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CO-OPERATIVE SOCIETIES ACT  
(CHAPTER 62)

CO-OPERATIVE SOCIETIES  
(REQUIREMENTS FOR  
MEMBERS OF COMMITTEE AND  
OFFICERS OF CREDIT SOCIETY) RULES 2019

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

PART 1  
PRELIMINARY

**Citation and commencement**

1. These Rules are the Co-operative Societies (Requirements for Members of Committee and Officers of Credit Society) Rules 2019 and come into operation on 1 November 2019.

**Definitions**

2.—(1) In these Rules, unless the context otherwise requires —

“higher tertiary qualification” means a Bachelor’s degree or an equivalent qualification awarded upon graduation after completion of an undergraduate programme provided by a university, a college or an equivalent institution of higher learning;

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“mandatory induction course” means any mandatory induction course that is applicable to a member of a committee, or an officer, of a credit society, and is specified on the RCS website;

“professional certification” means a professional certification —

- (a) that is awarded after the completion of a professional certification course provided by a university, a college or an equivalent institution of higher learning, or by a professional certification body; and
- (b) that is commonly accepted within the profession concerned as equivalent to a higher tertiary qualification;

“RCS website” means the website of the Registry of Co-operative Societies at <https://www.mccy.gov.sg/coop>;

“tertiary qualification” means a diploma or an equivalent qualification awarded upon graduation after completion of a course of study provided by a polytechnic or an equivalent institution of higher learning.

(2) In these Rules, a reference to the number of years of work experience that an individual has in relation to any matter, is a reference to the number of years of work experience that the individual has in relation to that matter, immediately before the date that the proposed appointment of the individual is to take effect.

### **Classification of credit society**

3.—(1) A credit society is a small credit society if —

- (a) the total value of the assets of the credit society is not more than \$5 million; and
- (b) the credit society has not more than 2,000 members.

(2) A credit society is a medium credit society if —

- (a) either of the following applies:
  - (i) the total value of the assets of the credit society is more than \$5 million;

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- (ii) the credit society has more than 2,000 members;
  - (b) the total value of the assets of the credit society is not more than \$50 million; and
  - (c) the credit society has not more than 10,000 members.
- (3) A credit society is a large credit society if either of the following applies:
- (a) the total value of the assets of the credit society is more than \$50 million;
  - (b) the credit society has more than 10,000 members.
- (4) In this rule —
- (a) a reference to the total value of the assets of a credit society is a reference to the total value of those assets according to the latest audited financial statements of the credit society; and
  - (b) a reference to the number of members of a credit society is a reference to that number at the end of the last financial year of that credit society.

## PART 2

### REQUIREMENTS FOR MEMBERS OF COMMITTEE OF CREDIT SOCIETY

#### **Requirements for audit committee member**

4. For the purposes of section 36(2)(b) of the Act —
- (a) at least one member of the audit committee of a small credit society must have either or both of the following qualifications and experience:
    - (i) at least 2 years of work experience in performing accounting, audit, business, financial or management duties in any organisation;
    - (ii) at least a tertiary qualification in accountancy, business, economics or finance;

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- (b) at least one member of the audit committee of a medium credit society must have either or both of the following qualifications and experience:
- (i) at least 4 years of work experience in performing accounting, audit, business, financial or management duties in any organisation;
  - (ii) at least 2 years of work experience in performing accounting, audit, business, financial or management duties in any organisation, and at least a tertiary qualification in accountancy, business, economics or finance; and
- (c) at least one member of the audit committee of a large credit society must have either or both of the following qualifications and experience:
- (i) at least 5 years of work experience in performing accounting, audit, business, financial or management duties in any organisation;
  - (ii) at least 3 years of work experience in performing accounting, audit, business, financial or management duties in any organisation, and at least a higher tertiary qualification, or a professional certification, in accountancy, business, economics or finance.

### **Requirements for members of committee of management**

5.—(1) For the purposes of section 60(7) of the Act, an individual is not eligible to be re-elected as a member of the committee of management of a credit society during an annual general meeting of the credit society, if the individual fails to complete the mandatory induction course before that annual general meeting.

(2) For the purposes of section 60(7) of the Act, an individual is not eligible to be co-opted as a member of the committee of management of a credit society, if the individual is not eligible under paragraph (1) to be re-elected as a member of the committee of management of a credit society.

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PART 3  
APPOINTMENT OF OFFICERS  
OF CREDIT SOCIETY

**Appointment of chief executive officer and chief financial officer for credit society**

6. For the purposes of section 59B(1) of the Act, every credit society must —

- (a) appoint a chief executive officer (whether called a general manager or otherwise); and
- (b) appoint a chief financial officer, or engage, for the purposes of discharging the functions of a chief financial officer, a person who is chosen by the society and approved by the Registrar in writing.

**Appointment of chief investment officer for class of credit societies**

7.—(1) For the purposes of section 59B(1) of the Act, every credit society that —

- (a) receives deposits from its members; and
- (b) according to its latest audited financial statements, holds restricted investments with an aggregate value exceeding \$50 million,

must appoint a chief investment officer.

(2) In this rule —

“Central Investment Scheme” means an investment scheme facilitated by the Singapore National Co-operative Federation that credit societies may participate in;

“restricted investments” means any type of investment other than the following:

- (a) any bonds issued by any body corporate or unincorporate established by or under any public Act to perform or discharge a public function;

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- (b) any Singapore dollar deposits with any financial institution licensed, approved or otherwise regulated by the Monetary Authority of Singapore;
  - (c) any securities or equivalent instrument issued under the Government Securities Act (Cap. 121A) or the Local Treasury Bills Act (Cap. 167);
  - (d) any capital-guaranteed investment funds or products managed by any financial institution licensed, approved or otherwise regulated by the Monetary Authority of Singapore, the issuers of which guarantee the return of 100% of the capital invested at a predetermined date;
  - (e) any investment in the Central Investment Scheme that does not exceed 10% of the total value of the assets of a credit society (according to the latest audited financial statements of that credit society).

#### PART 4

#### REQUIREMENTS FOR OFFICERS OF CREDIT SOCIETY

#### **Disqualifications for chief executive officer, chief financial officer and chief investment officer, etc.**

8.—(1) The same individual may hold any 2, but not all 3, of the following offices in a credit society:

- (a) chief executive officer;
- (b) chief financial officer;
- (c) chief investment officer.

(2) A chief executive officer, chief financial officer or chief investment officer of a credit society must not be the chairman of the committee of management of that credit society.

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**Qualifications and experience for chief executive officer**

**9.**—(1) An individual is eligible to be the chief executive officer of a small credit society if the individual —

- (a) is a salaried employee, or a member (other than the chairman) of the committee of management, of that credit society;
- (b) has at least 3 years of work experience in performing management duties in any organisation; and
- (c) has at least a tertiary qualification.

(2) An individual is eligible to be the chief executive officer of a medium credit society if the individual —

- (a) is a salaried employee, whether or not also a member (other than the chairman) of the committee of management, of that credit society;
- (b) has at least 5 years of work experience in performing management duties in any organisation; and
- (c) has at least a tertiary qualification.

(3) An individual is eligible to be the chief executive officer of a large credit society if the individual —

- (a) is a salaried employee, whether or not also a member (other than the chairman) of the committee of management, of that credit society;
- (b) has at least 7 years of work experience in performing management duties in any organisation; and
- (c) has at least a tertiary qualification.

**Qualifications and experience for chief financial officer**

**10.**—(1) An individual is eligible to be the chief financial officer of a small credit society if the individual —

- (a) is a salaried employee, or a member (other than the chairman) of the committee of management, of that credit society;

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- (b) has at least 2 years of work experience in performing accounting, audit, business or financial duties in any organisation; and
- (c) has at least a tertiary qualification in accountancy, business, economics or finance.
- (2) An individual is eligible to be the chief financial officer of a medium credit society if the individual —
- (a) is a salaried employee, or a member (other than the chairman) of the committee of management, of that credit society;
- (b) has at least 3 years of work experience in performing accounting, audit, business or financial duties in any organisation; and
- (c) has at least a tertiary qualification in accountancy, business, economics or finance.
- (3) An individual is eligible to be the chief financial officer of a large credit society if the individual —
- (a) is a salaried employee, whether or not also a member (other than the chairman) of the committee of management, of that credit society;
- (b) has at least 3 years of work experience in performing accounting, audit, business or financial duties in any organisation; and
- (c) has at least a higher tertiary qualification, or a professional certification, in accountancy, business, economics or finance.

### **Qualifications and experience for chief investment officer**

**11.** An individual is eligible to be the chief investment officer of a credit society mentioned in rule 7(1) if the individual —

- (a) is a salaried employee, or a member of an investment committee (if any), of that credit society;

- (b) has at least 2 years of work experience in managing an investment portfolio the value of which is, or a business the assets of which have a total value of, more than \$40 million; and
- (c) has at least a higher tertiary qualification, or a professional certification, in accountancy, business, economics or finance.

### **Mandatory induction course for appointed officers**

**12.**—(1) Every chief executive officer or chief financial officer of a credit society, and every chief investment officer of a credit society mentioned in rule 7(1), must, within one year starting on the date of his or her appointment to that office, complete the mandatory induction course applicable to that office.

(2) A chief executive officer, chief financial officer or chief investment officer who contravenes paragraph (1) is not eligible to remain in that office after the end of the one-year period mentioned in that paragraph.

## PART 5

### MISCELLANEOUS

#### **Transitional provisions**

**13.**—(1) For a period of 3 years starting on 1 November 2019, rule 4 does not apply to an audit committee appointed before that date by the committee of management of a credit society.

(2) For a period of 3 years starting on 1 November 2019, rule 5 does not apply to a member of the committee of management of a credit society who is elected or co-opted before that date, and who continues, on and after that date, to be a member of that committee.

(3) For a period of 3 years starting on 1 November 2019, Part 4 does not apply to a chief executive officer or chief financial officer of a credit society, or a chief investment officer of a credit society mentioned in rule 7(1), who is appointed before that date, and who continues to hold that office on and after that date.

Made on 29 August 2019.

TAN GEE KEOW  
*Permanent Secretary,  
Ministry of Culture,  
Community and Youth,  
Singapore.*

[RCS-001-003-001; AG/LEGIS/SL/62/2015/6 Vol. 1]