

---

---

First published in the Government *Gazette*, Electronic Edition, on 30th July 2009 at 5:00 pm.

**No. S 349**

CO-OPERATIVE SOCIETIES ACT  
(CHAPTER 62)

CO-OPERATIVE SOCIETIES RULES 2009

ARRANGEMENT OF RULES

PART I

PRELIMINARY

Rule

1. Citation and commencement
- 1A. Definitions

PART II

REGISTRATION OF SOCIETIES

2. Forms
3. Application for registration of society
4. Application for conversion from non-credit society to credit society
- 4A. Application for conversion from credit society to non-credit society
5. Minimum requirements for registration of credit societies

PART III

AUDIT OF SOCIETIES

6. Change of auditors

PART IV

PROVISIONS RELATING TO CREDIT SOCIETIES

7. Independence of committee of management and audit committee
- 7A. Employment and engagement of services of individuals
- 7B. Prescribed period for provision of statement of account
8. Restriction on loans and borrowing

## Rule

9. Advertising restrictions

## PART V

## CENTRAL CO-OPERATIVE FUND

10. Central Co-operative Fund Committee
- 10A. Contributions to Central Co-operative Fund
11. Administration of Central Co-operative Fund
12. Audit of Central Co-operative Fund

## PART VI

## MISCELLANEOUS

13. Dividend
  14. Duties of officers of societies
  15. Revocation
  16. Savings
- 

In exercise of the powers conferred by section 95 of the Co-operative Societies Act, the Minister for Community Development, Youth and Sports hereby makes the following Rules:

## PART I

## PRELIMINARY

**Citation and commencement**

1. These Rules may be cited as the Co-operative Societies Rules 2009 and shall come into operation on 1st August 2009.

**Definitions**

1A. In these Rules, unless the context otherwise requires —

“accounting corporation”, “accounting firm” and “accounting LLP” have the meanings given by section 2(1) of the Accountants Act (Cap. 2);

---

---

“working day” means any day other than a Saturday, Sunday or public holiday.

*[S 317/2019 wef 22/04/2019]*

## PART II

### REGISTRATION OF SOCIETIES

#### **Forms**

**2.**—(1) The forms to be submitted to the Registrar under the Act shall be those provided at the website of the Registry of Co-operative Societies at <https://www.mccy.gov.sg/coop>, and any reference in these Rules to a numbered form shall be construed as a reference to the current version of the form bearing the corresponding number which is displayed at that website.

*[S 317/2019 wef 22/04/2019]*

(2) Every form used for the purposes of the Act shall be completed in the English language and in accordance with such directions as may be specified in the form or by the Registrar.

(3) Any document required to be submitted to the Registrar under any provision of the Act or these Rules shall be submitted in such form and manner as may be specified in the website referred to in paragraph (1).

#### **Application for registration of society**

**3.**—(1) Every application for registration of a society under section 7 of the Act shall be submitted to the Registrar —

- (a) in Form 1, in the case of a society which proposes to provide any financial service; or
- (b) in Form 2, in any other case.

(2) Every application for registration of an amalgamated society under section 74 of the Act shall be submitted to the Registrar —

- (a) in Form 3, in the case of an amalgamated society which proposes to provide any financial service; or
- (b) in Form 4, in any other case.

---

---

**Application for conversion from non-credit society to credit society**

4. Every application by a non-credit society under section 16A(2) of the Act to become a credit society must be in Form 5.

*[S 317/2019 wef 22/04/2019]*

**Application for conversion from credit society to non-credit society**

4A. Every application by a credit society under section 16BA(1) of the Act to become a non-credit society must be in Form 6.

*[S 317/2019 wef 22/04/2019]*

**Minimum requirements for registration of credit societies**

5.—(1) For the purposes of sections 9(1B)(e) and 16A(5)(e) of the Act and subject to paragraph (2), the minimum prudential requirements that apply to a credit society are as follows:

- (a) a capital adequacy ratio, calculated in such manner as may be determined by the Registrar by written notice, of —
  - (i) not less than 8%, if the application under section 7 or 16A of the Act in respect of the credit society is made before 1 July 2020; or
  - (ii) not less than 10%, if the application under section 7 or 16A of the Act in respect of the credit society is made on or after 1 July 2020;
- (b) a liquidity ratio calculated in such manner as may be determined by the Registrar by written notice, of not less than 15%.

*[S 317/2019 wef 22/04/2019]*

(1A) Paragraph (1)(a)(i) and (b) applies to every application under section 7 or 16A of the Act that —

- (a) is pending immediately before 22 April 2019; or
- (b) is made on or after that date.

*[S 317/2019 wef 22/04/2019]*

(2) The Registrar may, if he considers it appropriate in the circumstances of a particular credit society or class of credit

---

---

societies and having regard to the risks arising from the activities of the credit society or class of credit societies and such other factors as the Registrar considers relevant, vary the capital adequacy ratio or liquidity ratio applicable to that credit society or class of credit societies (as the case may be).

*[S 317/2019 wef 22/04/2019]*

### PART III

#### AUDIT OF SOCIETIES

##### **Change of auditors**

6.—(1) A society shall change its auditor at least once every 5 years, either to another auditor from the same accounting corporation, accounting firm or accounting LLP or to another auditor from a different accounting corporation, accounting firm or accounting LLP.

*[S 317/2019 wef 22/04/2019]*

(2) Any society which contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

### PART IV

#### PROVISIONS RELATING TO CREDIT SOCIETIES

##### **Independence of committee of management and audit committee**

7.—(1) For the purposes of sections 36(2) and 59(1)(b) of the Act, a member of the audit committee or the committee of management of a credit society shall be considered to be independent of the credit society if he has no management relationship with the credit society or any of its subsidiaries that could interfere, or be reasonably regarded as interfering, with the exercise of the member's independent business judgment with regard to the interests of the credit society.

(2) Without prejudice to paragraph (1), a member of the audit committee or the committee of management of a credit society shall

---

---

not be considered to be independent of the credit society if he, or any member of his immediate family, is employed by the credit society or any of its subsidiaries.

(3) In this rule, unless the context otherwise requires, a reference to a member of the immediate family of a member of the audit committee or the committee of management of a credit society means the member's spouse, child, adopted child, step-child, parent, step-parent, brother, step-brother, sister or step-sister.

### **Employment and engagement of services of individuals**

**7A.**—(1) Except with the written approval of the Registrar, no credit society shall employ or engage the services of a person who has been convicted, whether before, on or after 1st February 2011 and whether in Singapore or elsewhere, of any offence involving fraud or dishonesty —

- (a) where the person has been sentenced to imprisonment in respect of the offence, for a period beginning on the date of his conviction and ending on the 15th anniversary of the date of his release from prison; or
- (b) where the person has not been sentenced to imprisonment in respect of the offence, for a period of 15 years beginning on the date of his conviction.

(2) Any credit society which contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 and, in the case of a continuing offence, to a further fine not exceeding \$500 for every day or part thereof during which the offence continues after conviction.

*[S 25/2011 wef 01/02/2011]*

### **Prescribed period for provision of statement of account**

**7B.** For the purposes of section 42A(2) of the Act, the prescribed period after receiving a member's request, for a credit society to provide to the member a statement of account mentioned in section 42A(2) of the Act, is 10 working days.

*[S 317/2019 wef 22/04/2019]*

---

---

**Restriction on loans and borrowing**

8. For the purposes of sections 67(3) and 68(5) of the Act, “immediate family member”, in relation to a member of a credit society, means the member’s spouse, child, adopted child, step-child, parent, step-parent, brother, step-brother, sister or step-sister.

**Advertising restrictions**

9.—(1) No person shall advertise, or cause to be advertised, in or using the mass media —

(a) the address or telephone number of a credit society; or

(b) an invitation —

(i) to apply to be a member of a credit society;

(ii) to borrow from or deposit money with a credit society;

(iii) to enter into any transaction involving the borrowing of money from, or the provision of any other financial service by, a credit society; or

(iv) to apply, in any manner as may be specified, to obtain information or advice on any financial service provided or to be provided by a credit society.

(2) Any person who contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

(3) In this rule, unless the context otherwise requires —

“mass media”, in relation to a credit society, means —

(a) any newspaper, magazine, journal or other periodical that is available to the general public, including an electronic version thereof on the World Wide Web;

(b) any poster, notice, signboard, circular, handbill, brochure, pamphlet, book or other document displayed in a public place, other than any public place —

- 
- 
- (i) that is immediately outside the registered address of the credit society; or
  - (ii) that is within the building in which the registered address of the credit society is located; or
  - (c) any public broadcasting service or facsimile service, but does not include the Internet website of the credit society or the apex organisation;
- “public place” means any place (open to the air or otherwise) to which the general public have access as of right or by virtue of express or implied permission, whether or not on payment of a fee and whether or not access to the place may be restricted at particular times or for particular purposes.

## PART V

### CENTRAL CO-OPERATIVE FUND

#### **Central Co-operative Fund Committee**

**10.**—(1) For the purposes of advising the Minister on the administration of the Central Co-operative Fund, there is established a committee (called in these Rules the Central Co-operative Fund Committee) that —

- (a) is appointed by the Minister; and
- (b) consists of a Chairman and such number of other members as the Minister may determine.

*[S 317/2019 wef 22/04/2019]*

(2) The Central Co-operative Fund Committee shall keep or cause to be kept proper accounts and other records in respect of the administration of the Central Co-operative Fund and shall do all things necessary to ensure that all payments out of that Fund are correctly made and properly authorised.

(3) Each member of the Central Co-operative Fund Committee holds office for a term (not exceeding 3 years) decided by the

---

---

Minister, and is eligible, at the end of that member's term of office, for reappointment.

*[S 317/2019 wef 22/04/2019]*

(4) The Minister may, at any time, revoke any appointment made by him under paragraph (1) without assigning any reason.

(5) If a vacancy arises for whatever reason in respect of a member of the Central Co-operative Fund Committee appointed during his term of office, the Minister may appoint another person to fill his vacancy until the expiry of his term of office.

(6) A meeting of the Central Co-operative Fund Committee shall be convened by the chairman as often as is necessary but not less frequently than once in every year.

(7) At every meeting of the Central Co-operative Fund Committee, a quorum shall be one-third of the total number of members in office or 3 members, whichever is the higher, and decisions shall be adopted by a simple majority of the votes of all members of the Committee present and voting, except that the chairman shall have a casting vote in the case of an equality of votes.

*[S 317/2019 wef 22/04/2019]*

(8) Subject to paragraph (7), the Central Co-operative Fund Committee shall not be precluded from holding any meeting or acting in any matter merely by reason of any vacancy in its membership.

(9) Subject to the provisions of this Part, the Central Co-operative Fund Committee may adopt its own procedure in relation to Committee meetings.

### **Contributions to Central Co-operative Fund**

**10A.**—(1) The Central Co-operative Fund Committee may appoint an agent (called in this rule the appointed agent) to collect any contribution to the Central Co-operative Fund, any instalment of a contribution, or any penalty for the late payment of the whole or any part of any such contribution or instalment.

(2) Subject to paragraphs (4), (5) and (6), every society must pay its contribution to the Central Co-operative Fund in a lump sum to the appointed agent.

---

---

(3) The lump sum must be paid by a society within a period of 30 days after the date of an invoice issued by the appointed agent to that society.

(4) If a society wishes to pay its contribution to the Central Co-operative Fund in instalments, the society must, at least 15 days before the end of the period mentioned in paragraph (3), apply to the Central Co-operative Fund Committee for approval to do so.

(5) The Central Co-operative Fund Committee may approve an application by a society to pay its contribution in instalments if the following requirements are satisfied:

- (a) the amount of the contribution is at least \$500,000;
- (b) the instalments are payable monthly within a period not exceeding 6 months, starting on the date of payment of the first instalment.

(6) Where the Central Co-operative Fund Committee approves an application by a society to pay its contribution in instalments —

- (a) the Committee must specify in its approval the amount, and the due date for the payment, of every monthly instalment; and
- (b) the society must pay every monthly instalment to the appointed agent in accordance with the approval.

(7) If any contribution payable in a lump sum is not paid in full by the last day of the period mentioned in paragraph (3), or if any instalment of a contribution is not paid in full by the due date mentioned in paragraph (6) for the payment of that instalment, the society must pay to the appointed agent a penalty that is equivalent to the interest for the amount in arrears that is calculated at 4.5%-point above the 3-month compounded SORA for the period for which the amount is in arrears.

*[S 220/2023 wef 01/05/2023]*

(8) *[Deleted by S 220/2023 wef 01/05/2023]*

(9) The Central Co-operative Fund Committee may waive, refund or remit (whether wholly or in part) any penalty payable under paragraph (7).

(10) In this rule —

*[Deleted by S 220/2023 wef 01/05/2023]*

“3-month compounded SORA”, in relation to a period, means —

- (a) if the period or a part of the period falls within the 6-month period beginning on 1 April of a calendar year, then, in relation to the period or the part (as the case may be) — the compounded average of the SORA values for the 3-month period immediately before 1 March of the same calendar year, as determined and published by the Monetary Authority of Singapore on the MAS website or (where the MAS website is unavailable to the public) in one or more other forms that are readily accessible by the public; or
- (b) if the period or a part of the period falls within the 6-month period beginning on 1 October of a calendar year, then, in relation to the period or the part (as the case may be) — the compounded average of the SORA values for the 3-month period immediately before 1 September of the same calendar year, as determined and published by the Monetary Authority of Singapore on the MAS website or (where the MAS website is unavailable to the public) in one or more other forms that are readily accessible by the public;

*[S 220/2023 wef 01/05/2023]*

“MAS website” means the website of the Monetary Authority of Singapore at <http://www.mas.gov.sg>;

*[S 220/2023 wef 01/05/2023]*

“Singapore Overnight Rate Average” or “SORA” means the volume-weighted average rate of borrowing transactions in the unsecured overnight interbank Singapore dollar cash market in Singapore between 8 a.m. and 6.15 p.m., as determined and published by the Monetary Authority of Singapore on the MAS website or (where the MAS website is

unavailable to the public) in one or more other forms that are readily accessible by the public.

*[S 220/2023 wef 01/05/2023]*

*[S 317/2019 wef 22/04/2019]*

### **Administration of Central Co-operative Fund**

**11.—(1)** *[Deleted by S 317/2019 wef 22/04/2019]*

(2) Every withdrawal from the Central Co-operative Fund shall be —

(a) made by —

- (i) a cheque that is signed by the specified members; or
- (ii) a fund transfer using an electronic banking facility with a bank, that is authorised by the specified members; and

*[S 220/2023 wef 01/05/2023]*

(b) supported by a payment voucher certified by a person who is authorised by the Central Co-operative Fund Committee to do so.

*[S 317/2019 wef 22/04/2019]*

(3) The moneys in the Central Co-operative Fund may be deposited in any bank licensed under the Banking Act (Cap. 19) or invested in such manner as the Minister thinks fit.

(4) All investments and properties purchased out of the Central Co-operative Fund shall be vested in the name or names of —

- (a) such society as the Minister may appoint;
- (b) such trustees or trust corporation as the Minister may appoint; or
- (c) such fund manager as the Central Co-operative Fund Committee or the trustees appointed under sub-paragraph (b) may appoint or the nominee of such fund manager.

(5) The investments and properties vested in the name or names of a society, trustees or a trust corporation referred to in paragraph (4)(a) or (b) shall not be mortgaged or charged by way of security for the

---

---

repayment of money borrowed, sold, transferred, assigned, leased or otherwise disposed of without the authority of the Minister.

(6) Subject to paragraph (7), the moneys of the Central Co-operative Fund and the income derived from any investment or property purchased out of the Central Co-operative Fund may be used by the Central Co-operative Fund Committee for the purposes specified in section 71(1) of the Act and for any expenditure incurred in the administration of the Central Co-operative Fund.

(7) The Central Co-operative Fund Committee must in every financial year prepare a budget for the next financial year, and obtain the approval of the Permanent Secretary of the Ministry of Culture, Community and Youth for that budget.

*[S 317/2019 wef 22/04/2019]*

(8) As soon as practicable after the close of each financial year, the Central Co-operative Fund Committee shall submit to the Minister through the Registrar an annual report on the application of the Central Co-operative Fund.

(9) The Central Co-operative Fund Committee shall, whenever required by the Registrar to do so, furnish the Registrar with such information relating to the administration and application of the Central Co-operative Fund as the Registrar may require.

(10) In this rule —

“bank” means a bank licensed under the Banking Act 1970;

“specified members” means any 2 members of the Central Co-operative Fund Committee whom the Committee may from time to time authorise for the purposes mentioned in paragraph (2)(a), except where a withdrawal mentioned in paragraph (2) is in excess of \$50,000, one of the members must be the chairman of the Central Co-operative Fund Committee.

*[S 220/2023 wef 01/05/2023]*

---

---

## Audit of Central Co-operative Fund

12.—(1) The accounts of the Central Co-operative Fund shall be audited by an auditor (referred to in this rule as the auditor) appointed by the Central Co-operative Fund Committee.

(2) The audit fees shall be paid out from the Central Co-operative Fund.

(3) As soon as practicable after the close of each financial year, the Central Co-operative Fund Committee shall prepare or cause to be prepared and submit the financial statements in respect of that year to the auditor who shall audit and report on them.

(4) The auditor shall inspect and audit the accounts and other relevant records in respect of the Central Co-operative Fund and shall immediately draw the attention of the Central Co-operative Fund Committee to any irregularity disclosed by the inspection and audit that is, in the opinion of the auditor, of sufficient importance to justify his so doing.

(5) The auditor shall report —

(a) whether the financial statements give a true and fair view of the financial position and performance of the Central Co-operative Fund; and

*[S 317/2019 wef 22/04/2019]*

(b) such other matters arising from the audit as he considers should be reported.

(6) The auditor shall state in his report whether —

(a) proper accounting and other records have been kept; and

(b) the receipt, expenditure and investment of moneys in respect of the Central Co-operative Fund have been in accordance with the provisions of the Act and these Rules.

(7) The auditor may at any other time report to the Central Co-operative Fund Committee upon any matter arising out of the performance of the audit.

(8) The auditor shall at all reasonable times have full and free access to all accounting and other records relating to the financial transactions of the Central Co-operative Fund.

---

---

(9) After the close of each financial year, the chairman of the Central Co-operative Fund Committee shall, as soon as the accounts have been audited, cause a copy of the financial statements to be submitted to the Minister through the Registrar together with a copy of any report made by the auditor on the accounts.

*[S 317/2019 wef 22/04/2019]*

(10) The Central Co-operative Fund Committee must change its auditor at least once every 5 years to either of the following:

- (a) another auditor from the same accounting corporation, accounting firm or accounting LLP;
- (b) another auditor from a different accounting corporation, accounting firm or accounting LLP.

*[S 317/2019 wef 22/04/2019]*

## PART VI MISCELLANEOUS

### **Dividend**

**13.** For the purposes of section 72(2)(b) of the Act, a society must not pay a dividend on paid-up share capital or subscription capital exceeding 10% per annum.

*[S 317/2019 wef 22/04/2019]*

### **Duties of officers of societies**

**14.—(1)** The duties of the chairman of a society include the following:

- (a) to provide leadership to the committee of management as to how the committee's functions and responsibilities should be carried out;
- (b) to preside at all general meetings of the society and at all meetings of the committee of management;
- (c) to exercise general supervision over the officers and employees of the society;
- (d) to represent the society for any purpose that the committee of management may decide;

- (e) to certify or sign the appropriate documents, returns and statements required under the Act, these Rules, the by-laws of the society or any direction of the committee of management;
- (f) to perform any other duties specified in the by-laws of the society or entrusted to the chairman by the committee of management.

*[S 317/2019 wef 22/04/2019]*

(1A) The chairman's duties at a meeting of the society or of the committee of management are to be carried out —

- (a) in the absence of the chairman — by the vice-chairman; or
- (b) in the absence of both the chairman and the vice-chairman — by any other person elected by a majority of the members of the society or of the committee of management (as the case may be) present at the meeting.

*[S 317/2019 wef 22/04/2019]*

(2) The duties of the secretary of a society shall include the following:

- (a) to maintain, correctly and up-to-date, all the records, papers and registers of the society;
- (b) to keep an inventory of the property belonging to the society;
- (c) to sign on behalf of the committee of management and conduct its correspondence;
- (d) to summon and attend all general meetings of the society and all meetings of the committee of management and to record the proceedings of such meetings in a minute-book;

*[S 317/2019 wef 22/04/2019]*

- (da) to submit all minutes of meetings, and any other information, return or statement required by the Registrar, within the time required by the Registrar;

*[S 317/2019 wef 22/04/2019]*

- 
- 
- (e) to conduct the ordinary business of the society and perform all the duties entrusted to him by the committee of management.

(3) The duties of the treasurer of a society shall include the following:

- (a) to take charge of all financial transactions of the society, including all moneys received by the society from a bank, members or other persons and to make disbursements in accordance with the directions of the committee of management;
- (b) to prepare or cause to be prepared all the receipts, vouchers and documents required by the by-laws or called for by the committee of management; and
- (c) to be responsible for the proper and punctual keeping of all the accounts and books of accounts of the society.

(4) The duties of the chief executive officer (whether called general manager or otherwise) of a society shall include the following:

- (a) to manage the business and property of the society;
- (b) to attend all general meetings of the society and all meetings of the committee of management, and to carry out all the instructions of the committee of management; and
- (c) to record or cause to be recorded the whole of the transactions of the society in the books of the society.

*[S 317/2019 wef 22/04/2019]*

(5) Where the committee of management of a society appoints a person as a chief executive officer of the society, the duties of the secretary or the treasurer of the society may be modified or altered by the committee of management, taking into account the duties assigned by the committee of management to the chief executive officer.

*[S 317/2019 wef 22/04/2019]*

---

---

**Revocation**

15. The Co-operative Societies Rules (R 1) are revoked.

**Savings**

16. Notwithstanding the revocation of the Co-operative Societies Rules, the Central Co-operative Fund Committee established under rule 4 of the revoked Rules before 1st August 2009 and existing immediately before that date shall continue in existence as if it had been established under rule 10 of these Rules.

Made this 23rd day of July 2009.

NIAM CHIANG MENG  
*Permanent Secretary,  
Ministry of Community  
Development,  
Youth and Sports,  
Singapore.*

[MCYS 76-13-04; AG/LEG/SL/62/2005/2 Vol. 1]