

PROCEEDINGS

OF THE

SEVENTH CONFERENCE OF REGISTRARS

OF

CO-OPERATIVE SOCIETIES.

With Appendix.



SIMLA :

PRINTED AT THE GOVERNMENT MONOTYPE PRESS.

1913.

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APPENDIX

(See Subject No. XVI above.)

(A) LEAFLET ISSUED IN BURMA REGARDING MUTUAL CATTLE INSURANCE SOCIETIES.

I.—General Considerations.

The basic principle of Insurance is the yearly payment in advance by a number of owners to a Society of a sum calculated at least to equal the yearly average amount of loss sustained in respect of the things insured, from which sum the Society contracts to pay indemnities to the losers.

The sum paid by an owner to the Society is called a premium and it is calculated at a settled proportion of the value of the property insured. The proportion payable as premium is big or small according as the risk, that is the yearly average loss, if the property insured is large or small. Thus the premium payable in respect of a masonry house is very much less than that on a wooden house. In respect of some property the risk is so great that no Society would agree to accept it in insurance at a rate of premium that any sensible man would pay. Thus the premium on a mat and thatch house would probably be so high that no one would insure it.

The larger the number of people who insure and pay premia and the wider the area over which the risks extend the more nearly does the actual amount of indemnity payable in any year coincide with the average indemnity.

At first sight it would seem that as *Insurance* business implies a large area and many insurers, it conflicts with the principle of *Mutuality* which is best attained in a restricted area, such as a single village, and with a limited number of persons insuring. And indeed there is such a conflict, but it is got over by what may be called the two storey organization, by which the *Mutuality* principle is attained by forming in the first case village Societies, and the principle of large area and large clientèle is arrived at by the village Societies insuring again in a Central Society which takes a half or a quarter of the premium and pays a half or a quarter of the indemnities

The Central Society cannot of course be formed till there are, say, twenty or more scattered village Societies as a foundation to build it upon. The more scattered such affiliated village Societies are, the better, because, as is well known, epidemics are more or less local in any given year and do not extend over more than three or four adjacent districts. Hence when anthrax is prevalent in Katha, it is quite likely there will be no cases in Kyaukse and Magwe.

This is the way in which the Mutual Insurance of cattle is organized in most continental countries.

The advantage gained by circumscribing the area of the village society are *proximity* of the Society to the insurer and *mutual supervision*. Cattle can be valued, inspected and deaths enquired into at once and on the spot, and fraud is rendered almost impossible as the remaining members in the village know the cattle, how they are tended, and why they die.

Again there are educational advantages in that where the whole society is concerned in the treatment of every insured beast, public opinion is formed to bear in favour of more sanitary and more careful tending, and in favour of careful measures to avoid or combat epidemics. Further, the members help each other and work together to provide against future difficulties and to obtain a general improvement in the condition of the cattle. The village as a whole learns self-reliance.

The financial advantages are obvious. In such an Insurance Society expenses are reduced to a minimum, there are no dividends to pay to the capitalist owners of an Insurance Company and there should be no loss by payment of indemnities in fraudulent cases.

Some societies in Europe demand but a small premium in advance and make up deficiencies in funds when the premium funds do not suffice to pay all indem-

ilities in any year, by making a levy on the members for the deficient balance. It is found, however, that such levies are paid with a bad grace, and the great majority of societies adopt the plan of calculating the premium payable so as to make such premium income sufficient to meet indemnities. In such Societies all excess funds remaining over after the payment of indemnities in any good year are placed to a Reserve Fund from which money can be taken to make up indemnities in a year of calamity

II.—Cattle Insurance in other countries.

The extent to which the system of Mutual Insurance of cattle has been adopted in other countries points the way to us in Burma. A few instances are given below :—

Mutual Cattle Insurance exists in England, Sweden, Denmark, Germany, Holland, Belgium, France, and Italy, and probably also in Austria.

It is most developed in Holland, Belgium, and France—all countries advanced in agriculture.

Holland and Belgium are both small countries, far smaller than Burma, but the following figures show how far they have gone in cattle insurance.

In 1906 Holland had 377 such societies for insuring horses (used there for draught and ploughing) with 56,814 horses insured, and 748 cattle societies with 273,099 beasts insured. The total membership, *i.e.*, persons insuring horses and cattle was 103,454.

In Belgium in the same year there were 170 horse and 981 cattle societies. 38,266 horses and 257,815 cattle were insured and the total membership (persons) was 100,763. Besides the horse and cattle societies there are numerous goat and pig societies.

The rate of premium has been found to average 3 per cent. for horses and about 1½ per cent. to 2 per cent. for cattle. There are more risks in Burma than in Holland or Belgium (tigers, snakes, indifferent sanitation, overwork in ploughing, less efficient control of contagious diseases) and here no society should begin with premiums for plough cattle of less than 3 per cent.

An insured bullock or buffalo becomes to some extent "fixed property" and so of more use as security for loans than an uninsured one.

In almost all countries very young cattle and old cattle are barred, and no indemnity is paid on insured animals, the death of which results from war, riot, rebellion, theft or loss (stray), fire, lightning and flood. In many Societies deaths from epidemic diseases, such as anthrax, are not covered.

Everywhere fraud on the part of the insuring member invalidates the insurance and no compensation is paid if the death be clearly due to neglect.

All healthy cattle of a member, and not merely a selection, are insured—this to prevent fraud. Sickly beasts are excluded. To ensure that the owner will tend a sick beast properly and not let it die so as to get the insurance money, Societies never pay the whole value but a proportion varying from 60 per cent. to 75 per cent. Most societies fix a maximum value for which any single animal may be insured.

The owner states the value when he gives in the list of his cattle. This valuation is checked and may be modified by the experts or committee and their valuation is the one on which the premium is paid. Valuations are checked and, if necessary, altered every six months immediately before the half-yearly premiums are paid. In all cases the Chairman, Committee, and experts work gratuitously. The Secretary may be paid a small sum.

In all societies a member joins for a year and must continue membership for three years after receiving any indemnity.

A Reserve Fund is accumulated out of the balance left over after paying indemnities. When there is a Reserve Fund an entrance fee is charged to new members.

Societies are not responsible beyond their resources. If funds do not suffice a proportionate reduction in the indemnity of the year is made all round.

One important point is that in the European countries there is *practically no rinderpest*. It has been stamped out by Government control and care on the part of owners in following the Government Rules. No Society in Burma can cover rinderpest unless the premium is raised to say 10 per cent., which would be as high as the rate on elephants and probably more than owners would care to pay.

In most European countries where Societies are numerous, they form a Central Society and to it pay one-fourth or one-half of the premiums they receive. The Central Society then bears one-fourth or one-half of the indemnities. In this way a wide tract of country is covered, say, the whole of a district, or division, or even of a province. Epidemics are almost always in scattered tracts and the freedom from deaths in one tract counterbalances the losses in another, so that there should always be funds wherewith to meet all losses. To form such a Central Society there must first be, say, 20 village societies in different districts.

III.—*Suggestions for Burma.*

In making the first model Societies in Burma it will be wise to strictly limit insurance to certain classes only of cattle. The most important class of cattle in Burma is plough and draught cattle, *i.e.*, bullocks and adult male or female buffaloes, say between four and twelve years of age. This class of cattle receives most care and attention and is most easily identified. Plough cattle do not suffer like cows and calves in famine years.

It will also be wise to exclude deaths due to rinderpest, war, riot, rebellion, the act of a third party who is liable, and to contagious diseases where the owner fails to carry out the Committee's instructions as to tending and treatment, and also to exclude losses due to theft and straying and neglect.

A safe, that is, a high rate of premium, should be levied till experience is gained. Three per cent. should be the lowest rate to start with.

When experience has been gained and the system becomes better understood it will be easy to relax the condition by, *e.g.*, admitting cows or younger beasts, by raising the age-limit, by covering more causes of death, by lowering the premium, or by paying more than two-thirds of the value. It is easier to relax than to stiffen the conditions.

There is no liability attaching to such a Society. It merely pays what it can from the funds raised by premiums.

The amount paid in indemnity is two-thirds (approximately 66 per cent.) of the value remaining after the price obtained for the skin and meat, and a third party's indemnity, if any, have been deducted. Thus if a buffalo valued at Rs. 55 dies from a gore wound and the skin and meat fetch Rs. 10, then two-thirds of Rs. 45, that is, Rs. 30, is the amount of indemnity payable.

IV.—*How to form a Society.*

The Co-operative Credit Societies Act X of 1904 requires that a Society must consist of not less than ten owners of cattle in a village. A larger number is desirable. The total value of their cattle should preferably be not less than Rs. 2,000. They should consult, and, if they agree to adopt the model bye-laws (with unimportant modifications if desired), they should apply to the Registrar, Co-operative Credit Societies, Maymyo, who will, after further explanation, take steps to register the Society.

V.—*Accounts.*

Only three books are necessary (that is all that the numerous French Village Societies keep) *viz.*—

- (1) *Cattle Register.*—In which details as to the member, his insured cattle, values, and premium paid are given. Each member has a page or pages to himself bearing a number.

- (2) *Receipt Book*.—With counterfoil, showing amount received—
- (a) for supplementary payment on account of past half-year's premium,
 - (b) for premium for present half-year,
 - (c) on account of refund of excess indemnity paid,
 - (d) on account of other things (entrance fees and fines, *etc.*).

The receipts bear a serial number and a note as to the page in the Cattle Register they refer to.

- (3) *Cash Book*—In which are entered receipts and expenditure with special columns for main heads and reference to the number of the receipt and (on both sides) to the page of the Cattle Register. No special policy is given, the receipt given to a member is his evidence of his payment to and claim upon the Society.

Specimen forms are attached. These accounts are very simple and quite within the powers of an ordinary village clerk.

The only calculation involved is that of working out the premium due on any sum (total value of all a member's plough cattle) at a given rate per cent. For this, a calculation table could, if necessary, be prepared and supplied.

Perhaps a better rate than 3 per cent. would be Rs. 3-2 per cent. which works out at 5 annas per Rs. 10 per year or 5 pice per Rs. 5 of value per half-year.

Besides these three account books a list of members and a Minutes Book must be maintained:

I.—CATTLE REGISTER.
SOCIETY FOR THE MUTUAL INSURANCE OF PLOUGH CATTLE.

Policy No. _____

Signature of member _____

Name _____

Father's Name _____

Residence _____

Statement of Plough Cattle insured during half-year
 (six months) _____ to _____

Premium rate _____ %

Serial No.	Date.	Kind of beast.	Age.	Colour.	Full description.	Value finally fixed by Committee.	Total of column 7.	Amount of premium on total value of all beasts insured.	Remarks.
1	2	3	4	5	6	7	8	9	10

III.—CASH-BOOK.

.....SOCIETY FOR MUTUAL INSURANCE OF PLOUGH CATTLE.

Receipts.

Expenditure.

Date.	Policy No.	Serial Number of receipt	From whom received.	En-trance fees.	Supple-mentary payment of premium due on account of past half-year.	Pre-mium for present half-year.	Others.	Total	Remarks.	Date.	Policy No.	To whom paid.	Indemnities.	Premium paid to Reinsur-ance Office.	General expens-es.	Total.	Remarks.

(B) BYE-LAWS ISSUED IN BURMA FOR A CO-OPERATIVE SOCIETY FOR MUTUAL INSURANCE OF PLOUGH CATTLE AGAINST DEATH.

OBJECTS, ETC.

1. The Society shall be styled the Village Co-operative Society for the Mutual Insurance of plough cattle against death. Its registered office is at

It is registered under the Co-operative Credit Societies Act X of 1904, section 29.

2. The objects of the Society are to provide for its members an indemnity in case of the loss of plough cattle due to death from disease or accident.

SCOPE OF INSURANCE.

3. The Society will not accept for insurance beasts other than healthy bullocks and male or female buffaloes between the ages of four and twelve years.

4. The Society will not pay any indemnity on account of animals the death of which is due to the following causes :—

(a) War, riot or rebellion.

(b) Theft or loss by straying.

(c) Journey by railway.

(d) The act of a third party who is legally liable to compensate the owner.

(e) Contagious diseases mentioned in the Veterinary rules where the member has failed to carry out those rules or to inform the Committee of the outbreak.

The Society will not insure any beast for more than Rs. 100.

The Society reinsure up to half its risks with a Reinsurance Society or a Joint Stock Company approved by the Registrar.

MEMBERSHIP.

5. Each Society shall operate in an area not larger than a village.

6. All respectable persons above eighteen years of age who own plough cattle in the village and are members of a registered co-operative credit society are eligible for admission and on application may be admitted by the Committee. On admission, a member must sign in the Register of Members as having received and read the bye-laws.

7. A member must belong to the Society for a year at least and for three years after he receives any indemnity (except in the case of removal of residence beyond the village area).

8. Withdrawal is only permitted on two months' written notice being given to the Committee.

9. Expulsion may be made by the Committee, with appeal to the next general meeting, for ill-treatment of cattle, grave faults, fraud or deceit, or for breaking rules or refusal to carry out sanitary orders of the Committee or Government.

On withdrawal or expulsion the member loses his rights but retains liabilities (i.e., to pay up unpaid dues).

VALUATION.

All his plough cattle must be declared by an owner with details of age and the value he places on them and description. Deceit invalidates the insurance. Three experts chosen by the general meeting from among the members will check these owners' valuations and fix values finally. These experts can refuse to admit animals in bad condition.

Newly bought animals must be declared within fifteen days and will not benefit from insurance for fifteen days after declaration. They must in all cases be inspected by the three experts.

Animals bought to replace animals sold can be substituted, provided their value is practically the same.

No refund of premium is allowed in case of sale.

The owner is bound to inform the Committee of all cases of illness at once and to carry out its suggestions for treatment.

Incurables can be sold by order of the Committee and the indemnity payable will be that due for death less the price obtained.

Experts may not judge their own cattle or those of near relatives.

The Committee will judge such cattle.

FINANCE —PREMIA—RESERVE FUND.

Each year each member must pay in advance a premium of 5 per cent. of the value of each animal insured. The premium is payable in two instalments at the beginning of each six months after the revision of the valuations.

In case of non-payment the member can get no indemnity.

If a member wishes to remove an insured beast or beasts beyond the limits of the township, he shall be bound to inform the Committee and to pay such enhanced premium as the Committee may fix, subject to a maximum of 8 per cent.

The General Meeting can raise the premium when it thinks it insufficient.

From the second year the General Meeting can charge new members entrance fees.

The funds of the Society shall be :—

- (1) The General Fund.
- (2) The Reserve Fund.

The General Fund shall be the amount paid in on account of premia each year at the February and August general meetings.

A Reserve Fund shall be created to meet calamitous years and shall be formed from—

- (1) Fines.
- (2) Entrance fees.
- (3) Donations.
- (4) The excess amount of receipts over expenditure in each year as declared by the Registrar in February after premia due to Central Reinsurance Society and indemnities accruing in the past year have been paid.
- (5) Interest accruing on Reserve Fund investments.

The Reserve Fund and other monies shall be deposited in the Upper Burma Central Bank.

Withdrawals from Reserve Fund can only be made with the approval of the Registrar; of other money deposited in the Central Bank, by the Chairman and two Committee men.

When the Reserve Fund has reached 5 per cent. of the sums assured, a dividend to custom may be paid.

DEATHS AND PAYMENT OF INDEMNITIES.

When an insured beast dies, the owner must report the death to and get it vouched for by at least two members or one of the "experts."

He must then report it to the Committee with all the circumstances; the Committee will then help him to arrange for the best sale possible of the meat and skin.

Where a third party is liable, the owner must have taken all possible action against him before receiving any indemnity.

The Society will not pay as indemnity more than two-thirds of the value of the beast. The proceeds of skin and meat, and any compensation the member may have got from a third party, will be deducted from the amount payable by the Society.

Example: A beast valued at Rs. 45 dies. Skin and meat are sold for Rs. 10. The Society will pay $\frac{2}{3}$ of 45 = 30 less 10 = 20 only.

Payment of indemnities will be ordinarily made at the half-yearly general meeting but the Committee may pay on account if funds permit.

If there is *reinsurance* the amount payable by the Reinsurance Society may be paid at once.

If funds are insufficient the Reserve Fund may be drawn on with the consent of the Registrar but not up to more than half of its amount in any one year.

If funds still remain insufficient, indemnities must be proportionately reduced for all deaths of the year.

If the Committee thinks veterinary assistance is necessary, any amount paid to a veterinary doctor will be borne half by the member and half by the Society.

MANAGEMENT.

The Society shall be managed by a Committee of from five to nine members named for two years (quorum shall be three to seven); at the end of two years two shall retire (selection by lot) but be eligible for re-election.

The Committee shall appoint a Chairman, Vice-Chairman and Secretary. The Chairman shall be Treasurer. All services shall be gratuitous. The opinion of the majority shall prevail.

It shall supervise the work of the three experts and assist them. It shall supervise the tending and use of the animals insured. It can decide on what sanitary measures should be taken and all such measures each member is bound to carry out.

At the commencement of each half year (August 1st and February 1st) there shall be a general meeting convened by the Chairman at which valuations shall be revised, premia paid, indemnities paid and questions discussed.

All members must attend. Absentees without good reason will be fined Re. 1.

At General Meetings each member shall have one vote only.

Each year at the February 1st General Meeting the Committee will submit a Balance Sheet and Annual Report. The General Meeting may then raise the premium rate and impose an entrance fee for new members.

Elections for the new Committee men shall be at the February 1st General Meeting.

Resolutions passed by a majority of those present shall be binding on all the members.

DISPUTES.

Disputes between the Society and a member shall be settled by arbitration. Arbitrators shall be members, one being appointed by each party. In case they disagree the Registrar shall decide or he may appoint an umpire to decide. The decision of the Registrar or the umpire shall be final and not removable into any Court of Law.

Modifications of Bye-laws can only be made as laid down in the Local Government Rules and when approved by the Registrar.

Dissolution can only be made as provided for in sections 21 and 23 of the Co-operative Credit Societies Act and any surplus funds will be allotted to some local work, added to the Reserve Fund of the Village Co-operative Credit Society if there be one, or, failing that, added to the Reserve Fund of the Upper Burma Central Bank.

(C) DRAFT BYE-LAWS OF UPPER BURMA CATTLE REINSURANCE SOCIETY, LIMITED.

OBJECTS, ETC.

1. The Society shall be called the Upper Burma Central Cattle Reinsurance Society, Limited.

The registered office is at Mandalay.

It is registered under Act II of 1912.

2. The objects of the Society are to provide for the reinsurance by registered Societies which are members of it of part of the risks they undertake in respect of the insurance of plough cattle by their members.

In these bye-laws Central Society means the Upper Burma Central Cattle Reinsurance Society, Limited.

SCOPE OF INSURANCE.

3. The Central Society will only do reinsurance business with Cattle Insurance Societies—

(1) which are registered under Act II of 1912 ;

(2) which are situated in the districts of—

Mandalay,

Shwebo,

Sagaing,

Kyaukse,

Meiktila,

and such other districts as the Committee, with the consent of the Registrar, shall add to the above list.

4. The Central Society will not reinsure to an affiliated Society a sum exceeding half of that which such Society is liable to pay in indemnities to its members.

MEMBERSHIP.

5. The members shall consist of—

(1) Such registered Mutual Plough Cattle Societies as agree to accept the bye-laws of the Central Society and apply for admission to and are admitted by the Committee and pay such part of their premium income as may be arranged. Such Societies shall be called affiliated Societies.

(2) Honorary members elected by the General Meeting, provided that during the first year of the Central Society's existence Honorary members may be appointed by the Registrar, Co-operative Societies.

6. Cattle Insurance Societies admitted as members must maintain such membership for one complete year at least and shall not be permitted to withdraw for three years after receiving an indemnity from the Central Society.

7. Withdrawal in accordance with the above bye-law will be permitted after three months' written notice has been given to the Committee of the Central Society.

8. Expulsion of an affiliated Society may be made by the Committee of the Central Society with appeal to the next General Meeting thereof for grave faults, fraud or deceit, for failure to abide by the bye-laws of the Central Society, or for inattention to the bye-laws of the affiliated Society by its members or officers, or for refusal on the part of the members of such affiliated Society to carry out the sanitary orders of its Committee or of Government.

REINSURANCE.

9. An affiliated Society shall be entitled on payment half-yearly in advance of a proportion of the premium income which it has collected from its members for the said half-year which shall not be less than one-fourth or exceed one-half, to be reinsured by the Central Society for an equivalent proportion of the indemnities

which it is liable to pay to its members within the same period of six months. Provided that the affiliated Society must report deaths of cattle in respect of which it is liable to pay indemnities within three days of the death, with full details as to the—

- (1) Value for which each beast that has died was insured at the last half-yearly valuation ;
- (2) The cause of death ;
- (3) Due payment in advance by the member of his premium to the affiliated Society.
- (4) If the death be due to contagious disease the steps taken to prevent the spread of such disease, the date of report to the Township Officer or Veterinary Officer and to the Registrar, Co-operative Societies.

A copy of this report must be sent at the same time direct to the Registrar.

10. The affiliated Society must also submit a certificate duly signed by the Chairman and two Committee men that the bye-laws of the affiliated Society have been duly observed in the matter of the member and the affiliated Society.

11. On receipt of such report and certificate the Central Society will remit to the affiliated Society the amount of indemnity for which it is liable.

12. If it later transpire that such payment has been obtained by fraud or concealment of important information on the part of the affiliated Society or of its Committee or officers or of the member claiming the indemnity, the members of the affiliated Society shall be bound to make good the amount so paid jointly and severally to the Central Society.

FINANCE—PREMIA—RESERVE FUND.

13. The premium in respect of reinsurance shall be paid so as to reach the Central Society within ten days of the date fixed for receipt of premia by an affiliated Society from its members.

If the period of ten days be exceeded the Central Society will not be liable for deaths occurring between the date fixed for payment of premia by members to the affiliated Society and the date of receipt of the premia by the Central Society.

14. Premia shall be due half-yearly and shall be paid in advance.

15. The Central Society shall in consultation with the Registrar, Co-operative Societies, from time to time fix the minimum rate of premium to be levied by affiliated Societies, and such Societies shall be bound to levy such rate.

16. The funds of the Central Society shall be—

- A.—The General Fund.
- B.—The Reserve Fund.
- C.—The Government Guarantee Fund.

17. The General Fund shall consist of—

- (1) The premium income received from affiliated Societies.
- (2) Donations by individuals.

18. The Reserve Fund shall consist of—

- (1) The excess amount of General Fund receipts over expenditure in each year as declared on February 1st by the Registrar after indemnities accruing in the past year and such amount in liquidation of loans from Government as may be fixed by the Registrar have been paid.
- (2) Interest accruing on Reserve Fund investments.

19. The sums borrowed from Government in accordance with its guarantee shall be repaid yearly, commencing at least from the close of the sixth year, out of the General Fund and from the Reserve Fund, provided that if repayment is made from the Reserve Fund the total so paid to Government in any one year shall not exceed 20 per cent. of the Reserve Fund as it stood on the first day of July preceding.

20. The Government Guarantee Fund shall consist of sums lent by Government under an agreement with the Central Society to enable such Society to pay indemnities to affiliated Societies which it cannot pay from the General or Reserve Funds.

21. The General Fund shall be deposited with the Upper Burma Central Bank, Limited;

22. The Reserve Fund shall be deposited in a separate account in the National Bank of India, Mandalay. It shall not be drawn upon except with the Registrar's consent and not more than 70 per cent. of it in all shall be drawn upon in any one year to meet indemnities and to liquidate the loan, if any, from Government.

23. The Society's year shall end on 30th June.

MANAGEMENT.

24. The Society shall be managed by—

- (1) The General Meeting.
- (2) The Committee.
- (3) The Manager.

25. The General Meeting shall meet at least once a year in or about August and shall, amongst other matters, deal with—

- (1) The election of the Committee.
- (2) Complaints by members against the Committee.
- (3) The fixation of the premium rate to be levied by affiliated Societies.
- (4) The enactment, amendment or repeal of its bye-laws.
- (5) The appointment of the Manager, provided that pending the holding of a General Meeting the Committee may appoint a Manager provisionally.
- (6) The Registrar's yearly audit report.
- (7) The Balance Sheet.

26. A Chairman of the General Meeting shall be elected for each meeting.

27. The General Meeting shall consist of—

- (a) Honorary members.
- (b) One delegate from each affiliated Society.
- (c) During the currency of the agreement by Government to support the Central Society with loans under bye-law 20, a representative of Government appointed by the Financial Commissioner.

28. A quorum shall be obtained if five honorary members, delegates of 5 per cent. of affiliated Societies, and the Government representative are present.

29. Each honorary member and affiliated Society delegate shall have one vote only. The Government representative shall have five votes.

30. In case of equality of votes for and against a motion, the motion shall be held to be lost.

31. *The Committee* shall consist of—

- (a) *Ex-officio* all Honorary members.
- (b) Ten Chairmen of affiliated Societies elected by the General Meeting.
- (c) The Manager.

32. The Committee shall be elected yearly by the August General Meeting.

33. A quorum shall be obtained if five members of the Committee are present.

34. The Committee shall meet at least once quarterly and shall deal with the admission to, and expulsion from, membership of registered Mutual Cattle Insurance Societies.

It shall examine the Society's books of account, the expenditure, and such other details of management as it thinks fit.

35. It shall prescribe rules for the guidance of the Manager.

36. It shall satisfy itself that business is being conducted with punctuality and in accordance with its rules of management, the bye-laws, Co-operative Societies Act and Rules.

37. The members shall serve gratuitously.

38. It shall cause a balance sheet to be made out for each year ending the 30th June and submit the same and a report of the years' working to the August General Meeting and copies to the Registrar, Co-operative Societies. Subject to the control of the Committee and General Meeting the administration of the Society shall vest in the Manager.

39. The Manager, who may be an honorary or paid officer, shall be bound to carry out the instructions of the General Meeting and Committee and to keep full and prepare accounts in the forms prescribed by the Registrar.

DISPUTES.

40. Disputes between the Society and a member shall be settled by arbitration. Arbitrators shall be members, one being appointed by each party. In case they disagree the Registrar shall decide, or he may appoint an umpire to decide. The decision of the Registrar or the umpire shall be final and not removable into any Court of Law.

GENERAL.

41. Modifications of the bye-laws can only be made as laid down in the Local Government Rules and require the approval of the Registrar.

DISSOLUTION.

42. Dissolution can only be made as provided for in sections 39 to 42 of the Co-operative Societies Act, II of 1912.

43. Any surplus funds remaining after dissolution will be allotted to some local work or added to Reserve Fund of the Upper Burma Co-operative Central Bank.