

(a) to decide upon all cases of applications for loans, and to determine the conditions upon which loans may be made. Any decision for the granting of a loan must be unanimous. A member whose application for a loan has been rejected by the Board of Credit may appeal to the Board of Administration;

(b) to attend to the recovery of debts and to the faithful fulfillment of the obligations of borrowers, and to report to the Board of Administration on the condition of the funds and upon matters pertaining to the regulation thereof;

(c) to obtain from the Manager or other employees of the Society such information as may be necessary to the proper regulation of loans. It shall be the duty of the Manager or other employees to furnish such information promptly and freely.

Art. 43. — 1. The Board of Supervision shall consist of three members who shall be elected annually. Retiring members shall be eligible for re-election. Members of the Board of Supervision shall not borrow from the Society, or become sureties for any borrower. Vacancies on the Board of Supervision shall be filled by the Board of Administration, but with such persons only as would be eligible for election to the Board of Supervision at the annual general meeting.

2. It shall be the duty of the Board of Supervision—

(a) to exercise a general supervision over the operations and affairs of the Society, to check at frequent intervals the cash, the investments and the securities, to see that the by-laws, regulations and decisions of the general meeting are properly enforced; and that the funds are not loaned or otherwise invested in a hazardous or speculative manner;

(b) to call a special meeting at any time when they are of opinion that grave irregularities exist in the management, or that the affairs of the Society are not in a proper condition;

(c) to report in writing to the Board of Administration upon any matter which in their judgment warrants it, with a view to the correction of the same. If the Board of Administration fails to take the action which the Board of Supervision deems necessary or advisable, the said Board of Supervision may call a special general meeting at which the report in question shall be presented;

(d) to perform the functions of auditors, and to submit an independent report to the annual general meeting upon the operations of the Society for the year, and upon its general affairs.

(3) The Board of Supervision may suspend the officers or the Board of Credit, if convinced that they are acting against the interests of the Society; in which case the Board of Supervision must forthwith report to a special general meeting called by them for the purpose.

4. The Board of Supervision may forbid the making of any proposed loan or investment of the Society's funds.

FUNDS.

Art. 44. — A fund, to be known as the Reserve Fund, shall be established, to be maintained from the following sources:

(a) the fees required from persons becoming members or in connection with shares;

(b) twenty per cent. of the net profits of the year. Nevertheless, the said twenty per cent. may, upon the recommendation of the Board of Ad-