



BY - LAWS

FOR

**WE VARSITY SAVINGS AND CREDIT
CO-OPERATIVE SOCIETY LIMITED**

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ABBREVIATIONS/ACRONYMS

- a. AGM or SGM - Annual or Special General Meeting
- b. BoD - Board of Directors.
- c. CEO - Chief Executive Officer
- d. ID - Identification card
- e. KUDHEIA - Kenya Union of Domestic, Hotels, Education, Industry and Allied Workers Union
- f. KUSCCO - Kenya Union of Savings and Credit Co-operatives Limited
- g. MMUST - Masinde Mulliro University of Science and Technology
- h. SACCO - Savings and Credit Co-operative.
- i. SASRA - SACCO Societies Regulatory Authority.
- j. UASU - University Academic Staff Union
- k. KUSU - Kenya University Staff Union

1. Name and Area of Operation

This Society shall be called **WEVARSITY SAVINGS AND CREDIT CO-OPERATIVESOCIETY LIMITED**; herein referred to in these By-laws as the Sacco Society" and its area of operation will be Republic of Kenya. Membership shall be drawn from all public/private institutions in the country.

2. Registered Office and Postal Address

The Registered Office of the Society shall be situated at Wevarsity Sacco Kakamega town and its Postal Address shall be P.O. Box 873-50100 Kakamega. Any change of address of the Society shall be furnished to the Commissioner for Co-operative Development, the Sacco Societies Regulatory Authority (SASRA) herein after referred to as "the Authority" and to all members of the Sacco Society through their last known address as per records held at the Sacco Society within 30 days of such change.

3. Definition/ Interpretations

In these by-laws, unless the context otherwise suggests words or phrases shall be interpreted in accordance with the Sacco Societies Act, 2008 and Regulations herein after referred to as the "SACCO Act" and "Regulations" respectively, the Co-operative Societies Act Cap 490 Laws of Kenya and the Rules made there under herein after referred to as the "Co-operative Act" and "Rules" respectively.

3.1 In these By-laws where the masculine gender is referred to, it will be construed to include the feminine gender.

3.2 In these By-laws save as otherwise expressly stated:

- a. Audit Committee- Shall mean committee of the Board established as per the Regulations
- b. "Authority" shall mean the Sacco Societies Regulatory Authority
- c. "A nominee" shall mean a person appointed by the member to inherit the shares, deposits and other interests in the society upon the death of that member.

- d. "Applicable Law" shall mean any other relevant law other than the Sacco Societies Act, 2008 and the Regulations, Co-operative Societies Act cap 490, Rules, and these by-laws.
- e. "Board of Directors" shall refer to the persons elected in a duly convened General Meeting to govern the Business of the Sacco Society as per these By-laws hereinafter referred to as the "board".
- f. "Commissioner" shall mean "the Commissioner for Co-operative Development as provided for in the Co-operative Society Act."
- g. "Core Capital" shall mean fully paid up members' shares, capital issued, disclosed reserves, retained earnings, grants and donations all of which are not meant to be expended unless on liquidation of the Sacco Society
- h. "Dividend" shall mean members share of the surplus of the Sacco Society which is divided amongst its members based on shareholding.
- i. "Deposit" shall mean a sum of money received or paid on terms under which it shall be repaid with or without interest or premium and either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and the person receiving it .
- j. "General Meeting" shall be a meeting (either "annual" or "special") for all members duly convened by the Sacco Society to conduct its business.
- k. "Gross salary" shall mean basic pay, House allowance and Commuter allowance.
- l. "Interest" shall mean members share of the surplus of the Sacco Society which is divided amongst its members based on deposits.
- m. "Member" shall include a person or a co-operative society joining in the application for the registration of a Sacco Society, and a person or co-operative society admitted to membership after registration in accordance with the by-laws.
- n. 'Member of the immediate family shall include, but not limited to, spouse, biological parents and children of each person eligible to be a member of the Sacco Society, whether or not residing in the same household.
- o. "Member in good standing" shall mean a member who is current on the repayment of his loan repayment due to the society and who is current on making his required contributions and has not in any way acted in a manner which is potentially damaging to the Society and has fully complied with the policies and rules set by this Society.

- p. "Returning officer" shall be a person appointed to oversee or conduct the elections of a co-operative society at a general meeting.
- q. "Sacco Society" shall mean a savings and credit co-operative society registered under the Co-operative Act and licensed under the Sacco Societies Act, 2008.
- r. "Share Capital" shall mean members' equity in the form of issued and fully paid up shares of common stock
- s. "Special Resolution" shall mean a resolution passed by 2/3(two - thirds) of the members present and voting at a General Meeting of the Society
- t. "Supervisory Committee" means an oversight committee elected at a general meeting.
- u. "Tribunal" shall mean the Co-operative Tribunal established under the Co-operative Act to hear and determine disputes.

3.3 Any questions concerning interpretation of these By-laws or any matters not provided for therein, errors and omissions shall be referred to the Authority or Commissioner as is applicable.

4. Vision and Mission Statement

a) Vision

"To be the leading Sacco Society in funds mobilization, credit provision and quality service".

b) Mission

To promote thrift in compliance with the Co-operative Principles by practicing good Governance and providing competitive financial products and services to members coupled with accurate and timely information for prudent Management.

1. Objectives

The Objectives for which the society is established are:

- a) To promote thrift among its members by affording them an opportunity for accumulating their savings and deposits and providing them with credit exclusively

- for provident and productive purposes, at fair and reasonable rate of interest; thereby enabling them to use and control their money for their mutual benefit.
- b) To ensure personal growth through the introduction of new products and services that will promote the economic base of the members.
 - c) To ensure progress of members and Sacco Society through continuous education programs on savings and proper use of credit, reduction of poverty, human dignity and co-operation.
 - d) To invest funds in banking or front office services, financial institutions or real estate with approval of the Annual General Meeting provided that such investment will enhance Sacco Society liquidity.
 - e) To apply the co-operative principle of co-operation among co-operatives in order to promote members' interests. In furtherance to its objects, the society may affiliate to the relevant National Co-operative Union and the Apex society.

For the attainment of the above objects, the Sacco Society may do acts and things that are permissible under the Act and Regulations, Co-operative Societies Act and Rules and these By-laws and all such other things as are incidental or consequential to the economic enhancement of its members interests provided such acts and things are approved by the members in a general meeting.

5. Co-operative principles and values

In order to achieve its objects the Sacco Society shall act in accordance with the following Co-operative principles and relevant values.

5.1 principles

(i) Voluntary and open membership

The Sacco Society shall always be guided by the principle of voluntary and open membership in its member recruitment drive without political, ethnic, racial, religious, gender or social discrimination.

(ii) **Democratic member control**

The Sacco Society will be fully controlled by members who will have equal voting rights on the basis of one member one vote.

(iii) **Economic participation by members**

Members shall contribute equitably to the capital of the Sacco Society and share in the results of its operations.

(iv) **Autonomy and independence**

The Sacco Society shall operate on mutually acceptable terms with its stakeholders who will ensure its autonomy and independence.

(v) **Education, training and information**

The Sacco Society shall foster reciprocal, on-going education programmes for members, Board of Directors, Supervisory Committee, staff and the community so that they can teach and learn from each other or from the appropriate resource persons in understanding and carrying out their respective roles.

(vi) **Co-operation among co-operatives**

In order to better serve the interests of the members and the community, the Sacco Society shall actively co-operate with other co-operatives locally, regionally, nationally and internationally.

(vii) **Concern for community in General**

The Sacco Society shall show concern for the community in which it exists and operates.

5.2 **Core Values**

The core values are:

- i) Independence

- ii) Mutual responsibility,
- iii) Equity
- iv) Honesty
- v) Transparency
- vi) Accountability
- vii) Integrity
- viii) Teamwork
- ix) Professionalism
- x) Confidentiality in all its activities.

6. Membership in the national or international associations

- a. The Sacco Society may become a Member of the Kenya Union of Savings and Credit Co-operatives (KUSCCO) Limited or any other national or international organization approved by the General Meeting.
- b. It shall recognize the fact that such Membership is vital for the safety for its transactions and in the interest of its Members in accordance with the principles of Co-operation among Co-operatives.

7. Membership and eligibility

Members shall consist of:

- a) Original Members who signed the application for registration.
- b) New members subsequently admitted in accordance with these by-laws.
- c) Any employee of this Sacco Society
- d) Readmitted members

7.1 Qualifications for Membership

- (i) Is within the field of membership consisting of the following:
 - a) Employees of Masinde Muliro University of Science and Technology
 - b) Wevarsity Sacco staff

- c) Any other qualified applicants derived from other institutions or other self employed persons as may be approved by the Board of Directors
- (ii) Has attained the age of 18 years.
- (iii) Is of good character and sound mind
- (iv) He is resident within, or occupies land within, the Sacco Society's area of operation as described in these by-laws.
- (v) Pays the entrance fee and share capital as prescribed in these By-laws provided that no member shall belong to more than one Sacco Society serving similar purpose.

8. **Application for Membership**

Every applicant for Membership shall complete an 'Application for Membership' form. This form may be drawn so as to show all the information required for the purpose of registration of a member.

9. **Admission into Membership**

- a) An applicant shall be admitted to membership on application upon payment of an entrance fee of Ksh 500 and purchase of minimum shares as shall be fixed by the General meeting from time to time. The minimum deposits per member per month shall be 5% of a member's gross pay, subject to a minimum of ksh 1,500, and shall be adjusted from time to time as it may be deemed fit and all adjustments shall be ratified by the General Meeting.
- b) Upon admission the member's name shall be entered in the membership register and a membership number issued.
- c) Members shall be admitted by the board.
- d) The member shall pay for a copy of the society's By-laws at its actual cost to the society.
- e) An applicant shall be re-admitted to membership provided that he has completed two months from the date of withdrawal.
- f) Re-admission shall be accepted by majority vote of the Board of Directors, but one shall not qualify for rights and privileges of Membership until he has paid re-admission fees of Ksh. 2,000/=.

10. **Refusal of Admission**

The Board of Directors may refuse admission to any applicant giving him reasons for the refusal in writing, provided the person, if otherwise eligible for membership, shall have the right to appeal to the next General Meeting whose decision shall be final.

11. **Members Rights and Obligations**

A member of the Sacco Society shall have the following rights and obligations:-

- a) Attend general meetings and take part in decision - making including voting in qualified candidates for the Office.
- b) Show good co-operative spirit
- c) Inform non-members and encourage them to join.
- d) Report problems affecting the Sacco and look for solutions.
- e) Participate in Sacco projects both physically and financially.
- f) Attend Educational Meetings, and Seminars organized by the Sacco.
- g) Comply with these By-laws, Co-operative Societies Act, Rules and General Meeting Resolutions.
- h) Meet the debts of the Sacco Society in case of insolvency in accordance with the provisions of the Co-operative Act and these by-laws.
- i) Buy and pay up for shares or make any other regular payments provided for in these By-laws.

12. **Member Personal Statement**

- a) Member shall receive a Member's personal Account (MPA), which shall contain full particulars such as name, Sacco Society membership number, employment, and identification (ID) number, shares balance, savings balance, Loan balance etc.
- b) Every member shall receive regular statements at least once every six months, which shall contain particulars of membership, shares, deposits and loan transactions with the Sacco Society.

13. Nominee

Every member may nominate in writing one or more persons in order of priority to whom upon his death, his shares deposits or any other interest shall be transferred. Appointment of a nominee by a member shall be in writing and signed by the member in the presence of two attesting witnesses. Such particulars of the nominees(s) shall be recorded and kept in a sealed envelope to be safely kept in the custody of the Secretary/CEO. A Member may at any time change his nominee provided such change or alteration is in writing and signed by the member in the presence of two attesting witnesses.

14. Payment to a Nominee

The nominee shall be paid the value of the deceased member's deposits at a multiplier subject to deposit cover, and interest, less any sums due to the Sacco Society as a primary or contingent liability within 60 working days upon receiving official notice of the death of the member. The nominee shall be paid other lawful payments due to the deceased member.

15. Voluntary Withdrawal

- a. Members with no liability or outstanding obligations on their accounts and on outstanding collaterals or guarantees for other member's loans may withdraw from membership at any time, without losing vested interests.
- b. Individuals who have tendered withdrawal from membership but still have outstanding loan balances or outstanding guarantees for other members loans, shall continue being responsible for their respective obligations.
- c. Partial withdrawal of non-withdrawable deposits from the Sacco Society shall not be allowed under any circumstance.
- d. Members with outstanding loans are not eligible to withdraw. They must first clear the loans from other sources.
- e. A rejoining member shall be treated as a new member in loan qualification.

16. Notice of Voluntary Withdrawal

A Member may at any time withdraw from the Society by giving 60 working days' written notice to the Society after which time the society shall settle the member's account and refund the member's deposits if he has no outstanding liability with the society subject to the board's approval and availability of funds. Any amount advanced shall attract 10% fee. Any person whose membership is terminated under these By-laws may be readmitted to membership at the discretion of the Board after attaining the requirements for readmission as stipulated in these by-laws.

17. Cessation of Membership

a). Membership in the society shall be terminated upon:

- (i) Voluntary resignation by the member,
- (ii) The death of the member.
- (iii) Expulsion from membership, Becoming certifiably insane.
- (iv) Acting contrary to the relevant provisions of the Act, Rules and by laws.
- (v) By vote of the membership at the next ensuing general meeting following suspension of a member by the BOD for any violation of these By-laws or conducts prejudicial to the societies interest.
- (vi) Being declared bankrupt by a court of law.

b). Upon leaving the Sacco Society, share capital shall be retained from every member as share capital of the Sacco Society which is transferable.

18. Suspension and Expulsion

The Board of Directors may suspend a member subject to approval of expulsion by general meeting who:

- a. Willfully fails to comply or refuses to comply with the applicable law, procedures and contracts and persists in such refusal or failure.
- b. Willfully defaults in the repayment of loans due or part of loans due for at least 3 months.

- c. Fails to save regularly. In this case one is deemed irregular saver when he fails to save in at least 3 months.
- d. Acts in a way detrimental or prejudicial to the Sacco Society's interest or for other just cause.
- e. Is convicted in court of a criminal offence involving dishonesty or imprisoned for any other offence for three months or more.
- f. For any other reason approved by the general meeting and/or as may be contained in the Sacco Society's code of conduct.

19. Suspension and Expulsion Procedure

- a. Upon formal and written proof that a member has committed a violation punishable by expulsion, the board shall serve a thirty (30) days written notice to the member stating the reason(s) for the proposed expulsion and requiring him/her to file a defense.
- b. Upon the expiry of the 30 days and taking into consideration the member's defense if any, the board shall initiate administrative inquiry and make a decision on its findings within 15 days. The Board may;
 - i) Suspend the member pending expulsion by the General Meeting or
 - ii) Impose any other punishment as may be in this By Law or as may be directed by the general meeting from time to time.
- c. A member so suspended by the BOD subject to ratification of expulsion by the General Meeting shall have the right to appeal at the next General Meeting provided the notice and grounds of such appeal have been filed with the Honorary Secretary not less than 7 days before the date of the Meeting.
- d. If the member is not satisfied with the decision of the General Meeting, he may appeal to the co-operative Tribunal.
- e. The Society shall refund the deposits but retain Share Capital, which is only transferable.

20. Payments Resulting From Withdrawal, Termination or Expulsion from Membership

- a. Withdrawal, expulsion, or termination of membership will not exonerate a member from any existing personal or membership liability.
- b. A Member who withdraws or is expelled shall be repaid the following amounts after deduction of any debts owed by him/her to the Sacco Society as borrower, guarantor or otherwise:
 - i) The nominal or book value of deposits, whichever is less; provided however that the Board may require a maximum of 60 days written notice of intention to withdraw deposits.
 - ii) Any dividends and /or interest due to him on the date membership ceased.
 - iii) Any other deposits or sums held by the Sacco Society on member's behalf

21. Funds of the Sacco Society

The funds of the Sacco Society shall consist of:

a) Core Capital

- i) Paid up members shares
- ii) Retained Earnings
- iii) Disclosed Reserves
- iv) Grants and Donations

b) Income

- (i) Interest, fees and charges, penalties, and commissions
- (ii) Entrance fee
- (iii) Any donations, grants or gifts from other bodies, organizations or individuals
- (iv) Income obtained from other lawful miscellaneous sources

- c) Liabilities**, which include deposits from members and borrowings from other sources as may be prescribed by the Authority.

- d) Funds obtained from lawful miscellaneous sources.

Capital Adequacy

The Sacco Society shall at all times maintain:-

- i. Core Capital of not less than 10million shillings
- ii. Core capital of not less than 10% of total assets
- iii. Core capital of not less than 8% of total deposits
- iv. Institutional capital of not less than 8% of total assets

22. Application of Funds

The funds of the Sacco Society shall be applied for the promotion of the stated objectives and purposes of the society as set forth in these By-laws and as determined or approved by the General Meeting of the Members. In particular, the funds of the Sacco Society shall be invested in:

- i. Securities issued or guaranteed by the government or any agency of the government.
- ii. Deposits obligations or other accounts of deposit taking institutions under the banking Act
- iii. Shares, stocks, deposits in, loans to or other obligations to any Sacco Society or Co-operative Society.
- iv. Loans to members.
- v. Properties and Equipment for purposes of Sacco business
- vi. Any other manner as may be provided for by the relevant statutes from time to time

Investments above shall not in the aggregate, exceed such proportion of total assets, core capital and deposits of the Sacco Society as prescribed in the Regulations.

23. Shares Capital

- a) The nominal value of each share shall be Ksh. 1,000/= and every member shall hold minimum shares in the society as approved by the AGM from time to time, but no member shall hold more than one fifth of the total shares.
- b) Any amount exceeding (a) above may be accepted towards the purchase of shares, provided, however, that the general meeting may fix a minimum amount that may be paid in by a member at any time.
- c) With the approval of the Board of Directors, a member may at any time transfer his shares to another member. Such transfers must be in writing and at nominal value.
- d) All transfers of shares must be registered with the Sacco Society, and no transfer shall be valid unless so registered. A fee Ksh. 500/= shall be paid to the Society by the transferee. A member shall be given a share certificate for the shares owned.
- e) The shareholding of a member who fails to complete payment of the required minimum shares within two years of his admission to membership, and does not increase the balance to the required minimum shares within two years of the reduction, may be subjected to a fine upon authorization of the BOD. Before such a fine is levied, such member shall be sent a 30 days written notice to his/her last known address which notice shall provide that, unless his share balance is increased to minimum shares, his balance shall be absorbed by a fine.

24. Liability of Members

- a) The liability of a member shall be limited to the nominal value of shares held by the member.
- b) In the event of liquidation, where available funds are insufficient to pay the full nominal value of the shares held by the members, the funds shall be distributed pro rata among the shareholders according to the amount of shares held by each.

25. Deposits

- a) Deposits to the society made by a member through the Back Office Operations shall not be withdrawable unless on cessation of a Membership.

- b) Deposits made to the Sacco Society's Front Office Service Operations shall be withdrawable according to the terms and conditions as provided by the BOD.

26. Borrowing Powers

- a) Loans may be obtained from non-members subject to the maximum amount and terms approved by the General Meeting through special resolution provided the total external borrowing by the Sacco Society does not exceed the limit prescribed in the Regulations.
- b) For the securing of any loans accepted by the Sacco Society under (a) above, the Sacco Society may grant a charge over its assets. The authority to grant a charge shall be reserved to the General Meeting subject to the approval by the Commissioner for Co-operative Development.
- c) The rate of interest on loans shall not exceed the current market rates.

27. Receipting of Money

- a) Money paid in or out on account of shares, deposits, loans, interest, fees, penalties or fines shall be evidenced by an entry in the member's personal account or issuance of an official receipt in the name of the Sacco Society.
- b) Should the Member Personal Account or other receipt given to the member by the society be lost or destroyed, the member shall be given duplicate member personal account or duplicate receipt on request at a fee as set by management from time to time.
- c) The C.E.O may require the member to sign an indemnity to protect the society against any loss due to the issuance of such duplicate. The C.E.O may also require payment to the Society of a reasonable charge to cover the cost of issuing the duplicate member Personal Account provided the amount does not exceed Kshs. 200/=.

28. Liquidity and Reserves

- a) The Society shall maintain a Reserve Fund as required by the Act and Rules. The reserves shall be credited with at least 20% of the net surplus of each financial year.

- b) The Sacco Society shall maintain liquid assets as follows:
 - i. Core capital of not less than Ksh 10 million
 - ii. Core capital of not less than 10% of total assets
 - iii. Core capital of not less than 8% of total deposits
 - iv. Institutional capital of not less than 8% of total assets
- c) Liquid funds are cash and deposits with a maturity of not more than 90 days. The BOD may increase liquidity from time to time to meet seasoned demands as they might arise.
- d) Capital Reserve shall be held by the Sacco Society to fund the growth and to meet operational losses not related to loans, the allowance for a loan loss account shall be held to meet loan losses. Capital reserve and the allowance for loan loss account shall not be distributed to members except in the case of dissolution of the Sacco and after all of the losses have been provided for.

29. General Meeting

The supreme authority shall be vested in the general meetings. Such Meetings shall be held as follows:

- a. The Annual General Meeting shall be held within 120 days from the close of the financial year. The agenda shall be outlined by the Board and guided by the Co-operative Societies Act.
- b. Any business not completed at the Annual General Meeting, may be taken up at a subsequent Special General Meeting.
- c. A Special General Meeting shall be held:--
 - i) When convened by the BOD or the Commissioner in accordance to the Act and Rules.
 - ii) Within 15 days of receipt of a written demand/request from at least 100 members or one fifth (1/5) of the total membership whichever is less.
 - iii) Provided the request is deposited by registered mail at the Sacco Society's address or delivered to the C.E.O at the Sacco Society's offices within normal working hours.

30. Notice of Special or Annual General Meeting

- a. Except as noted above, at least fifteen clear days notice shall be given in the case of an Annual General Meeting or a Special General Meeting. The Honorary Secretary shall take all possible and usual steps such as announcements at public meetings, posting notice on the Society's notice board or an advertisement in the local newspaper to inform all members of the date, venue and main business of the meeting. All written notices shall include a statement of the business to be dealt with.
- b. The notice of the Special General Meeting shall clearly specify all the issues to be discussed. The Special General meeting shall deal exclusively with the issues for which it was convened.
- c. A Special General Meeting of members, convened solely for this purpose shall have the exclusive power to amend the Sacco Society's by-laws.
- d. All meetings of the members shall be conducted according to the procedures and rules of order approved by the Board of Directors.

31. Quorum

Except when convened by the Commissioner, the presence of at least 1/4 of the total number of members or 100 members, whichever is less, shall constitute a quorum for the conduct of business at a General Meeting. When a quorum is not attained, the Chairman shall adjourn the meeting, which shall be advertised within the next 15 days. If at such a meeting, a quorum is again not attained, the Chairman shall declare the meeting open with those present 30 minutes after the advertised time of the meeting.

32. Required Members' Resolutions by Simple Majority

Under these by-laws, members may do the following:-

- a) Decide by votes of the members present any questions of interest to the Sacco provided that the notice convening the meeting specified that such questions would be considered at the meeting.

- e. Determine and fix the amount of indemnity that shall be signed by the board of directors as per the Act.
- f. Determine the disposal of the net surplus resulting from operations of the Sacco Society during the past financial year in accordance with the applicable law.

38. Minutes

All business discussed and resolved at the General Meeting shall be recorded in a minute book within one week of the meeting, and shall be signed by the Secretary of the Meeting and at least one other Board Member who was present at the meeting to verify that in their opinion the minutes are a true and complete record of all important matters which were discussed or decided at the meeting.

Any alterations shall be recorded accordingly in the minute book under matters arising in the next meeting. The meeting shall, by resolution, authorize the chairman to sign and date the final record.

39. Board of Directors

- a) The board shall be the governing body of the Sacco Society elected from the general membership and shall consist of not less than five and not more than nine members.
- b) The Board shall have the Chairman, Vice chairman, Treasurer and Honorary Secretary all of whom shall be elected by the board from amongst the members of the board.
- c) Members of the board shall hold office for a period of three years provided that one-third of the board members shall retire every year except for the chairman and vice chairman who shall go for three years without facing elections. All members will be eligible for re-election.
- d) Where the membership of the board falls below five the BOD shall co-opt qualified member(s) into the board until the next General Meeting.

40. Eligibility into Board of Directors

No person shall be eligible as a member of the Board of Directors if he/she:-

- a) Has not been a member of the Sacco Society for at least one year prior to the Annual General Meeting.
- b) Has been adversely named by the Commissioner or his representative in an inquiry report endorsed by an Annual or Special General Meeting for mismanagement or corrupt practices whilst still a member of the Board of a Sacco Society in the last ten years, or named in any other national inquiries where he has been shown to be engaging in dishonest activities,
- c) Has been adversely named by the Authority in an inspection report for mismanagement or corrupt practices while still a member of the board of a Sacco Society
- d) Has been charged of any offence involving dishonesty, a crime involving fraud, perjury or breach of contract of a licensed financial institution.
- e) They are not members of the parent institution (MMUST).
- f) Has been convicted of any offence involving dishonesty or is imprisoned for three months or more with a crime involving fraud, perjury or breach of contract of a licensed financial institution.
- g) Is delinquent on loans with the Sacco for more than 60 days within 2 years prior to elections;
- h) shall not have attained a minimum of "O" Level Certificate of Education or equivalent;
- i) Is un discharged bankrupt ;
- j) Is under 18 years of age;
- k) Is of unsound mind;
- l) Is a member or Board member of another existing Sacco Society licensed under the Act;
- m) Is an official of or holds a political office at any level
- n) Does not conform to minimum qualification standards in accordance to the applicable law.
- o) Has not been earning through FOSA for at least six months and thereafter
- p) Has been removed from public office on disciplinary action.

- q) Has not duly executed the Fit and Proper Test form as provided in the Regulations
- r) If a Member of the Board fails to attend three consecutive meetings without being excused there from, or otherwise fails to perform his duties, his position may be declared vacant and the vacancy filled as provided in these by-laws.
- s) Where a Member of the Board is out of station for a period exceeding 3 months and is therefore unable to perform his duties, his position may be declared vacant and the vacancy filled as provided for by the by-laws.
- t) If he/she has saved non-withdrawable deposits below average based on figures of the preceding financial year.
- u) One must comply with any other provisions as given in these by-laws.

41. **Functions and Responsibilities of the Board**

The Board shall:

- (i) Observe in all its activities the Act, the Rules and these By-laws and prudent business practices.
- (ii) Generally direct and monitor the affairs of the Sacco Society.
- (iii) Act upon all applications for Membership unless an officer is appointed to do so,
- (iv) Arbitrating on members' cases
- (v) Ensure that true and accurate records are kept and compliance with minimum requirements for investment and properties, capital, reserves, liabilities, income and expenses reporting, liquidity etc are observed
- (vi) Determine the amount and kind of surety bond, or other security, which shall be required of the, C.E.O and any other Officer or Employee having the custody of, or handling funds or property of the Society.
- (vii) Draft or cause to be drafted the internal regulations which shall include all matters which have not been taken care of or provided for in the applicable law which call for specific enactments to- ensure smooth functioning of the Sacco.
- (viii) Determine from time to time the interest rates on Loans, the repayment period, loan loss provisioning, terms of payment or amortization of loans to members and the maximum amounts that may be loaned with or without security to any member.

- (ix) Lay before the General Meeting a statement of financial position and final accounts and budget for the following year, prepare and develop business plans and strategic plans.
- (x) Recommend to the General Meeting the dividend rate to be paid on shares and interest rates on deposits.
- (xi) Fill vacancies occurring in the Board before Annual General Meetings.
- (xii) Authorize investments in the Society and the conveyance of property.
- (xiii) Authorize borrowing and lending operations of the Sacco Society in accordance with applicable laws.
- (xiv) Designate a depository, or depositories, for the funds of the Sacco Society.
- (xv) Submit proposals to the General Meetings and providing information necessary to enable the members deliberate and take actions.
- (xvi) Employ staff and terminate them if necessary.
- (xvii) Assisting persons empowered to audit the accounts and supervise the operations of the Sacco Society.
- (xviii) Fix the compensation of staff and ensure availability of appropriate terms and conditions for service, human resource policy, job descriptions and specifications.
- (xix) Impose fines and penalties where necessary
- (xx) Approve transfer of shares between members.
- (xxi) Review monthly delinquency reports and supervise the collection of loans to members and authorize the write-offs of uncollectible accounts.
- (xxii) Affiliate and maintain liaison with national or international organizations or any other apex bodies approved by the General Meeting.
- (xxiii) Make capital expenditures in any amount as contained in the budget.
- (xxiv) Offer new services and pricing policies and set appropriate policies and ensure implementation,
- (xxv) Introduce new members' services and establish pricing for services including interest rates, if applicable, and fees.
- (xxvi) Establish and approve appropriate policies including human resource management, savings, liquidity, investment, dividend, risk management, membership administration, cash handling and information management and preservation.
- (xxvii) Formulate the Electoral Policy to guide in the nomination and election process .

- (xxviii) Cause the audited accounts to be displayed in a conspicuous place at its registered office and branches at least two weeks before presentation of accounts to its members at the general meeting.
- (xxix) Prepare and approve a code of conduct in the form set out in the third schedule of the Regulations.
- (xxx) Ensure that the Sacco Society pays its statutory levies to the Authority as and when they fall due.
- (xxxI) Ensure adequate provisions for known and probable losses and recommend to the General Meeting the write-off of bad debts.
- (xxxii) To provide adequate budget for education and training of members, and the capacity development of the board and staff.
- (xxxiii) Receive and consider reports from the established Board committees.
- (xxxiv) Report to the Annual General Meeting on its (Board's) activities and actions.
- (xxxv) Perform such other duties as it is necessary to preserve the sound management of the Sacco Society and authorize any action consistent with the applicable, unless specifically reserved for the General Meeting

42. Legal Standard of Care

In the conduct of the affairs of the Sacco Society the Members of the Board shall exercise the prudence and diligence of ordinary men of business and shall be held, jointly and severally liable for any losses sustained, through any of their acts which are contrary to the applicable laws and policies, code of conduct of the Sacco Society or the directions of any General Meetings.

43. Delegation of Duties

- a. The BOD may delegate in writing to an Officer or employee of the Sacco Society such of its duties as it deems necessary.
- b. Nothing in (a) above shall absolve the Board from its responsibility of running the affairs of the Sacco Society in proper and businesslike manner. The Board must ensure full control.

44. Board Committees

The Board shall elect Sub-committees, such as an Education Committee, Finance and Administration Committee, Credit Committee, and such number of sub-committees as the Board shall determine. The members of the sub-committees shall be drawn from the Board.

45. Delegation to Sub-Committees

The Board may delegate to the Sub-committees some of its powers and duties under these By-laws as it deems fit

46. Vacation of Office by a Board Member

A Member of the Board, or any other sub-committee shall cease to hold office if he/she ceases to be a member of the Sacco Society or by resignation or removal from the Board or loses qualities of eligibility as clause 40.

47. Executive Officials.

The Chairman, Vice Chairman, Treasurer and Honorary Secretary shall be termed "Executive Officials". The Executive Officers shall be elected at a meeting of the Board within 7 days after the Annual General Meeting in which they were elected.

48. Chairman and Vice-Chairman

- a. The Chairman shall preside over all Meetings of the members, and over all meetings for the Board. He shall perform such other duties as he may be directed by the Board consistent with the provisions of the applicable laws.
- b. Vice-Chairman shall perform the duties of the Chairman during his absence, and shall perform such other duties as he may be directed to by the Central Management Committee.
- c. Any other duties assigned by the Board.

49. **The Treasurer**

The Treasurer should have some financial Management background. His powers and duties shall be to:

- a. Generally manage or cause to be managed the financial affairs of the Sacco Society in a competent and efficient manner.
- b. To maintain full and complete records of all assets, liabilities, income and expenses of the Sacco Society.
- c. To ensure the safe keeping of the Sacco Society's money, securities and books of accounts.
- d. To ensure that all payments and expenditures are duly authorized.
- e. To be in-charge of Human Resource in the Sacco.
- f. Any other duties assigned by the Board
- g. Mandatory signatory to the Sacco Society's accounts.

50. **Honorary Secretary**

The duties of the Honorary Secretary are:

- a. To ensure the proper record of minutes of the Board Meetings and General Meetings.
- b. To ensure that the Sacco Society's correspondence is promptly and correctly attended to ensure the communication of notices of meetings.
- c. To liaise with and assist the Treasurer in the Management of the society, The Board may delegate some of the Secretary's duties to the Manager
- d. To perform such other duties as may from time to time be assigned by Board
- e. Signatory to the Sacco Society's account.

51. **Credit Committee**

- a. If appointed, the Credit Committee shall consist of three members who shall be members of the Management Committee but none of whom shall be executive officials. The Credit Committee shall be elected at a meeting of the Management Committee within 7 days after General Meeting.

- b. The BOD may see the minimum qualifying standards for the Credit Committee Membership.

52. Meetings of Credit Committee

The Credit Committee shall hold such meetings as the business of the society may reasonably require, but not less frequently than once a month.

53. Duties of Credit Committee

- a. Shall keep records of its actions.
- b. Shall inquire carefully and diligently into the character and financial conditions of each applicant for a loan, and his guarantors, if any, to ascertain his ability to repay fully and promptly the obligations incurred by him, and to the borrower.
- c. Shall report to the Board as it may require

54. Education Committee

The Education Committee shall consist of three members who shall be members of the Board, where the Vice-chairman of the Sacco Society shall be the Chairman of the Education Committee. It shall be upon the education committee to elect Secretary and Member.

55. Duties of Education Committee

The functions of the Education Committee shall be to:

- a. Organize, facilitate and promote Members, Board Members and Supervisory Committee Members Education.
- b. Organize, promote and oversee Sacco Society staff training.
- c. Ensure production and acquisition and review policies, literature including periodic magazines, or brochures.
- d. Promote distribution and interpretation of these By-lawsto members.
- e. Arrange for educational tours in liaison with other members of the Board
- f. Advise the Board and update members on all matters of education and information.

- g. Ensure allocation of funds for educational purposes and apply the funds for the benefit of the Sacco Society
- h. Prepare periodic reports on educational and information and publicize some for the benefit of the Sacco Society.
- i. Identify, collect, disseminate and publish co-operative news for the benefit of the Sacco Society.
- j. Carry out any other duties as may be assigned by the Board.

56. Finance and Administration Committee

The finance Committee shall consist of three members from the board including the Treasurer who shall serve as its Chairman. Its duties shall be to:

- i. Review and make recommendations to the Board on the financial plans of the Sacco Society ensuring its adequacy and soundness in providing for the Sacco Society current operations and long term stability.
- ii. Review, discuss and make recommendations to the board concerning significant financial planning, management and reporting issues of the Sacco Society
- iii. Review periodic financial statements of the Sacco Society before submission to the board.
- iv. Consider and advise the board on investments and borrowings.
- v. Make recommendations to the board on capital expenditure projects.
- vi. Ensure all expenditure of the Sacco Society are within the approved budgets
- vii. Monitor the management's adherence to the procurement plans approved by the board
- viii. Review and make recommendation on finance related policies including investments, capital adequacy and financial performance monitoring.
- ix. Ensure the Sacco Society has liquidity management policies as prescribed in the Regulations.
- x. Review loan interest rates and other levies proposed by the management and make recommendations to the board for approval.
- xi. Review and make recommendations on appropriate Human Resource Policies,

- xii. Review the organizational structure of the Sacco Society and ensure it is manned by staff with relevant skills and experience.
- xiii. Ensure that periodic reviews of staff performance are conducted.
- xiv. Examine and recommend Human Resource expenditure for approval by the board.
- xv. Ensure establishment of management succession plan in the Sacco Society.
- xvi. Ensure the management adheres to the approved human resource and related policies

57. Tender Committee

There shall be a Tender Committee which shall be constituted as per procurement Regulations relevant to Co-operative Societies. Tender Committee shall have the responsibility of ensuring that the selection of bidders are based on fair competition and in compliance with the legal and regulatory framework for the supply of goods, works and services above the Tender Committee threshold. And shall be responsible for the duties of tender committee as provided for in the Co-operative societies tender committee.

59. Audit Committee

- a) The audit committee shall consist of not more than three members appointed from the board, one of whom shall be conversant with financial and accounting matters. The chairman of the board shall not be a member of the Audit committee.
- b) The primary responsibility of the Audit committee shall be as prescribed in the Regulations which includes:-
 - i. Ensuring establishment and review of the internal control system.
 - ii. Review performance and findings of the Internal Auditor and recommend remedial actions regularly and at least once in every three months.
 - iii. Recommending three names of external auditors and the remuneration to the board.
 - iv. Reviewing coordination between internal and external audit functions as well as monitor external auditors independence and objectivity.
 - v. Report to the board on their findings and recommendations.

- vi. Members of the Finance and Administration and the Credit chairman shall not be members of this committee.

61. Supervisory Committee

The Sacco Society shall have a supervisory committee consisting of three members each elected at the General Meeting for a period of three years and one member of the supervisory committee shall retire annually. No person who has been a member of the board within two (2) years preceding the date of the anticipated election shall be eligible for membership of the supervisory committee.

The committee shall:

- a) Have qualifications similar to those of members of the Board.
- b) Be required to have at least some knowledge of accounts.
- c) be removed by a resolution of the general meeting.

The supervisory committee shall hold monthly meetings save for joint meetings between its members and those of the Board. However, it may hold more meetings as approved by the board.

62. Duties of the Supervisory Committee

The duties of the supervisory committee shall include:

- (i) Counterchecking, the effectiveness of the Sacco Society's internal control systems through:-
 - a. Verification of all transactions of the Sacco Society
 - b. Writing periodic report to be tabled at board meetings
 - c. Submission of its reports to the commissioner
 - d. Presenting its reports to general meeting.
- (ii) The supervisory committee shall not perform the duties or exercise any of the powers of the board.

- (iii) The supervisory committee shall be held liable for any loss incurred due to their negligence in performing their duties.
- (iv) The Supervisory Committee shall serve as the appeal committee to hear appeals from suspended members

63. Election of Supervisory Committee

- i) The Supervisory Committee shall be elected by the general membership at the Annual General Meeting.
- ii) The Supervisory Committee shall consist of three members who must not be employees of the Sacco or serving on the Board.
- iii) Terms of the Committee members will be for 3 years. One third of the Committee members shall retire annually provided, after a term of 3 years, they may be eligible for re-election.
- iv) The Supervisory Committee Members shall elect amongst themselves a Chairman and a Secretary. The Secretary of the Supervisory Committee shall prepare, maintain and keep custody of the records of all actions taken, including written evidence of any audits performed by the Committee. Conditions for elections shall be the same as those of the members of the Board.

64. Liability of Supervisory Committee

In spite of its total independence from the Sacco Society's Board, the Supervisory Committee Members are jointly and severally liable for the poor or non-performance of their duties, whether resulting from the lack of supervision or negligence in noticing illegal, unsound and/or fraudulent acts.

65. **The Chief Executive Officer**

The Society shall appoint any qualified person to be the CEO of the Society. If appointed, the powers and duties that may be assigned to him or her by the Board and all those set forth in the Applicable Law shall be:

- a. To Manage the affairs of the Sacco Society in a Competent and Professional manner
- b. To cause to be kept proper books of records and registers.
- c. To attend Board Meetings and the Annual General Meetings in an advisory capacity but have no voting rights.
- d. To prepare and analyze on a quarterly basis the Sacco Society's budget.
- e. To represent the Sacco Society in business transactions and any other activities authorized by the Board.
- f. To provide information required by the Supervisory Committee in time.
- g. To advise the Board on staff establishment and revision of salaries.
- h. To implement recommendations set forth in the audit reports and those issued by the Supervisory Committee.
- i. To ensure on a monthly basis the accounting records are balanced and the individual accounts subsidiaries are up-to-date and the income statement, balance sheet, and delinquency lists are complete and correct. Ensure that the accounting records are maintained in accordance with internationally accepted accounting principles.
- j. To ensure that adequate insurance is in place to protect the assets of the Sacco Society against potential loss including but not limited to the following hazards: fire, windstorm, floods, civil disturbance, theft, robbery, burglary, collapse of building, power damage etc.
- k. To direct and supervise the administration and processing of loan applications by Loans Officers.
- l. To establish a pricing strategy for products and services, in which the interest rates structure will seek a balance between the Loans available to the members, and the long-term viability of the Sacco Society.

For this purpose the CEO should consider:

- a) Costs, particularly those related to members savings, Interest, dividends, the allowance for loan loss, and operating expenses.
- b) The need for a strong capital position, which is essential for the Sacco Society's long term viability and future growth.
- c) The competitors' pricing structure, giving the competitive nature of the financial market.
- d) To assist the Board in determining acceptable types of collateral that can be used to secure the Sacco's Loans
- e) To ensure that there is adequate liquidity to meet loan demands, deposits withdrawal, savings and operating expenses.
- f) To ensure drawing up and updating of job descriptions of each employee.
- g) To ensure implementations without delay of all decisions of all committees of the Sacco Society and the General Members Meetings.
- h) To Provide and maintain full and complete records of all assets and liabilities of the Sacco Society and cheques, drafts and other orders for disbursement of its funds.
- i) To prepare and submit to the Board on monthly basis complete Financial Statements showing the operations of the Sacco including a list of delinquent loans and age of delinquency.

66. **Books and Records**

Subject to the applicable laws, Wevarsity Sacco Society shall keep up-to date and in a proper business-like manner accounts and such books as the Acts, Rules and the Society's Policies may require from time to time. The following books shall be kept by the Society:

- i. A register of members showing in respect of each member;
 - The name, age, date of application for membership, address and occupation.
 - The date on which he ceased to be a member
 - The minimum shares held in the Sacco Society
- ii. Minute book giving details of proceedings in all Sacco Meetings.
- iii. A cash book giving details of all monies received and expended by the Sacco Society.

- iv. A Nominee register showing member's nominee details
- v. A general ledger containing such accounts as is necessary to properly record the transactions of the business of the Sacco Society.
- vi. A personal ledger for each member showing his transactions with the Sacco Society.
- vii. An assets (Property) register.
- viii. A register of loans to members showing in respect of each loan the name of the borrower, the amount borrowed, the purpose of the loan, the due date of repaying, and the date the repayments were completed
- ix. A register of charges showing in respect of every charge created by the Sacco Society, the amount of the charge and the person entitled thereto.
- x. A copy of the Co-operative societies Act, Sacco Act.
- xi. A copy of the Co-operative societies Rules and Sacco Regulations.
- xii. A copy of the Sacco Society's by-laws
- xiii. A certificate of registration of the Sacco Society, visibly displayed in the office.
- xiv. Copies of approved final accounts
- xv. Copies of monthly financial statements/trial balances
- xvi. Copies of the Credit policy and other Sacco Society Policies.
- xvii. Copy of Insurance Policy documents and Risk Management Certificate.
- xviii. A guarantor's control register showing the guarantors name, member account number, borrowers name, amount of loan guaranteed, date granted, loan interest rate and collateral required, if any.
- xix. Such other books and records as required by the applicable laws and are customarily necessary to be kept by a business concern to show that it is being operated in a proper and businesslike manner or as the commissioner may prescribe.

67. Financial Year

The financial year of the Sacco Society shall be from 1st January to 31st December.

68. Policies and Guidelines

The board may make such policies and guidelines not inconsistent with these by-laws, as they may deem necessary for the conduct of the Sacco Society's business. Any such policies and guidelines shall be recorded in the minute book and shall be posted on the Sacco Society's notice board, and shall come into force when and as determined by the board.

69. Elections

- a. The board shall notify the members and the Returning Officer of the vacancies arising in both the board and the Supervisory Committee.
- b. The elections of Wevarity Board of Directors and Supervisory Committee shall fall within electoral zones namely: UASU, KUSU and KUDHEIA. Each electoral zone shall produce 3 three candidates to the board and 1(one) candidate to the Supervisory Committee. Only Masinde Muliro University of Science and Technology employees shall be eligible to vie for any position in the Sacco Society.
- c. The Returning Officer shall be the Commissioner for Co-operative Development or his representative.
- d. At the elections, members shall decide, by majority vote, the method of voting. The method may be secret ballot or queuing or by show of hands.
- e. No member shall be entitled to vote by proxy.
- f. Irrespective of the number of shares held by him, no member shall have more than one vote.
- g. Within 7 days after their election the names and address of all elected to office shall be compiled by the Hon. Secretary of the Society.
- h. All Board and Supervisory Committee Members shall file an indemnity within 14 days of their election and also make returns to the Commissioner on the declaration of wealth within 30 days.
- i. Elections shall be guided by election policy.
- j. The election results shall be announced immediately by the presiding officer on the floor.

70. Board Meetings and Quorum

- a) The board shall meet at least once every month and no more than 2 months shall lapse between the date of one meeting and the date of the next meeting. At least 5 (five) members shall form a quorum of the meeting. Provided that they do not meet more than twelve times a year.
- b) The members of the board shall be served with a 7 days written notice of the meeting.
- c) Special Meetings of the Board may be called by the Chairman or by any three Board Committee Members upon which at least three days prior notice to all the Committee Members must be given.

71. Conflict of Interest

No member of the Board, Supervisory Committee or staff shall be present in a meeting at the time affairs relating to them are being discussed. Similarly, no tenders shall be awarded to board members, supervisory, staff, their close family members and relatives or their companies whatsoever.

72. Authority to Sign Documents

- a) The Chairman, Vice Chairman, Hon. Secretary, Treasurer and C.E.O shall be signatories for the Sacco Society Contracts and all other Sacco transactions. The Treasurer's signature shall be mandatory. The C.E.O shall countersign all society documents
- b) Unless as otherwise clearly stated in written and signed by the chairman on behalf of the board, the documents of the Sacco Society shall be deemed official provided they carry the official stamp and designated signatures referred to above.

73. Removal from Office

- a) The Board by majority vote may remove from Office any Board Member or Employee who violates the applicable law or any other policies made there under and signed by the board or for any other good and sufficient cause. No person may be removed under this by-law until he has been informed in writing of the reasons for the person's proposed removal and until the person has been given the opportunity to appear before the Board

to defend the allegations made against him. These conditions do not preclude the board from temporarily suspending the person and removing them from their positions in order to protect the well being of the Sacco Society until such time as a final determination is made.

- b) Any Board Member who is expelled or withdraws from membership or whose membership is terminated by operation of these By-laws shall be removed from the board and the vacancy may be filled by a majority vote of the board members then holding office for the balance of the term within thirty (30) days after the removal provided that the provisions of by-law 69 (b) and Rule 23 (3) are adhered to.
- c) Save as provided in by-law (b) above, the board shall by a majority vote of the members then holding office appoint a member of the Sacco Society to fill the vacancy occurring in the board. Appointments under this section shall be valid only until the next Annual General Meeting held after the date of appointment. At the Annual General Meeting, the members shall elect a board Member to serve for the balance of the unexpired term.

74. **Distribution of Surplus Funds**

Subject to the applicable laws and the approval by the General Meeting, the net surplus resulting from the operations of the Society during any financial year shall be disposed of as follows:

- a) Credited to the Reserve Fund.
- b) Disposed of as decided by the General Meeting for:
 - i) Paying dividends on shares *or interest on Deposits*
 - ii) Being forwarded to any Funds of the Sacco or any other fund or funds of the Sacco Society including the appropriations.
 - iii) Paying honorarium to Board members and bonus to staff.
 - iv) In any other way recommended by the board and approved by the General Meeting.

75. Loans

The administration of loans shall be as stipulated in the credit policy.

76. Common Seal

The Society shall adopt and use a common seal bearing the word "WEVARSITY SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED" and shall be kept securely under lock and key by the ^{CEO} Manager or duly designated officer for that purpose and shall be used only by, and in the presence of, the officers authorized to sign documents on behalf of the Sacco Society.

77. Disputes

Any dispute arising out of these By-laws or concerning the business of the Sacco Society shall be referred to the Co-operative Tribunal established under the Co-operative Societies Act. DISPUTES CAN ARISE:- Among Members, past members and persons claiming through members, past members and deceased members, or between members, past members or deceased members on one hand and the Sacco Society on the other, or between the Sacco Society and any other registered co-operative Society under the Co-operative Society's Act

78. Confidentiality Oath

- a) The Board Members, the supervisory Committee and employees of the Sacco Society shall hold in the strictest confidence all transactions of the Sacco Society with its members and all information in respect of their personal affairs, except to the extent deemed necessary by the Board of Directors in connection with the granting of the loans and the collections thereof.
- b) In cases of breach of confidentiality, besides the resulting action for damages, the responsible party shall be removed from office or their employment terminated.
- c) No Board member, Supervisory Committee member or employee of the Society shall in any manner participate in the deliberations upon, or determination of any question affecting his own financial or personal interest.
- d) In the event of disqualification of any such Officer, if he is a board member or supervisory committee member, he shall withdraw from such deliberation or determination, and the remaining qualified board or supervisory members present at the meeting, if constituting

a quorum without the disqualified person, may exercise with respect to the matter, all the powers of the board or supervisory committee.

79. Amendment of By-Laws

These By-laws may be amended in accordance with the procedures set forth in the Act, Rules and these By-laws but no amendment shall become effective until it is approved and registered by the commissioner for Co-operative Development.

80. Acquisition of By-Laws

Any person may purchase a certified copy of these By-laws from the registered Office of the Sacco Society upon payment of a fee that may be determined by the board. For purposes of this provision, a copy of the By-laws shall be deemed duly certified provided it is endorsed by the authorized persons to sign the society documents as stated in these By-laws.

81. Inspection of Documents

All books of accounts and other records shall at all times be available to the Members, the Board and Supervisory Committee of the Society. A copy of the Act, Registration Certificates, Licenses, these By-laws and a list of its members excluding details of nominees, deposits/shareholding and loans shall be available for inspection by any member free of charge.

82. Dissolution

- a) The Society may be dissolved in accordance with procedure set forth in the Cooperative Societies Act (CAP 490) No. 12 of 1997 and Amendment Act No. 2 of 2004 and Rules made there under.
- b) In the event of liquidation, the assets of the Sacco Society shall be realize all liabilities shall be paid all savings shall be refunded to the Member in proportion the value of each member's share at the date of liquidation.

83. Amalgamation.

The society may be amalgamated with any other society in accordance with the co-operative societies Act, CAP 490.

84. Payments to Officers.

Executive officials or the Board members shall not receive from the society any payment, except for sitting, travelling, subsistence or other allowances as may be prescribed while working on the Sacco Society's business or an honoraria from the net surplus as allowed by these By-laws or any other legal payment as determined by members at a general meeting.

85. Audits

The Sacco Society shall submit to the Authority the selected names of the external Auditor within 30 days after the General meeting that appointed the auditor.

The Auditor shall submit audited accounts to the General meeting within four months after the end of the financial year.

The Sacco Society shall pay such audit fees as the general meeting may prescribe as fair and reasonable from time to time and supervision fees in accordance with the Act, Rules and Regulations.

86. Acceptance

We, the board and members of Wevarcity Savings and Credit Cooperative Society Limited named herein do hereby accept and adopt these By-laws for and on behalf of Wevarcity Savings and Credit Co-operative Society Limited together with any changes or alterations that have been initiated or signed by us:

NAME	SIGNATURE	DATE
CHAIRMAN <u>DR. SAMUEL MARAGIA</u>		<u>18/01/2016</u>
VICE CHAIRMAN <u>SILWKO ODUKI</u>		<u>18/01/2016</u>
HON. SECRETARY <u>ROSE NABWOBA</u>		<u>18/02/2016</u>
TREASURER <u>CONSOLATA LUSNETI</u>		<u>18/02/2016</u>
C.E.O <u>VICTOR KIPTANUI</u>		<u>18/02/2016</u>

87. CERTIFICATION

I certify that the foregoing By-laws of Wevarcity Savings and Credit Co-operative Society Limited have been approved by me and duly registered.

GIVEN UNDER MY HAND AT NAIROBI THIS 20th DAY OF APRIL 2016

Principal Officer
Ag. COMMISSIONER FOR COOPERATIVE DEVELOPMENT