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CO-OPERATIVE SOCIETIES ACT
(CHAPTER 62)

CO-OPERATIVE SOCIETIES
(EXEMPTION UNDER SECTION 97) (NO. 3)
ORDER 2011

ARRANGEMENT OF PARAGRAPHS

Paragraph

1. Citation and commencement
2. Definitions
3. Exemption from section 16A of Act
4. Exemption from section 39(2) of Act
5. Exemption from section 43 of Act

In exercise of the powers conferred by section 97 of the Co-operative Societies Act, MG (NS) Chan Chun Sing, Minister of State, charged with the responsibility of the Minister for Community Development, Youth and Sports, hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Co-operative Societies (Exemption under Section 97) (No. 3) Order 2011 and shall come into operation on 6th July 2011.

Definitions

2. In this Order —

“associated company”, in relation to a society, means a company (other than a joint venture company or subsidiary company) over which the society has significant influence;

“company” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“joint venture company”, in relation to a society, means a company (other than a subsidiary company) —

- (a) the issued share capital in which the society has an interest; and
- (b) which is formed between the society and one or more parties for the purpose of jointly undertaking an economic activity;

“significant influence”, in relation to a company, means the power to participate in the financial and operating policy decisions of the company, but does not include control or joint control over such policy decisions;

“subsidiary company”, in relation to a society, means a company which is controlled by the society.

Exemption from section 16A of Act

3.—(1) Subject to sub-paragraph (2), Mercatus Co-operative Limited is exempted from section 16A of the Act.

(2) Mercatus Co-operative Limited shall not provide any financial service other than the granting of loans to any of its associated companies, joint venture companies or subsidiary companies.

Exemption from section 39(2) of Act

4. Mercatus Co-operative Limited is exempted from the requirement in section 39(2) of the Act that membership in any secondary society is to be restricted to registered co-operative societies and trade unions.

Exemption from section 43 of Act

5. Mercatus Co-operative Limited is exempted from the requirement in section 43 of the Act that no member, other than a society or trade union, is to hold more than 20% of the share capital of any society.

Made this 6th day of July 2011.

CHAN HENG KEE
Permanent Secretary,
Ministry of Community Development,
Youth and Sports,
Singapore.