistan. In the United Kingdom and Hungary the rules provide for the settlement of disputes otherwise. In the United Kingdom it is the duty of the Registrar to settle disputes. In Japan (a and c) disagreements are decided by the Minister. In the case of Equador, disputes are settled either by the general meeting or supervisory committee depending upon the parties to the dispute.

A cooperative arbitration committee may be set up to settle disagreements in Hungary. The Registrar may send disputes to arbitration in Zambia, Hungary and Afghanistan. Other laws studied make no provision for this. The use of a third party provides a more objective view of the situation which may be more readily acceptable to those in disagreement.

Uganda, Zambia and Hungary allow the Registrar to refer a dispute to the courts if he is of the opinion that a point of law arises. Cases of embezzlement in Uganda go directly to the courts for decision. Afghanistan's courts may only hear appeals to settlement of disputes. In the United Kingdom, disputes are not removable to courts of law unless no provision is made for the settlement of disputes in the rules or no decision is taken within forty days. In this case, application for decision may be made to the courts. No provision is made for the settlement of disputes by the courts in Japan, Canada or Equador.

Appeals against dispute decisions are not set up in Canada or Japan. In both Uganda and Zambia, appeals against decision by the arbitration committee are taken to the Registrar. Likewise, decisions against the Registrar are taken to the Minister within two months. The highest appeal shall be to the courts in Uganda. Afghanistan requires all appeals to be sent to the courts. In the United Kingdom appeals are not allowed. The general assembly decides appeals against dispute decisions in Equador.

Appeal to decisions on disputes should be allowed in order to maintain a cooperative's democratic nature. As long as the laws provide for a means of a third party decision on disputes, cooperative character is maintained. In all countries studied, provision for settlement of disputes is set up.

16. Liquidation

Winding up may be divided into the following areas:

- 1 Causes (Table No.98)
- 2 Appointment of Liquidator (Table No.99)
- 3 Liquidator's Powers and Responsibilities (Table No.100)
- 4 Disposal of Residual Assets (Table No.101)
- 5 Appeal (Table No.102)

16.1 Causes

Liquidation in Uganda is controlled by the Minister. He may, as he sees fit, dissolve the society after inspection or inquiry or when membership drops below ten members.

Zambian societies may dissolve upon a request of the general assembly. The Registrar may also cancel registration if he feels: registration was obtained by mistake; the society exists for an illegal purpose, the society willfully breaks the law, the society acts in a manner contrary to cooperative principles, membership is too small, or after inspection.

The cooperative law in Afghanistan allows the Registrar to cancel registration for reasons set up in the byelaws. In addition registration may be cancelled by a voluntary act of the members. If the cooperative has suffered losses of eighty per cent of its share capital, dissolution is required.

All three acts studied in Japan provide similar reasons for dissolution. Voluntary liquidation is allowed by a resolution of the general meeting. Amalgamation, bankruptcy, and too few members are the causes of dissolution.

Both voluntary liquidation and cancellation by the Registrar is allowed in the United Kingdom. In Hungary, however, a voluntary act of the general meeting is the only means of dissolution unless the enterprise has been a financial failure.

Canada and Equador permit the Minister to cancel registration. A voluntary act of the society may also effect dissolution in both these countries.

16.2 Appointment of Liquidator

No provision for the appointment of the liquidator is made in Afghanistan, the United Kingdom, Japan (a) or Hungary. The Registrar selects the liquidator in Zambia and Uganda. Japan (b and c) provides for the directors to become liquidators. However, a general meeting may select other liquidators. In Equador, the Minister is in charge of enlisting the services of a liquidator. Canada appoints a liquidator at the general meeting.

16.3 Liquidator's Powers and Responsibilities

Liquidators should be empowered to do all things necessary to smoothly handle the liquidation operation. The Registrar should maintain control of his activities.

Japan and Afghanistan provide for such powers in the rules. Hungary, the United Kingdom and Equador do not enumerate the liquidator's powers or responsibilities.

In Uganda, Zambia and Canada, the liquidator takes control of the assets during liquidation and draws up a resolution for the disposal of these assets. Additionally, the liquidator may require all information necessary for liquidation to be submitted.

16.4 Disposal of Residual Assets

Approval of the disposal of assets varies (Uganda - Registrar; Afghanistan - Minister; Japan - general meeting; the United Kingdom - members; Hungary - members; Canada - Lieutenant Governor; Ecuador - as set up in the byelaws).

Zambia, Japan, Hungary, Canada and Ecuador specifically state that all debts must first be paid from the residual assets. The remainder is to be divided among the members. However, in Afghanistan, Canada, Japan and Zambia, some of the residual assets may provide for social welfare. In fact, Canada requires that all residual assets of a cooperative for social good be applied by the Minister to work having a social object. /

16.5 Appeal

Only Uganda, Zambia and Afghanistan allow appeal against the decision to liquidate. This may be sent to the Minister. However, since in the other countries studied liquidation is based on a voluntary act, there is no need for a provision on appeal.

All the countries studied provide for adequate liquidation procedures. However, voluntary liquidation should be allowed under all the laws. At the present time this is not allowed in Uganda.

Financial failure should constitute a cause for dissolution if it is consistent as in Afghanistan and Hungary. This is not to say that unnecessarily high profits are required. Rather, if the enterprise is operating at a continuous loss, it would be better for the members to liquidate.

The disposal of assets should not be too appealing to members as is the case in the United Kingdom. A case may arise where members in a cooperative with a strong asset position may consider winding up. This may restrict the continuation of the cooperative and acts as a hindrance to cooperative development. Rather the benefit to members should be limited and any surplus should be directed or applied to other purposes which would achieve a better development of cooperative principles.

V CONCLUSIONS

Cooperation encompasses a philosophy. If the law for cooperatives fails to make a statement of these principles, or acknowledges them through the articles, the organisation which is set up is not a cooperative. It is merely another form of commercial enterprise.

Governments wishing to support cooperative development must provide laws which are practical and allow cooperatives equal status with other forms of enterprise. To achieve this, legislation should include provisions which support cooperative principles. Unnecessary articles unduly restricting cooperative development by discrimination should not be included in the State legislation.

Historically, the British first indicated cooperative law. The former colonies, such as Uganda, Zambia and Canada, reflect similarities with the United Kingdom law while incorporating new provisions as a result of specific economic or social circumstances. These countries tend to show a more analytical approach in their legislation since they have had the benefit of the development of model law. Other countries have introduced cooperative legislation presenting a different approach.

Japan provides for several federal acts to cover specific types of cooperatives. As can be seen in Appendix (iiib), many provisions are duplicated in each of the acts. A more effective type of legislation would set up only one federal act. However, special articles pertaining to specific forms of cooperatives may be set up in the act and more clearly defined in the byelaws (such is the case of Zambia).

In the area of definition, all countries studied should include specific definition of important terms in their legislation. This has not been done effectively in the countries studied. Confusion in this area may cause severe communication problems and hinder the possibility of cooperation on an international level.

Voluntary membership without restrictiveness is supported by the legislation in these eight countries. Applications may be submitted freely by any members. By allowing the cooperative a corporate status, it is free to deal equally with other institutions.

The powers given to the Minister are extensive in Uganda. Members do not effectively participate in management decisions since the Minister is responsible for the appointment and dismissal of the committee. He also controls the powers of the general meeting. No

system of checks and balances is set up, there is no guarantee that the Minister will always act effectively to support cooperative principles. This undermines the democratic nature of the cooperative.

In Japan, as well, too much responsibility rests with the Minister. He has the power to set financial standards. However, there is no guarantee that he has any special knowledge of this field. Financial standards should be maintained by those in charge of management.

The Registrar has various duties in all the countries. It is important to realise that the responsibilities of the Registrar extend beyond what the law may provide. All the laws studied provide an open atmosphere in which the Registrar should work. He must seek to provide the spirit of cooperation in the administration of the law.

As stated above, membership is voluntary. However, some discriminatory articles are evident. For example, Equador allows only married women to be members. This article is unnecessarily harsh and imposes a double standard on women. The requirements to hold land in the cooperative area of business (i.e. Uganda, Zambia, Afghanistan and Equador) may also prove restrictive, since, in some of these countries, women do not normally possess land. Therefore, women are effectively excluded from cooperative enterprises.

The Industrial and Provident Societies Acts of the United Kingdom do not specifically state that members of cooperatives vote equally and are entitled to share in trading surpluses in accordance with cooperative principles. The Act covers other enterprises as well as cooperatives and the Chief Registrar of Friendly Societies is given such powers that he could satisfy that enterprises registered under the Act in Britain will observe cooperative principles as defined by the International Cooperative Alliance.

An effective managerial structure must be set up in the law to provide proper control. This will not be unnecessarily restrictive. There is too much at stake to leave such an important matter to the rules. A cooperative should determine the structure of its administration and impose it on every society so as to guarantee the member's rights to an honest and efficient system of management. Duties and responsibilities should be delegated under the law.

Of primary importance to the structure of management is the ability of the cooperative to act as a corporate entity. This is provided for in all countries, thus allowing the society to manage its assets to the benefit of all members. However, the limitation (in Zambia and Uganda) on investment to banks and government security hinders their ability to act in the best possible way for the financial advancement of the cooperative. It is discriminatory by nature since cooperatives are not put on equal basis with other forms of enterprises.

A committee or supervisory board should be set up by, and be accountable to, the members. A small body such as the committee is required to handle the day-to-day affairs of the cooperative. Uganda does not provide for the election of the committee by the members. This infringes, among the members rights, to participate in the management of the cooperative. The duration of the committee is limited in almost all the countries (no provision for this is made in the United Kingdom) so as to maintain a constant check on the powers of individual members of the committee.

Constant supervision should be maintained on the committee to ensure that they do not gain unreasonable power. The United Kingdom and Japan do not provide for such committees. However, they should incorporate such provisions to ensure proper operation of the business.

Another important part of the control and administration of business pertains to the audit, inspection and inquiry of societies. These are the instruments used to maintain control of the enterprise. Provisions should be set up in the laws for a statutory audit. This is not fully covered by the countries studied. In addition, the auditors should be required to report on how well the management is complying with and supporting the law.

To further maintain control of the cooperative, supreme power should be vested in the general meeting. All the countries studied have provided for an efficient general meeting. However, the United Kingdom must set down specifically the voting procedures and frequency of the meetings under the law, not the rules. A quorum should also be maintained to enable the members to participate in cooperative decisions. Quorum is not provided for under the laws in Uganda, Japan, the United Kingdom and Equador.

Societies with unlimited liability must take precautions to ensure a secure financial operation. Such restrictions enable the society to act more freely in business. For example, Uganda requires a higher reserve position for societies with unlimited liability. Thus, the chances of bankruptcy are minimised so business operations are effective.

Certain additional fundamental rights and duties of the societies must be provided for under the law. Societies should be open so as to encourage membership and promote cooperative ideas. Among these fundamental rights and privileges are: the amendment of byelaws, amalgamation and division, disposal of produce, and conversion into a company. Only the United Kingdom states specifically that a company may be converted into a society. Provision should be made in all countries for this to enable easier membership to cooperatives. Zambia also requires its societies to support cooperative education and allows them to become involved with other organisations. Thus, the foundations for cooperation are strengthened.

Societies should also enable members to participate in the distribution of profits. All countries provide for members to share in the profits. With the exception of the United Kingdom, the major way to achieve this is by issuing patronage bonuses. Interest rates must be strictly limited to maintain cooperative principles and to avoid members seeking profits as an end. Specific regulations on the disposal of additional surplus need not be set up in the law. Members should have the right to decide on the disposal. Allocations for education required in Uganda and Equador. However, the requirement for education funds should not hinder the everyday business of the cooperative.

Some provision for the settlement of disputes must be set up under the law. Uganda, Zambia and Afghanistan enable parties in a dispute to send it to arbitration. A cooperative arbitration committee is set up in Hungary. The general assembly or supervisory council decides disputes. Only Uganda, Zambia and Hungary allow court action on disputes. Appeal against dispute decisions should be allowed in Canada and Japan where no appeal is provided for to maintain a cooperative's democratic character.

Liquidation should be voluntary. It should only be imposed when a society by its actions comes into direct opposition to cooperative principles. Uganda should allow for voluntary liquidation - as the law stands, only Ministerial liquidation is provided for. At the same time, winding up should not be too appealing (i.e. the United Kingdom) since members may consider liquidation to gain the benefit of residual assets.

In general, the spirit of cooperation is consistently apparent in all the laws studied. Governments clearly attempt to promote cooperative enterprises. However, as discussed above, specific areas must be revised to maintain and promote cooperative character. The United Kingdom, especially, needs to more clearly define cooperatives as separate from other forms of corporate bodies under the law.

VI APPENDICES

- (i) Brief History of Cooperative Legislation in the Countries
- (ii) Brief Statistical Data on the Countries
- (iii) The Laws
 - (a) Section Numbers of Laws Studied
 - (b) Summarised Laws under Sections
- (iv) Bibliography

BRIEF HISTORY OF COOPERATIVE LEGISLATION IN THE COUNTRIES STUDIED

1 UGANDA

Cooperative law was introduced by the colonial British Government along with lines of the "Classical British-Indian" pattern. In the 1930's the Indian model was transferred here with almost no changes. During the 1940's the colonial rulers followed a pro-cooperative policy. Since independence, Uganda has introduced the "Cooperative Societies Act, 1976", still based on the British model. An attempt was made to deal with problems specific to Uganda.

2 ZAMBIA

Zambia, during its colonial period, also followed the "British-Indian" pattern. A Cooperative Societies Ordinance was enacted in 1948 after a Department for Cooperatives was set up in 1947. This law was amended in 1961. After independence in 1964, the Government felt it should maintain a policy of support to cooperatives as a method of involving people in industry. A new comprehensive "Cooperative Societies Act" was introduced in 1970 and is still in effect today.

3 AFGHANISTAN

The introduction of the cooperative movement to Afghanistan was a result of community development projects of the 1950's. Cooperative organisations were introduced by the Government as a method of promoting the economic interest of the people. The draft set up for the Cooperative Law was based on the Indian Act of 1912 with special emphasis on development. However, cooperation was first introduced without a specific act. Finally, in 1974, "The Cooperative Law" was passed.

4 JAPAN

Cooperatives have deep roots in Japan's history. Due to geographical features, cooperatives were the most productive form of enterprise. However, no law provided legal status for the cooperatives until 1900 when the Diet passed "The Industry Cooperative Law" or "The General Cooperative Law". The basis for this Act was the German law. Consumer societies were

recognised, but the organisation of labourers in producers' cooperatives was not allowed. This law permitted credit, seller, purchaser and utility cooperatives. Credit cooperatives were not allowed to do both buying and selling. Later, commercial, industrial and fishery cooperative laws were passed. A separate law for agricultural cooperatives was set up in 1947. The Labourer's Cooperative Law was passed in 1953. Laws relating to credit cooperatives were set up in 1953.

5 UNITED KINGDOM

Self-help organisations were first recognised in the United Kingdom during the end of the eighteenth century, with the "Act for Encouragement and Relief of Friendly Societies". This law enabled people to establish voluntary associations for mutual help and benefit for members. The first cooperatives were legally put in the same category as friendly societies with the amendment of 1834. However, this first legal foundation was restrictive since the cooperatives could not buy land or trade with non-members. The amendment Act of 1846 contained the first legal definition of cooperatives. The first cooperative Act for the UK was passed in 1852 as the first "Industrial and Provident Societies Act". This Act was consolidated and amended in 1862 to remove any restrictive elements and to put registration as a cooperative on an equal basis with other forms of enterprise. Limited liability was introduced and societies could now hold land. In 1874, the Third Consolidating Act was introduced which finally separated the cooperative societies from friendly societies. The Final Consolidated Act of 1893 repealed all previous acts. The Act remained in effect until 1965 when the "Industrial and Provident Societies Act" was passed. This law is effective today with revisions in 1967 and 1975.

6 HUNGARY

The first cooperative was introduced into Hungary in 1873 - without a cooperative law. Development of legal foundation took place during the period 1945-1948. Cooperatives were classified into categories of commercial companies with limited liability. During this time, the cooperatives were governed by the Commercial Code of 1875; this phase culminated in the Cooperative Act of 1947. Provisions of the act were incorporated in the Civil Code of 1960. The 1967 Act III consolidated agricultural cooperatives into a single code. Individual development of cooperative laws did not continue although the Civil Code of 1960 failed to meet the various needs of different forms of cooperative. Therefore, in 1971 Act III was adopted, thus bringing all cooperatives under common regulations. This is still the primary law of cooperatives in Hungary.

7 CANADA

Canadian Cooperative Law had its basis on the United Kingdom model. Each province in Canada had and continues to have its own cooperative regulations. The "Abstract of Canadian Provincial Legislation on Cooperatives" of 1958 and its revisions served as a model for these laws. Until 1970, the Companies Act served as federal legislation but carried no special provisions to ensure cooperative principles. In 1970, the "Cooperative Associations Act" was passed and serves as the federal regulation for cooperatives. Each province still maintains specific legislation for cooperatives.

8 EQUADOR

Cooperatives began in Ecuador in the 1920's and 1930's as private institutions. Cooperative law was set up in 1937 as "Ley de Cooperativas". During the 1960's the Government realised the necessity for the formation of cooperatives on the basis of education. In 1966 the "Ley Cooperativa" was introduced on this principle. Emphasis was placed on both agriculture and production. Cooperative federations were set up. In 1965, the General Conference on the International Organisation of Workers recommended a more accurate form of cooperative legislation in all countries. The "Ley de Cooperativas" was passed by the Minister and came into effect in 1972 as the federal cooperative law.

BRIEF STATISTICAL DATA ON COUNTRIES STUDIED⁽¹⁾

	UGANDA	ZAMBIA	AFGHANISTAN ⁽²⁾	JAPAN	UNITED KINGDOM	HUNGARY	CANADA	EQUADOR
Population mid 1977 (in millions)	12.4	5.2	20.0	114.2	56.0	10.7	23.5	7.5
Gross National Product 1976 (million US \$)	2,820	2,200	2,300	553,140	225,150	24,140	174,120	4,690
Per Capita GNP 1976 (US \$)	240	440	160	4,910	4,020	2,280	7,510	640
System of Government	Military Dictatorship	Democracy	Left-Wing Civilian	Democracy	Constitutional Monarchy	People's Democracy	Democracy	Military Dictatorship
Growth Rate (GNP) Annual Average in % 1970-1975	-4.5	0.9	2.1	4.0	2.0	3.2	3.3	6.1
Cooperative Membership 1976	980,076	50,123	1,353	15,612,762	10,666,810	3,865,403	9,124,111	336 ⁽³⁾
Membership as % of population 1976	8.21	0.99	Not a Member of ICA	13.84	19.01	36.51	41.12	Not a Member of ICA
Turnover of Agricultural Cooperatives 1976 Thousand US \$	111,065	4,748	1,152	26,155,083	16,079	4,455,577	2,301,191	Not a Member of ICA

1) Source for figures on population, GNP, per capita GNP and growth rate: "World Bank Atlas, 1977"; Source for cooperative membership, membership as a % of population and turnover: "ICA Statistics of Affiliated Organisations, 1975-1976".

2) Figures for membership and turnover in Afghanistan: "International Directory of Cooperative Organisations, ILO, 1971"

3) Source for number of cooperatives in Equador: "International Directory of Cooperative Organisations, ILO, 1971".

SECTION NUMBERS OF LAWS STUDIED

<u>Section Summaries</u>	<u>Table No.</u>
1. Definition	1
2. Registration	2
3. Powers and Duties of the Minister	3
4. Powers and Duties of the Registrar	4
5. Membership	5
6. Voting and Election	6
7. General Meeting	7
8. Committee	8
9. Supervisory Bodies	9
10. Liability	10
11. Duties and Privileges of Societies	11
12. Property, Investment, Borrowing	12
13. Distribution of Profits	13
14. Audit, Inspection and Inquiry	14
15. Disputes	15
16. Liquidation	16

1. DEFINITION	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Appendix (iia)	
							Canada	Equador
1.1 Bonus	87	none	none	none	none	none	none	none
1.2 Bylaws	87	2	none	none	none	13	none	none
1.3 Committee	87	2	none	none	74	none	none	none
1.4 Dividend	87	2	none	none	none	none	none	none
1.5 Member	87	2	2	none	none	none	none	none
1.6 Officer	87	2	none	none	74	none	none	none
1.7 Primary Society	87	none	2	none	none	none	none	none
1.8 Registered Society	87	none	none	none	74	none	none	none
1.9 Registrar	87	2	2	none	73	none	none	none
1.10 Rules	none	2	none	none	none	none	none	none
1.11 Secondary Society	none	none	2	none	none	none	none	none
1.12 delegate	none	2	none	none	none	none	none	none
1.13 Net Trading Surplus	none	2	none	none	none	none	none	none
1.14 Society	none	2	none	none	47.	none	none	none

2. REGISTRATION	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
2.1 Application	4-5	10	4	(a) 22 (b) 54, 57 (c) 55, 59	1-2	12,13,16	6-8	5-7
2.2 Objective and Purpose	2	11	none	(a) 1,5 (b) 1 (c) 1	none	1-11	none	1-2
2.3 Reasons for Non-registration	5	11, 17	none	(a) none (b) 2 (c) 60	1-2	15	3	7
2.4 Appeal	9	11	none	(a) none (b) 59a (c) 61	none	15	none	none
2.5 Corporate Body	6, 29	13	7	(a) none (b) 4 (c) 5	3	1	8	7
2.6 Certificate of Registration	11	12	7	(a) none (b) none (c) none 48.	2	none	8	8

3. POWERS AND DUTIES OF THE MINISTER	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Equador
3.1 Powers of the Minister	1,9,27,41 42,52,53,57 80,77,84,85 86,23,79	6,75,156,164 167	3,45,47,49	(a) 6,29,31 33,48,62,90 91,92,93,95 96,98 (b) 12,26a, 50b,53b,57, 58,59a,62,65 93,94,95 (c) 10,59, 10-2,28,41 52,53b,95-2 65,69,94	none	108,109	3,4,46,87,91, 96,101a,101c, 110,115	56,97,68,94, 95,111,154, 141
3.2 Duties of the Minister	21,23,49,51	3,4,5,154	none	(a) 92,96 (b) 59a, 93, 94,95,96,97 (c) 60,61, 95-3,94	none	111	101b	98,107

4. POWERS AND DUTIES OF THE REGISTRAR	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
4.1 Registers Society	5	10,11,12	4,6,7	(a) none (b) none (c) none	2	none	none	none
4.2 Approves bylaws	8	19,21,34,37	8	(a) none (b) none (c) none	2,10	none	none	none
4.3 Authorise invest.	42,44,46	32,35,58	34,51	(a) none (b) none (c) none	1 (1967)	none	none	none
4.4 Soc. Contribution	49	none	none	(a) none (b) none (c) none	none	none	none	none
4.5 Audit, inquiry	52,54,55	127,140,142	38,40,41	(a) none (b) none (c) none	39,44,48 49	none	none	none
4.6 Liquidation	7,57,48 62,64	146,149	44,45,47	(a) none (b) none (c) none	16,17,56 58	none	none	none
4.7 Surcharge	70	none	none	(a) none (b) none (c) none	none	none	none	none
4.8 Disputes	25,173	154	39	(a) none (b) none (c) none	60	none	none	none
4.9 Devolution	62	9,161	none	(a) none (b) none (c) none	none	none	none	none
4.10 Supercede Comm.	none	162,163	42	(a) none (b) none (c) none	49	none	none	none
4.11 Merge, Divide	24,26	18,144,145	43	(a) none (b) none (c) none	50	none	none	none

5. MEMBERSHIP	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
5.1 Conditions of Eligibility	12,14,16	55,82,94	9,10,11	(a) 11 (b) 14 (c) 12,72-10	19,20,26	6,55	17,18a,20	11,12,13,14 16
5.2 Membership Rights	17,18,38, 46,57,71	95,97,99 101,102,104 105,109,106 110,143,23 139,146,33 77	11,12,13,14 23,47,49	(a) 12,13, 15,16,17,38 39,41,45,47 48 (b) 2,19,12, 17,21,25,39, 48 (c) 13,15,16 20,21,22,23, 30,35,39,43, 93,94	14,21,23,46, 47,49	4,9,64,5,17, 19,21,40,49, 57,58,59,72, 73,75	5,23,27,32, 34,73,91,82, 18a,25,52	3,16,17,18 20,23,34,51 61
5.3 Membership Obligations	12,13,15	93,96,98, 103,107,33, 42	13,28	(a) 12,14 15,17 (b) 16,20, 22 (c) 13,14, 17,18,22	6,14,22,45, 49,54	42,57,60,63, 64,66,80,81, 82,83,84	21,22,24,26, 30,38,75,83, 85	14,16,21,24, 28,29,57,58, 62

6. VOTING AND ELECTION	Uganda	Zambia	Afghanistan	Japan	Haiti Korea	Hungary	Canada	Ecuador
6.1 One man, one vote	17	101	14	(a) 13 (b) 2,17 (c) 16	1	22	5,42,43	19
6.2 Secondary Soc.	17	none	14	(a) none (b) 17 (c) none	32	none	119	none
6.3 Proxy voting and Delegates	17	101	none	(a) 13,53 (b) 17 (c) 16,48	32	22,24	5,42,44	33
6.4 Election of the Committee	79	61,111 112	19,24	(a) 34 (b) 28 (c) 28,30	1	25	52	35
6.5 Duration of the Committee	none	115	24	(a) 35 (b) 30 (c) 31	none	25	16,48,53	none
6.6 Removal of Members	54	110	11,12	(a) 17 (b) 20,41 (c) 22	none	68	25	none
6.7 Casting Votes	none	101	20,26	(a) none (b) 45 (c) 45	none	22	47,59	31
6.8 General Meeting by by a majority	none	none	20,22 52	(a) 52,53 (b) 45,46 (c) 45,46	none	22	47	31

7. GENERAL MEETING	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Equador
7.1 Supreme Authority	none	128	19	(a) none (b) none (c) none	none	20	none	31
7.2 Annual Meeting Period	23	123	19	(a) 46 (b) 34 (c) 34	1	21	18	32
7.3 Purpose of the annual meeting	23, 51	21, 112, 128, 140	19, 20, 24, 29	(a) 19, 34, 39, 41, 55, 62, 51 (b) 28, 41, 43, 45, 47, 65 (c) 22, 30, 40, 44, 47	1, 46, 50	20, 24, 56	45, 46, 48, 63	9, 35, 47, 48, 137, 48, byelaw
7.4 Extraordinary Meeting	24, 26, 27	117, 122, 124, 127, 140	21, 22	(a) 24, 47 (b) 35, 55 (c) 35, 58	49	12, 21	15, 49, 51	6, 32
7.5 Quorum	none	126	20, 22	(a) none (b) none (c) none	none	22	41	none
7.6 Chairman	none	101	20	(a) none (b) 45 (c) 45 53.	none	32	47	31, 32,

8. COMMITTEE	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
8.1 Election	79	61,112,116	19,24	(a)34 (b)28 (c)30	1	25	52,53,54, 120	35
8.2 Powers	79	110,113, 114,117 121,36,38, 68,85	12,21,24, 25,26,34	(a)25,26,43 45,42 (b)34,35,42 60,87 (c)41,42,62 69	1,24,25, 27,26	21,25,26, 32,56	23,24,25,31, 33,35,37,49, 54,56,57,61, 63,65,66,72, 80,91,104, 111,117	30,35,36, 41,42,48, 51
8.3 Duties	23,79	113,119 120,36,79, 62,75,84	11,24,25, 26	(a)36,37,99 100,101,38, 39,56 (b)31,34,35 36,39,40 (c)31-2,32, 34,35,38,39 48-2	1,24	21,25,27, 28	25,49,57,58, 60,61,62,67, 70,81	27,32,48, 101,139,142, 143,144
8.4 Removal	79	118,122	19	(a)41 (b)41 (c)40 54.	1	none	51	none

9. SUPERVISORY BODIES	Uganda	Zambia	Afghanistan	Japan	United Korea	Hungary	Canada	Ecuador
9.1 Appointment, Election, and Composition	52	61,164	16	(a)none (b)none (c)none	none	27	63	40
9.2 Powers	52	68,74,164	16	(a)none (b)none (c)none	none	21, 27	63	39,41, 48
9.3 Duties	52	75,164	16	(a)none (b)none (c)none 55.	none	27, 28	63	32,48, 142,14 144,14

10. LIABILITY	Uganda	Zambia	Afghanistan	Japan	United Korea	Hungary	Canada	Equador
10.1 Limited Liability	2,36,37,38	10,15	32	(a) 12 (b) 16 (c) 13,15, 17	3	40	5	9,49
10.2 Unlimited Liab.	2,18,38,46, 47	none	none	(a) none (b) none (c) none	none	none	none	9

11. DUTIES AND PRIV. OF SOCIETIES	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Equador
11.1 Priviledges	8, 24, 25, 26, 29, 31, 32, 33, 34, 36, 37, 38, 40, 45	19, 38, 57	33, 34, 35, 43, 49	(a) 20, 43, 55 58, 62 (b) 10, 11, 13 18, 22, 24, 53a 95b, 47 (c) 10, 11, 13 17, 18, 19, 24, 26, 27, 42, 48, 52-2, 73-13	16, 18, 21, 29, 30, 31, 32, 46, 50, 51, 52, 55, 7	6, 37, 38, 41, 43, 45, 46, 47, 48, 61	14, 36, 55, 93	9, 16, 64, 6 68, 69, 70, 7 103, 105, 1 109, 134, 1
11.2 Duties	19, 20, 21, 23, 30, 31, 38, 42, 43, 44, 46, 47, 49, 50	19, 22, 23, 35, 50, 52, 70, 78, 99, 100, 123, 129, 134, 139	13, 29, 34, 36, 38	(a) 5, 6, 7, 21 31, 66, 91 (b) 12, 15, 20, 26, 49, 51, 52, 75, 76, 93a (c) 20, 29, 72- 11, 49, 51, 52, 54, 68	7, 14, 15, 23, 37, 39, 40, 44, 48, 50	8, 10, 11, 18, 37, 38, 39, 40, 74, 85	34, 73, 77, 94	16, 87, 31, 92, 115, 13

12. PROPERTY, INVEST. BORROWING	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
12.1 Property	50,72	58,60,134 171	none	(a)99 (b)none (c)105	30	34,35,39, 40,46	14	130
12.2 Investment	45	54,57	none	(a)none (b)none (c)none	1,11,31	none	14	none
12.3 Borrowing	42,43	58,64,65, 35,36,72, 49,129	19,34	(a)58 (b)43 (c)none 58.	21	none	14	66,133

13. DISTRIBUTION OF PROFITS	Uganda	Zambia	Afghanistan	Japan	India	Hungary	Canada	Ecuador
13.1 Reserve fund	47	23,42,79 89	29,30,31	(a)60 (b)51 (c)51	none	none	5,82	50,129
13.2 Education	49	79,123	none	(a)none (b)51 (c)51	none	none	none	50,129 129
13.3 Allocation for members	47	none	none	(a)none (b)53a (c)none	none	59	84,85,109	none
13.4 Reward for capital	46	42,72,89	29	(a)61 (b)52 (c)52	none	59	31,109	131
13.5 Patronage Div.	46	23,42,79 89	29	(a)61 (b)2,52 (c)52	none	59	5,109	61
13.6 Social Levies	49	23,89	none	(a)none (b)none (c)none	none	none	109	none
13.7 Other	48	23	29 59.	(a) none (b) 26a (c) 52-2	1	59	109	60,129

14. AUDIT, INSPECTION INQUIRY	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
14.1 Internal Audit	21	75,140	38	(a)39 (b)40 (c)39	37	39	78	32
14.2 Statutory Audit	21	75,140	38	(a)none (b)none (c)none	37	none	78	none
14.3 Qualification of Auditor	21,22	140,141	38	(a)34,36 (b)27,31 (c)30,32	38	none	86,87	none
14.4 Rights and Oblig. of the Auditor	21	140,141	38	(a)32,39 (b)32,33,40 26a (c)33,36,78	37	none	88,89	none
14.5 Inspection and Inquiry	21,50,51, 54,55	22,36,84, 135,140, 142	40,41, 42	(a)39 (b)33,39, 93a,93b (c)39,94	40,45,46, 47,49	none	73,91	127
14.6 Disposal of REports	21,54	140	38 60.	(a)39 (b)33 (c)39	39	none	90	32,127

15. DISPUTES	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
15.1 Decision	25,73,76	154	39	(a) 92, 96 (b) none (c) 93	60	20, 89	none	38, 42
15.2 Arbitration	73, 74, 76	154	39	(a) none (b) none (c) none	none	none	28, 86	none
15.3 Court	73, 75	154, 155	39	(a) none (b) none (c) none	60	87	none	none
15.4 Appeal	73, 75	154	39	(a) none (b) none (c) none	60	86	none	42

16. LIQUIDATION	Uganda	Zambia	Afghanistan	Japan	United Kingdom	Hungary	Canada	Ecuador
16.1 Causes	54, 58	146	44	(a)67 (b)62, 64 (c)64	55, 56	49, 50, 51	98, 101a	15, 23, 98
16.2 Appointment of Liquidator	62	147	none	(a)none (b)69 (c)69	none	none	98	99
16.3 Liquidator's powers, oblig.	63, 67	148, 149	45	(a)68, 86 (b)70 (c)70	none	52	98, 99, 100, 101	none
16.4 Disposal of residual assests	63	153	47	(a)68 (b)70, 71 (c)70, 71	58	53	100, 109	29, 99
16.5 Appeal	65	146, 150	49	(a)none (b)none (c)none	none	none	none	none

62.



1. DEFINITION

		<u>Table No.</u>
1.1	Bonus	17
1.2	Byelaws	18
1.3	Committee	19
1.4	Dividend	20
1.5	Member	21
1.6	Officer	22
1.7	Primary Society	23
1.8	Registered Society	24
1.9	Registrar	25
1.10	Rules	26
1.11	Secondary Society	27
1.12	Delegate	28
1.13	Net Trading Surplus	29
1.14	Society	30

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means a share of the surplus of a registered society divided among its members in proportion to the volume of business done with the society by them from which the surplus of the society was derived. (section 87)</p>	<p>none</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>none</p>

MINOR SUBJECT AND NO: BONUS (1.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means the registered bye-laws made by a society in the exercise of any power conferred by the Act, and includes a registered amendment of such bye-laws. (section 37)</p>	<p>means the registered by-laws of a society, having been passed by the members and approved by the registrar, and includes amendments thereto. (section 2)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>none</p>

MINOR SUBJECT AND NO: BYLAWS (1.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	shall be the charter of the co-operative's organization, working and economic activity; their content shall be determined, within statutory limits, taking into account the co-operative's purposes and conditions, by the general assembly. (section 13)
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means the governing body of a registered society to whom the management of its affairs is entrusted and includes a board of directors. (section 87)</p>	<p>means the governing body of a society to whom the supervision and the direction of its affairs are entrusted by the members. (section 2)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>none</p>

MINOR SUBJECT AND NO: COMMITTEE (1.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
in relation to a society, means the committee of management or other directing body of the society. (section 74)	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means a share of surplus of a registered society divided among its members in proportion to the share capital held by them. (section 37)</p>	<p>means a member's share of the net surplus divided amongst the members in the same proportion as the paid up share capital held by them in the society. (section 2)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>none</p>

MINOR SUBJECT AND NO: DIVIDEND (1.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>includes a person or a registered society joining in the application for the registration of a society, to membership after registration in accordance with the bye-laws. (section 87)</p>	<p>means a person who, or other society which, in terms of the by-laws of a society is entitled to vote at meetings of that society. (section 2)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>an individual member or a member-Cooperative participating in the foundation of a Cooperative, or who is admitted to the membership of a Cooperative in accordance with its bye-laws. (section 2)</p>	<p>none</p>

MINOR SUBJECT AND NO: MEMBER (1.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>includes a chairman, secretary, treasurer, member of committee, employees, or other person empowered under any regulations made under the provisions of this Act or bye-laws of a registered society to give directions in regard to the business of a registered society. (section 87)</p>	<p>means chairman, vice-chairman, member of the board of directors or of any committee, secretary, treasurer, employee or other person, empowered under this Act, the rules or the by-laws to give direction or supervision respecting the business of the society. (section 2)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>none</p>

MINOR SUBJECT AND NO: OFFICER (1.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>in relation to a registered society, includes any treasurer, secretary, member of the committee, manager, servant of the society other than a servant appointed by the society's committee, but does not include an approved auditor to whom the society's accounts are submitted for audit. (section 74)</p>	<p>none</p>
CANADA - North America	EQUADOR - South America
<p>none</p>	<p>none</p>

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means a registered society under this Act, the membership of which consists of individual persons and includes other bodies approved by the Registrar. under section 14 of the Act. (section 37)</p>	<p>none</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>a Cooperative formed by at least eleven individuals. (section 2)</p>	<p>none</p>

MINOR SUBJECT AND NO: PRIMARY SOCIETY (1.7)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means a co-operative society registered or deemed to be registered under this Act. (section 37)</p>	<p>none</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>none</p>

MINOR SUBJECT AND NO: REGISTERED SOCIETY (1.8)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>means, subject to section 76 of this Act, a society registered or deemed to be registered under this Act. (section 74)</p>	<p>none</p>
CANADA - North America	EQUADOR - South America
<p>none</p>	<p>none</p>

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
<p>means the registrar of co-operative societies and includes the deputy registrar of co-operative societies. (section 87)</p>	<p>means the registrar of co-operative societies appointed under section nine. (section ?)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>the person who is appointed by the authority concerned to be the Chief of the "Department". (section ?)</p>	<p>none</p>

MINOR SUBJECT AND NO: REGISTRAR (1.9)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>the expressions "chief registrar" and "assistant registrar" mean respectively the chief registrar of friendly societies appointed under the Friendly Societies Act 1896 and an assistant registrar of friendly societies so appointed. (section 73)</p>	<p>none</p>
CANADA - North America	EQUADOR - South America
<p>none</p>	<p>none</p>

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
none	means the rules made under this Act. (section 2)
AFGHANISTAN - Asia	JAPAN - Asia
none	none

MINOR SUBJECT AND NO: RULES (1.10)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
none	none
AFGHANISTAN - Asia	JAPAN - Asia
a "Cooperative" formed by at least three Cooperatives. (section 2)	none

MINOR SUBJECT AND NO: SECONDARY SOCIETY (1.11)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
none	<p>means --</p> <p>(a) a representative of a society, which is itself a member of another society, the meetings of which such representative has been elected or appointed to attend, and at which he is entitled to vote under the by-laws of that other society;</p> <p>(b) a representative of members residing in a particular district, or of a particular group or class of members, who has received a mandate to vote at a meeting of their society from such members, group or class in accordance with the provisions of the by-laws. (section 2)</p>
AFGHANISTAN - Asia	JAPAN - Asia
none	none

MINOR SUBJECT AND NO: DELEGATE (1.12)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
none	means such portion of the total income received by or accrued to a society during any year as remains after deductions have been made for all expenditure incurred during that year, and adequate provision has been made for depreciation, bad debts, tax liability and reserve funds. (section 2)
AFGHANISTAN - Asia	JAPAN - Asia
none	none

MINOR SUBJECT AND NO: NET TRADING SURPLUS (1.13)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	none
CANADA - North America	EQUADOR - South America
none	none

MAJOR SUBJECT AND NO: DEFINITION (1)

UGANDA - Africa	ZAMBIA - Africa
none	means a co-operative society registered under this Act or heretofore registered as such under any former written law. (section 2)
AFGHANISTAN - Asia	JAPAN - Asia
none	none

HUNGARY - Europe	UNITED KINGDOM - Europe
..	..
EQUATOR - South America	CANADA - North America
..	..

2. REGISTRATION

		<u>Table No.</u>
2.1	Application	31
2.2	Objective and Purpose	32
2.3	Reasons for Non-registration	33
2.4	Appeals	34
2.5	Corporate Body	35
2.6	Certificate of Registration	36

MAJOR SUBJECT AND NO: REGISTRATION (2)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<p>A signed application of at least ten persons qualified for membership or, in the case of a co-operative union or an apex society, by a person authorised in their behalf and copies of the bylaws shall be submitted to the registrar for approval. (sections 4-5)</p>	<p>An application of any ten persons or more, or two or more societies, along with a copy of the bylaws shall be submitted to the registrar for approval. (section 10)</p>
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<p>An application of at least eleven individuals or, in the case of a secondary society, by the duly authorised representatives of at least three co-operatives and a copy of the proposed bylaws shall be submitted to the Department and the registrar for approval. (section 4)</p>	<p>(a) An application of the promoters (seven or more persons intending to be members or, in the case of a federation, fifteen or more co-operatives) along with the documents listed in article 29 shall be submitted to the Minister of Finance and the Minister of Labor for approval after the charter general meeting. (sec. 22)</p> <p>(b) An application of the promoters (twenty or more persons or, in the case of a federation, two or more co-operatives) along with a copy of the bylaws shall be submitted to the administrative authorities for approval after the charter general meeting. (sec. 54, 57)</p> <p>(c) An application of the promoters (fifteen or more farmers, two or more co-operatives) along with a copy of the bylaws and business plan shall be submitted to the administrative authorities for approval after the</p>

MINOR SUBJECT AND NO: APPLICATION (2.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>An application shall be signed by seven members and the secretary of the society and shall be sent with two printed copies of the society's rules to the registrar for approval. A society whose members consist solely of two or more registered societies shall be registered if the application is signed by two members of the committee and the secretary of each and is sent to the registrar for approval. (sections 1-2)</p>	<p>Application for registration shall be made to the appropriate administrative authorities by a number of members and starting assets as determined in the statutes and accompanied by the bylaws. (sections 12, 13, 16)</p>
CANADA - North America	EQUADOR - South America
<p>An application shall be signed by at least twelve members (the Minister may reduce this number to five) and shall be accompanied by a memorandum stating the name, proposed seat, objects, value of each share of common stock, the name and occupation of each member, and the manner of calling meetings of the proposed association to the Minister for approval. (sec. 6-8)</p>	<p>Application for registration shall be made by at least eleven persons to the Minister. This application shall be accompanied by a copy of the bylaws which have been approved in a charter general meeting. (sections 5-7)</p>

MAJOR SUBJECT AND NO: REGISTRATION (2)

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>The object of the societies shall be the promotion of the economic interests of its members in accordance with co-operative principles. (section 2)</p>	<p>Registration should promote the economic or other need of the society on the basis of co-operative principles. (section 11)</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>none</p>	<p>(a) The object of the societies shall be to promote steady growth of co-operative activity and also to contribute to the economic status of workers. (sections 1, 5) (b) The object of the societies shall be to enhance the growth of co-operatives and thereby to bring about security in living and elevation of culture in daily life. (section 1) (c) The object of the societies shall be to promote co-operatives in order to improve agricultural productivity and living standards of the members as well as to secure the development of the national economy. (section 1)</p>

MINOR SUBJECT AND NO: OBJECTIVE AND PURPOSE (2.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	The objectives of the societies shall be to improve the social and economic character of the members on the basis of socialist economic principles. (sections 1-11)
CANADA - North America	EQUADOR - South America
none	The objective of the societies shall be to realize collective social benefits for the workers on the basis of universal co-operative principles. (sections 1-2)

MAJOR SUBJECT AND NO: REGISTRATION (2)

UGANDA - Africa	ZAMBIA - Africa
<p>A society shall not be registered if the registrar is not satisfied that the proposed bylaws are contrary to the provisions of the law. (section 5)</p>	<p>A society shall not be registered if, in the opinion of the registrar, the society or proposed members require more educational work respecting co-operative principles, or the expected membership appears too small, or more time is required to raise sufficient capital, or is not economically advisable. Approval shall also be denied to a group of persons who desire to associate in trade or business primarily for gain. (sections 11, 17)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>none</p>	<p>(a) none (b) A society shall not be registered if it fails to fulfill the requirements of article 2 or if the bylaws or management come into contradiction with the society's purpose. (section 2) (c) a society shall not be registered in a case where its bylaws are in violation of the law, in a case where the business is deemed contrary to the public interest, or in the case where the establishment of a federation is deemed detrimental to the sound development of a central union of agricultural co-operatives. (section 60)</p>

MINOR SUBJECT AND NO: REASONS FOR NON-REGISTRATION (2.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>A society shall not be registered whose bylaws are not approved by the registrar or if the number of members is less than seven. Registration shall also be refused to a society which intends to carry on business with the object of making profits mainly for the payment of interest. (sections 1-2)</p>	<p>Approval shall be refused if the bylaws contravene statutes. (section 15)</p>
CANADA - North America	EQUADOR - South America
<p>A society shall not be registered whose economic purpose is: the operation of a hospital, the construction and operation of a railway, the insurance and trust businesses, or the purpose for which a credit union may be formed under the Savings and Credit Union Act. (section 3)</p>	<p>The Minister may disapprove registration if the bylaws are contrary to the law. (section 7)</p>

MAJOR SUBJECT AND NO: REGISTRATION (2)

UGANDA - Africa	ZAMBIA - Africa
An appeal shall lie to the Minister, whose decision shall be final. (section 9)	An appeal against refusal to register the society shall lie to the Minister within ninety days of such refusal. (section 11)
AFGHANISTAN - Asia	JAPAN - Asia
none	(a) none (b) The courts have the right to revoke disapproval in a case where the promoters have applied for a hearing and a ruling. (section 59a) (c) The courts have the right to revoke disapproval in a case where the promoters have applied for a hearing and ruling. (section 61)

MAJOR SUBJECT AND NO: REGISTRATION (2)

UGANDA - Africa	ZAMBIA - Africa
Any society registered under this Act shall become a body corporate. (sections 6, 29)	The registration of a society shall render it a body corporate. (section 13)
AFGHANISTAN - Asia	JAPAN - Asia
As soon as a co-operative is registered, it becomes a legal corporate body. (section 7)	(a) none (b) Any registered society shall become a juridical person. (section 4) (c) Any registered society shall become a juridical person. (section 5)

MINOR SUBJECT AND NO: APPEAL (2.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
none	An effective public administration decision refusing approval can be appealed against in court. (section 15)
CANADA - North America	EQUADOR - South America
none	none

MINOR SUBJECT AND NO: CORPORATE BODY (2.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
A registered society shall by virtue of its registration be a body corporate. (section 3)	A registered society shall act as a juristic person. (section 1)
CANADA - North America	EQUADOR - South America
Registration shall render a corporation within the meaning of the Civil Code. (section 8)	Registration shall render a juristic person. (sec. 7)

MAJOR SUBJECT AND NO: REGISTRATION (2)

UGANDA - Africa	ZAMBIA - Africa
A certificate of registration signed by the registrar shall be conclusive evidence of registration. (section 11)	A certificate of registration signed by the registrar shall be conclusive evidence of registration. (section 12)
AFGHANISTAN - Asia	JAPAN - Asia
A certificate of registration shall be issued by the registrar to a co-operative after it is registered. (section 7)	(a) none (b) none (c) none

MINOR SUBJECT AND NO: CERTIFICATE OF REGISTRATION (2.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>Upon approval the registrar shall issue to the society an acknowledgment of registration in the prescribed form. (section 2)</p>	<p>none</p>
CANADA - North America	EQUADOR - South America
<p>Publication of the notice of approval is conclusive proof of a registered society. (section 8)</p>	<p>Inscription in the registrar is conclusive proof of a registered society. (section 8)</p>

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE MINISTER (3)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Confers on assistant registrar all or any power(s) of the registrar (Sec.1); - Hears appeals against disapproval of registration (Sec.9); - Directs amalgamation and division of societies (Sec.27); - May exempt societies from duty or tax (Sec.41); - May prohibit or restrict the lending of money on a charge of immovable property (Sec.42); - Power to dissolve committee and appoint administrative apparatus (Sec.52-53); - Power to cancel registration after inquiry or inspection (Sec.57); - Power to approve salaries and remuneration of officers and members (Sec.77); - Power to exempt societies from provisions, regulations and byelaws (Sec.80); - Devolution of powers (Sec.84 ± 86); <p style="text-align: right;">(CONT.)</p>	<ul style="list-style-type: none"> - Power to demand information (Sec.6); - Power to audit (Sec.75); - Power to make such rules and orders (Sec.156); - Power to constitute a board of review (Sec.164); - Power to exempt societies from provisions of the Act (Sec.167);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Hears appeals on amendment of byelaws, registration and dissolution (Sec.49); - Drafts registrations, controls application (Sec.3); - Executes law (Sec.3); - Registers cooperatives, byelaws and amendments (Sec.3); - Provides assistance and guidance (Sec.3); - Audits (Sec.3); - Endorses decisions of the Registrar on liquidation (Sec.45); - Decides disposal of surplus on liquidation (Sec.47); 	<ul style="list-style-type: none"> (a)- Power to register and issue licence (Sec.6 ± 29); - Power to authorise changes in the law (Sec.31); - Power to authorise changes in the kind or method of business (Sec.33); - Power to convene a general meeting (Sec.48); - Power to merge and divide (Sec.62); - Power of enforcement (Sec.90); - Power of inspection (Sec.91-93); - Power to settle disputes (Sec. 96); - Power to supercede the committee and set up administration (Sec.95); - Devolution of power (Sec.98); (b)- Power to direct utilisation of work (Sec.12); - Power to make model byelaws (Sec.26a); - Power to determine maximum premium (Sec.26a); <p style="text-align: right;">(CONT.)</p>

3. POWERS AND DUTIES OF THE MINISTER

		<u>Table No.</u>
3.1	Powers	37
3.2	Duties	38

MINOR SUBJECT AND NO: POWERS OF THE MINISTER (3.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	<ul style="list-style-type: none"> - Power to make provisions on the working and economic activity of cooperatives, subject to the approval of the competent national organ of interest representation (Sec.108-109);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Registers associations (Sec.3-4); - Approves byelaws (Sec.46); - No auditor is selected by the general meeting, the Minister may appoint one upon application of three members (Sec.87); - Inspection (Sec.91); - Power to approve amalgamation (Sec.96); - Power to order dissolution (Sec.101a,101c); - Power to authorise federations (Sec.110,115); 	<ul style="list-style-type: none"> - Power to register (Sec.97); - Power to approve the issue of certificates of capital contribution (Sec.56); - Power to enlarge or reform the classes of cooperative (Sec.68); - Power to supervise the Cooperative National Administration (Sec.94); - Devolution of power (Sec.95); - Appoints liquidator (Sec.95); - Power to impose sanctions on cooperatives who do not comply with the law (Sec.111); - Power to supervise the law, supervision of cooperatives (Sec.154); - Power to deal with disputes (Sec.141);

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE MINISTER (3) - Continued

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Power to give directions to the registrar and committee (Sec.85); - Power to approve expenditures (Sec.23); - Power to make regulations for the carrying out of the provisions and purposes of the Act (Sec.79); - May prescribe forms of approving laws (Sec.79); - Provide for the appointment, suspension and removal of members of the committee and officers (Sec.79); - Shall provide powers and duties of the committee (Sec.79); - Provide for a supervision and audit fund (Sec.79); 	<p>NOT CONTINUED</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NOT CONTINUED</p>	<ul style="list-style-type: none"> - Power to order the setting aside of the liability reserve (Sec.50b); - Power to set financial standard (Sec.53b); - Power to approve registration (Sec.57,58,59a); - Power to approve dissolution and amalgamation (Sec.62,65); - Power to inspect and inquire (Sec.93,94); - Power to require corrective action (Sec.95); (c)- Power to determine percentage share usable by non-members (Sec.10); - Power to register (Sec.59,10-2); - Power to control investment (Sec.10); - Power to draw up model articles of incorporation (Sec.28);

MINOR SUBJECT AND NO: POWERS OF THE MINISTER (3.1) - Continued

Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE MINISTER (3) - Continued

UGANDA - Africa	ZAMBIA - Africa
AFGHANISTAN - Asia	JAPAN - Asia
	<ul style="list-style-type: none"> - Power, upon request from members, to nominate temporary directors (Sec.41-2); - Power to set financial standards (Sec.52-53b) - Power to liquidate (Sec.95-2); - Power to approve amalgamation (Sec.65); - Power to appoint certain liquidators (Sec.69); - Power to inspect and inquire (Sec.94); - Power to give orders necessary for supervision (Sec.95-2);

MINOR SUBJECT AND NO: POWERS OF THE MINISTER (3.1) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE MINISTER (3)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Annual audit and appointment of auditors (Sec.21); - Duty to state in writing reasons for disapproval of expenditure (Sec.23); - Duty to hold inquiry (Sec.51); - Duty to control National Cooperative Education Fund (Sec.49); - 	<ul style="list-style-type: none"> - Duty to encourage cooperative development (Sec.3-4); - Hear appeals arising from disputes (Sec.154); - Duty to distribute information on cooperation (Sec.5);
AFGHANISTAN - Asia	JAPAN - Asia
<p style="text-align: center;">NONE</p>	<ul style="list-style-type: none"> (a)- Duty to inspect upon complaint of a member (Sec.92); - Duty to hold a hearing on disputes and to present reasons for decision (Sec.96); (b)- Duty to inform societies on registration decision within 2 months (Sec.59a); - Duty to state reasons for disapproval of registration (Sec.59a); - Duty to inspect and to hear appeal (Sec.93-97); (c)- Restrict approval of registration (Sec.60); - Duty to give official notice of approval (Sec.61); - To give advance notice of liquidation and to allow a hearing (Sec.95-3); - Duty to inspect the society on an application from a member (Sec.94);

MINOR SUBJECT AND NO: DUTIES OF THE MINISTER (3.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	<ul style="list-style-type: none"> - Duty to develop cooperatives, as enterprises, proportionally with their social and economic significance (Sec.111); - Duty of Minister in charge of branches to exercise professional supervision over cooperatives' economic activity coming within their respective branch (Sec.111);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Duty to give notice of dissolution (Sec.101b); 	<ul style="list-style-type: none"> - Duty to liquidate (Sec.98); - Duty to promote cooperative principles in education (Sec.107);

4. POWERS AND DUTIES OF THE REGISTRAR

		<u>Table No.</u>
4.1	Registers Societies	39
4.2	Approves Byelaws	40
4.3	Authorises Investment and Loan	41
4.4	Society Contributions	42
4.5	Audit, Inspection and Inquiry	43
4.6	Cancellation and Liquidation	44
4.7	Surcharge of Officers	45
4.8	Disputes	46
4.9	Devolution of Power	47
4.10	Power to Supercede the Committee	48
4.11	Power to Merge or Divide	49

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Registers societies (Sec.5); 	<ul style="list-style-type: none"> - Application shall be made to the Registrar for approval (Sec.10,11,12);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Registers societies (Sec.4,6,7) 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: REGISTERS SOCIETIES (4.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Registers societies (Sec.2)	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<p>- If any amendment of the byelaws is not contrary to the provisions of the Act, the Registrar may register the amendment (Sec.8);</p>	<p>- Approves changes and additions to the byelaws (Sec.19,21,34,37);</p>
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<p>- Approves byelaws (Sec.8);</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: APPROVES BYELAWS (4.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Approves byelaws and amendments thereto (Sec.2,10);	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Power to approve loans to non-members (Sec.42); - Power to restrict loans to non-members (Sec.44); - Power to approve distribution of funds (Sec.46); 	<ul style="list-style-type: none"> - Power to approve contracts for societies for rural development (Sec.32); - Power to approve loans (Sec.35); - Power to approve borrowing by a credit union (Sec.58);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Power to approve decisions of the general meeting in relation to the investment of reserve funds (Sec.51); - Power to approve decisions of the general meeting regarding loans (Sec.34); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: AUTHORISE INVESTMENT AND LOAN (4.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Duty to acknowledge receipt of an application for a loan and to record it at the Central Office (Sec.1,Chap.48, 1967 Law);	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<p>- Sanctions contributions for charitable or educational purposes not exceeding ten per cent of surplus (Sec.49);</p>	<p>NONE</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: SOCIETY CONTRIBUTIONS (4.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Duty of the Registrar to report the state of affairs of the society to the general meeting when a supplementary manager has been appointed by the Minister (Sec.52); - May, on the application of a creditor or registered society, inspect the books and report to such person (Sec.54); - May apportion costs as he sees fit (Sec.55); 	<ul style="list-style-type: none"> - Power to inspect the societies' books (Sec.142); - Power to call a special general meeting to report findings of audit, inspection or inquiry (Sec.127); - Power of audit at least once a year (Sec.140);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Duty to audit once a year and power to set procedures (Sec.38); - Access to all books and records for inspection (Sec.40); - Power to inquire (Sec.41); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (4.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Duty to inspect annual audit statement (Sec.39); - Power to inspect registers (Sec.44); - Power to demand books and documents of a society at any time (Sec.48); - Power, upon application of members and with the consent of the Treasury, to appoint inspectors and call a special meeting (Sec.49); 	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Power to cancel provisional registration (Sec.7); - Power, after inspection or on application by three-fourths of the members, to cancel registration (Sec.57); - Power to cancel registration when there are less than ten members (Sec.58); - Power to control liquidation (Sec.62,64); 	<ul style="list-style-type: none"> - Power to cancel registration and liquidate (Sec.146); - Power to control liquidation (Sec.149);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Approve liquidation decision (Sec.45); - May cancel a society and liquidate (Sec.44); - Power to dispose of residual assets with the approval of the Minister (Sec.47); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: CANCELLATION AND LIQUIDATION (4.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Power to cancel registration (Sec.16); - Power to suspend registration (Sec.17); - Power of Registrar to petition for winding up (Sec.56); - Duty to cause notice of dissolution to be advertised (Sec.58); 	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<p>- Power to examine conduct of any creditor or member and to surcharge them (Sec.70);</p>	<p>NONE</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a) - NONE (b) - NONE (c) - NONE</p>

MINOR SUBJECT AND NO: SURCHARGE OF OFFICERS (4.7)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Power to give final decision on any dispute between a creditor and a society (Sec.25); - Power to decide or refer to arbitration any disputes of the cooperatives (Sec.173); 	<ul style="list-style-type: none"> - Power of the Registrar to settle disputes by decision or arbitration (Sec.154);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Power of the Registrar to settle disputes by arbitration (Sec.39); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: DISPUTES (4.8)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Registrar to have power to decide or arbitrate disputes (if no other provisions are made in the wills) (Sec.60);	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4

UGANDA - Africa	ZAMBIA - Africa
<p>- May appoint liquidator (Sec.62);</p>	<p>- The Registrar may delegate any of his functions to the Deputy or Assistant Registrar (Sec.9); - May appoint special members to the board of directors (Sec.161);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: DEVOLUTION OF POWER (4.9)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
NONE	- May remove the directors or other officers and appoint an administrator (Sec.162,163);
AFGHANISTAN - Asia	JAPAN - Asia
- If in the inquiry it is found that the managing committee is at fault, the Registrar may dismiss the responsible members and appoint an administrator (Sec.42);	(a) - NONE (b) - NONE (c) - NONE

MINOR SUBJECT AND NO: POWER TO SUPERCEDE THE COMMITTEE (4.10)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Power to appoint an inspector upon application of one-tenth of the membership with the consent of the Treasury (Sec.49);	- NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: POWERS AND DUTIES OF THE REGISTRAR (4)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Power to approve amalgamation (Sec.24); - Power to approve division (Sec.26); 	<ul style="list-style-type: none"> - May require societies to form or join a cooperative union (Sec.18); - Power to approve amalgamation and division of societies (Sec.144,145);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Power to establish procedure for amalgamation of societies (Sec.43); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: POWER TO MERGE OR DIVIDE (4.11)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Power to approve special resolution for amalgamation (Sec.50):	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

5. MEMBERSHIP

	<u>Table No.</u>
5.1 Conditions of Eligibility	50
5.2 Membership Rights	51
5.3 Membership Obligations	52

MAJOR SUBJECT AND NO: MEMBERSHIP (5)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Must be eighteen years of age (Sec.12); - Must be resident in occupation of land within the society's area of population (Sec.16); - Must be member of one society only (Sec.16); - Company under Companies Act or incorporated body of persons are not eligible for membership without previous permission of the Registrar (Sec.14); 	<ul style="list-style-type: none"> - Must be eighteen years of age (Sec.94); - Must be resident within or in occupation of land within the society's area of population (Sec.55,82,94);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Must be a citizen of Afghanistan (Sec.9); - Must have full legal rights (Sec.9); - Must have occupation in line with the activities of the cooperative (Sec.9); - Meet qualifications of the byelaws (Sec.9); - Must be a member of only one society with the same objectives and area of operation (Sec.9); - Qualifications for secondary societies are set up in the byelaws (Sec.10); - Must be mentally capable (Sec.11) 	<ul style="list-style-type: none"> (a)- A trade union having its office in the area of the labourers' credit cooperative (Sec.11) - A consumers' livelihood cooperative association and its federation in the area (Sec.11); - An organisation of national public employees having their offices in the area (Sec.11); - A worker or group of workers in the area (Sec.11); (b)- Regulations shall be set up in the byelaws (Sec.14); - Juridicial persons who have residence in the fixed area or who are engaged in the fixed field of occupation are not allowed membership (Sec.14); (c)- Farmers, a farmer-group corporation, an individual in the area or any other agricultural cooperative in the area (Sec 12,72-10);

MINOR SUBJECT AND NO: CONDITIONS OF ELIGIBILITY (5.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Other corporate bodies may be members (Sec.19); - Must be over sixteen years of age (Sec.20); - Must be mentally capable (Sec.26); 	<ul style="list-style-type: none"> - Cooperative shall determine personal and proprietary participation (Sec.6); - Every Hungarian national of full age may be a cooperative member (Sec.55); - Statutes may allow admission of minors (Sec.55);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Must sign an application for membership (Sec.17); - Subscribes and pays for the minimum number of common shares (Sec.17); - Undertakes to comply with the byelaws (Sec.17); - Is admitted by the board of directors (Sec.17); - Byelaws set up territory for recruitment (Sec.20); - Anyone over sixteen years of age eligible (Sec.18a); 	<ul style="list-style-type: none"> - Must be over eighteen years of age with no other incapacity (Sec.11); - If under eighteen, they may only belong to students' or youth cooperatives (Sec.11); - Married women may become members (Sec.11); - Must be persons who do not pursue profit (Sec.11); - No person can become a member of a cooperative of the same class as he or his spouse already participates in (Sec.12); - No person who has defrauded any public or private institution or who has been expelled from another cooperative may be a member (Sec.13); - Must have occupation compatible with fundamental activities of the cooperative (Sec.14); - Other conditions shall be set up in byelaws (Sec 16);

MAJOR SUBJECT AND NO: MEMBERSHIP (5)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Right to vote (Sec.17); - Right to transfer share (Sec.18); - Right to transfer share upon death to a previously named nominee (Sec.38); - Right to share in profits (Sec.46); - Right to appeal the decision to dissolve a society (Sec.57); - Right to appeal the decision of the Registrar to the Minister (Sec.71); 	<ul style="list-style-type: none"> - Right to deposit money for or from a minor (Sec.95); - Minors have rights as may be prescribed in the Rules (Sec.95); - Right to receive certificate of membership (Sec.97); - Right to pay for shares by instalments (Sec.97); - Right to receive from the society a statement of his share capital or other amounts held to his credit (Sec.99); - Right to vote (Sec.101); - Right for minors who are members to make binding contracts (Sec.102); - Right to transfer and re-purchase share (Sec.104); - Shares or other interest of a member shall not be liable to attachment or sale (Sec.105); - Right to withdraw subject to the Act and the Rules (Sec.109); <p style="text-align: right;">(CONT.)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Right to withdraw with six months notice (Sec.11); - Right to appeal decision of expulsion (Sec.12); - Right to his paid-up shares upon withdrawal (Sec.13); - Right to vote (Sec.14); - Right to express views at the general meeting (Sec.23); - Right to amounts due to the member personally upon liquidation (Sec.47); - Right to appeal disapproval of registration to the Minister (Sec.49); 	<ul style="list-style-type: none"> (a)- Right to limited liability (Sec.12); - Right to vote (Sec.13); - Right to delegation of vote (Sec.13); - Right to transfer shares (Sec.15); - Right to voluntary withdrawal (Sec.16); - Right to be given notice of expulsion (Sec.17); - Right to inspect the register (Sec.38); - Right to inspect financial documents (Sec.39); - Right to request the removal of officers (Sec.41,45); - Right to request a general meeting (Sec.47,48); (b)- Right to withdraw at will (Sec.2,19); - Right to vote and make decisions regardless of the number of shares held by them (Sec.2,17); - Right to participate in distribution of profits (Sec.2); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: MEMBERSHIP RIGHTS (5.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Right to be free of any amendment of the society's rules registered after he became a member (unless he so indicates in writing) insofar as the amendment requires him to take more shares or in any other way increases his liability (Sec.14); - May be allowed to request loans (Sec.21); - Right to nomination to property in society (Sec.23); - Right to inspection of his own account (Sec.46); - Right to apply to Registrar for inspection (Sec.47); - Right to apply to Registrar for a meeting (Sec.49); 	<ul style="list-style-type: none"> - Right to participate in the distribution of profits (Sec.9); - Right to voluntarily merge, re-organise and separate (Sec.4,64); - Right of equality in admission, rights and obligations (Sec.5); - Right to participation in making decisions (Sec.17); - Right to vote (Sec.17); - Right to request officers to submit reports (Sec.17); - Equal participation in management by discussion and voting (Sec.19); - Right of certain percentage of members to call a general meeting (Sec.21); - A member shall not be liable (except amount of his share) for the debts of the cooperative (Sec.40); <p style="text-align: right;">(CONT.)</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Right to vote (Sec.5); - Right to withdraw (Sec.23); - Right to suspension not longer than six months (Sec.27); - Right to transfer shares as set up in the byelaws (Sec.32); - Right to repayment upon death or expulsion (Sec.34); - Right to inspect the byelaw book and the register (Sec.73); - Right to application to the board of directors for inspection (Sec.91); - Right to share in the distribution of profit (Sec.82); - Minors at least sixteen years of age may be members and participate in the society's activities (Sec.18a); - Right to defend himself in case of expulsion in the cooperative (Sec.25); - Right to hold office (Sec.52); 	<ul style="list-style-type: none"> - Right to participate equally under the Act (Sec.3); - Right of members are set up in the byelaws and the statutes of the cooperative (Sec.16); - Right to defend application for registration (Sec.17); - Right to use rights freely unless there is a specific resolution to the contrary (Sec.17); - Right to vote (Sec.18); - Right to leave and therefore dissolve the society at any time (Sec.20); - Right of heir to liquidate and claim inheritance (Sec.23); - Right to convene a general meeting (Sec.34); - Right to transfer shares (Sec.51); - Right to participate in distribution of profits (Sec.61);

MAJOR SUBJECT AND NO: MEMBERSHIP (5) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	<ul style="list-style-type: none"> - Right to transfer interest upon death (Sec.106); - Right to appeal against expulsion (Sec.110); - Right to request audit statements (Sec.143); - Right to share in profits (Sec.23); - Right to inspect the books (Sec.139); - Right to appeal against dissolution (Sec.146); - Right to make deposits with restricted withdrawal rights for members of societies for rural development (Sec.33); - Right of members who belong to a credit union to deposit and withdraw money (Sec.77);
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - Right to use facilities as member sees fit (Sec. 12); - Right to vote by proxy (Sec.17); - Right to receive the paid-up amount of his share upon withdrawal (Sec.21); - May reduce the number of units of his share (Sec.25); - Right to inspect byelaws and minutes of meetings (Sec.39); - Right of family members of those who belong to be present and have a voice in the general meeting (Sec.48); (c)- Right of limited liability (Sec.13,15); - Right to vote (Sec.16); - Right to proxy voting (Sec 16); - Right to admission if the member has fulfilled requirements (Sec 20); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: MEMBERSHIP RIGHTS (5.2) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	<ul style="list-style-type: none"> - May choose to voluntarily liquidate (Sec.49); - Rights shall be determined by the byelaws (Sec.57); - To participate as required by the purpose and character of the cooperative and to receive a share in the proceeds (Sec.58); - To attend the general assembly (Sec.58); - To be eligible for posts (Sec.58); - To ask for information from officers and executives (Sec.58); - To receive a wage for the work (Sec.59); - Right to a dividend (Sec.64); - Work in a cooperative shall be considered on an equal level with other forms of work (Sec.72,73); - Right to pension and social insurance (Sec.75); - To make use of services available (Sec.58);
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: MEMBERSHIP (5) - Continued

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>NOT CONTINUED</p>	<p>NOT CONTINUED</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>NOT CONTINUED</p>	<ul style="list-style-type: none"> - Right to voluntary withdrawal (Sec.21); - Right to vindicate before a general meeting an order of expulsion (Sec.22); - Right of repayment of shares upon withdrawal (Sec.23); - Right to nominate officers (Sec.30); - Right to request a general meeting (Sec.35); - Right to inspect documents of the cooperative (Sec.39); - Right to request dismissal of secretary or chief accountant (Sec.43); - Right to approve request for inspection by administrative authorities or Minister (Sec.93,94);

MINOR SUBJECT AND NO: MEMBERSHIP RIGHTS (5.2) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: MEMBERSHIP (5)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Must not hold more than one-fifth of the paid up share capital of any cooperative society (Sec.13); - Must qualify in age and occupation terms (Sec.12); - Member not to exercise rights until due payment is made (Sec.15); 	<ul style="list-style-type: none"> - To be governed by the byelaws (Sec.93); - Member not to exercise rights until due payment is made (Sec.96); - Society may impose lien on members' shares for debts (Sec.98); - Must not hold more than one-fifth of the share capital of any society (Sec.103); - Liability of past members or deceased member for debts of society (Sec.107); - Obligation to abide by withdrawal provisions in a society for rural development (Sec.33); - Obligation to provide such funds for rural development as may be designated by directors (Sec.42);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Obligation of a terminated member to remain liable for two years (Sec.13); - Must hold at least one share but not more than ten per cent of the paid-up shares (Sec.28); 	<ul style="list-style-type: none"> (a)- No member shall be allowed to hold more than 25% of the total number of shares (Sec.12); - Member not to exercise rights until payment is made (Sec.14); - No members shall jointly hold a share (Sec.15); - Member must withdraw if he is expelled, bankrupt, or ineligible (Sec.17); (b)- No member shall hold more than 25% of the shares of the cooperative (Sec.16); - No member may avail himself of a set-off against a society with respect to the payment for his investment (Sec.16); - Obligation to withdraw upon expulsion, dissolution or disqualification for membership (Sec.20); <p style="text-align: right;">(CONT.)</p>

MAJOR SUBJECT AND NO: MEMBERSHIP (5) - Continued

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>NOT CONTINUED</p>	<p>NOT CONTINUED</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>NOT CONTINUED</p>	<ul style="list-style-type: none"> - A society may demand, of a person who has ceased to be a member within that year, the payment of part or the whole of the amount of his share due to the society (Sec.22); (c)- No member may set up against the capital stock cooperative by the set-off (Sec.13); - No member may transfer his shares without the approval of the cooperative (Sec.14); - No member may have co-ownership of shares (Sec.14); - Obligation to pay expenses charged by the cooperative (Sec.17); - Obligation to pay the arrears charged by the cooperative (Sec. 18); - Member must withdraw upon disqualification, dissolution or expulsion (Sec.22);

MINOR SUBJECT AND NO: MEMBERSHIP OBLIGATIONS (5.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Obligation to not exceed maximum shareholding (Sec.6); - Obligation for members to be bound by the rules (Sec.14); - Obligation to pay debts (Sec.22); - No member shall have the right to inspect the books, except as provided in the Act (Sec.45); - Obligation to pay expenses of inspection (Sec.49); - Obligation to pay debts and expenses of winding-up (Sec.54); 	<ul style="list-style-type: none"> - Shall not act on behalf of the cooperative without written authorisation (Sec.42); - Obligations shall be determined in the byelaws (Sec. 57); - Perform proprietary contribution, to participate in the common work and activity of the cooperative (Sec.60); - To participate regularly (Sec.60); - To carefully handle and protect cooperative property (Sec.60): - To contribute financially to the cooperative (Sec.63); - Shall not transfer shares (Sec.64); - To terminate membership on dissolution or expulsion (Sec.66); - Shall be responsible for all breach of duties and shall be financially liable therefor (Sec.80,81,82,83,84);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Auxiliary members cannot vote and shall not be eligible for office (Sec.21); - If the byelaws so require, the members must undertake by contract, for a fixed period, to deliver, sell, purchase or receive property or resources through the agency of the association (Sec.22); - A member may not resign during the term of contract (Sec.24); - A suspended or expelled member loses the right to attend and vote at general meetings as well as the right to hold office (Sec.26); - Obligation to subscribe to a minimum number of shares as set up in the byelaws (Sec.30); - Obligation to pay initiation fee if set up in the byelaws (Sec.38); <p style="text-align: right;">(CONT.)</p>	<ul style="list-style-type: none"> - Must have an occupation compatible with the fundamental activities of the cooperative (Sec.14); - The obligations of the members are set up in the byelaws and the statutes of the cooperative (Sec.16); - Members admitted to a cooperative have equal responsibility with present members (Sec.21); - No heir has the right to unredeemable property such as the education fund (Sec.24); - Obligation to pay registration fee if the rules so dictate (Sec.28,29); - No member has the right to exploit cooperative property for his own purpose (Sec.57,58); - Losses are divided among the members (Sec.62);

MINOR SUBJECT AND NO: MEMBERSHIP OBLIGATIONS (5.3) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - No member shall obtain property or resources from it for resale for profit (Sec.75); - No right to see the general reserve for funds (Sec.83); - If shares are issued as a dividend, members must agree to subscribe from rebates (Sec.85); 	NOT CONTINUED

6. VOTING AND ELECTION

		<u>Table No.</u>
6.1	One Man, One Vote	53
6.2	Secondary Societies' Voting Powers	54
6.3	Proxy Voting and Delegates	55
6.4	Election of the Committee	56
6.5	Duration of the Committee	57
6.6	Removal of Members	58
6.7	Casting Votes	59
6.8	General Meeting by a Majority	60

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<p>- Each member shall have one vote only (Sec.17);</p>	<p>- Each member or delegate in a society shall have one vote only (Sec.101);</p>
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<p>- An individual member of a primary society shall have only one vote regardless of the number of shares held by him (Sec.14);</p>	<p>(a)- Each member shall be entitled to one vote (Sec.13); (b)- Despite the number of shares, members shall enjoy equal voting rights (Sec.2,17); (c)- Each member shall have one voting right and one right to elect officers (Sec.16);</p>

MINOR SUBJECT AND NO: ONE MAN, ONE VOTE (6.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall be provided for in the rules (Sec.1); 	<ul style="list-style-type: none"> - Each member shall have one vote (Sec.22);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - A member shall have one vote only, whatever the number of shares that he holds (Sec.5,42); - The byelaws may provide that a member admitted less than three months before the holding of a meeting shall not be entitled to vote (Sec.43); 	<ul style="list-style-type: none"> - Each member has the right to one vote, regardless of the number of shares he holds (Sec.18);

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>- Shall have as many votes as may be prescribed by the byelaws (Sec.17);</p>	<p>NONE</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>- Voting of secondary societies shall be set up in the byelaws (Sec.14);</p>	<p>(a)- NONE (b)- Stipulations shall be set up in the byelaws (Sec.17); (c)- NONE</p>

MINOR SUBJECT AND NO: SECONDARY SOCIETIES' VOTING POWERS (6.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - May appoint proxy voters (Sec.32); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Shall be allotted a number of votes based on the number of their members and an additional number of votes based on their participation (Sec.119); 	<p>NONE</p>

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<p>- Secondary societies may appoint committee members to exercise the voting powers (Sec.17);</p>	<p>- There shall be no voting by proxy (Sec.101);</p>
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<p style="text-align: center;">NONE</p>	<p>(a) - Any member may exercise his voting rights through a delegate (Sec.13); - Any cooperative of more than 200 members may have a representatives meeting (Sec.53); (b) - A member may exercise his vote by proxy (Sec.17); - Proxy must be another member or of the same household (Sec.17); - Proxy may not represent more than ten members (Sec.17); - Proxy shall present satisfactory written authority to the association (Sec.17); - When membership is 1,000 or more there may be a representative meeting (Sec.47); (c) - A member may vote in writing or by proxy (Sec.16); (CONT.)</p>

MINOR SUBJECT AND NO: PROXY VOTING AND DELEGATES (6.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Societies who have invested in other cooperatives may vote by proxy (Sec.32); 	<ul style="list-style-type: none"> - Votes shall be cast in person (Sec.22); - Conference of delegates may be allowed (Sec.24);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - No voting by proxy allowed (Sec.5,42); - However, voting by delegate or spouse is allowed (Sec.42); - When an association has more than 100 members, group representation is allowed (Sec.44); 	<ul style="list-style-type: none"> - Votes at the general meeting may not be delegated except in the case where members have great distances. Rules shall be set up in the byelaws (Sec.33);

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	NOT CONTINUED
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - No person shall stand proxy for five or more members (Sec.16); - Proxy must present written authorisation (Sec.16); - Cooperative with over 500 members may set up a meeting of representative members in place of a general meeting (Sec.48);

MINOR SUBJECT AND NO: PROXY VOTING AND DELEGATES (6.3) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<ul style="list-style-type: none"> - None, the Minister provides for the appointment and removal of the committee (Sec.79); 	<ul style="list-style-type: none"> - At the first general meeting of a credit union, a board of directors shall be elected (Sec.61); - The committee may be elected by districts (Sec.112); - The members shall elect the committee (Sec.111);
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<ul style="list-style-type: none"> - The general meeting shall elect and dismiss members of the committee (Sec.19); - The managing committee shall be elected from the members (Sec.24); 	<ul style="list-style-type: none"> (a)- The officers shall be appointed by the decision of the general meeting from among the delegates (Sec.34); (b)- Officers shall be elected at the general meeting from among the members (Sec.28); (c)- Election of officers shall be provided in the byelaws (Sec.28); <ul style="list-style-type: none"> - Shall be elected by a general meeting by secret ballot (Sec.30);

MINOR SUBJECT AND NO: ELECTION OF THE COMMITTEE (6.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
- To be provided for in the rules (Sec.1);	- Management shall be elected by the general assembly (Sec.25);
CANADA - North America	EQUADOR - South America
- The annual meeting shall select the committee from among its members (Sec.52);	- The administrative council shall be elected by the general meeting (Sec.35-);

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

UGANDA - Africa	ZAMBIA - Africa
NONE	<ul style="list-style-type: none"> - The term of office of the directors shall be described in the byelaws (Sec.115);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Committee members shall be elected for a period not to exceed three years (Sec.24); 	<ul style="list-style-type: none"> (a)- Shall be a period provided, for by the articles within a limit of three years (Sec.35); <ul style="list-style-type: none"> - Officers at establishment shall not have a term of office longer than one year (Sec.35); (b)- The term of office shall be two years (Sec.30); <ul style="list-style-type: none"> - Byelaws may provide for terms not to exceed three years (Sec.30); (c)- Shall be set up by its byelaws so as not to exceed three years (Sec.31);

MINOR SUBJECT AND NO: DURATION OF THE COMMITTEE (6.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Shall be elected for a term of four years (Sec.25);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Election of the committee shall take place once a year at the general meeting (Sec.16,48); - The term of office of the directors may be extended to two or three years, by special byelaws (Sec.53); 	NONE

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Minister may order cancellation of registration (Sec.54); 	<ul style="list-style-type: none"> - A member may be expelled upon application to the board of directors who shall decide by a two-thirds majority on expulsion (Sec.110); - Appeal may be taken to the general meeting where the decision shall be made by a majority on expulsion (Sec.110);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - A member may be expelled by a decision of the managing committee (Sec.12); - A member may be removed if he is proved mentally incompetent (Sec.11); 	<ul style="list-style-type: none"> (a)- A member may be removed by a decision of the general meeting (Sec.17); (b)- Expulsion may be exercised by a resolution of the general meeting by a two-thirds vote (Sec.20); <ul style="list-style-type: none"> - Officers may be dismissed upon application of one-fifth of the members at a general meeting (Sec.41); (c)- Expulsion for death, dissolution, disqualification, etc. shall be effected with a resolution of the general meeting (Sec.22);

MINOR SUBJECT AND NO: REMOVAL OF MEMBERS (6.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Expulsion shall be a disciplinary penalty inflicted by the general assembly (Sec.68);
CANADA - North America	EQUADOR - South America
- The board of directors has the right to expell members (Sec.25);	NONE

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>NONE</p>	<p>- In case of equal number of votes, the chairman shall have a casting vote (Sec.101);</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>- The presiding chairman shall have a casting vote at the general meetings (Sec.20); - The chairman of the committee shall have the casting vote (Sec.26);</p>	<p>(a)- NONE (b)- The chairman shall have the casting vote at a general meeting (Sec.45); (c)- The chairman shall have the casting vote at a general meeting (Sec.45);</p>

MINOR SUBJECT AND NO: CASTING VOTES (6.7)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- In case of equal number of votes, the vote of the general assembly president shall decide (Sec.22);
CANADA - North America	EQUADOR - South America
- In the case of a tie, the chairman shall be entitled to a second vote (Sec.47,59);	- The chairman of the general meeting shall have the casting vote (Sec.31);

MAJOR SUBJECT AND NO: VOTING AND ELECTION (6)

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>NONE</p>	<p>NONE</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>- Decisions of an ordinary general meeting shall be taken by a simple majority of the members present (Sec.20); - Decisions of an extraordinary general meeting relating to amendments of the byelaws, merger or amalgamation shall be made by a two-thirds majority. Other matters are decided by a simple majority (Sec.22);</p>	<p>(a)- The matters of a general meeting shall be decided by a majority vote cast by the delegates present (Sec.52); - Decisions concerning alteration of the articles, expulsion, dissolution, amalgamation and transfer shall be taken by a two-thirds majority (Sec.53); (b)- Decisions shall be made by a majority of votes (Sec.45); - Two-thirds majority vote shall be needed to decide amendment of the byelaws, dissolution, amalgamation and expulsion (Sec.46); (c)- Decisions shall be made at a general meeting by a majority of votes (Sec.45); - In case of amendments to the byelaws, dissolution, amalgamation or expulsion a two-thirds majority shall be required (Sec.46);</p>

MINOR SUBJECT AND NO: GENERAL MEETING BY A MAJORITY (6.8)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Decisions of the general assembly shall be made by a simple majority (Sec.22);
CANADA - North America	EQUADOR - South America
- Decisions of the general meeting shall be taken by a majority of votes of members present (Sec.47);	- Decisions of the general meeting shall be made by a majority of members (Sec.31);

MAJOR SUBJECT AND NO: THE GENERAL MEETING (7)

UGANDA - Africa	ZAMBIA - Africa
NONE	- The authority of the members shall be vested in the annual general meeting and in the special general meeting (Sec.128);
AFGHANISTAN - Asia	JAPAN - Asia
- The general meeting is the supreme authority of the cooperative (Sec.19);	(a) - NONE (b) - NONE (c) - NONE

7. THE GENERAL MEETING

		<u>Table No.</u>
7.1	The Supreme Authority	61
7.2	The Annual Meeting Period	62
7.3	Purpose of the Annual General Meeting	63
7.4	Extraordinary General Meeting	64
7.5	Quorum	65
7.6	Chairman	66

MINOR SUBJECT AND NO: THE SUPREME AUTHORITY (7.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- The highest corporate organ of the cooperative shall be the general assembly which shall be composed of the entire membership (Sec.20);
CANADA - North America	EQUADOR - South America
NONE	- The government, administration, control and fiscal policy of the cooperative is vested in the general assembly. The general assembly is the supreme authority (Sec.31);

MAJOR SUBJECT AND NO: THE GENERAL MEETING (7)

UGANDA - Africa	ZAMBIA - Africa
<p>- A general meeting shall be held at least once a year to approve the estimates of income and expenditure (Sec.23);</p>	<p>- Every society shall provide in its byelaws for an annual general meeting and may also provide for semi-annual or quarterly or other general meetings (Sec.123);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>- Shall convene once a year within 120 days from the end of the fiscal year (Sec.19);</p>	<p>(a)- Ordinary general meetings shall be convened once every business year (Sec.46); (b)- The directors of a cooperative shall convene not less than one general meeting of the membership during each business year (Sec.34); (c)- The directors shall convene an ordinary general meeting once a year for a business year (Sec.34);</p>

MINOR SUBJECT AND NO: ANNUAL MEETING (PERIOD) (7.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Shall be provided for in the rules (Sec.1, schedule 1);	- Shall be called by the management in cases and at times defined in the byelaws, but once a year at least (Sec.21);
CANADA - North America	EQUADOR - South America
- Within four months after the end of each fiscal year, its members shall be convened for an annual general meeting (Sec.18);	- Shall meet at least twice a year, first upon presentation of the balance sheet and second, by will of the administration council or at the request of one-third of the members (Sec.32);

MAJOR SUBJECT AND NO: THE ANNUAL MEETING (7)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - To approve the income and expenditure estimates (Sec.23); - May request the Minister for an inquiry (Sec.51); 	<ul style="list-style-type: none"> - May amend byelaws by a two-thirds majority (Sec-21); - Election of directors (Sec.112,128); - Confirm or amend the resolution of the board of directors inspecting the distribution of net surplus (Sec. 128) - Receive, discuss and dispose of the reports of officers including the auditor's report (Sec.128,140); - Make such decisions and recommendations as they deem necessary (Sec.128); - Decisions by a majority (Sec.128);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Election or dismissal of members of the managing committee (Sec.19,24); - Election or dismissal of representatives to secondary cooperative (Sec.19); - Consideration and decision upon fundamental documents of the cooperative (Sec.19); - Determine ceilings on borrowing, extension of loans (Sec.19); - Disposal of the net annual surplus (Sec.19,29); - Consideration of other matters set up on the agenda (Sec.19); - Decisions by a majority (Sec.20); 	<ul style="list-style-type: none"> (a)- Election of officers (Sec.34); - Expulsion of members (Sec.19); - Approval of financial documents (Sec.39); - Removal of officers (Sec.41); - Appointment of representatives (Sec.55); - Amalgamation and transfer (Sec.62); - Dissolution (Sec.67); - Alteration of articles (Sec.51); - Approval of byelaws (Sec.51); (b)- Election of officers (Sec.28); - Dismissal of officers (Sec.41); - Amendment of the byelaws (Sec.43); - Dissolution or amalgamation (Sec.43,65); - Amendment and enactment of the business plan (Sec.43); - Budget of incomes and expenses (Sec.43); (CONT.)

MINOR SUBJECT AND NO: PURPOSE OF THE ANNUAL GENERAL MEETING (7.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Inspection of the books (Sec.46); - Amalgamation or division (Sec.50); - Shall be provided for in the rules (Sec.1, schedule 1); 	<ul style="list-style-type: none"> - Amendment of the byelaws (Sec.20); - Election and dismissal of officers (Sec.20); - Fixing of salaries (Sec.20); - Laying down the plan and financial statement (Sec.20); - Determining directives of utilisation of work (Sec.20); - Joining and withdrawing from regional federations (Sec.20); - Merger, separation or liquidation (Sec.20); - Deciding all questions referred by statutes or the byelaws (Sec.20); - Disciplinary powers (Sec.20); - Elections of delegates to the Congress (Sec.20); - Hear appeals on refusals of application for registration (Sec.56); - May elect representatives (Sec.24);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Amendment of the byelaws (Sec.45); - Change the corporate seat of the association (Sec.46)- - Change the objects of the association (Sec.46); - Change the name (Sec.46); - Increase or decrease the amount of each common share (Sec.46); - Approve annual financial report (Sec.48); - Decide upon distribution of surplus (Sec.48); - Election of directors (Sec.48); - Appointment of auditor (Sec.48); - Any other matter relating to the association (Sec.48); - Grants remuneration to members of the executive committee (Sec.63); 	<ul style="list-style-type: none"> - May extend liability of members (Sec.9); - Election of the administration council (Sec.35); - Hears appeals against the decision on disputes (Sec.42); - May create special commissions (Sec.47); - Other rules shall be set up in the byelaws (Sec.48); - Approval of classes of cooperatives (Sec.54); - Determines the amount and kind of work each member must do in the cooperative (Sec.137); - Amendment to statutes (Sec.48 - byelaws); - Distribution of benefits and charges to the members (Sec.48 - byelaws)- - Approve financial statements (Sec.48 - byelaws); - Dissolution and amalgamation (Sec.48 - byelaws);

MAJOR SUBJECT AND NO: THE ANNUAL MEETING (7) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	NOT CONTINUED
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - Decrease in amount of unit investment (Sec.43); - Maximum of borrowed amount (Sec.43); - Approval of financial documents (Sec.43); - Expulsion of members and officers (Sec.43); - Affiliation or withdrawal from a federation (Sec.43); - Other items set up in the byelaws (Sec.43); - Only matters notified in advance (Sec.43); - Election of the chairman (Sec.45); - Appointment of representatives (Sec.47); (c)- Expulsion of members (Sec.22); - Election of officers (Sec.30); - Dismissal of officers (Sec.40); - Amendments to articles of incorporation (Sec.44); - Amendments to byelaws (Sec.44); - Amendments to business plan (Sec.44); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: PURPOSE OF THE ANNUAL GENERAL MEETING (7.3) - Continued

Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: THE ANNUAL MEETING (7) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	NOT CONTINUED
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - Approval of expenses (Sec.44); - Maximum rate of interest on loans (Sec.47); - Maximum amount of bill discount made by the federation for the benefit of each member (Sec.44); - Approval of financial documents (Sec.44); - Approve federation (Sec.44); - Amalgamation or division (Sec.44);

MINOR SUBJECT AND NO: PURPOSE OF THE ANNUAL GENERAL MEETING (7.3) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: THE GENERAL MEETING (7)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Voluntary amalgamation of societies (Sec.24); - Voluntary dissolution of societies (Sec.26); - Discussion of Minister's order to amalgamate or divide (Sec.27); 	<ul style="list-style-type: none"> - To fill vacancies on the board of directors (Sec.117); - Removal of directors (Sec.122); - May be called by the board of directors on application of one-tenth of the members and shall discuss only the business set out in the notice (Sec.124); - Registrar may call one to report to the members the result of any audit, examination, or other investigation of the society's affairs ordered by him (Sec.127,140);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Shall be summoned on the decision of the managing committee or at the request of 20% of all members or on the order of the Registrar (Sec.21); - Amendment of byelaws (Sec.21); - Amalgamation or merger (Sec.21); - Applying or withdrawing from membership (Sec.21); - Any other matters specified in the byelaws (Sec.21); - Decisions of amalgamation or amendment of byelaws shall be made by a two-thirds majority (Sec.22); 	<ul style="list-style-type: none"> (a)- Charter general meeting (Sec.24); <ul style="list-style-type: none"> - May be convened at any time (Sec.47); - Shall be convened by approval of the directors on application of one-fifth of members (Sec.47); (b)- The directors shall convene an extraordinary meeting whenever it is deemed necessary (Sec.35); <ul style="list-style-type: none"> - Convened on application of more than one-fifth of members (Sec.35); - Charter general meeting (Sec.55); (c)- On application to the directors by one-fifth of the membership (Sec.35); <ul style="list-style-type: none"> - Charter general meeting (Sec.58);

MINOR SUBJECT AND NO: EXTRAORDINARY GENERAL MEETING AND FOUNDING MEETING (7.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Upon application of one-tenth of the members to the chief Registrar a special meeting may be called (Sec.49); - Areas of discussion shall be provided for in the rules (Sec.49); 	<ul style="list-style-type: none"> - Inaugural general meeting (Sec.12); - Upon request of ten per cent of the membership; the supervisory committee on the state organ in charge of legality supervision (Sec.21); - Shall be called if the cooperative fails in its financial engagements for a long period (Sec.21);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Organisational meeting (Sec.15); - The board of directors may order a special general meeting whenever it deems fit or upon request of one-fifth of the members (Sec.49); - Only the matters mentioned in the notes calling it may be considered and decided upon (Sec.51); - May dismiss a director and replace him (Sec.51); 	<ul style="list-style-type: none"> - Charter general meeting (Sec.6); - Extraordinary meeting shall be called by the chairman (Sec.32);

MAJOR SUBJECT AND NO: THE GENERAL MEETING (7)

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>NONE</p>	<p>- The quorum shall be a majority of the members, or delegates entitled to attend and vote (Sec.126);</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>- Quorum for an ordinary general meeting shall be formed by the presence of at least 51% of all its members (Sec.20); - The quorum for an extraordinary general meeting shall be formed by the presence of at least 75% of its members (Sec.22);</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: QUORUM (7.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- A quorum shall consist of more than 50% of the members (Sec.22);
CANADA - North America	EQUADOR - South America
- The general meeting shall be legally constituted by the members or delegates present (Sec.41);	NONE

MAJOR SUBJECT AND NO: THE GENERAL MEETING (7)

UGANDA - Africa	ZAMBIA - Africa
NONE	- The chairman shall have the casting vote (Sec.101);
AFGHANISTAN - Asia	JAPAN - Asia
- The chairman shall have the casting vote (Sec.20);	<ul style="list-style-type: none"> (a) - NONE (b) - The chairman shall have the casting vote (Sec.45); (c) - The chairman shall have the casting vote (Sec.45); <ul style="list-style-type: none"> - He shall have no vote as a member (Sec.45); - He shall be elected at each general meeting (Sec.45);

MINOR SUBJECT AND NO: CHAIRMAN (7.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- The chairman shall be the chairman of the management and shall direct the operation and the economic activity of the cooperative (Sec.32);
CANADA - North America	EQUADOR - South America
- The chairman shall have a second vote in case of a tie (Sec.47);	- The chairman of the general assembly shall have the casting vote (Sec.31); - The chairman calls the general meeting (Sec.32); - The chairman of the administration council shall also be chairman of the general assembly (Sec.36);

8. COMMITTEE

		<u>Table No.</u>
8.1	Election	67
8.2	Powers	68
8.3	Duties	69
8.4	Removal of Directors	70

MAJOR SUBJECT AND NO: COMMITTEE (8)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - The appointment of the Minister (Sec.79); 	<ul style="list-style-type: none"> - Election by the general meeting (Sec.61); - If election is by districts, the directors chosen shall be deemed to have been elected by all the members (Sec.112); - Only a member or delegate of a society shall be eligible for election except in the cases stated in sections 16 and 162 (Sec.116);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Elected by the general meeting (Sec.19,24); - May be elected for more than one term (Sec.24); 	<ul style="list-style-type: none"> (a)- Shall be appointed by a decision of the general meeting from among its members (Sec.34); (b)- Shall be elected by a decision of the annual meeting from among its members (Sec.28); (c)- Shall be elected at the general meeting by secret ballot (Sec.30);

MINOR SUBJECT AND NO: ELECTION (8.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall be provided for in the rules (Sec.1); 	<ul style="list-style-type: none"> - The committee shall be elected by the general assembly (Sec.25);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Shall be elected at the general meeting from among the members (Sec.52); - May have term of office extended to two or three years by special byelaw (Sec.53); - For the formation of the board, the byelaws may divide the territory in which the association carries on business, allot a certain number of directors to each division and determine how each is to be elected (Sec.54); - The byelaws of a federation shall determine the mode of constitution and election of its board (Sec.120); 	<ul style="list-style-type: none"> - Shall be elected by the general assembly (Sec.35);

MAJOR SUBJECT AND NO: COMMITTEE (8)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - The powers of the committee may be set up in regulations by the Minister (Sec.79); 	<ul style="list-style-type: none"> - Power to expell members by a 2/3rds majority (Sec.110); - Shall direct and supervise the business and property of a society and may exercise all such powers of the society as are required by this Act, the rules or byelaws (Sec.113); - Consider and approve applications for membersip (Sec.113); - Call for and examine regularly reports from officers which disclose the true picture of the society (Sec.113); - Charge of educational and advisory work regarding principles (Sec.113); - Power to elect a chairman, vice-chairman (Sec.114); - Power to appoint and to fix the remuneration of a secretary, treasurer or manager (Sec.114); - Power to fill vacancy on board except in the case of expiration of term (Sec.117); - May require every person appointed to an office to give such security as the directors see fit (Sec.121); - The board of a society for rural development shall have general supervision of all credit and loans (Sec.36); - Control of the credit of a consumer society (Sec.85); - Power to approve borrowing loans of a credit union (Sec.38,68);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Power to expell members (Sec.12); - Power to elect a chairman, vice-chairman, secretary and treasurer whose duties shall be set up in byelaws (Sec.24); - Power to administer the affairs of the cooperative in accordance with the Law (Sec.25); - Legal representative of cooperative (Sec.25); - Other powers as specified in byelaws (Sec.25); - To appoint staff (Sec.26); - Power to convene special general meeting (Sec.21); - Decide the rate of interest on loans and establish procedures for collecting such interest (Sec.34); 	<ul style="list-style-type: none"> (a)- Power to take control of business after inaugural general meeting (Sec.25); <li style="padding-left: 20px;">Upon taking control, shall cause the members to make payment for their total number of shares (Sec.26); <li style="padding-left: 20px;">- To appoint advisors (Sec.43); <li style="padding-left: 20px;">- To remove a manager (Sec.45); <li style="padding-left: 20px;">- Powers stated in commercial code shall apply (Sec.42); (b)- Power to convene general meeting or special general meeting whenever they see fit (Sec.34,35); <li style="padding-left: 20px;">- Power to apply for dissolution in consequence of amalgamation (Sec.87); <li style="padding-left: 20px;">- Powers stated in commercial code to apply (Sec.42); <li style="padding-left: 20px;">- Power to take control after inaugural meeting (Sec.60) <li style="padding-left: 20px;">- Power to require members to pay up their share (Sec.60) (c)- Power to convene a general meeting (Sec.41); <li style="padding-left: 20px;">- Powers of commercial code to apply (Sec.41) <li style="padding-left: 20px;">- Power to nominate or dismiss the secretaries and chief accountant (Sec.42); <li style="padding-left: 20px;">- Power of control after inaugural meeting (Sec.62); <li style="padding-left: 20px;">- Power to assign payment of capital stock contributions by mbrs. (69); <li style="padding-left: 20px;">- Shall act as liquidators (Sec.69);

MINOR SUBJECT AND NO: POWERS (8.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall be provided for in the rules (Sec.1); - Power to transfer property upon death of a member (Sec.24, 25,27); - Administration of property upon incapacity of a member (Sec.26); 	<ul style="list-style-type: none"> - To oversee the chairman of the general assembly and to receive reports from him (Sec.32); - Power to convene a meeting of the general assembly (21); - Power to direct the cooperative's activity in accordance with the resolution of the general assembly (Sec.25); - Shall decide every matter which concerns the cooperative and which is not covered by any other organ (Sec.25); - Power to form other committees for the discharge of specified duties (Sec.26); - Power to approve admission (Sec.56);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Power to accept resignation of a member (Sec.23,24); - Power to suspend or expel a member (Sec.25); - Power to pay interest on common shares not exceeding 8% pa (Sec.31); - Order confiscation of shares on which installment 2 years overdue has not been paid (Sec.33); - May permit member to withdraw sums paid on his common shares (35); - May issue preferred shares (Sec.37); - May order a special meeting (Sec.49); - Shall manage the affairs of the association and shall exercise its name and within the scope of byelaws the powers delegated by general meeting (56); - Require every person having control of funds to give security (Sec.54); - Power to insure the association (Sec.57); - Power to appoint two persons to take inventory (Sec.57); - Fill vacancies on the board (Sec.61); - Establish executive committee (Sec.63); - May replace any member of executive committee (Sec.65); - May establish special committee (Sec.66); - May designate persons to sign contracts etc. for the association (Sec.72); - Approves financial reports (Sec.80); - May order inspection of affairs upon application of members (91); - The board of fisherman's coop. may pledge security for loans (Sec.104); - Approves balance to federations (Sec.111,117); 	<ul style="list-style-type: none"> - The government, administration, control and fiscal policy of a cooperative is vested in the committee as set down in the byelaws (Sec.30); - It is the managing organism of the cooperative (Sec.35); - The chairman of the committee shall be the chairman of the general assembly (Sec.36); - The directors shall become chairmen in the order by which they were elected (Sec.36); - Power to elect its own chairman (Sec.41); - To settle disputes between the supervisory council and the members or between members only (Sec.42); - To designate special committees (Sec.42); - Specific powers are set up in the byelaws (Sec.48); - Authorise transfer of shares (Sec.51);

MAJOR SUBJECT AND NO: COMMITTEE (8)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Every committee shall cause the society's estimates of income and expenditure of revenue and capital for the coming year to be submitted at least one month before the end of the financial year (Sec.23); - The duties of the committee may be set up in regulations by the Minister (Sec.79); 	<ul style="list-style-type: none"> - Examination of reports (Sec.113); - Keep members informed of the progress of the society (Sec.113); - Encourage interest and a sense of ownership on the part of members (Sec.113); - Prepare, except in the case of a credit union, a resolution on the distribution of net surplus (Sec.113)- - Make a report to the general meeting on their work and recommendations to achieve progress (Sec.113); - To maintain a full and correct record of proceedings (Sec.113); - Shall disclose plans to contract interest in any other organisation (Sec.113); - Liability of directors for unlawful transactions (Sec.119); <p style="text-align: right;">(CONT.)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Shall be responsible to the general meeting concerning the affairs of the cooperative (Sec.24); - To prepare the income and expenditure account, the balance sheet and the annual report (Sec.25); - To keep and maintain the accounts, books and other properties of the cooperative (Sec.25); - Other duties as specified in the byelaws (Sec.25); - Must hold a meeting at least once a year (Sec.26); - To maintain a quorum of a majority of members (Sec.26); - To provide written accounts of a deceased member (Sec.11) 	<ul style="list-style-type: none"> (a)- Shall not be an officer or manager engaged in the daily business of any juridical person or organisation not coming under the one provided for by the byelaws as the eligibility for a member (Sec.36); - May not be an auditor of the society (Sec.36); - Shall not be liable for damages (Sec.37,99,100,101); - The byelaws and minutes of the general meetings and the board meetings shall be open to inspection(Sec.38); - Shall submit to auditors the business report, balance sheet and distribution of surplus report 7 days before the general meeting (Sec.39); - To prepare inventory and balance sheet upon resolution of the general meeting to reduce the amount of a share (Sec.56); (b)- Holding more than one office is forbidden (Sec.31); - Shall convene at least 1 general meeting p.a. (Sec.34); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: DUTIES (8.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall be provided for in the rules (Sec.1); - Shall not transfer property in excess of £200 without approval of commissioners of Inland Revenue (Sec.24); 	<ul style="list-style-type: none"> - Must call a meeting of the general assembly at least once a year (Sec.21); - Responsible to the general assembly for its resolutions and their execution and shall submit regular reports thereto (Sec.25); - Shall not be elected to the supervisory committee or the arbitration committee (Sec.27,28);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Duty to give notice of reasons for expulsion (Sec.25); - Must order a special meeting upon application of 1/5th of the members (Sec.49); - To give an account of management and submit the annual report to the general meeting (Sec.57); - Facilitate the work of the auditor (Sec.57); - Promote cooperation between members and between cooperatives (Sec.57); - Encourage cooperative education (Sec.57); - Furnish the Minister with information and documents as he may require (Sec.57); - To meet on call of the president (Sec.58); - Shall serve gratuitously (Sec.60); - Special meeting must be called if there are vacancies such as to cause less than quorum of directors (Sec.61); 	<ul style="list-style-type: none"> - Duty not to authorise the deliver of property of a past or deceased member until there is a complete liquidation of all pending obligations contracted while he was a member (Sec.27); - Present recommendations for approval to the general assembly (Sec.32); - Specific duties are set up in the byelaws (Sec.48); - Once liquidation is declared, the officers may not effect any new obligations in the name of the cooperative or they shall be personally liable (Sec.101); - Members must not be related (Sec.139); - Responsible for the handling of the cooperative's funds (Sec.142); - Liable for damages (Sec.143);

(CONT.)

MAJOR SUBJECT AND NO: COMMITTEE (8) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	<ul style="list-style-type: none"> - Shall hold meetings at such times as provided in the byelaws (Sec.120); - Quorum shall be a majority (Sec.120); - Duty of board of a rural development society to regularly examine credit and loans (Sec.36); - Duty to deduct 20% of a credit union's surplus for a reserve to cover loans (Sec.79); - Determine maximum individual shareholdings and loans of a credit union (Sec.62); - Upon the request of Minister or supervisory committee the board of a credit union shall engage an auditor when deposits have reached a certain level (Sec.75); - Duty to examine transactions of a consumer society regularly (Sec.84); - Determine interest rates on the loans and deposits of a credit union (Sec.62);
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - Shall convene a general meeting within 20 days of a petition by more than 1/5th of members (Sec.35); - To give notice of general meetings (Sec.36); - Shall keep byelaws and minutes for inspection (Sec.39) - Shall submit financial documents to the auditors one week prior to the general meeting (Sec.40); (c) - Shall observe all laws, byelaws (Sec.31-2); - Responsible for damages (Sec.31-2); - Shall not concurrently be an auditor or employee of the cooperative (Sec.32); - Shall convene an ordinary general meeting once for a business year (Sec.34); - The directors shall convene a general meeting within 20 days of a request of 1/5th of members (Sec.35); - Shall keep byelaws and minutes of the general meeting available for inspection (Sec.38); - Shall present business reports to auditors one week prior to general meeting (Sec.39); - Submits resolution on dissolution or amalgamation to the general meeting (Sec.48-2);

MINOR SUBJECT AND NO: DUTIES (8.3) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Personally liable for damages (Sec.62); - To choose a president and vice-president from among its members (Sec.67); - Shall appoint a manager, secretary and a treasurer and shall fix remuneration (Sec.70); - Send copies of the annual report to the proper Ministers (Sec.81); 	<ul style="list-style-type: none"> - Members may not enter contracts for personal profit (Sec.144);

MAJOR SUBJECT AND NO: COMMITTEE (8)

UGANDA - Africa	ZAMBIA - Africa
<p>- Minister may set up regulations for the removal of officers (Sec.79);</p>	<ul style="list-style-type: none"> - By a resolution by 2/3rds majority of the general meeting (Sec.122); - Shall be removed if he holds any office of profit in the society (Sec.118); - Becomes bankrupt (Sec.118); - Becomes of unsound mind (Sec.118); - Participates in profits with another organisation after having failed to inform the board (Sec.118); - Is convicted of an offence involving dishonesty or is imprisoned for three months or more (Sec.118); - Death (Sec.118);
AFGHANISTAN - Asia	JAPAN - Asia
<p>- The general meeting shall remove members of the committee (Sec.19);</p>	<ul style="list-style-type: none"> (a)- Members may request removal under joint signature of 1/5th of members (Sec.41); <ul style="list-style-type: none"> - Such request shall be decided upon by the general meeting (Sec.41); (b)- May be removed by a decision of the general meeting upon application of 1/5th of members (Sec.41); (c)- Officers may be re-elected by the general meeting upon application of 1/5th of members (Sec.40);

NOR SUBJECT AND NO: REMOVAL OF DIRECTORS (8.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
Shall be provided for in the rules (Sec.1);	NONE
CANADA - North America	EQUADOR - South America
A special general meeting may dismiss directors and place them (Sec.51);	NONE

9. SUPERVISORY BODIES

Table No.

9.1	Appointment, Elextion and Composition	71
9.2	Powers	72
9.3	Duties	73

MAJOR SUBJECT AND NO: SUPERVISORY BODIES (9)

UGANDA - Africa	ZAMBIA - Africa
<p>- A supervising manager may be appointed by the Minister for a period not exceeding four years (Sec.52);</p>	<p>- The general meeting of a credit union shall elect a supervisory committee (Sec.61); - The Minister may constitute a Board of Review to consider government grants and loans (Sec.164)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>- A cooperative shall have a supervisory committee set up in accordance with its byelaws (Sec.16);</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: APPOINTMENT, ELECTION AND COMPOSITION (9.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Shall be elected by the general assembly as a continuous body from among the members for a term of five years (Sec.27);
CANADA - North America	EQUADOR - South America
- The board of directors may appoint an executive committee of at least five members (Sec.63);	- Shall be determined by the members in conformity with the byelaws (Sec.40);

MAJOR SUBJECT AND NO: SUPERVISORY BODIES (9)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<ul style="list-style-type: none"> - A supervisory manager shall have all necessary powers and authority for the management and administration of the affairs of the society (Sec.52); - May consult with the committee (Sec.52); - Shall not be bound to accept any advice of the committee (Sec.52); 	<ul style="list-style-type: none"> - The supervisory committee of a credit union shall make a regular examination of their affairs, require an annual audit, fill vacancies in membership, call special meetings or maintain full and correct records of the society's affairs (Sec.74); - The supervisory committee shall have a vote in the approval of loans for a credit union (Sec.68); - The Board of Review may make recommendations and set down conditions for a society to receive loans and determine means of payment by the society (Sec.164);
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<ul style="list-style-type: none"> - The byelaws shall provide for the supervisory committee (Sec.16); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: POWERS (9.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	<ul style="list-style-type: none"> - To call a general meeting (Sec.21); - Shall exercise continuous supervision over the entire activity of the cooperative (Sec.27);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - The executive board shall exercise such powers as are delegated to them by the board (Sec.63); 	<ul style="list-style-type: none"> - To control the activities of the board and officers of the cooperative (Sec.39); - Power to elect its own chairman (Sec.41); - Settles disputes between members and the committee (Sec.42); - Specific powers are set up in the byelaws (Sec.48);

MAJOR SUBJECT AND NO: SUPERVISORY BODIES (9)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall keep the committee informed (Sec.52); 	<ul style="list-style-type: none"> - The supervisory committee of a credit union shall request the board to engage an auditor if the combined share capital and deposits exceed an amount laid down by the Minister (Sec.75); - Shall submit the above mentioned report to the annual meeting (Sec.75); - Duty of Board of Review to report reasons for the disapproval of loans to the Minister (Sec.164);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - The byelaws shall provide for a supervisory committee (Sec.16); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: DUTIES (9.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>NONE</p>	<ul style="list-style-type: none"> - Shall be responsible to the general assembly (Sec.27); - Shall not be members of other committees (Sec.28);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Shall be determined by the board (Sec.63); 	<ul style="list-style-type: none"> - Present recommendations for approval to the general assembly (Sec.32); - Specific duties are set up in the byelaws (Sec.48); - Members must not be related (Sec.139); - Responsible for the handling of the cooperative (Sec.142); - Liable for damages (Sec.143); - Members may not enter contracts for personal profit (Sec.144); - To work with member of the commission set up to discuss issues relating to contracts with commercial firms (Sec.146);

10. LIABILITY

		<u>Table No.</u>
10.1	Limited Liability	74
10.2	Unlimited Liability	75

MAJOR SUBJECT AND NO: LIABILITY (10)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - A society may be registered with limited liability (Sec.2) - A cooperative union must be registred with limited liability (Sec.2); - The liability of a past member for the debts of a society as they existed at the time when he ceased to be a member shall continue for a period of two years (Sec.36); - Upon death, the liability of the estate shall be one year (Sec.37); - Upon death, a society with limited liability shall transfer the share to the nominee (Sec.38); 	<ul style="list-style-type: none"> - Must be registered with limited liability (Sec.10); - Every member shall be liable to the auditors of a society in a sum not exceeding the amount unpaid on the shares allotted to him or membership fee (Sec.15);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - The liability of the members of a cooperative shall be limited (Sec.32); 	<ul style="list-style-type: none"> (a)- The liability of a member shall be limited to the amount of shares held by him (Sec.12); (b)- The liability of a member is restricted to the amount of his investment (Sec.16); (c)- The liability of a member of a capital stock cooperative shall be limited to the extent of the amount of his contribution (Sec.13); - The liability of a member of a non-capital stock cooperative shall be limited to the payment of the expenses (Sec.15,17);

MINOR SUBJECT AND NO: LIMITED LIABILITY (10.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Registration with limited liability (Sec.3); 	<ul style="list-style-type: none"> - A member shall not be liable - excepting the amount of his share - with his property and wages for the debts of the society (Sec.40);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Interest on common shares shall be limited (Sec.5); 	<ul style="list-style-type: none"> - If not stated to the contrary in the statutes, a society shall have liability which is limited to the member's capital (Sec.9); - The member's capital shall be variable, limited and indivisible (Sec.49);

MAJOR SUBJECT AND NO: LIABILITY (10)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - A society may be registered with unlimited liability (Sec.2); - Upon death, a society with unlimited liability shall transfer shares to the nominee, who may require payments of the value of the shares (Sec.38); - In the case of a society registered with unlimited liability, a member shall not transfer or change any share unless he has held it for at least one year and it is transferred to the society or a member (Sec.18); - No society with unlimited liability, which advances money or goods to any member in excess of money or goods deposited, shall pay a dividend before ten years from registration without the approval of the Registrar (Sec.46); - Such societies mentioned above, shall carry at least 25% of the net surplus in each year to the revenue fund (Sec.47); 	<p>NONE</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: UNLIMITED LIABILITY (10.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
NONE	- Liability may be extended by a decision of the general assembly and upon approval of the Minister (Sec.9);

11. DUTIES AND PRIVILEGES OF SOCIETIES

		<u>Table No.</u>
11.1	Privileges	76
11.2	Duties	77

MAJOR SUBJECT AND NO: DUTIES AND PRIVILEGES OF SOCIETIES (11)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - May amend the byelaws with the approval of the Registrar (Sec.8); - May appeal amendment of the byelaws made by the Registrar to the Minister (Sec.8); - Voluntary amalgamation upon approval of the Registrar (Sec.24); - Transfer the assets and liabilities to any other society which agrees to accept them (Sec.25); - Voluntary division upon approval of Registrar (Sec.26); - Shall be a body coporate with power to hold property (Sec.29); - May contract with members to dispose of produce (Sec.31); - May impose fines on members for infringement of its byelaws (Sec.32); <p style="text-align: right;">(CONT.)</p>	<ul style="list-style-type: none"> - Additional powers shall be set up in the byelaws with the approval of the Registrar (Sec.19); - Purchase of property (Sec.19); - Sale of property (Sec.19); - Management of property (Sec.19); - To borrow or raise money (Sec.19); - To enter into contracts (Sec.19); - To make loans and advances to members (Sec.19); - To accept savings of members (Sec.19); - Contribution to advance the interests of the society (Sec.19); - Purchase of business (Sec.19); - To acquire membership in other societies (Sec.19); - Membership in savings and credit societies (Sec.19); <p style="text-align: right;">(CONT.)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - May deduct from funds it owes a member any amounts owed to the cooperatives by that member (Sec.33); - To do business, other than lending, with non-members (Sec.34); - Exemption from certain taxes (Sec.35); - To amalgamate with one or more cooperative (Sec.43); - Power to appeal decisions on registration or acceptance of byelaws to the Minister (Sec.49); 	<ul style="list-style-type: none"> (a)- May suspend repayment concerning shares until a member who has withdrawn pays off his debt (Sec.20); - Appointment of advisors with the approval of the board of directors (Sec.43); - May have a meeting of representatives rather than a general meeting (Sec.55); - Shall receive deposits and savings of members (Sec.58); - Loan funds to members (Sec.58); - Discount of bills for members (Sec.58); - Any business set out in Section 58 (Sec.58); - To amalgamate (Sec.62); (b)- To engage in business as set up in Section 10 (Sec.10); - To receive equal convenience with others who are engaged in the same function (Sec.11); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: PRIVILEGES (11.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - To be given notice from the Registrar of cancellation of registration (Sec.16); - Appeal cancellation to Registrar (Sec.18); - May advance money to members (Sec.21); - To make contracts (Sec.29); - Purchase or lease any land and erect or alter any buildings on it (Sec.30); - May invest any part of its funds as set up in the rules (Sec.31); - May appoint a proxy to vote in any other corporate body in which it has invested (Sec.32); - Right to inspect books (Sec.46); - Right to amalgamate (Sec.50); - Transfer engagements between societies (Sec.51); - Convert into a company under Companies Act (Sec.52);(CONT.) 	<ul style="list-style-type: none"> - Determine personal and proprietary contribution (Sec.6); - To carry on every activity not prohibited or reserved for state economic organs (Sec.37); - To lay down its own plans (Sec.38); - Freely decide division of surplus (Sec.38); - May establish economic associations with other bodies (Sec.41); - Amalgamation (Sec.43); - Rights and obligations of members shall fall to new body upon amalgamation (Sec.45); - Dissolution (Sec.46,47); - May reorganise (Sec.48); - May regulate questions connected with work performance and proprietary relationships (Sec.61);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Acquire, hold, sell or lease immovables (Sec.14); - Give in payment of a portion of the price of produce delivered or services, loan certificates, shares, bonds or other "securities" (Sec.14); - Invest or make loans (Sec.14); - Acquire shares of a union governed by the Savings and Credit Unions Act (Sec.14); - Acquire the assets, stocks or shares of any person, society or organisation pursuing similar objects (Sec.14); - Establish a retirement or pension fund (Sec.14); - Create relief funds and social security services (Sec.14); - Subscribe or guarantee funds for charity or education (Sec.14); - Exercise powers given (Sec.14); <p style="text-align: right;">(CONT.)</p>	<ul style="list-style-type: none"> - May increase liability of members with the approval of the Registrar (Sec.9); - The rights shall be set up in the byelaws (Sec.16); - Cooperatives for production may be set up for the common good (Sec.64); - Credit union may accept deposits and make loans to members (Sec.66); - Cooperatives may set up different fields in which to work with the approval of the Minister (Sec.68); - May set up groups for student and young people (Sec.69); - To establish services that benefit members (Sec.70); - Right to form a union of cooperatives to promote economic and social benefits (Sec.78); - Exemption from certain taxes (Sec.103); <p style="text-align: right;">(CONT.)</p>

MAJOR SUBJECT AND NO: DUTIES AND PRIVILEGES OF SOCIETIES (11) - Continued

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall have first charge on the agricultural produce of a member and certain other material and articles (Sec.33); - Shall have first charge and set-off in respect of shares or interest of members (Sec.34); - Liability of past members to the society shall be two years (Sec.36); - Liability of the estate of a deceased member shall be one year (Sec.37); - Transfer of interest on death of member (Sec.38); - Books of society not to be produced in legal proceedings to which the society is not party (Sec.40); - May invest and deposit its funds in a registered cooperative bond, in a company approved by the Minister in a bank or financial institution incorporated in Uganda, or in securities as are allowed by law for trust funds (Sec.45); 	<ul style="list-style-type: none"> - Amalgamation or partnership agreements (Sec.19); - Cooperation with other organisations (Sec.19); - To make arrangements with the government and other authorities (Sec.19); - Use of promisory notes or other transferable instruments (Sec.19); - Investment of funds (Sec.57,19); - To support community organisations (Sec.19); - To issue shares for property or services (Sec.19); - Disposal of assets (Sec.19); - To operate branches (Sec.19); - To hold mortgages and liens (Sec.19); - Appointment of officials (Sec.19); - Societies for rural development may combine thrift services with the provision of credit (Sec.38); (CONT.)
AFGHANISTAN - Asia	JAPAN - Asia
<p style="text-align: center;">NOT CONTINUED</p>	<ul style="list-style-type: none"> - May affiliate with other juridical persons (Sec.13); - Imposition of monetary penalties upon a member (Sec.18); - Demand payment due from past members (Sec.22); - May suspend refundment (Sec.24); - May appropriate surplus fund (Sec.53a); - May vindicate itself against charges (Sec.95b); - May have a meeting of representatives (Sec.47); (c) - To engage in business as set up in Section 10 (Sec.10); - To make collective agreements (Sec.11); - May assign capital stock contribution to members (Sec.13); - May charge expense to members (Sec.17); - May charge arrears to members (Sec.18); - May make a contract with members for exclusive use of facilities (Sec.19); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: PRIVILEGES (11.1) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Dissolution (Sec.55); - To carry on business as set up under Section 7 (Sec.7); 	NOT CONTINUED
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Issue, endorse and accept promisory notes and other negotiable instruments (Sec.14); - Borrow money (Sec.14); - Issue and sell bonds (Sec.14); - Retain member's money until due payment is made (Sec.14); - Determine repayment upon death of a member (Sec.36); - May provide in a special law restrictions on eligibility of officers (Sec.55); - Amalgamation (Sec.93); 	<ul style="list-style-type: none"> - Preference in dealings with public organisations (Sec.103); - The right to seek technical and other assistance from governmental bodies (Sec.105); - The right to lower rates of interest on loans from the National Development Bank (Sec.108); - The state can guarantee the credit of cooperatives (Sec.109); - May make contracts to buy or sell products (Sec.134); - May associate with cooperatives on an international level (Sec.135);

MAJOR SUBJECT AND NO: DUTIES AND PRIVILEGES OF SOCIETIES (11) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	<ul style="list-style-type: none"> - Transfer of interest upon death of a member (Sec.106); - Right of inspection (Sec.135);
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - To demand payment from past members (Sec.24); - Suspension of repayment of shares (Sec.26); - Reduction of number of shares (Sec.27); - To nominate secretaries and chief accountants (Sec.42); - May hold a meeting of representatives rather than a general meeting (Sec.48); - May set up a revolving capital stock contribution (Sec.52-2); - May join or withdraw from a central union (Sec.73-13);

MINOR SUBJECT AND NO: PRIVILEGES (11.1) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: DUTIES AND PRIVILEGES OF SOCIETIES (11)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall have a registered address (Sec.19); - Shall keep a copy of the byelaws and a list of members open to inspection (Sec.20); - Shall be audited annually by the Minister (Sec.21); - Must submit all documents to auditors (Sec.21); - Submit estimates of income and expenditure for the coming year (Sec.23); - Byelaws shall bind the society (Sec.30); - Any contract with members to dispose of produce shall create in favour of the society a first charge upon all produce mentioned therein (Sec.31); - To pay monies due to a deceased member's nominee (Sec.38); - Shall not make a loan to any other person than a member without the approval of the Registrar (Sec.42); <p style="text-align: right;">(CONT.)</p>	<ul style="list-style-type: none"> - To encourage cooperative education (Sec.19); - Shall keep a copy of the Act, byelaws and rules open to inspection (Sec.22); - Provide for a reserve fund (Sec.23); - Must have approval of Registrar to lend money (Sec.35)- - No building construction or housing society shall commence operations until it has presented evidence that the members have reserved adequate training (Sec.50); - Every housing society shall set aside a sinking fund for money borrowed (Sec.52); - No credit union shall lend money to, or accept deposits from, a person who is not a member of the credit union (Sec.70); - Credit unions shall maintain a cash reserve to meet withdrawals (Sec.78); <p style="text-align: right;">(CONT.)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Shall maintain a reserve fund (Sec.29); - To pay terminated member the value of his paid-up shares and outstanding dues (Sec.13); - Shall extend loans only to its members as set up in the byelaws (Sec.34); - Maintain accounting books and registers (Sec.36); - To be audited once a year (Sec.38); 	<ul style="list-style-type: none"> (a)- Shall not conduct business for profit (Sec.5); - Maintain political neutrality (Sec.5); - To obtain a licence from the Minister (Sec.6); - Maintain a minimum shareholding (Sec.7); - May not acquire shares of its members or receive them as the object of a pledge (Sec.21); - Byelaws to cover areas stated in Section 31 (Sec.31); - To give notice of amalgamation (Sec.66); - To execute byelaws (Sec.91); (b)- Shall not make facilities available to those other than its members (Sec.12); - Shall not limit the number of its members (Sec.15); - Notify members of expulsion (Sec.20); - Byelaws to cover areas set up in Section 26 (Sec.26); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: DUTIES (11.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - A society which has any withdrawable share capital shall not carry on the business of banking (Sec.7); - Shall be bound by the rules (Sec.14); - Shall deliver a copy of rules to any person who demands it (Sec.15); - To maintain a register of heirs of the members (Sec.23); - To submit its accounts once a year for audit (Sec.37); - Send financial statements to the Registrar (Sec.39); - Keep latest balance sheet open to display (Sec.40); - Shall keep a register of members (Sec.44); - To produce documents upon demand of the Registrar (Sec.48) - Send any special resolution for registration (Sec.50); 	<ul style="list-style-type: none"> - Carry on economic activity independently (Sec.8); - Duty to support members and other societies (Sec.10); - Promote cooperative education (Sec.11); - To set down an order of work and operational organisation (Sec.18); - The cooperative shall carry on its activities within statutory limits (Sec.37,38); - Shall first pay all obligations before distribution of profit (Sec.38); - To keep records of property and economic transactions (Sec.39); - To hold regular audits (Sec.39); - Shall be liable for all debts (Sec.40); - To provide healthy and safe working conditions (Sec.74); - Liable for damages caused to member (Sec.85);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Duty to repay heirs upon death of a member (Sec.34); - Duty to maintain a record of byelaws, minutes and registered members (Sec.73); - Shall keep all financial records (Sec.77); - Shall prepare deed of agreement upon amalgamation (Sec.94); 	<ul style="list-style-type: none"> - The obligation shall be set up in the byelaws (Sec.16, 87); - Subject to the decisions of the general meeting (Sec.31); - Societies must belong to the respective federation of the same class (Sec.76); - Must follow regulations set down by the National Cooperative Council (Sec.92); - Must follow regulations of the Act, the byelaws and the rules (Sec.115); - Societies which hold immovable property must submit an annual report of amortisation and depreciation (Sec.130);

MAJOR SUBJECT AND NO: DUTIES AND PRIVILEGES OF SOCIETIES (11) - Continued

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall receive deposits and loans as prescribed by the Minister (Sec.43); - Transactions with non-members shall be subject to the restriction of the Minister (Sec.44); - Shall not distribute income without the consent of the Registrar (Sec.46); - Shall not pay dividends exceeding maximum rate of 10% (Sec.46); - No society with unlimited liability shall pay a dividend before ten years from the date of registration without the approval of the Registrar (Sec.46); - Shall maintain a reserve fund (Sec.47); - Shall contribute annually to National Cooperative Education Fund (Sec.49); - Shall register charges created by the society (Sec.50); - Shall register charges existing on property acquired (Sec.50) 	<ul style="list-style-type: none"> - Every society shall, after each general meeting, forward a statement to each member showing his share capital and amounts deposited by him (Sec.99); - Every society to keep a membership register (Sec.100); - Must provide in byelaws for an annual general meeting (Sec.123); - To send to the Registrar for registration the particulars of every charge requiring registration (Sec.129); - Shall keep a register of charges (Sec.134); - To keep such records and books as the Registrar shall require (Sec.139);
AFGHANISTAN - Asia	JAPAN - Asia
<p style="text-align: center;">NOT CONTINUED</p>	<ul style="list-style-type: none"> - Issue public notice and prepare financial statements in case of reduction of share value (Sec.49); - Shall set aside a reserve fund (Sec.51); - Shall pay losses before distribution (Sec.52); - Register changes in the society (Sec.75,76); - Submit reports to administrative authorities as requested (Sec.93a); (c)- Shall not deny admission to qualified members (Sec.20) - Byelaws to cover areas set up in Section 29 and 72-11 (Sec.29, 72-11); - Prepare financial statements and give public notice of reduction in face value of each share (Sec.49); - Shall maintain a reserve fund (Sec.51); - Shall not distribute surplus until losses are covered (Sec.52); <p style="text-align: right;">(CONT.)</p>

MINOR SUBJECT AND NO: DUTIES (11.2) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

MAJOR SUBJECT AND NO: DUTIES AND PRIVILEGES OF SOCIETIES (II) - Continued

UGANDA - Africa	ZAMBIA - Africa
NOT CONTINUED	NOT CONTINUED
AFGHANISTAN - Asia	JAPAN - Asia
NOT CONTINUED	<ul style="list-style-type: none"> - Prohibition against acquisition of member's share (Sec.54); - Succession of obligations due to amalgamation (Sec.68);

MINOR SUBJECT AND NO: DUTIES (11.2) - Continued

UNITED KINGDOM - Europe	HUNGARY - Europe
NOT CONTINUED	NOT CONTINUED
CANADA - North America	EQUADOR - South America
NOT CONTINUED	NOT CONTINUED

12. PROPERTY, INVESTMENT, BORROWING

		<u>Table No.</u>
12.1	Property	78
12.2	Investment	79
12.3	Borrowing	80

MAJOR SUBJECT AND NO: PROPERTY, INVESTMENT, BORROWING (12)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - The Registrar may order the conditional attachment of property if he is satisfied that a person has attempted to defraud or delay the execution of an order (Sec.72); - All charges against the property of a registered society shall be recorded (Sec.50); 	<ul style="list-style-type: none"> - A credit union may, with the approval of the Registrar, choose, charge, or pledge its immovable property to secure any liability for the repayment of monies borrowed (Sec.58); - A credit union may hold and dispose of property in its own name (Sec.60); - Shall keep a register of all charges against the property of the society (Sec.134); - If anyone has misdealt with property, he is guilty of an offence (Sec.171);
AFGHANISTAN - Asia	JAPAN - Asia
<p style="text-align: center;">NONE</p>	<ul style="list-style-type: none"> (a)- Misuse of property shall be penalised as an offence (Sec.99); (b)- NONE (c)- Restriction on investment of property belonging to a federation or an independent account to the approval of the Minister (Sec.105);

MINOR SUBJECT AND NO: PROPERTY (12.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - May hold or dispose of land (Sec.30); 	<ul style="list-style-type: none"> - The property of the cooperative shall be indivisible (Sec.34); - Shall be accorded equal protection with other forms of property (Sec.34); - Means of production and other property may be owned by cooperative (Sec.35); - Must keep records of the property owned (Sec.39); - Shall be liable for debts attached to property (Sec.40); - Upon amalgamation property shall be pooled (Sec.46); - Upon dissolution, the general assembly shall provide for the division of property (Sec.46);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - An association has the right to hold properties and dispose of them (Sec.14); - Right to use immovable properties as security (Sec.14); 	<ul style="list-style-type: none"> - Societies which hold immovable property must submit annually a report on amortisation and depreciation (Sec.130);

MAJOR SUBJECT AND NO: PROPERTY, INVESTMENT, BORROWING (12)

UGANDA - Africa	ZAMBIA - Africa
<p>- A registered society may invest its funds only in a registered cooperative bank, in any corporate body approved by the Minister, in any bank or financial institution of the country, or in any other way approved by the Minister (Sec.45);</p>	<p>- A credit union may invest in the stocks, bonds and securities of the country (Sec.54); - A credit union may deposit money in banks, loan and trust companies (Sec.57);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: INVESTMENT (12.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - May set up a fund for the purchase of government securities (Sec.11); - May invest any part of its funds in or upon any security authorised by its rules. (Sec.31); - Other regulations to be set up in the rules (Sec.1); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - A society has the right to invest its money (Sec.14); - A society may issue, buy, sell or transfer securities (Sec.14); 	<p>NONE</p>

MAJOR SUBJECT AND NO:

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - A registered society shall not make a loan to any person other than a member (Sec.42); - With the provision of the Registrar, a society may make a loan to another registered society (Sec.42); - With the approval of the Registrar, a society may make a loan to an employee if it is for the benefit of the society (Sec.42); - The Minister may restrict lending money on a charge of immovable property (Sec.42); - A society among whose objects include the supply of commodities to its members shall not make nay loans without the approval of the Minister (Sec.42); - Shall receive deposits and loans from non-members only to such an extent as the Minister directs (Sec.43); 	<ul style="list-style-type: none"> - Subject to the approval of Registrar, a credit union may borrow upon vote of ¾ of board or resolution of members (Sec.58); - Every loan of a credit union shall be for productive or provident purposes (Sec.64); - Borrowing shall be renewed annually by Registrar (Sec.58); - Maximum loan to member of credit union is 8% of paid-up capital (Sec.65); - All charges shall be registered (Sec.129); - Rate of interest on loans by credit union shall not exceed 1% per month on un-paid balances (Sec.72); - Any borrowing by agricultural society shall require the approval of Minister (Sec.35); - No loans by agricultural society to member not in good standing (Sec.35); - Board of directors of agricultural society shall supervise credit and loans (Sec.36); - A building or construction society may make loans to its members (Sec.49); - A housing society may borrow to make loans to members (Sec.49);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Ceilings for borrowing and loans shall be set up by the general meeting (Sec.19); - Shall extend loans only to members as prescribed in the byelaws (Sec.34); - Managing committee shall decide the rate of interest on loans (Sec.34); 	<ul style="list-style-type: none"> (a)- May loan funds to members (Sec.58); (b)- The general meeting shall decide the maximum which may be borrowed (Sec.43); (c)- NONE

MINOR SUBJECT AND NO: BORROWING AND LOANS (12.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - May make loans to members (Sec.21); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - A society may make loans to federations or another society (Sec.14); 	<ul style="list-style-type: none"> - Credit unions may make loans and accept deposits (Sec.66); - Societies may grant loans to members (Sec.133);

13. DISTRIBUTION OF PROFITS

		<u>Table No.,</u>
13.1	Reserve Fund	81
13.2	Education	82
13.3	Allocation for Members (Other than Dividends or Part Bonuses)	83
13.4	Reward for Capital	84
13.5	Patronage Dividend	85
13.6	Social Levies and Charitable Contribution	86
13.7	Other	87

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Every society shall maintain a reserve fund (Sec.47); - A society with unlimited liability, which advances money or goods to any member in excess of those deposited by him, shall carry at least one-fourth of net surplus to the reserve fund (Sec.47); - All other societies shall carry a percentage determined in the byelaws to the reserve fund (Sec.47); 	<ul style="list-style-type: none"> - Every society shall maintain a reserve fund from its surplus (Sec.23); - The operation of the reserve fund shall be set up in the byelaws (Sec.23); - A society set up to assist livestock, dairy, and poultry procedures or a society set up for land improvement services shall transfer all surplus to the reserve fund (Sec.42); - At least 20% of a credit union's surplus shall be set aside for the reserve fund until the reserve fund is equal to at least 10% of the outstanding loans (Sec.79); - A society for community service shall set aside its surplus to the reserve fund (Sec.89);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Not less than 25% of the surplus shall be allocated to the reserve fund (Sec.29); - The reserve fund shall be composed of appropriations from the surplus, any grants to obtain fixed assets, surplus from dealing with non-members, dividend or patronage bonuses declined, and any other allocations set up in the byelaws (Sec.30); - No single member shall have any right to the reserve fund (Sec.31); - Reserve funds shall be used to cover liquidation losses or to expand the activities of the cooperative (Sec.31); 	<ul style="list-style-type: none"> (a)- 10% or more of surplus shall be set aside for the reserve fund until it reaches the total amount of its shares (Sec.60); <ul style="list-style-type: none"> - Used only to make up deficits (Sec.60); (b)- 10% or more of surplus shall be set aside for the reserve fund each year until the fund reaches at least one half of the total amount of shares (Sec.51); <ul style="list-style-type: none"> - Used for the payment of losses (Sec.51); (c)- 10% or more of surplus shall be set aside for the reserve fund until the amount of reserve set up in the byelaws is attained. This shall not be more than one half of the capital stock (Sec.51); <ul style="list-style-type: none"> - Used only for payment of losses (Sec.51);

MINOR SUBJECT AND NO: RESERVE FUND (13.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - The operating income may be apportioned to the general reserve in accordance with the byelaws, the general meeting and the recommendations of the directors (Sec.5, 82); - They may allocate the entire amount to the general reserve (Sec.82); - The allocation shall be at least 10% to the general reserve (Sec.82); - Shall not be divided among members (Sec.82); 	<ul style="list-style-type: none"> - A reserve fund shall be set up in the byelaws (Sec.50); - 20% of the surplus received from appreciation shall provide a reserve fund (Sec.129);

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<p>- Shall establish a National Cooperative Education Fund to which every registered society shall contribute annually an amount not exceeding ten percent of the net surplus (Sec.49);</p>	<p>- The byelaws of a credit union may provide for an educational fund which shall not receive more than 5% of the surplus per year (Sec.79); - May provide for educational contribution as set up in the byelaws (Sec.123);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a)- NONE (b)- Shall carry forward 5% or more of the surplus fund for a programme of education necessary for members and employees (Sec.51); (c)- Shall carry forward 5% or more of the surplus fund for education of members (Sec.51);</p>

MINOR SUBJECT AND NO: EDUCATION (13.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
NONE	<ul style="list-style-type: none"> - An education fund may be set up in the byelaws (Sec.50); - 5% of the surplus received from appreciation of immovable property shall be used for an education fund (Sec.129); - At least 25% of the revenue of the National Federation of Cooperatives shall be used for cooperative education (Sec.128);

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<p>- Every society may, with the approval of the Registrar, establish a provident fund for payment of pensions to its permanent employees from the surplus (Sec.47);</p>	<p>NONE</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a)- NONE (b)- The society may apply the surplus fund to be distributed to any member to the member's payment of share until he has made payment in full (Sec.53a); (c)- NONE</p>

MINOR SUBJECT AND NO: ALLOCATION FOR MEMBERS (OTHER THAN DIVIDENDS OR PART BONUSSES) (13.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Shall receive a regular wage depending on the results of economic activity (Sec.59);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Surplus may be in rebates which may vary with the quantity, quality or value of the merchandise or services dealt in (Sec.84); - Common shares or preferred shares may be issued from surplus (Sec.85); - In the case of a cooperative for social objectives, no surplus may be paid to members (Sec.109); 	NONE

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Ten percent per annum on shares (Sec.46); - No society with unlimited liability, which advances money or goods to a member in excess of those deposited by him, shall pay a dividend before ten years from the date of registration (Sec.46); - Any dividend or bonus shall have the prior written permission of the Registrar (Sec.46); 	<ul style="list-style-type: none"> - A society set up to asset livestock, dairy and poultry producers or to provide land improvement services shall not pay dividends to members on share capital (Sec.42); - A dividend of not more than 6% may be paid on fully paid-up shares of a credit union (Sec.72); - A society for community services shall pay no dividend (Sec.89);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Not more than 20% of the surplus shall be allocated as interest on shares paid in full, provided that interest on a share shall not exceed 5% (Sec.29); 	<ul style="list-style-type: none"> (a)- The maximum rate of dividend shall be provided for in the articles (Sec.61); (b)- The society shall pay a dividend not exceeding ten per cent per year on the units of share (Sec.52); (c)- Dividends on capital stock shall not exceed 8% per annum (Sec.52);

MINOR SUBJECT AND NO: REWARD FOR CAPITAL (13.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Members shall share in the income on the basis of their proprietary contribution (Sec.59);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - The board of directors, subject to the byelaws, may decide to pay interest on the common shares not exceeding six per cent (Sec.31); - In the case of a cooperative for social objectives, no surplus shall be paid to members (Sec.109); 	- Societies which need to capitalise shares periodically or which must maintain fixed capital cannot pay interest (Sec.131);

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<p>- All such dividends must be approved by the Registrar (Sec.46);</p>	<p>- Unless otherwise provided for in the byelaws, any surplus after distribution to the reserve fund, shall be given out as a patronage bonus (Sec.23); - A society set up to assist livestock, dairy and poultry procedures or a society to assist in land improvements, shall not distribute a patronage bonus (Sec.42); - A credit union may divide the remainder of its surplus amongst the members as a borrower dividend in proportion to the amount of interest paid by them to the credit union on all loans (Sec.79); - A society for community service shall not pay a patronage bonus (Sec.89);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>- Not less than 30% of the surplus shall be allocated as patronage returns to members proportionate to the volume of their business done with the cooperative (Sec.29);</p>	<p>(a)- Surplus money shall be divided among members, in proportion to the extent they utilise the business or to the amount of their shares (Sec.61); (b)- Surplus savings shall be returned to members mainly in proportion to the purchase of each member (Sec.2,52); (c)- Surplus shall be divided according to the extent that each member has made use of the business or in proportion to the capital stock (Sec.52);</p>

MINOR SUBJECT AND NO: PATRONAGE DIVIDEND (13.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- Primarily, members shall share in income on the grounds of their personal activity (Sec.59);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - The surplus may be apportioned or credited to members proportionately to the business carried on by each of them with the association (Sec.5); - In the case of a cooperative for social objectives, no surplus shall be paid to members (Sec.109); 	- Surplus shall be divided in proportion to the use a member has made of the cooperative (Sec.61);

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<p>- Surplus may be distributed as may be prescribed in the byelaws (Sec.48);</p>	<p>- May distribute surplus, as set up in the byelaws, for the maintenance and further development of the services of the society (Sec.23);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>- Remaining surplus shall be disposed of in accordance with the byelaws as set up by the general meeting (Sec.29);</p>	<p>(a)- NONE (b)- Other regulations as to the distribution of surplus and loss shall be set up in the byelaws (Sec.26a); (c)- Make allocation for a revolving capital stock contribution to cover losses (Sec.52-2);</p>

MINOR SUBJECT AND NO: SOCIAL LEVIES AND CHARITABLE CONTRIBUTION (13.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
<p>- In the case of a cooperative for social objectives, the byelaws may provide for the payment of an annual contribution by the members (Sec.109);</p>	<p>- 5% of surplus profits received from appreciation of immovable property shall be used for a social assistance fund (Sec.129);</p> <p>NONE</p>

MAJOR SUBJECT AND NO: DISTRIBUTION OF PROFITS (13)

UGANDA - Africa	ZAMBIA - Africa
<p>- With the sanction of the Registrar, the society may, after allocation to the reserve fund, contribute an amount not exceeding ten per cent to charitable purposes (Sec.49);</p>	<p>- A society for community service may donate all or part of its surplus, as authorised by the general meeting, to local organisations with objectives beneficial to the community (Sec.89);</p> <p>- May, as set up in the byelaws, contribute to local organisations beneficial to the community (Sec.23)</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>NONE</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: OTHER (13.7)

UNITED KINGDOM - Europe	HUNGARY - Europe
- The mode of appreciation of profits of the society shall be provided for in the rules (Sec.1);	- Other rules for distribution shall be set up as in the byelaws (Sec.59);
CANADA - North America	EQUADOR - South America
- In case of liquidation of a society for social objectives, the assets shall be distributed by the Minister for a social object (Sec.109);	- Provision for the distribution of profits shall be set up in the byelaws (Sec.60);

14. AUDIT, INSPECTION AND INQUIRY

		<u>Table No.</u>
14.1	Internal Audit	88
14.2	Statutory Audit	89
14.3	Qualification of Auditor	90
14.4	Rights and Obligations of Auditors	91
14.5	Inspection and Inquiry	92
14.6	Disposal of Reports	93

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - The Minister shall cause the accounts of every registered society to be audited at least once a year (Sec.21); - May be audited by application of the registered society (Sec.21); 	<ul style="list-style-type: none"> - The Registrar shall audit the accounts of every society at least once a year (Sec.140); - If the Registrar fails to do so, it is the responsibility of the supervisory committee to audit (Sec.75);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - The Registrar shall establish procedures for the yearly audit (Sec.38); 	<ul style="list-style-type: none"> (a)- Directors shall submit the financial reports to auditors one week before general meeting (Sec.39); (b)- Directors shall submit the financial reports to auditors one week before general meeting (Sec.40); (c)- Directors shall submit the financial documents to the auditors one week before the general meeting (Sec.39);

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<p>- An audit shall be held at least once a year as ordered by the Minister (Sec.21);</p>	<p>- An audit shall be conducted at least once a year (Sec.75,140);</p>
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<p>- All documents and accounts shall be audited once a year within ninety days from the end of the fiscal year (Sec.38);</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: INTERNAL AUDIT (14.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>- Shall submit the accounts to be audited once a year (Sec.37);</p>	<p>- A cooperative shall be bound to continuously audit the bookkeeping and balance sheet (Sec.39);</p>
CANADA - North America	EQUADOR - South America
<p>- Shall be audited once a year (Sec.78);</p>	<p>- Balance sheets are to be completed twice a year (Sec.32);</p>

MINOR SUBJECT AND NO: STATUTORY AUDIT (14.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
- Shall be audited at least once in every business year (Sec.37);	NONE
CANADA - North America	EQUADOR - South America
- Shall be audited once per year (Sec.78);	NONE

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - The auditor shall be appointed by the Minister (Sec.21); - No person shall be approved as an auditor unless he is a member of the Institute of Registered Accountants (Sec.22); 	<ul style="list-style-type: none"> - The auditor shall be appointed by the Registrar (Sec.140); - When the total assets exceed an amount to be determined by the Minister, the audit shall be conducted by a certified public accountant of the country (Sec.141); - An auditor may be appointed from a society which objects include a provision of auditing services and is a member of the same federation as the society to be audited (Sec.141);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Procedures shall be established by the Registrar (Sec.38); 	<ul style="list-style-type: none"> (a)- Shall not concurrently be a director or manager (Sec.36); - Shall be appointed by the general meeting (Sec.34); (b)- Shall not concurrently be a director or employee (Sec.31); - Shall be appointed by the general meeting (Sec.27); (c)- Shall not concurrently be a director or employee (Sec.32); - Shall be appointed by the general meeting (Sec.30);

MINOR SUBJECT AND NO: QUALIFICATION OF AUDITOR. (14.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall be appointed by the Treasury (Sec.38); - Shall be certified as a public accountant (Sec.38); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Shall be appointed by the annual meeting (Sec.86); - No director or other officer may concurrently be an auditor (Sec.86); - The Minister upon application of three members and if the auditor has not been selected, may appoint the auditor (Sec.87); 	<p>NONE</p>

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall have access to all books, accounts, papers and securities of a registered society and every officer shall furnish such information in regard to the transactions and working of the society as the auditor may require (Sec.21) - To summon officers and agents (Sec.21); - To require production of all necessary documents (Sec.21); - Shall submit a detailed report of the audited accounts and balance sheets to Minister and a copy to the committee within three months from the close of the financial year (Sec.21); - His audit shall include an examination of all overdue debts and an examination of the assets and liabilities of the society (Sec.21); 	<ul style="list-style-type: none"> - To summon any member or officer of the society who he feels may give information in regard to transactions (Sec.140); - To require the production of all books and documents necessary for the audit (Sec.140); - To examine any officer of the society under oath (Sec.140); - Shall present the report to the general meeting (Sec.140); - Shall state on the report where he received information, whether he feels the balance sheet is a true picture of the society and whether all transactions have been within the objects and powers of the society (Sec.141); - Disclose to the Registrar any matter or circumstance which has come to his attention (Sec.141);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - The procedures shall be established by the Registrar (Sec.38); 	<ul style="list-style-type: none"> (a)- Shall be set up in the byelaws (Sec.32); - To examine the financial documents (Sec.39); (b)- Powers shall be set up in byelaws (Sec.26a); - To represent the co-operative in contracts with directors (Sec.32); - Inspection of the societies' property (Sec.33); - Inspection of directors' execution of business (Sec.33); - Report to Minister about illegal transactions (Sec.33); - Convocation of meeting to discuss reports (Sec.33); - Receive from directors the financial reports (Sec.40) (c)- Powers shall be set up in byelaws (Sec.78); - To represent the cooperative in contracts with directors (Sec.33); - To convene general meeting if directors fail to do so (Sec.36);

MINOR SUBJECT AND NO: QUALIFICATION OF AUDITOR (14.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall be appointed by the Treasury (Sec.38); - Shall be certified as a public accountant (Sec.38); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Shall be appointed by the annual meeting (Sec.86); - No director or other officer may concurrently be an auditor (Sec.86); - The Minister upon application of three members and if the auditor has not been selected, may appoint the auditor (Sec.87); 	<p>NONE</p>

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall have access to all books, accounts, papers and securities of a registered society and every officer shall furnish such information in regard to the transactions and working of the society as the auditor may require (Sec.21) - To summon officers and agents (Sec.21); - To require production of all necessary documents (Sec.21); - Shall submit a detailed report of the audited accounts and balance sheets to Minister and a copy to the committee within three months from the close of the financial year (Sec.21); - His audit shall include an examination of all overdue debts and an examination of the assets and liabilities of the society (Sec.21); 	<ul style="list-style-type: none"> - To summon any member or officer of the society who he feels may give information in regard to transactions (Sec.140); - To require the production of all books and documents necessary for the audit (Sec.140); - To examine any officer of the society under oath (Sec.140); - Shall present the report to the general meeting (Sec.140); - Shall state on the report where he received information, whether he feels the balance sheet is a true picture of the society and whether all transactions have been within the objects and powers of the society (Sec.141); - Disclose to the Registrar any matter or circumstance which has come to his attention (Sec.141);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - The procedures shall be established by the Registrar (Sec.38); 	<ul style="list-style-type: none"> (a)- Shall be set up in the byelaws (Sec.32); <ul style="list-style-type: none"> - To examine the financial documents (Sec.39); (b)- Powers shall be set up in byelaws (Sec.26a); <ul style="list-style-type: none"> - To represent the co-operative in contracts with directors (Sec.32); - Inspection of the societies' property (Sec.33); - Inspection of directors' execution of business (Sec.33); - Report to Minister about illegal transactions (Sec.33) - Convocation of meeting to discuss reports (Sec.33); - Receive from directors the financial reports (Sec.40) (c)- Powers shall be set up in byelaws (Sec.78); <ul style="list-style-type: none"> - To represent the cooperative in contracts with directors (Sec.33); - To convene general meeting if directors fail to do so (Sec.36);

MINOR SUBJECT AND NO: RIGHTS AND OBLIGATIONS OF AUDITORS (14.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall have access to all the books and documents of the society (Sec.37); - Shall examine the balance sheet and revenue accounts of the society (Sec.37); - Report on the figures' correctness or incorrectness (Sec.37); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Shall have access to books and documents of the societies (Sec.88); - May require of officers and member documents and information as necessary for the necessary performance of his duties (Sec.88); - Shall make a report (Sec.89); 	<p>NONE</p>

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - The Minister, of his own motion, or upon application of two-thirds of the members, shall hold an inquiry (Sec.51); - The Minister may appoint a supervising manager as a result of inquiry (Sec.50); - The Registrar may inspect the books of the society upon request of a creditor (Sec.54); - The costs of such inspection and inquiry shall be borne as the Registrar or Minister sees fit (Sec.55); - Audited reports shall be open to inspection (Sec.21); 	<ul style="list-style-type: none"> - All copies of the byelaws and the register of charges shall be open to inspection by creditors or members of the society (Sec.22,135); - The board of directors of a credit union shall regularly inspect all transactions (Sec.36); - The board of directors of a consumer society shall regularly inspect the condition of the society's business (Sec.84); - When the Registrar is of the opinion that the affairs of the society require immediate investigation he may order a special investigation (Sec.140); - Power of the Registrar to inspect the society's books (Sec.142);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - The Registrar or persons authorised by him shall have free access to inspect all books and accounts (Sec.40); - The Registrar of his own accord, or on the request of the committee, auditor, or one-third of the members, issue an order of inquiry (Sec.41); - Registrar may dismiss any officer found to be lacking as a result of inquiry (Sec.42); 	<ul style="list-style-type: none"> (a)- Any member or creditor may request an inspection of financial documents by the board (Sec.39); (b)- Inspection of property and transactions, by auditor (Sec.33); <ul style="list-style-type: none"> - Member and creditors may examine minutes of the meeting or byelaws (Sec.39); - The administrative authorities may inspect documents at any time (Sec.93a,93b) (c)- Any creditor may examine the yearly financial report of the directors (Sec.39); <ul style="list-style-type: none"> - 10% or more of the members may request an inspection by the administrative authorities (Sec.94);

MINOR SUBJECT AND NO: INSPECTION AND INQUIRY (14.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Shall keep latest balance sheet open to inspection (Sec.40); - No member or other person shall have the right to inspect the books of a society (Sec.45); - Member allowed to inspect their own account (Sec.46); - Inspection of the books by order of the Registrar (Sec.47); - Upon application of one-tenth of the membership the Registrar may appoint inspectors and call a special meeting (Sec.49); 	<p>NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Members may examine the byelaws and the register (Sec.73); + On application of members, the board of directors may order an inspection (Sec.91); ± The Minister may order an inspection of affairs (Sec.91); 	<ul style="list-style-type: none"> - The National Director of Cooperatives has the right to inspect the activities and finances of a society (Sec.127);

MAJOR SUBJECT AND NO: AUDIT, INSPECTION AND INQUIRY (14)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<ul style="list-style-type: none"> - The auditor shall give the final accounts to the Minister and to the committee within three months after the end of the society's financial year (Sec.21); - Results of the inquiry of an application by a creditor shall be communicated to him by the Registrar (Sec.54); 	<ul style="list-style-type: none"> - The report of the auditor shall be presented to the annual general meeting by the Registrar (Sec.140); - A report of any special investigation may be presented to a special meeting (Sec.140);
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<ul style="list-style-type: none"> - Procedures shall be set up by the Registrar (Sec.38); 	<ul style="list-style-type: none"> (a)- Shall be submitted to the general meeting (Sec.39); (b)- May be submitted to Minister and general meeting (Sec.33); (c)- Shall be submitted to the general meeting (Sec.39);

MINOR SUBJECT AND NO: DISPOSAL OF REPORTS (14.6)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Sent to Registrar for publication (Sec.39); 	<p style="text-align: center;">NONE</p>
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - The auditor's report shall be sent to the board of directors and shall form part of the general report to be sent to the general meeting (Sec.90); 	<ul style="list-style-type: none"> - Must send financial reports to the general meeting for approval (Sec.32) - The national cooperative body shall have reports of each society and a balance sheet submitted to it (Sec.127);

15. DISPUTES

		<u>Table No.</u>
15.1	Decision	94
15.2	Arbitration	95
15.3	Court	96
15.4	Appeal	97

MAJOR SUBJECT AND NO: DISPUTES (5)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Disputes between a creditor and a society over amalgamation shall be settled by the Registrar (Sec.25); - If any dispute arises among members; between a member and the society, its committee, or any officer; between the society and any other society such dispute shall be referred to the Registrar for decision (Sec.73); - The Registrar may decide the dispute himself or refer it for disposal to an arbitrator (Sec.73); - Registrar may call for a deposit to be made by either or both parties (Sec.73); - May refer it to the High Court for decision if he is of the opinion that a point of law arises (Sec.73); - Legal representation is not allowed before the Registrar (Sec.76); 	<ul style="list-style-type: none"> - Disputes between members; between a member and the society or board of directors; between the society and the board; or between two societies such dispute, unless byelaws provide for arbitration, be referred to the Registrar for decision (Sec.154); - The Registrar may decide the dispute himself or refer it to arbitration (Sec.154); - If the dispute involves a complicated question of law, the Registrar may refer it to the Civil Courts (Sec.154); - If no appeal is made, the decision shall be final (Sec.154);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Disputes arising from the business of the cooperatives, involving cooperatives or cooperatives and their members, or past and present members, shall be referred to the Registrar for arbitration (Sec.39); 	<ul style="list-style-type: none"> (a)- Any member who considers that the business is in violation of the laws or the management is inappropriate, may file a complaint in writing to the Minister (Sec.92); - The Minister shall hold a hearing in public to decide the case (Sec.96); (b)- NONE (c)- The Minister may obtain reports in order to ascertain whether or not the laws have been broken (Sec.93);

MINOR SUBJECT AND NO: DECISION (15.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Every dispute between a registered society or an officer thereof and a member; any person who has ceased to be a member not more than six months previously; any person claiming through a member; or any person claiming under the rules of the society shall be decided as the rules set up (Sec.60); - Unless forbidden by the rules, the parties to a dispute may by consent refer the dispute to the Chief Registrar who shall by himself or by some other Registrar hear and determine the dispute (Sec.60); 	<ul style="list-style-type: none"> - Rules on the competence and procedure of cooperative organs in charge of settling membership disputes shall apply unless otherwise stated in the rules (Sec.89); - The general assembly may pass resolutions in case of disciplinary action (Sec.20);
CANADA - North America	EQUADOR - South America
<p style="text-align: center;">NONE</p>	<ul style="list-style-type: none"> - Disputes between the Chairman and the members shall be settled by the general assembly (Sec.38); - Disputes between the supervisory council and the members or between members only shall be decided by the committee (Sec.42); - The supervisory committee settles disputes between the members and the committee (board) (Sec.42);

MAJOR SUBJECT AND NO: DISPUTES (15)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Disputes may be sent to arbitration by Registrar (Sec.73) - The arbitrator may summon witnesses and call for documents (Sec.73); - He may refer a point of law to the High Court (Sec.73); - He may correct in an award any clerical mistake or error which may have been caused by an accidental slip (Sec.73); - He may amend the terms of the order of reference with the consent of the two parties to the dispute (Sec.73); - He shall file his award in court (Sec.73); - If the decision of the arbitrator is not appealed to the Registrar or if the case is withdrawn, the decision of the arbitrator shall be final (Sec.73); - He shall not be subject to any civil liability (Sec.74); - Legal representation not allowed before arbitration (Sec.76); 	<ul style="list-style-type: none"> - Settlement by arbitration alone may be provided for in the byelaws (Sec.154); - The Registrar may refer the dispute to arbitration (Sec.154); - If no appeal is made, the decision shall be final (Sec.154);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Disputes shall be referred to the Registrar for arbitration (Sec.39); - The Decree of arbitration, taken in the presence of the parties involved, shall be considered final if it is not challenged within thirty days (Sec.39); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: ARBITRATION (15.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- There shall be a cooperative arbitration committee to settle disputes which is elected by the general assembly (Sec.28,86);
CANADA - North America	EQUADOR - South America
NONE	NONE

MAJOR SUBJECT AND NO: DISPUTES (15)

<p style="text-align: center;">UGANDA - Africa</p>	<p style="text-align: center;">ZAMBIA - Africa</p>
<ul style="list-style-type: none"> - A dispute may be referred to the court by the Registrar or arbitrator when a point of law is concerned (Sec.73); - The court shall make its decision and the amount of the award is charged, the court shall execute this as soon as possible (Sec.73); - A debt arising out of embezzlement shall immediately be referred to the courts (Sec.73); - Final appeals rest with the court (Sec.75); 	<ul style="list-style-type: none"> - Complicated questions of law arising from disputes may be referred to the courts by the Registrar (Sec.154,155); - The decision of the judge shall be final and conclusive (Sec.155);
<p style="text-align: center;">AFGHANISTAN - Asia</p>	<p style="text-align: center;">JAPAN - Asia</p>
<ul style="list-style-type: none"> - The courts shall hear the appeals (Sec.39); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: COURT (15.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - Decisions shall not be removable to any court of law (Sec.60); - Application for enforcement may be made to the court (Sec.60); - Any dispute directed by the rules to be referred to justice, shall be determined by the magistrates' court (Sec.60); - Where there is no provision in the Rules for disputes and when no decision is taken in forty days, the parties to the dispute may apply to the courts for decision (Sec.60); 	<ul style="list-style-type: none"> - Action may be brought in court against the resolution of the arbitration committee or of the general assembly on disciplinary matters within thirty days (Sec.87);
CANADA - North America	EQUADOR - South America
<p style="text-align: center;">NONE</p>	<p style="text-align: center;">NONE</p>

MAJOR SUBJECT AND NO: DISPUTES (15)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Any party aggrieved by the award of the Registrar may appeal to the Minister (Sec.73); - Any party aggrieved by the award of the arbitration may appeal to the Registrar (Sec.73); - The highest appeal shall be to the courts (Sec.75); - All appeals must be made within two months (Sec.73); 	<ul style="list-style-type: none"> - Appeal against the arbitrator may be made to the Registrar within one month (Sec.154); - Appeal against the Registrar may be made to the Minister within two months (Sec.154);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Appeal shall be made within thirty days to any court of jurisdiction for judgement (Sec.39); 	<ul style="list-style-type: none"> (a)- NONE (b)- NONE (c)- NONE

MINOR SUBJECT AND NO: APPEAL (15.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
<p>- Decisions shall be final on all parties without appeal (Sec.60);</p>	<p>- Resolution adopted binding a member to compensation may be appealed against within fifteen days to the arbitration committee (Sec.86);</p>
CANADA - North America	EQUADOR - South America
<p>NONE</p>	<p>- The decision of the board or the supervisory committee may be appealed to the general assembly (Sec.42);</p>

16. LIQUIDATION

		<u>Table No.</u>
16.1	Causes	98
16.2	Appointment of Liquidator	99
16.3	Liquidator's Powers and Responsibilities	100
16.4	Disposal of Residual Assets	101
16.5	Appeal	102

MAJOR SUBJECT AND NO: LIQUIDATION (16)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Cancellation of registration after inspection and inquiry (Sec.54); - Cancellation when less than ten members (Sec.58); 	<ul style="list-style-type: none"> - The Registrar may issue an order of cancellation if he is satisfied that: <ol style="list-style-type: none"> 1 Registration was obtained by fraud or mistake 2 Society exists for an illegal purpose 3 The society has willfully contravened any provisions of the Act 4 The society no longer operates in accordance with cooperative principles 5 The number of members is too small 6 The society is no longer in business or operation 7 After inspection (Sec.146); - Upon receipt of a request of the general assembly (Sec.146);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Registrar may cancel registration if he is satisfied that <ol style="list-style-type: none"> 1 The cooperative has suffered losses of 80% of its share capital 2 On receipt of application of 45% of membership 3 If the number of members is too small 4 If the general meeting fails to elect a managing committee 5 If the extraordinary general meeting fails to constitute a quorum for a third time 6 In any other cases set up in the byelaws (Sec.44); 	<ul style="list-style-type: none"> (a)- Resolution of the general meeting (Sec.67); - Amalgamation (Sec.67); - Bankruptcy (Sec.67); - Reasons set up by the rules (Sec.67); - Transfer of the whole business (Sec.67); - Cancellation of licence for business (Sec.67); (b)- Resolution of the general meeting (Sec.62); - Amalgamation (Sec.62); - Bankruptcy (Sec.62); - Expiration of the period of duration (Sec.62); - Order of dissolution (Sec.62); - Number of members is too small (Sec.64); (c)- Resolution of the general meeting (Sec.64); - Amalgamation (Sec.64); - Bankruptcy (Sec.64); - Expiration of the period of duration (Sec.64); - Order of dissolution (Sec.64); - Number of members is too small (Sec.64)

MINOR SUBJECT AND NO: CAUSES (16.1)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - By special resolution (Sec.55); - By petition to the courts by the Registrar (Sec.56); 	<ul style="list-style-type: none"> - Liquidated by the members' voluntary decision on the resolution of the state organ in charge of legality supervision (Sec.49,51); - The general assembly may liquidate with a two-thirds majority vote (Sec.50); - The state organ in charge of legality supervision may liquidate if the operation has been financially a failure or if its activity has been at variance with the statutes or byelaws (Sec.51);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - By a vote of three-fourths of the members at a general meeting called for such purpose (Sec.98); - The Minister may order dissolution if there are too few members, if it has failed to hold a general meeting for three consecutive years, or if for three years it has failed to file an annual report (Sec.101a) 	<ul style="list-style-type: none"> - Minister may order liquidation if the members, or their actions, oppose the law (Sec.15); - May be liquidated by heir to the estate of a past member (Sec.23); - Liquidated if it stays in existence longer than it is licenced (Sec.98); - By a resolution of the general assembly (Sec.98); - Too few members (Sec.98); - If it has been financially unfeasible for two periods (Sec.98); - Amalgamation (Sec.98); - By any other rule or byelaw (Sec.98); - Dissolution (Sec.98);

MAJOR SUBJECT AND NO: LIQUIDATION (16)

<p>UGANDA - Africa</p>	<p>ZAMBIA - Africa</p>
<p>- Registrar appoints one or more liquidators upon cancellation (Sec.62);</p>	<p>- Shall be appointed by the Registrar (Sec.147);</p>
<p>AFGHANISTAN - Asia</p>	<p>JAPAN - Asia</p>
<p>NONE</p>	<p>(a)- NONE (b)- The directors shall become liquidators in all cases except amalgamation or bankruptcy (Sec.69); - A general meeting may select other liquidators (Sec.69); (c)- The directors shall become liquidators in all cases except in amalgamation or bankruptcy (Sec.69); - A general meeting may select other liquidators (Sec.69);</p>

MINOR SUBJECT AND NO: APPOINTMENT OF LIQUIDATOR (16.2)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
- The general meeting shall appoint, by the majority of members present, one or three liquidators (Sec.98);	- The Minister shall appoint the liquidator (Sec.99);

MAJOR SUBJECT AND NO: LIQUIDATION (16)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Appoint a day when creditors whose names are not already on the books may state their claim (Sec.63); - Institute and defend suits of the society in court (Sec.63); - Refer disputes to arbitration (Sec.63); - Determine contributions to be made by members + past members (Sec.63); - Investigate all claims against the society (Sec.63); - Call meetings of members as may be needed for liquidation (Sec.63); - Sell the assets of the society (Sec.63); - Carry on the business of the society during liquidation (Sec.63); - Determine the apportionment of liquidation costs (Sec.63); - Take possession of the books (Sec.63); - Arrange for the distribution of assets in a convenient manner (Sec.63); - Give direction for the disposal of the books (Sec.63); - Compromise any claims against the society (Sec.63); - Apply to Registrar for discharge upon completion of the liquidation (Sec.67); - Report offences to the Registrar (Sec.67); 	<ul style="list-style-type: none"> - Control of assets during liquidation (Sec.149); - Determine contributions to be made by members and past members (Sec.148); - Appoint a day when creditors whose names are not already on the books may state their claim (Sec.148); - Decide priority between creditors (Sec.148); - Refer disputes to arbitration and defend legal suits for the cooperative (Sec.148); - Decide apportionment of liquidation cost (Sec.148); - Give directions as to the distribution of assets (Sec.148); - Call meetings as necessary for liquidation (Sec.148); - Take possession of books and assets of society (Sec.148); - Carry on business as necessary for liquidation (Sec.148); - Arrange for distribution of the assets in a convenient manner (Sec.148); - Summon and enforce the presence of witnesses (Sec.148);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - Shall be set up in the rules (Sec.45); - Shall be final decisions when endorsed by the Registrar and the Minister (Sec.45); 	<ul style="list-style-type: none"> (a)- As set up in the commercial code (Sec.68); - To register completion of liquidation (Sec.86); (b)- Investigate the actual condition of the property (Sec.70); <ul style="list-style-type: none"> - Prepare an inventory, balance sheet, and plan for the disposal of assets (Sec.70); - Send to the general meeting for approval (Sec.70); (c)- Investigate the actual condition of the property (Sec.70); <ul style="list-style-type: none"> - Prepare an inventory, balance sheet and plan for the disposal of assets (Sec.70); - Send to the general meeting for approval (Sec.70);

MINOR SUBJECT AND NO: LIQUIDATOR'S POWERS AND RESPONSIBILITIES (16.3)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	- The winding up committee shall have control of management (Sec.52);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - Entitled to take immediate possession of the property of the association (Sec.98); - All actions of the associations are suspended (Sec.99); - Shall dispose of the assets (Sec.100); - Shall hand over all documents to the federation to which the association was a member upon completion of liquidation (Sec.101); 	NONE

MAJOR SUBJECT AND NO: LIQUIDATION (16)

UGANDA - Africa	ZAMBIA - Africa
<ul style="list-style-type: none"> - Shall be determined by the liquidator and approved by the Registrar (Sec.63); 	<ul style="list-style-type: none"> - Funds shall be applied first to the cost of liquidation, then to the discharge of liabilities of the society, then to the payment of share capital and then, to the payment of dividend for any period for which no disposal of the net surpluses was made (Sec.153); - Any other surplus shall be distributed amongst the members at the time of dissolution as a patronage bonus (Sec.153); - Or maybe made to local organisations with objectives beneficial to the community (Sec.153);
AFGHANISTAN - Asia	JAPAN - Asia
<ul style="list-style-type: none"> - A member is entitled to the value of his paid-up shares (Sec.47); - Surplus shall be disposed of as decided by the Registrar and approved by the Minister (Sec.47); 	<ul style="list-style-type: none"> (a)- As set up in the commercial code (Sec.68); (b)- First all liabilities must be paid (Sec.71); <ul style="list-style-type: none"> - The liquidators shall draw up a plan for the disposal of assets which shall be approved by the general meeting (Sec.70); (c)- First all liabilities must be paid (Sec.71); <ul style="list-style-type: none"> - The liquidator shall draw up the plan for the disposal of assets which shall be approved by the general meeting (Sec.70);

MINOR SUBJECT AND NO: DISPOSAL OF RESIDUAL ASSETS (16.4)

UNITED KINGDOM - Europe	HUNGARY - Europe
<ul style="list-style-type: none"> - A proposal of the distribution of assets shall be made in the instrument of dissolution submitted by at least three-fourths of the members (Sec.58); 	<ul style="list-style-type: none"> - The residual property after debts shall be indivisible (Sec.53); - Shares shall be apportioned among members and they shall receive end-of-the-year share in the income in accordance with the resolution of the general assembly (Sec.53); - If the cooperative is liquidated because of reasons of public interest, the residue property may be apportioned among members (Sec.53); - The indivisible property shall be made available for the regional federation concerned (Sec.53);
CANADA - North America	EQUADOR - South America
<ul style="list-style-type: none"> - The liquidator shall first pay the debts and the costs of winding up (Sec.100); - Secondly, the amounts paid on the shares shall be paid (Sec.100); - The balance shall devolve to an association or federation designated by the Lieutenant-Governor (Sec.100); - Upon dissolution of a cooperative for social objects, the balance shall be applied to work having a social object designated by the Minister (Sec.109); 	<ul style="list-style-type: none"> - No assets may be distributed until all debts are paid (Sec.29); - Control all activities necessary for liquidation (Sec.99); - Other powers and obligations shall be set up in the byelaws (Sec.99);

MAJOR SUBJECT AND NO: LIQUIDATION (16)

UGANDA - Africa	ZAMBIA - Africa
<p>- May appeal against liquidator or the Registrar to the Minister whose decision is final (Sec.65);</p>	<p>- Appeal shall be made against cancellation of registration to the Minister (Sec.146); - Appeal against liquidation decisions shall be made to a subordinate court (Sec.150);</p>
AFGHANISTAN - Asia	JAPAN - Asia
<p>- Appeal may be made to the Minister of Agriculture and Irrigation (Sec.49);</p>	<p>(a)- NONE (b)- NONE (c)- NONE</p>

MINOR SUBJECT AND NO: APPEAL (16.5)

UNITED KINGDOM - Europe	HUNGARY - Europe
NONE	NONE
CANADA - North America	EQUADOR - South America
NONE	NONE

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