



***THE AMENDED BYE-LAWS  
OF  
THE SHELL-EAST STAFF INVESTMENT  
CO-OPERATIVE SOCIETY LIMITED***

## **I. INTERPRETATION**

1. All words and expressions used in these Bye-laws and defined by Section 57 of the Nigerian Cooperative Societies Act Cap N98, Laws of the Federation of Nigeria, 2004 shall have the meaning assigned to them in the above named section. The following words or expressions shall have the meaning respectively assigned to them below.

1.1 (i) "**Financial Year**" means the period of twelve months beginning on 1st January and ending the following 31st December.

(ii) "**Laws**" means the Nigerian Cooperative Societies Act, Cap N98 Laws of the Federation of Nigeria 2004 and any amendments or re-enactments thereof.

(iii) "**Federal Director**" means the Director of Cooperative Societies of the Federation under the Nigerian Co-operative Societies Act Cap N98 of Laws of the Federation of Nigeria, 2004 and any amendments or re-enactments thereof.

(iv) "**Director/Chief Registrar**" means the Director of Cooperatives, Rivers State.

(v) "**Regulation**" means regulations made under the Nigerian Cooperative Societies Act Cap N98, Laws of the Federation of Nigeria, 2004 as amended from time to time.

(vi) If there shall arise any doubt regarding the meaning or intention of any of these Byelaws, the matter shall be referred to the Chief Registrar for his ruling.

(vii) "**Society**" or Coopeast" means the Shell East Staff Investment Co-operative Society Limited.

## **II. NAME, ADDRESS AND AREA OF OPERATIONS**

**2.1. Name** This Society shall be called: "THE SHELL-EAST STAFF INVESTMENT CO-OPERATIVE SOCIETY LIMITED."

### **2.2 Registered Address**

The registered address of the Society shall be c/o SPDC-East Industrial Area, P.O. BOX 263, Rumuobiakani, Port Harcourt, Rivers State.

### **2.3. Area of Operations**

The area of operation of the Society shall be within Nigeria.

## **III OBJECTIVES OF THE SOCIETY**

3. The objective of the Society are to promote the economic interests of its members and especially:

(i) To encourage regular savings and credit operations amongst members.

(ii) To procure goods and services for the benefits and usage of Members at reasonable price.

- (iii) To undertake, where practicable, the production or manufacture of such consumers or/and producers' goods for distribution to members and non-members.
- (iv) To acquire movable and immovable properties of any description either as assets of the Society or for distribution, supply, or sale to members and non-members.
- (v) To engage in any other economic or social activity as may be approved by the general meeting of the members.
- (vi) To distribute surplus profits and payment of interest on savings to Members
- (vii) To raise capital and do such other things as are necessary for the attainment of these objects including to enter into contracts and agreements in the interest of members.
- (viii) To affiliate with such Secondary or Apex Co-operative Societies as may encourage and promote the above objectives.
- (xiv) To promote Cooperative spirit among the members, to work for the improvement of local educational and living standards and to encourage the development of Cooperative Movement in Rivers State of Nigeria and Nigeria as a whole.

## **IV. MEMBERSHIP, QUALIFICATION, ADMISSION AND LIABILITY:**

### **4. MEMBERSHIP:**

4.1 The Society may have Ordinary and Associate members.

#### **4.1.1 Ordinary Member**

An ordinary member shall be

- a. a serving staff of any of the Shell Companies in Nigeria (SCIN) and a contributor to the fund of the Society; and
- b. a holder of the minimum in the shares of Society as may from time to time be prescribed by the Society.

#### **4.1.2 Associate Member**

An Associate Member of the Society shall be a registered contributor to the fund of and holder in the shares of the Society who is a former Staff, a contract staff on the payroll of any of the Shell Companies in Nigeria, or a member of the Shell Supernumerary Police Force, who has applied for membership and has been admitted in the prescribed manner.

### **4.2 Other Qualifications**

A member of the Society shall:

- i. be a person of good character in the assessment of the Management Committee.
- ii. Above 18 years of age.
- iii. be a person of sound mind.
- iv. must not have been convicted by any Court of competent jurisdiction for a criminal offence involving violence, fraud or dishonesty.

#### **4.3 Admission**

Any interested and qualified person shall apply in writing or complete an application form or apply by electronic mail giving required details to the Society, and on admission, shall pay the admission fee, subscribe to the required minimum shares and begin to make savings contributions to the fund of the Society.

#### **4.4 Membership Rights**

Members of the Society shall be entitled to enjoy all membership rights and fully participate in the activities of the Society, provided that: -

(i) an Associate Member shall not be entitled to seek any elective office of the Society.

(ii) an Associate Member may not be granted credit facilities by the Society in excess of the member's net savings with the Society except reviewed and approved by the Management Committee where security of fund is guaranteed.

#### **5 Liability of Members**

A member's liability for the debts of the Society shall be limited to the nominal value of the shares subscribed by Member inclusive of any outstanding indebtedness to the Society.

#### **6 Withdrawal / Termination of Membership**

i. Membership shall be terminated by:-

(a) Death

(b) Permanent Insanity

(c) Expulsion under this Byelaw.

(d) Consistent failure to make savings, to repay loans, or do any of the things required of a member in these Byelaws.

(e) Ceasing to be on Shell SPY Police payroll.

(f) Ceasing to be in SCiN employment and not electing to be an Associate Member

(g) Failing to hold the minimum number of shares as prescribed by the society.

(h) Withdrawal after 6 months' notice conveyed in writing to the Secretary, provided that the member withdrawing is neither in debt to the Society nor surety for an unpaid debt.

i. A member shall not withdraw his/her membership until he/she has been a member for at least one full year.

### **7.1 Expulsion**

A member may be expelled for:

- (1) Failure to make thrift savings or subscribe to the minimum required shares of the Society in accordance with the provisions of these byelaws.
- (2) Conviction on a criminal offence involving dishonesty, fraud.
- (3) Committing misconducts or other acts contrary to these Bye-laws or Cooperative Acts or Regulations or any other actions that may bring the Society into disrepute
- (4) Failure to exhaust in-house dispute resolution options before commencing any court process against the Society
- (5) On being adjudged bankrupt under the law.

### **7.2 Procedure for Expulsion**

- (a) A Member who is not in the Management Committee may be recommended for expulsion by a written petition by Member(s) of the Society to the Management Committee.
- (b) The Management Committee shall within five (5) working days of the receipt of such petition set up a three (3) member panel of enquiry to investigate the allegations against such a Member.
- (c) The panel of enquiry shall during the investigation of any allegation against a Member, grant the member an opportunity to be heard. The investigation shall be completed, and the relevant report issued to the Management Committee within four (4) weeks of the establishment of the panel and Management committee shall review and implement same if satisfied with the report and recommendation of the panel.
- (d) The Management Committee shall formally notify the member of the decision to terminate his/her membership based on the grounds stated in the investigation report.

### **7.3 Consequences of Expulsion**

- (a) A Member who has been expelled shall lose all Membership rights but shall be entitled to payment of the total contributions, less any amount due to the Society as at the date of the expulsion.
- (b) The expulsion shall be without prejudice to the rights of the Society to seek redress in respect of any wrong done to it by the expelled Member in accordance with the laws of Nigeria and shall not discharge such Member from any liability incurred prior to the expulsion.

## **8 Nominees**

- (i) Every member of the Society may nominate a person to whom in the event of the member's death, the Society shall pay a sum representing the deceased member's share or interest at the time of his/her death.
- (ii) Every appointment of a nominee by any member shall be made in writing and signed by the member in the presence of two attesting witnesses.
- (iii) Where desired by the member, the nomination may be confidential and may be kept in a sealed envelope.
- (vi) Where any money is paid to a nominee who is a minor, a receipt given either by the minor or by the guardian and witnessed shall be sufficient discharge to the Society.
- (vii) Any nomination made by a member may be varied when the member desires.
- (viii) Where more than one Nominee is appointed by any member, the number of shares to be transferred, or the exact proportion of the amount available that is to be transferred to each of these nominees, shall be specified at the time of the appointment. The total value of any share or interest transferred shall be represented by the sum actually paid for this share or interest by the deceased unless these Bye-Laws otherwise provide.

## **9 Right of Set-off:**

Any money due on any account from this Society to a member, or a past member, shall be set off in payment of the member's debts or any unpaid debt for which the member stands Surety.

## **V. POWERS AND DUTIES OF GENERAL MEETING**

### **10. Ultimate Authority**

The Ultimate Authority of the Society shall be vested in the General Meeting of members which every member has a right to attend and to vote on all matters. General meeting shall be held as such an interval as the bye-laws may specify and in any case not less than two (2) times in a year

### **11. Quorum**

The presence of at least one quarter of the members shall be necessary for the disposal of any business at a general meeting, provided that where the total number of members exceeds one hundred and twenty, twenty-five members shall form the quorum.

### **12. Annual General Meeting**

The Annual General Meeting of members shall be convened by the Management Committee as soon as the Annual audited Accounts have been approved by the Director of Cooperative Societies, Rivers State. At least twenty-one (21) days' notice shall be given to members before the meeting.

### **13. Functions of Annual General Meeting**

The functions of the Annual General Meeting shall be:

- (a) to consider the Management Committee's annual report including the annual budget and the audited annual accounts and balance sheet as approved by the Director of Cooperative Societies.
- (b) to decide upon the disposal of the net surplus of the preceding year subject to the Director's support.
- (c) to inaugurate elected officers of the Management Committee as per their cycle of service prescribed in these byelaws.
- (d) to appoint delegates out of the Management Committee who will represent the Society at the meetings of the Secondary or Apex Societies to which the Society is affiliated.
- (e) to deal with any other business of an ordinary general meeting.
- (f) to consider any communication received from the Director of Cooperative Societies.
- (g) to consider the Audit Report and the Director's comments on the audit Report and ensure that whatever faults are indicated in the report are put right.

#### **14 Ordinary General Meeting**

The Ordinary General Meeting shall be convened by the Management Committee; or by notice issued by a Member and supported by at least twenty-five (25) other Members of the Cooperative.

#### **15. Duties of Ordinary General Meeting:**

When necessary, an Ordinary General Meeting may:

- (i) Suspend or remove from office any Officer or member of the Committee in accordance with these Byelaws.
- (ii) Amend or repeal any existing Byelaws or enact new Bye-Laws
- (iii) Elect persons to fill any casual vacancies in the Management Committee.
- (iv) Deal with complaints by members.
- (v) Dispose of any other business duly brought forward by the Management Committee.
- (vi) Consider Audit Committee Reports and any communications from the Director of Cooperatives.
- (vii) Consider and approve the appointment and remuneration of the Independent External Auditors.

(viii) Appoint or constitute the Audit Committee and any other committee for the Society from among the members of the Society.

## **16. Special General Meeting**

A Special General Meeting may be convened at any time by the Management Committee or by the Director or Chief Registrar or at the written request of at least one-fifth of the members or twenty-five members (25) whichever is less,

Provided that: -

- (a) such written request shall state the object of the proposed meeting
- (b) if the Committee fails to call the meeting within fourteen days from the receipt of such written request, the members requesting for the Special General Meeting may convene the meeting by notice which shall contain the object of the proposed meeting and statement to the effect that the meeting is convened on the failure of the Management Committee to convene the meeting demanded. Only the advertised object of such proposed meeting shall be transacted or discussed at such meeting.
- (c) where the Director or Chief Registrar convenes a Special General Meeting, he/she shall ensure that only the stated objects or issues are discussed at the meeting.

## **17. Attendance of Members**

It shall be the duty of every member to attend General Meetings. The general meeting shall have power to impose fines on members who without good reason fail to attend.

## **18. Voting**

**18.1** All matters shall be decided by a majority votes of the members present and voting. Each member shall have one vote only. At all meetings, the President shall have a casting vote in addition to his ordinary vote.

**18.2** Voting for elections into the Management Committee may be carried out by electronic means as determined by the Electoral Committee set up for the purpose at the Annual General Meeting.

## **VI: THE MANAGEMENT COMMITTEE**

### **19.1 Appointment and duties of Electoral Committee Members**

(i) The Management Committee shall appoint the Electoral Committee of at least three (3) members not less than Eight (8) weeks to the expiration of the tenure of office of the Management Committee or elected officers of the society.



- (ii) The Electoral Committee shall release its Electoral Guidelines containing all electable positions within two weeks of their appointment. Electoral Guidelines shall be in accordance with the provision of the Bye-Laws.
- (iii) The election of Members shall be by secret ballot. For this purpose physical and/or electronic voting may be adopted.
- (iv) Voting shall be held within thirty (30) days of release of the Electoral Guidelines.
- (v) Results shall be announced by the Electoral Committee not later than twenty-four (24) hours after conclusion of the elections.
- (vi) The winner of any position shall be the candidate that scores the highest number of votes.
- (vii) In the event of a tie in any position, the Electoral Committee shall conduct a by-election for that position within one (1) week of the result.
- (viii) Disputes of electoral results shall be settled within two (2) weeks or as may be specified by the Electoral Committee's guidelines. After that election, the elected officers will be sworn in.
- (ix) The Electoral Committee shall cease to exist immediately after an election has been successfully concluded.
- (x) Only the Members of the society shall have the powers to elect members of the Management Committee.

## **19.2 ELIGIBILITY FOR ELECTION AS MANAGEMENT COMMITTEE MEMBER**

- a. Candidates must be bonafide Ordinary members of the Society with current minimum shareholding of at least 10,000 shares valued at 1million Naira.
- b. No member shall be eligible to contest elections if the member has held the same office for two consecutive terms, except after an interval of 4 years from the last tenure.
- c. Candidates for the position of the President shall be at least 8 years in SHELL employment & 5 years' good membership of the Society, with at least 2million Naira share capital.
- d. Candidates for the position of Financial Secretary & Treasurer shall be at least 6 years in SHELL employment, 4 years' good membership of the Society, with at least 1.5million Naira share capital. In addition:
  - e. The Financial Secretary shall be a member of a recognized professional Accounting body
  - f. The Treasurer shall be a member of a professional Accounting, Finance and/or banking body, or possess an MBA from a recognized University.
- g. Candidates for Secretary and Assistant/Publicity Secretary shall be at least 6 years in SHELL employment and 4 years' good membership\* of the Society, with at least 1.5million Naira share capital.

- h. Candidate for Vice-President shall be at least 7 years in SHELL employment and 5 years' good membership\* of the Society, with at least 1.5million Naira share capital.
- i. Candidate for Ex-Officio member position shall be at least 8 years in SHELL employment and 5 years' good membership of the society with at least 1.5million Naira share capital and MUST be a former Management Committee member without contravening article 23 of the CoopEast byelaws.
- j. No person other than bonafide Ordinary members of the Society with at least two years good membership record is eligible to be a member of the Management Committee

### **19.3 MEMBERSHIP OF THE MANAGEMENT COMMITTEE**

The Management Committee shall consist of 7 members made of the following officers:

- (a) The President
- (b) The Vice President
- (c) The General Secretary
- (d) The Assistant Secretary/Publicity Secretary
- (e) The Financial Secretary
- (f) The Treasurer
- (g) The Ex-Officio member

### **19.4 NOMINATION TO MANAGEMENT COMMITTEE**

Nomination for election to the office of Management Committee member shall be as follows:

A bonafide member of the society shall be free to nominate another member for election to the Management Committee positions advertised by the Electoral Committee. Such nomination MUST be supported by 25 other members within the timeline allowed for nomination by the Electoral guidelines. A member so nominated shall stand for election to the Management Committee position provided he/she meets the requirements for the particular position as specified in these byelaws.

### **19.5 TENURE OF OFFICE**

The tenure of office for a Management Committee member shall be a period of two (2) years. Such a member of the Management Committee shall be eligible for re-election into the same office for a consecutive term of two (2) years, provided that no Management Committee member shall be elected to the same office for more than two consecutive terms, provided that a past member of the Management Committee may be eligible to contest after an interval of four (4) years from the end of his last consecutive two terms in office.

## **20. REMOVAL OF MANAGEMENT COMMITTEE MEMBERS**

20.1 The Society may by Ordinary Resolution passed at a General Meeting remove any member of the Management Committee before the expiration of the period of office.

20.2 A member of the Management Committee may be petitioned for removal in writing signed by at least four (4) members of the Management Committee in good standing or two-thirds (2/3) members of the Management Committee. The allegations being raised shall be supported with objective evidence.

20.3 The Management Committee shall within five (5) working days of the receipt of such petition set up a three (3) member independent panel of enquiry, which shall not include any member of Management Committee or any signatory to the petition, to investigate the allegations against such member. Any member being investigated shall not participate in the decision of choosing members of the investigation team and its terms of reference.

20.4 The panel of enquiry shall during the investigation of any allegation against the member, grant the member an opportunity to be heard both in writing and orally. The investigation shall be completed and the relevant report issued to the Management Committee.

20.5 Within three (3) weeks of the receipt of the report of the investigative panel, the Management Committee shall cause the report to be presented to Members at a General Meeting for consideration. A written representation by the member shall be published in the same medium that the notice of removal has been published to members not less than seven (7) days before the meeting to decide on the removal. The member shall also be given an opportunity to make oral representation to the general meeting where the matter is discussed.

20.6 A vacancy created by the removal of a member of the Management Committee under this section shall be filled at the meeting at which the removal took place or subsequently as a Casual Vacancy.

## **20.7 CASUAL VACANCY**

(a) This is a vacancy caused by death, permanent insanity, resignation, retirement, leave of absence or removal from office of any of the Management Committee/Council of Inspectors.

(b) Members shall in the next General Meeting have powers to conduct elections to fill any casual vacancy.

(c) Any such elected Management Committee member shall complete the tenure of office the member has been elected to replace and it will not count under the two tenure limitation as specified by the Bye-law

## **21. PROCEEDING OF THE MANAGEMENT COMMITTEE**

21.1 The Management Committee members may meet for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit.

21.2 Any question arising at any meeting shall be decided by a majority of votes. Each member shall be entitled to one vote, and in case of an equality of votes, the President shall have a second casting vote.

21.3 A Management Committee member may, at any time summon a meeting of the Management Committee if the request is supported by a simple majority of members of the Management Committee.

21.4 The President shall be the Chairman at meetings of the Management Committee, and in his absence, the Vice President shall act as Chairman. In the absence of either the President or the Vice President, the Management Committee members present may choose one of their members to be Chairman of the meeting.

21.5 A Resolution in writing, signed by all the Management Committee members for the time being entitled to receive notice of a meeting of the Management Committee, shall be as valid and effectual as if it had been passed at a meeting of the Management Committee duly convened and held.

21.6 The quorum necessary for the transaction of the business of the Management Committee shall be 4.

21.7 Where the Management Committee is unable to act because a quorum cannot be formed, the general meeting may act in place of the Management Committee.

## **22 HONORARIUM AND OTHER PAYMENTS**

22.1 The honorarium of the Management Committee members shall from time to time be determined by the Society in general meeting and such honorarium shall not be more than 5% of the net profit of the Society from its business activities for any particular year. The amount will be shared equally by all members of the Management Committee.

22.2 The Management Committee members may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Management Committee or any Committee of the Management Committee or general meetings of the Society or in connection with the business of the Society.

22.3 The honoraria payment to Management Committee members shall be part of the appropriation from profit.

22.4 The Management Committee shall have the power to authorize reasonable honoraria for any member of the Society who carried out any special assignment on behalf of the Society.

## **23. DUTIES OF MANAGEMENT COMMITTEE MEMBERS**

23.1 A Management Committee member shall abide by the Code of Conduct and Ethics contained in Schedule 1 of this Byelaw.

23.2 A Management Committee member stands in a fiduciary relationship towards the Society and shall observe the utmost good faith towards the Society in any transaction with it or on its behalf.

- 23.3 A Management Committee member shall act at all times in the best interests of the Society to preserve its assets, further its business, and promote the objectives of the Society.
- 23.4 A Management Committee member shall not fetter his discretion to vote in a particular way.
- 23.5 Where a Management Committee member delegates his powers under any provision of this Bye-laws, such a Management Committee member shall not delegate the power in such a way and manner as may amount to an abdication of duty.
- 23.6 No provision, whether contained in this Bye-laws, or in any contract shall relieve any Management Committee member from the duty to act in accordance with this section or relieve him from any liability incurred as a result of any breach of the duties conferred upon him under this section.
- 23.7 Any duty imposed on a Management Committee member under this section shall be enforceable against the Management Committee member by the Society.
- 23.8 Every Member of the Committee shall be jointly and severally responsible for the actions of the Committee whether or not such member was absent from the deliberation of the Committee at which the decision was taken.
- 23.9 Management Committee shall put up policies and (or) procedure guiding the smooth running of the Society provided such policies and procedures do not violate or contravene the spirit and letters of the Laws, Regulations and these Byelaws.
- 23.10 The Management Committee shall from time to time constitute or establish committees with defined mandate as may be deemed necessary subject to the provisions of these Byelaws to support the smooth running of the Society.

## **24. BREACH OF CODE OF CONDUCT**

Any arrangement or transaction entered into by the Member of the Management Committee in contravention of Article 23 and/or Schedule 1 of these Byelaws shall be voidable at the instance of the Society unless one or more of the conditions specified in subsection (2) of this section is satisfied.

24.2 The conditions are that:

- (a) Restitution of any money or other asset which is the subject-matter of the arrangement or transaction is no longer possible or the Society has been indemnified in pursuance of the section by any other person for the loss or damage suffered by it, or
- (b) Any rights acquired bona fide for value and without actual notice of the contravention by any person who is a party to the arrangement or transaction would be affected by its avoidance; or
- (c) The arrangement is, within a reasonable period, affirmed by the Society in general meeting.

24.3 If an arrangement is entered into with the Society by a Management Committee member or a person connected with him in contravention of section 23 of these Byelaws, that Management Committee member and the person so connected, and any other Management Committee member of the Society who authorizes the arrangement or any transaction entered into in pursuance of such an arrangement, shall be guilty of an offence and liable to:

24.3.1 account to the Society for any gain which he has made directly or indirectly by the arrangement or transaction; and

24.3.2 jointly and severally with any other person liable under this subsection, indemnify the Society for any loss or damage resulting from the arrangement or transaction.

24.4 Subsection (3) of this section shall be without prejudice to any liability imposed otherwise than by that subsection, and the liability under subsection (3) of the section arises whether or not the arrangement or transaction entered into has been avoided in pursuance of subsection (1) of this section.

24.5 This section shall have effect with respect to references in section 23 of this Byelaws to a person being "connected" with a Management Committee member of the Society, and to a Management Committee member being "associated with" or "controlling" a body corporate.

24.6 A person is connected with a Management Committee member of the Society if not being a Management Committee member) is:-

(a) that Management Committee member's spouse, child or step-child.

(b) except where the context otherwise requires, a body corporate with which the Management Committee member is associated; or

(c) a person acting in his capacity as a trustee of any trust the beneficiaries of which include:

(i) the Management Committee member, his spouse, any children or step-children; or

(ii) a body corporate with which he is associated, or of a trust whose terms confer a power on the trustees that may be exercised for the benefit of the Management Committee member, his spouse or any children or step-children of his, or any such body corporate; or

(d) a person acting in his capacity as partner of that Management Committee member or of any person who, by virtue of paragraphs (a) (b) or (c) of this subsection, is connected with that Management Committee member.

24.7 A violation of this Article 23 and/or Schedule 1 of these Bye-laws is a ground for:

(a) the removal of member of Management Committee.

(b) expulsion of a Member from membership of the Society

(c) termination of employment for Society's employees

(d) blacklisting of Society's contractors

## **25. THE AUDIT COMMITTEE**

25.1 The Audit Committee for the Co-operative shall be comprised of three (3) members elected by the Members at the Annual General Meeting.

25.2 No member of the Management Committee shall be entitled to vote during the election of the Audit Committee.

25.3 The election of the Audit Committee shall be held one year into the tenure of office of the Management Committee that supervised the election of the Audit Committee

25.4 The tenure of the Audit Committee shall be two years.

### **25.5 Duties of the Audit Committee:**

(i) The Audit Committee shall at all times have free access to all books papers and documents of the Society.

(ii) Have the power to call upon any Member of Management Committee to supply information or produce asset of the Society to the Audit Committee.

(iii) Prepare reports on the management and financial position of the Society for presentation before the general meeting.

(iv) The Audit Committee may upon consultation with the Management Committee request for a

general meeting at any time when it considers that members should be informed of the position of the Society and shall in any event summon a general meeting within one month of submitting their report to the Management Committee

(v) The Committee may be tasked to perform any other duty as may be determined by a General Meeting or by the Management Committee

## **26. LEGAL POSITION OF MANAGEMENT COMMITTEE MEMBERS**

Management Committee members are Trustees of the Society's money, property and their powers and as such must account for the money over which they exercise control and shall refund any money improperly paid away and shall exercise their powers honestly in the interest of the Society and all the members, and not in their own or sectional interests.

## **27 REGULAR OPERATIONS OF THE SOCIETY**

27.1 The regular operations of the Society and its day-to-day activities shall be carried out by the staff of the Society.

27.2 The Management Committee shall set guidelines for the running of the Society and shall monitor compliance with such guidelines by the staff on a regular basis.

27.3 The Management Committee shall be responsible for the employment, remuneration, and discipline of the staff of the Society, and shall ensure efficient manning levels for the Society at all times.

27.4 The staff of the Society may be organised into departments or sections for efficient handling of the activities of the Society, and may hold such meetings as are required to ensure efficient delivery of services to the members.

## **VII. CREATION OF FUNDS**

28 . **Sources of funds:** The funds of the Society shall compose of;

- . (i) The Share Capital of the Society
- (ii) Registration/joining fees as prescribed by the Management Committee from time to time and approved by members in general meeting.
- (iii) Savings and fixed Deposits.
- (iv) Interests receivable on Loans and Investments.
- (v) Proceeds from the sales of goods/services and other investments
- (vi) Surplus from the distribution of producers and consumers goods.
- (vii) Deposits and loans from non-members and banks as in section 36 of this Byelaw.

(viii) Grants or donations.

(ix) Rents.

(xi) Miscellaneous sources approved by the Management Committee, the General meeting and the Director of Cooperative Societies.

(xii) Surplus arising out of the business of the Society.

### **31 29 Ordinary Share Capital:**

29.1 Share Capital in the Society shall be of the unit value of One Hundred Naira (100.00) and each member shall subscribe to the minimum shareholding limit prescribed for the given category of membership as follows:

- i. Ordinary Member Category – 10,000 shares amounting to 1 million Naira
- ii. Associate Member Category - 5000 shares amounting to Five Hundred Thousand Naira
- iii. Spy police and other Categories – 2000 shares amounting to Two Hundred Thousand Naira

29.2 No member shall be entitled to withdraw his share capital below the minimum shareholding limit for his/her membership category unless his/her membership is terminated, provided that no share capital may be withdrawn until the Society has repaid any loan it has received from outside sources.

### **30 WITHDRAWAL OF SHARES:**

Shares are not unconditionally withdrawable; but if at the end of the financial year the Society's financial situation is favourable, the Committee may repay to any member whose membership was terminated during the year a sum not exceeding the amount paid by him on account of shares, provided that not more than five per cent of the total paid share capital shall be thus paid out in any one year without the Director's or Chief Registrar's permission. Such a withdrawal shall be made by application in writing, and shall not be made earlier than two years from commencement of membership.

### **31 PAYMENT OF SHARES:**

Shares shall be paid up in not more than 12 monthly instalments. Any member may pay up the full value in advance at any time. Members not paying their instalments by the due date may be penalised for every full month of arrears.

### **32. LIMIT ON SHARE HOLDING**

No member shall hold more than one fifth of the total number of shares actually paid up. If any member, by inheritance or otherwise holds more than the maximum holding permitted, the Committee, may sell the excess or buy them from the member for disposal by the Society.

### **33 ENTRANCE FEES:**



Every member on joining the Society shall pay an entrance fee as prescribed by the Management Committee and approved by members in General Meeting from time to time

#### **34 DEPOSITS AND LOANS FROM NON-MEMBERS**

34.1 The Society may borrow from Banks and other Financial Institutions approved by the Federal Government of Nigeria or a Co-operative Central Financing Organization of which it is a member to the extent laid down in the Byelaws of such organization.

#### **35 INTEREST PAYABLE ON LOANS:**

The rate of interest payable to Banks and other Financial Institutions shall be as approved by the Federal Government of Nigeria for such transactions. This provision shall however not apply to any funds placed with the Society on its "Special Pooled Funds Arrangement" for the purpose of the Society investing such funds directly with the banks on behalf of the members.

#### **36 COMPULSORY SAVINGS:**

36.1 Every member shall make regular thrift savings, which shall be withdrawable only with the permission of the Committee for necessary or productive purposes;

36.2 The rate of interest paid on regular thrift savings shall be 5% lower than the rate of dividend to be paid on share capital by the Society in any year to be proposed by the Management Committee and ratified by the Society in its General Meeting after the surplus has been ascertained and necessary reserves created;

36.3 The Committee may exempt a member from the obligation to make compulsory savings for any period during which his circumstances do not permit of such savings.

### **VIII. USE AND CUSTODY OF FUNDS**

#### **37. INTERNAL FUNDS:**

The funds of the Society may be held in the form of:-

- (i) A Reserve Fund.
- (ii) A Depreciation Fund.
- (iii) An Insurance Fund.
- (iv) Development, Educational or other Funds approved by the general meeting and the Director or Chief Registrar.
- (vi) Current, Deposit or Saving bank Accounts or Cash
- (vii) Fixed and Current Assets

### **38 USE OF FUNDS:**

The funds of the Society shall be applied only to the furtherance of its stated objects in accordance with these Bye-laws.

### **39 INVESTMENT:**

The Funds of the Society that are not required for current use may be invested in any manner permitted by Law and Regulations and approved by the Director or Chief Registrar.

### **40 OPERATION OF BANK ACCOUNT:**

40.1 The Society's Bank Accounts shall be Trustee Accounts. Before money is withdrawn from the Bank, the cheques or withdrawal slip shall be signed by at least two of the Trustees.

40.2 For the purpose of complying with section 43.1 above, the Trustees of the Society shall consist of all members of the Management Committee.

## **IX. LOANS**

### **41 PURPOSE OF LOAN:**

Loans may be granted to members only for purposes which in the opinion of the Management Committee are productive, or necessary and in the best interest of the borrower.

### **42 CONDITIONS GOVERNING LOANS:**

42.1 No regular loan shall be granted to:-

- (a) any individual other than a member of the Society.
- (b) any member whose instalments of shares are in arrears.
- (c) any member who has not paid thrift savings under this Byelaws.

42.2. Regular loans are those loans that are tenured with definite repayment periods, that could extend up to twenty-four (24) months.

42.3 On meeting specified conditions, and at the discretion of the Management Committee, non-members (Corporate bodies) may be extended loan / credit facilities by the Society under such special terms and conditions as may be defined by the Management Committee, provided that the loans are repaid in full en bloc or within a short period not exceeding six (6) months.

### **43. APPLICATIONS FOR LOANS:**

Loan applications shall be made through the prescribed channels of operations of the Society and disposed of by the staff of the Society with the approval of the Management Committee.

### **44. LOAN TO ANOTHER REGISTERED SOCIETY:**

44.1 At the discretion and approval of the Management Committee, a loan may be granted to another registered Society based on terms agreed between the Societies.

44.2 Where another registered society indicates interest in benefiting from a loan and the Management Committee is satisfied about the purpose of the loan and terms defined by the Management Committee are acceptable to the borrower, such loan could be granted.

#### **45 LOANS TO MEMBERS:**

No loans shall be made to new members within six months of their joining the society except in the case of transfer of an existing loan of a past member to his nominee or other successor in interest who is or becomes a member of the Society.

#### **46 NO LOAN SHALL BE GRANTED:**

46.1. For a period exceeding the time limit fixed for such types of loans.

46.2. If it would bring a member's total indebtedness at the time of the loan to an amount exceeding his maximum credit level, subject to the single obligor principle.

46.3. Unless approved by a majority of the members of the Management Committee who are present at the meeting at which the application is considered.

#### **47. MAXIMUM CREDIT LIMIT:**

The maximum credit limit for the various loan products offered by the society shall be fixed by the Management Committee and reviewed from time to time in line with the operations and finances of the Society.

#### **48. INTEREST ON LOAN TO MEMBERS:**

Interest on loan to members shall be charged at a rate to be fixed by the Management Committee. In case of default in repayment penal interest may be charged at a rate up to twice the nominal rate in line with market realities.

#### **49. SUPPLY OF CONSUMER GOODS:**

49.1. The Society shall purchase for supply to members and non-members such equipment or items as are necessary for the improvement of their living conditions. Where the member or non-member is not in a position to pay cash for these requirements, the value of the supplies may be treated as a loan in accordance with this Byelaws, with applicable interest rate.

49.2. The Society shall also stock for sale to members and non-members domestic and personal requirements, including foodstuff. No such foods may be supplied on credit if the member has reached the ceiling or the maximum number of credits he/she is entitled to from the Society.

#### **50. BONDS AND SURETIES:**

Every borrower shall execute a bond and shall furnish the prescribed number of Sureties. No extension of the period of repayment shall be granted without the written consent of the Sureties. Sureties must also be members of the Society.

#### **51. DUTIES OF SURETY:**

A Surety must be a reputable member of the Society and by signing as Surety, he/she personally guarantees;

- (i) repayment of the loan if the borrower defaults
- (ii) the correctness of the particulars on which the value of the borrower's securities is based, especially in case of non-members
- (iii) that the loan is to be used for the purpose stated by the borrower on the application. The Surety should report misuse of the loan to the Committee immediately.

#### **52. RECALL OF LOANS:**

All loans shall be issued subject to the right of the Society to call the loan for immediate repayment:

- (i) if any misapplication is proved.
- (ii) if the borrower gives an indication of resignation.

#### **53 APPROPRIATION OF DEBIT PAYMENT:**

When a member from whom money is due pays any sum to the Society, it shall be appropriated in the following orders:

- 53.1 to share payments, penalty and other miscellaneous charges due by him.
- 53.2 to interest on loan, and
- 53.3 to loan principal repayment.

### **X. DISPOSAL OF SURPLUS**

#### **54. APPROPRIATION:**

At the close of each financial year, the excess of the Society's income over expenses including the interest payable on deposits and loans from non-members and audit and Supervision Fee due, shall be appropriated to the following funds:

- (1) Reserve Fund
- (2) Co-operative Education fund of members: 10% of net profit of the society
- (3) Members welfare fund: 20% of the net profit to be set aside for social needs of members as may be determine by the general meeting.
- (4) Other funds approved by the Society

(5) The balance shall be utilized for one or more of the following purposes:-

- (a) Payment of honorarium to the Management Committee and that approved by the Management Committee for other members that served the Society during the year.
- (b) Donations, not exceeding 10% of the net surplus to any Charitable or Social purpose approved by the Director or Chief Registrar.
- (c) Payment of interest on member's savings.
- (d) Building up a General Reserve.
- (e) Payment of a dividend on shares subject to section 55 of this Bye-Laws.

#### **55 DIVIDEND:**

The dividend paid on shares shall be determined by the Management Committee and no dividend shall be paid if any overdue claim to a depositor or lender remains unsatisfied. The rate of the dividend payment on shares shall be at least 5% higher than the rate of interest to be paid on members' savings.

#### **56 DIRECTOR OR CHIEF REGISTRAR'S APPROVAL:**

The appropriation of the net surplus shall be subject to approval by the Director or Chief Registrar and governed in all respects by the spirit and letter of the law and the Regulations.

### **XI. AUDIT AND SUPERVISION FEES**

#### **57 AUDIT AND SUPERVISION FEES:**

57.1 Where the Society so approves, an independent Auditor (who must be a firm of Chartered Accountants with current Practice Licence from the Institute of Chartered Accountants of Nigeria (ICAN)) may be appointed to receive, review and audit the accounts of the Society. Any such firm to be appointed MUST have a functional office in Port Harcourt, Rivers state, and must be able to perform its agency duties virtually or otherwise, when the situation so permits.

57.2 The Independent Auditor shall be appointed by the Management Committee of the Society, based on the Director's recommended list of Auditors, if any. The Director's recommended list shall however only be a guide for the Management Committee of the Society in making final appointment. The Management Committee could go outside the list to appoint any firm of Chartered Accountants that meets the qualification in subsection 1 of this section.

57.3 The appointment of the Independent External Auditors by the Management Committee shall be subject to ratification by the General Meeting of the Society or the AGM. Any appointment not so ratified shall remain void and of no effect.

57.4 The fees of the Independent Auditors shall be negotiated by the Management Committee.

57.5 The Independent Auditors report shall be presented to the General Meeting at the Annual General Meeting by a representative of the Audit firm. 57.6 The Management Report (if any) arising from the Independent Auditor's audit work shall be for the action of the Management Committee of the Society, with the audit committee to monitor the compliance / implementation.

## **XII. BOOKS OF ACCOUNTS**

### **58. PRESCRIBED BOOKS OF INSPECTION:**

Accounts and Records (either in manual or electronic form) shall be maintained in the forms prescribed by the Director and shall include the following:

- (1) A Membership and Attendance Register, showing the name, address and occupation of every member, the number of shares held by him, the date of his admission to membership, the Nominee appointed under this Byelaw, and the member's attendance at general meeting.
- (2) A cashbook showing the receipts, expenditure, and balance on each day on which business is done;
- (3) A General Ledger;
- (4) Personal Ledger with accounts for each member, depositor, and creditor;
- (5) Loan register showing instalments for repayment of loans;
- (6) Minute book for proceedings of General and Management Committee Meetings;
- (7) Register of Share payments;
- (8) Loan bond book showing particulars of and containing bonds for all loans issued;
- (9) Such other records as may be prescribed by the Director or Chief Registrar.

### **59 INSPECTION OF BOOKS:**

The books, accounts, register and papers of the Society shall be open at all reasonable times for the inspection of members and of any accredited Co-operative Official provided that no person other than an Officer or Committee member of the Society or a Co-operative Official shall be allowed to see the personal account of any member without that member's consent. Copies of the Law, the Regulations and of these Byelaws shall be available for inspection at the registered address of the Society at all reasonable hours.

### **60 ANNUAL STATEMENT:**

Each member shall be issued an Annual Statement showing particulars of his personal account with the Society with statements of accounts available to members online/electronically.

### **61 RECEIPTS:**

It is the duty of every member to:

- (i) insist on obtaining a separate printed/electronic receipt from the receipt book, for every sum of money paid to the Society.
- (ii) Monitor their electronic online accounts to ascertain sums paid in for which electronically generated receipts have been issued are properly reflected in their accounts statements.

### **XIII. DISSOLUTION AND DIVISION OF THE SOCIETY**

#### **62 SPLITTING UP OF THE SOCIETY:**

At any time, the Director of Cooperatives may, on written request of not less than one third of the members - the number not being less than 50 - or when the membership exceeds 200, on written request of at least 150 members, authorize such members to form themselves into a separate Society of the same type, and to such newly formed Society shall be transferred the share capital of those members, and a proportionate amount of the original Society's Accumulated Funds.

#### **63 LIQUIDATION:**

The Society shall not be liquidated except in accordance with with Sections 40, 42, 44 and 45 of The Act and the Co-operative Societies Regulations 48, and any other Laws in Rivers State applicable at that point in time.

#### **64 DISPOSAL OF FUNDS:**

On the dissolution of the Society, the Reserve and other funds of the Society shall be applied in the order stated below:

- (a) To discharging the liabilities of the Society, and
- (b) To the repayment of the paid-up share capital of members
- (c) The remainder shall be placed by the Director in the bank until a new Cooperative with a similar area of operation is registered, in which event the funds shall be credited to the Reserve Fund of the new Society.

### **XIV. MISCELLANEOUS PROVISIONS**

#### **65 AFFILIATION TO CREDIT UNION:**

Unless there are reasons to the contrary accepted by the Director, the Society may affiliate itself to any Credit Union formed in its area of operations.

#### **66 DISPUTES:**

Any dispute arising in or concerning the Society and its members or past members which cannot be amicably resolved by the Management Committee shall be referred to the Director of cooperative

for settlement by arbitration under the provision of Section 49 of the Cooperative Societies Act, Cap. N98 Laws of Federation of Nigeria, 2004

**67 SEAL:**

The Management Committee shall hold in safe custody the seal of the Society. The seal shall be of a pattern approved by the Director. Documents shall be signed by at least two members of the Management Committee in addition to being sealed.

**68. SURCHARGE:**

The General Meeting of the Society may impose surcharges on members, not exceeding Five Thousand Naira (N5,000.00) in any one case, for flagrant or repeated contravention of the Byelaws.

**69. AMENDMENT OF BYE-LAWS**

Any amendment of or addition to these Byelaws shall be made by the General Meeting of the Society in accordance with the regulations and shall not be valid until registered by the Director.

**70. APPROVAL:**

These Byelaw was reviewed and adopted by the General Meeting of the Shell East Staff Investment Co-operative Society Limited on the ----- day of -----, 2022.

**71.CERTIFICATION**

I hereby certify that the foregoing Bye-laws of the **SHELL EAST STAFF INVESTMENT CO-OPERATIVE SOCIETY LIMITED. REG. NO. RS. 2101** has been registered under section 5(1) of the Nigerian Cooperative Societies Decree NO. 90 of 1993 (now an act of 2004) this **20<sup>TH</sup> JUNE, 1997.**

**As amended 7<sup>th</sup> January, 2022**

***E. CHIDI-WIKE***

***DIRECTOR OF CO-OPERATIVES SOCIETIES***

***RIVERS STATE***



## SCHEDULE 1

### CODE OF CONDUCT AND ETHICS FOR THE SHELL- EAST STAFF INVESTMENT CO-OPERATIVE SOCIETY LIMITED (COOPEAST)

#### 1. Preamble

**RECOGNISING** that Members of The Shell-East Staff Investment Co-operative Society Limited (CoopEast) comprises of employees, retirees or contract staff on the payroll of any of Shell Companies in Nigeria and serving members of Supernumerary Police Force, Shell Command, all Coop East Members are generally subscribed to and guided by Shell Business Principles as underpinned by the Shell Code of Conduct.

**ACKNOWLEDGING** that the management of CoopEast is vested in the duly elected Management Committee who are all employees Shell Companies in Nigeria who operationally carries on the daily function through CoopEast employees.

**CONSIDERING** that operational area of Coop East is Nigeria, assessed as a high-risk country on business ethics. The Members of CoopEast HEREIN establish the following standard as its Code of Conduct and Ethics to ensure that its activities are carried out in an ethically acceptable standard.

#### 2.0 Objective of the Code of Conduct and Ethics

2.1 This Code of Conduct and Ethics (CofC) is intended to establish standards of ethical conduct and behaviour for CoopEast members, the Management Committee, members of any committee as may be established by the Management Committee, and all employees of the CoopEast.

2.2 This CofC contains general rules of conduct and ethics to be adhered to by all members at all times so as to maintain integrity and long-term sustainability of CoopEast.

2.3 This CofC defines CoopEast business values and ethics. Explains why these ethics are important to the long-term sustainability and viability of the CoopEast as an ongoing venture, sets out acceptable behaviour, as well as ensure that members are aware that they must declare any relevant interests and must not accept gifts or hospitality beyond set thresholds. The CofC stipulates sanctions for offenders.

2.4 All Members and staff of CoopEast shall adhere to this CofC in all dealings for and with CoopEast so as not to bring the Co-operative into disrepute. It is mandatory that every Member and Staff of CoopEast shall observe and comply with this Code.

#### 3.0 Conflict of Interest Register

3.1 The Shell East Staff Co-operative Society Limited will maintain a register of interests. Each Management Committee member shall make a fresh declaration each year and also when any new potential conflict of interest arises.

3.2 When any Management Committee member becomes aware that a matter is to be discussed at a committee meeting in relation to which they may face a conflict of interest, the Member shall immediately make a declaration to the President. The President shall consider the declaration and may ask the member to leave the meeting while the matter is discussed.

#### **4.0 Gifts and Hospitality**

4.1 Gifts and Hospitality (G&H) includes offer of cash or cash equivalent, hospitality, provision of services in kind.

4.2 Gifts and Hospitality may be offered by contractors and suppliers in order to influence Management Committee members to make decisions which may not be in the best interest of CoopEast. Consequently, no person acting on behalf of CoopEast is permitted to accept any Gift and Hospitality of any kind from any person, company, or organization. Accepting such shall be deemed to be a breach of the CofC.

4.3 Routine hospitality (e.g., lunch or drinks) which forms an integral part a legitimate activity, such as business meeting or engagement, will be considered acceptable subject to being declared.

4.4. Gifts, with a monetary value of less than One hundred thousand naira (₦100,000.00), may be accepted on behalf of the Cooperative. Such gifts become the property of the Cooperative rather than the individual and shall be used for collective rather than personal benefit. All gifts must be declared and registered.

4.5 No person acting on behalf of the co-operative shall offer gift, hospitality, cash or cash equivalent, services in kind to any person, company, or organization. Any person making such an offer, whether the offer is accepted or not, shall be considered to be in breach of this CofC.

4.6 A Management Committee member shall not ask for or accept any property or benefit of any kind for himself/herself or for any person, on account of anything to be done, or omitted to be done by him/her in the discharge of his/her duties by virtue of his/her official position in CoopEast.

#### **5.0 Members' Expenses**

5.1 Management Committee members and Employees of CoopEast will have the right to claim for expenses incurred whilst carrying out approved activities on behalf of CoopEast.

5.2 Any member making a fraudulent claim for expenses shall be considered to be in breach of the CofC.

#### **6.0 Conflict of Duties and Interest**

Management Committee members and CoopEast Employees shall, to the best of their ability, carry out their duties and ensure that the services that they render are provided efficiently, professionally and honestly. Management Committee members and employees shall:

(a) carry out their duties in a way that maintains public confidence in the integrity of his/her office.

(b) always treat the CoopEast membership and their colleagues with courtesy and respect.

(c) to the extent appropriate to their office, seek to improve the standards of performance and level of professionalism in CoopEast activities.

(d) discharge any professional responsibilities in a professional manner.

(e) Management Committee members and all employees shall carry out their duties in accordance with the Laws, Regulations and these Byelaws at all times.

(f) In carrying out their duties, Management Committee members and CoopEast employees shall not violate the rights, freedoms and privacy of any Cooperative member.

### **6.1 Integrity and impartiality.**

(a.) Regardless of the political opinions, ethnic grouping or religion, Management Committee members and employees of the cooperative shall serve with courtesy, honesty, integrity, probity, and objectivity at all times.

(b.) Each person is entitled to uphold personal views on political matters but shall not in the course of the performance of CoopEast duties express such view's publicly or seek to influence colleagues or those who seek CoopEast services to subscribe to such personal political view and belief.

### **6.2 Commentaries and Public Statements.**

A Management Committee member or CoopEast employee shall not in their official capacity:

(a) make public comments that support or criticize a political party.

(b) make public comments that may compromise, or may reasonably be seen to compromise, the political neutrality of their office or CoopEast.

(c) expressly or by implication, represent that any public comment reflects the view or opinion of CoopEast unless where expressly authorized and approved in accordance with these Byelaws.

### **6.3 Soliciting for personal favours/interest.**

No Management Committee member or CoopEast employee shall solicit directly or indirectly for any personal favour that is against the interest of CoopEast.

### **7.0 Conflict of interests.**

7.1.1 Every Management Committee member and employee shall observe the following requirements in relation to private interests:

(a) CoopEast officials shall not subordinate official duties to private interests or be in a position where there is conflict between official duties and private interests

(b) CoopEast officials shall not associate official duties with any personal financial gain or carry out official activities in circumstances that create suspicion or perception that official position/information is use for private gain by the official or associate.

(c) CoopEast officials shall not engage in any deal, transaction, or activity which might prejudice their status as Management Committee member or employee or bring CoopEast into disrepute.

(d) CoopEast officials shall maintain at all times the ethical standards which CoopEast expects while transacting official business with efficiency, integrity, honesty and impartiality.

7.1.2 Management Committee members and CoopEast employees shall not hold shares or have any interest in a corporation, partnership or organization directly or through another person, if holding those shares or having such interest would result in their personal interests conflicting with their official duties in CoopEast.

7.1.3 Management Committee members or CoopEast Employees whose personal interest conflicts with their official duties shall:

(a) declare their personal interests to the General Manager, President, or the Management Committee through the General Secretary (if the President or the General Manager is the officer involved) and must comply with any directives/steers given to avoid the conflict.

7.1.4 Notwithstanding any directions to the contrary under subsection 7.1.3 (a), Management Committee members and CoopEast employees shall not award a contract, or influence the award of a contract, to:

- (a) themselves
- (b) their spouse or relative
- (c) their business associate; or
- (d) a corporation, partnership or other organisation in which they have personal interest.

In this section, "personal interest" includes the interest of a spouse, relative or business associate

## **7.2 Conduct of private affairs.**

- (1) A Management Committee member shall not neglect his/her financial and other obligations to CoopEast.
- (2) A CoopEast employee shall not engage in private business during official working hours.

## **7.3 No improper enrichment.**

- (1) Management Committee members and CoopEast employees shall not use their office to improperly enrich themselves or others.
- (2) Without limiting the generality of subsection (1), Management Committee members and CoopEast employees shall not:
  - (a) except as may be permitted, accept or request gifts or favours from a person who:
    - (i) has an interest that may be affected by the carrying out, or not carrying out, of their official duties.
    - (iii) has contractual or similar relationship with the CoopEast.
  - (b) for the personal benefit of themselves or another, use or allow the use of information that is acquired in connection with their duties and which is not public.
- (3) Management Committee members and CoopEast employees may accept a gift given to them in their official capacity if such gift is a non-monetary gift and does not exceed the value prescribed by this CofC.
- (4) Subsection (2)(a) does not prevent a Management Committee member from accepting a non-monetary gift from a relative or friend given on special occasion recognized by custom.

(5) Subsection (2)(b) does not apply to the use of information for educational or literary purposes, research purposes or other similar purposes.

#### **8.0 Safeguarding of information – Data Privacy.**

Management Committee members and employees shall ensure that confidential and sensitive information/documents entrusted to their care are adequately protected from improper or inadvertent disclosure. Such shall be processed and managed in compliance to Nigerian Data Privacy Regulation currently in force and as may be amended.

#### **9.0 Sexual Harassment.**

To “sexually harass” includes doing any or all of the following:

- (a) making a request or exerting pressure for sexual activity or favours
- (b) making intentional or careless physical contact that is sexual in nature
- (c) making gestures, noises, jokes or comments, including innuendoes, regarding another person's sexual preference.
- (d) if the person knows or ought to know that such action is unwelcome

9.1 Management Committee members and CoopEast employees shall not sexually harass any member of the CoopEast, employees or colleagues.

9.2 Management Committee members and CoopEast employees shall practice and promote the principle that ensures selection/election for any position, contract, activity is carried out on the basis of integrity, competence and suitability.

#### **10.0 Acting through others.**

A person contravenes the Code of Conduct and Ethics if:

- (a) They cause anything to be done through another person that would, if done by the member or employee shall be a contravention of the Code of Conduct and Ethics; or
- (b) they allow or directs a person under their supervision or control to do anything that is a contravention of the Code of Conduct and Ethics.

The above section does not apply if the defined breaches are done without the Member or employee’s knowledge or consent or Member or employee took reasonable steps to prevent the contravention of the Code of Conduct and Ethics from occurring.

#### **11.0 Reporting improper orders**

If a Management Committee member or CoopEast Employee considers that anything required is a contravention of the Code of Conduct and Ethics or is otherwise improper or unethical, such person shall report the matter to an appropriate authority.

#### **12.0 Sanction for Violation of the Codes of Conduct and Ethics**

12.1 The Shell-East Staff Investment Co-operative Society Limited shall take very seriously any incidence of breach of the code of conduct. Breaches of the code should be reported to the Management Committee (MC) who are obligated to investigate any such reported breach.

12.2 On receipt of an allegation of the breach of the code the Management Committee shall investigate or appoint an independent third party to investigate in its place. The report of the investigation shall be presented to a meeting of the Management Committee who shall make appropriate recommendation(s) for immediate sanction.

12.3. Any person who is alleged to have breached the code will be giving opportunity during the investigation to respond to the allegation(s).

12.4. Report of breach of code can be made anonymous to protect the identity of whistleblower and encourage more report.

12.5 The appropriate authority for reporting an Management Committee member or a CoopEast employee under this section shall be President of the Management Committee or CoopEast General Manager. For the President of the Management Committee Article 20 shall apply.

Where a breach of CofC is established, applied sanctions should be commensurate with the gravity of the violation. The applicable sanctions listed in Article 24.7 of the Byelaws and as may be amended from time to time to align with prevailing best practices shall apply. Management Committee may also consider reporting to external investigators, where a crime is deemed to have been committed

### **13.0. Policy review**

The Gifts and Hospitality policy, along with the CofC shall be reviewed regularly as maybe considered by the Management Committee to ensure that it remains current and aligns with prevailing laws, regulatory frameworks and sentiments.