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The following Act was passed by Parliament on 3 April 2024 and assented to by the President on 24 April 2024:—

REPUBLIC OF SINGAPORE

No. 17 of 2024.

I assent.

THARMAN SHANMUGARATNAM,

President.

24 April 2024.

(LS)

An Act to amend the Co-operative Societies Act 1979.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

Short title and commencement

1. This Act is the Co-operative Societies (Amendment) Act 2024 and comes into operation on a date that the Minister appoints by notification in the *Gazette*.

Amendment of section 2

2. In the Co-operative Societies Act 1979 (called in this Act the principal Act), in section 2(1) —

(a) in the definitions of “dividend” and “honorary”, after “net surplus”, insert “or the reserves (if approved under section 72A)”; and

(b) after the definition of “Registrar”, insert —

““reserves” means the assets of a society that are in excess of its liabilities, paid-up share capital, subscription capital and other deposits;”.

Amendment of section 3

3. In the principal Act, in section 3, delete subsection (3).

Amendment of section 10

4. In the principal Act, in section 10(3), delete “and sealed”.

Amendment of section 15

5. In the principal Act, in section 15(4)(a), replace “and 2 members of the committee of management” with “or the secretary”.

Amendment of section 34

6. In the principal Act, in section 34 —

(a) delete subsection (5);

(b) in subsection (6), replace “Despite subsection (5), the” with “The”; and

(c) in subsection (6), replace “referred to in that subsection” with “mentioned in subsection (1)”.

Amendment of section 53

7. In the principal Act, in section 53(3) —
- (a) replace “otherwise provide” with “provide for a longer period”; and
 - (b) replace “prior to” with “before”.

Amendment of section 54

8. In the principal Act, in section 54 —
- (a) in paragraph (d), delete “or invested”; and
 - (b) after paragraph (d), insert —
 - “(da) to consider and resolve the distribution of dividends or payment of honoraria from any reserves for which the approval of the Registrar under section 72A has been obtained;
 - (db) to consider and resolve the payment of any honorarium, allowance or other benefit to members of the committee of management;”.

Amendment of section 61

9. In the principal Act, in section 61(2), after paragraph (f), insert —
- “(fa) to prepare and present to the annual general meeting of the society any proposal for the distribution of dividends or payment of honoraria from any reserves for which the approval of the Registrar under section 72A has been obtained;”.

Amendment of section 65

10. In the principal Act, in section 65(1) —
- (a) replace “(but not both)” with “, or both,”; and
 - (b) after “such honorarium or allowance”, insert “, or both,”.

Amendment of section 66

11. In the principal Act, in section 66 —

(a) renumber subsection (1) as section 66;

(b) after paragraph (d), insert —

“(da) bonds or debentures issued by the society subject to such restrictions as are laid down in this Act and in the by-laws;” and

(c) delete subsection (2).

Amendment of section 71

12. In the principal Act, in section 71 —

(a) in subsection (2)(a) and (b), after “preceding financial year”, insert “(excluding any amount specified in subsection (2A) and any grant from the Government excluded under subsection (2B))”; and

(b) after subsection (2), insert —

“(2A) In subsection (2), any gains or profits arising from the disposal of any of the following are excluded from the surplus of a society:

(a) immovable property owned by the society and used by the society for its own operations;

(b) shares (whether listed or unlisted) in any entity held by the society.

(2B) In subsection (2), the Minister may, by order in the *Gazette* and subject to any conditions specified in the order, exclude any grant from the Government from the surplus of a society.”.

Amendment of section 72

13. In the principal Act, in section 72(2), after “dividend”, insert “(or total dividend under this section and section 72A)”.

New section 72A

14. In the principal Act, after section 72, insert —

“Allocation, distribution and payment of reserves

72A.—(1) Subject to this Act, any conditions prescribed in the by-laws and any written direction by the Registrar, a society may allocate its reserves (or any part of the reserves) to funds constituted by the society, and may change the amount of the reserves allocated to any fund from time to time.

(2) Subject to subsection (3), the reserves (or any part of the reserves) may be distributed to the members by way of dividend or paid to officers of the society by way of honoraria, to such extent and under such conditions as may be prescribed under this Act or in the by-laws.

(3) A committee of management proposing to make a distribution or payment under subsection (2) must obtain the Registrar’s approval for the distribution or payment before the annual general meeting of the society is held to consider and resolve the making of the distribution or payment.”.

Amendment of section 73

15. In the principal Act, in section 73 —

- (a) in subsection (7), delete “, (4)”;
- (b) in subsection (7), replace “stated on” with “of”; and
- (c) after subsection (7), insert —

“(7A) Despite subsections (3) and (5), a person who is authorised to administer the property of a member is eligible to receive from the society the value of the member’s bonus certificate or bonus share if the member is —

- (a) dead;
- (b) bankrupt;
- (c) a society for which a winding up order has been made under section 83(1) or (2); or

(d) a trade union that has been dissolved under section 19 of the Trade Unions Act 1940.”
