

**THE CO-OPERATIVE SOCIETIES ACT
NO. 12 OF 1997 AND THE CO-OPERATIVE
SOCIETIES (AMENDMENT) ACT, 2004**

**THE BY-LAWS
OF
UBORA SAVINGS AND CREDIT
CO-OPERATIVE SOCIETY LIMITED
CS 3012**

REVISED AND PUBLISHED IN MARCH 2015

MANAGEMENT BOARD:

Chairman - *Henry M. Obonyo*, **Vice-Chairman** – *Stanslaus Masinza* , **Treasurer** - *Lincoln Nyamai*, **Hon. Secretary** -
Isaac Mugenya

Members: *Okwero Evelyn, Obadiah Oyugi, Kizito Warah, Evelyn Mirembo, James Mwangi*

SUPERVISORY BOARD:

Chairman - *Dishon Shikuku*, **Secretary** - *Amos Washika* and **Member** - *Richard Mumba*

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Repeal of By-law of 4th April 1979, revised on 21st July 2000, 27th March 2009 and 27th March 2015

Acceptance

1. NAME

The name of the Society shall be **UBORA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED** herein after referred to as "**THE SOCIETY**".

2. AREA OF OPERATION

The area of operation shall be in the Republic of Kenya.

3. REGISTERED OFFICE AND ADDRESS

a) The registered office of the Society shall be at the Headquarters of the Kenya Bureau of Standards and the official address shall be P.O. BOX 54974— 00200 NAIROBI.

b) Any change of the address hereof shall be notified to the Commissioner for Co-operative Development and to all members and users of the Society, consequently.

4. INTERPRETATION

a) In these by-laws, except where the context otherwise requires, words and phrases shall bear the meaning and definitions accorded by the Co-operative Societies Act Number 12 of 1997 and the Co-operative Societies (Amendment) Act, 2004 herein after referred to as "The Act" and Sacco Societies Act .

b) Comply with the Sacco Societies Act

c) Any question concerning interpretation of any matter arising out of these By-laws shall be dealt with as matter arising out of the Act or the Rules made thereunder.

5. OBJECTS

The objects for which the Society is established are:

a) To promote thrift among members by affording them an opportunity to accumulate savings.

b) To give loans to members for provident and productive purposes at a fair and reasonable rates of interest which shall from time to time be fixed by the General Meeting for Development loans and by the Management Board for short term loans, depending on the prevailing circumstances.

c) To offer to the members' complementary savings and credit in form of withdrawable savings services and a diversity of other financial products as may be desired by the members.

d) For the attainment of the above stated objects the Society may do all acts and things that are permissible under the Act, the Rules and in accordance with the following Co-operative Principles:

(i) Voluntary and open membership

(ii) Democratic member control

(iii) Economic participation by members

- (iv) Autonomy and independence
- (v) Education, training and information
- (vi) Co-operation among co-operatives
- (vii) Concern for community in general
- (viii) Ethical conduct of business.

6. MEMBERSHIP

Members of the Society shall include:

- a) Employees of the Kenya Bureau of Standards (KEBS) and Kenya Accreditation Service (KENAS);
- b) Former employees of KEBS and KENAS;
- c) Employees of the Society and any other person, who applies to join and meets requirements of By-laws **6, 7** and **8**. Employees of the Society who are admitted to membership shall not be eligible for appointment in the elective positions in the Society;
- d) Spouses and children of active members;

7. ELIGIBILITY OF MEMBERS

A person shall be eligible for membership of the Society on meeting the following qualifications:

- (i) Is within the field of membership .
- (ii) Not less than eighteen years old.
- (iii) Is of good character.
- (iv) Is of sound mind.
- (v) Is not a member of any other savings and credit co-operative society operating within Kenya.
- (vii) Is a child or spouse of primary member.
- (viii) Is willing to Make regular payments to the Sacco.
- (ix) Is in employment, occupation or profession which falls within the category or description of those for which the cooperative is established.
- (x) Is a nominee and approved into membership by the Board.

- (xi) Has ability to pay the prescribed entrance fee and shares as may be prescribed by the Board from time to time.
- (xii) Is a Kenya citizen.
- (xiii) Is not a money lender or directly carrying out activities detrimental to the objectives of the Sacco Society.

8. MEMBERSHIP REQUIREMENTS

- a) A person desiring to become a member shall complete "The Application for Membership Form" in duplicate.
- b) (i) An application when submitted shall be discussed and considered by the Management Board who may admit the applicant to the membership or deny him/her admission giving reasons for their decision.
- (ii) When admitted to membership, the Chairman shall sign in the appropriate place on the application for membership form.
- (iii) Application for membership form, when signed by the Chairman shall be prima facie evidence that the person named therein is a member of the Society, PROVIDED the Chairman may not sign on any form until the person making the application has made such minimum payments that give such a person ability to participate in the Society fully as a member as provided under By-law 9.

(iv) Where a person has been denied membership by the board, he or she may appeal to the next General Meeting where a vote may be taken on a simple majority to determine the matter, to uphold the Committee's decision or to overturn it and such decision of the General Meeting on the matter shall be final.

Every member shall be issued with a member identification card on admission to show such details including his or her names, ID number, or passport number address and his or her photograph shall be affixed and stamped with the Society's seal.

- (v) Pursuant to section 35 (1) of the Act,
 - a) Every member of the Society shall fill deduction authorization form in VI(A) set out in the Schedule to the Rules.
 - b) The Committee on receiving deductions from employers shall file monthly remittance returns to the Commissioner not later than the 15th day of every month in form VIB set out in the Schedule to the Rules.

9. DENIAL OF ADMISSION

- a) The Board may refuse membership to any applicant by giving the reason for the refusal in writing, provided the person, whose membership has been refused, if aggrieved by the decision, shall have the right to appeal to the AGM.

- b) Any such appeal must be supported by at least 25% of members present at the AGM.
- c) The decision of the AGM on the matter shall be final.

10. MEMBERS' RIGHTS

a) Subject to all the legal provisions and these By-laws, every member shall be entitled to enjoy full participation in the goings-on of the Society and to receive the services given by the Society including:

- (i) Every six months i.e. January and July to receive statement showing his or her account of share, deposits, loans and other transactions undertaken in the Society.
- (ii) To attend and fully participate in all General Meetings.
- (iii) To be entitled to elect or offer to be elected to the offices of management in the Society.
- (iv) Submit projects or suggestions to the Society for improvement.
- (v) To inspect permissible records during office hours provided members shall exercise the rights as enumerated above subject to By-law **6(c)**.

NB No person shall exercise the rights of membership unless he or she has paid an entrance fee of Kenya Shillings 1000/= and purchased at least 200 shares of Kenya Shillings 20/= each PROVIDED that no member shall hold more than one fifth of the total paid up shares in the Society.

11. MEMBERS' OBLIGATIONS

Every member shall be obliged:

- (i) Attend all General Meetings.
- (ii) Participate in the projects undertaken by the Society.
- (iii) Attend to education meetings arranged by the Society.
- (iv) Make use of the services of the Society.
- (v) Utilise the loans given in the manner and for purposes for which they are given.
- (vi) Members shall jointly and severally ensure that only qualified or competent members are elected to the Board.

12. COVENANT

a) (i) Each and every clause in these By-laws do hereby form a binding agreement on the part of the Society and every member.

(ii) The By-laws bind each member personally to obey, adhere and to carry out having signed the membership application form wilfully to be bound thereto.

b) (i) For any breach of these by-laws, or instructions issued by the Management Board, or for failure of a member to pay his/her obligations on time, the defaulting member shall be fined an accrued interest for the number of months in default, at the prevailing rate per month. This by-law is subject to provisions of the Co-operative Societies Act, Cap. 490 Laws of Kenya Revised Edition 1997 and the Co-operative Societies (Amendment) Act, 2004.

ii) Any fines required of a member under this by-law shall become a debt due and payable to the Society and shall be recoverable summarily.

13. NOMINEE

a) Members of the Society shall appoint a person or persons in writing to be known as "NOMINEE(S)" in the prescribed NOMINEE FORM as set out in form VII of Society Rules and marked "CONFIDENTIAL" to whom on death, their shares, deposits or interest held in the Society, shall be transferred to the person holding letters of administration.

b) Where members have appointed more than one person as nominee, they shall specify in the Nominee form the proportion in which the shares, deposits and interest of the member in the Society will be distributed to each of the persons named as nominees, at their death.

(c) (i) The person or persons appointed by a member to be nominee shall be known only to the members and to their two attesting witnesses before whom they shall sign the nominee form before sealing it in an envelope addressed only with their member number.

(ii) On receiving the nominee form from a member, the Secretary of the Society shall give it a serial number which shall be recorded against the member in the register of members as a reference number. The Nominee form is then endorsed by the Chairman.

(iii) The member's nominee form duly completed and sealed in an envelope will be kept in the Society's office under lock and key and may only be opened by the signing officials on the death of such a member.

(iv) Where a members decides to make a change of their nominee, the members will complete and sign new forms in the same manner which they will then present to the Secretary of the Society, the earlier form shall be withdrawn by the members and cancelled.

d) On the death of members, the nominee shall be paid by the Society upon receipt of all the requisite documents, within 60 days from the date of their death, the nominal value of the members deposits and interest held in the Society.

e) (i) Where the persons appointed by a deceased member as nominee qualifies under by- law 7 to become a member, the shares deposits and interest of the deceased member held in the Society may be transferred to the nominees unless they demand to be paid in accordance with by-law 13(d).

(ii) Where the nominee does not qualify to be a member due to being a minor, the deposits and interest thereof due to him or her shall be paid.

14. PERSONAL REPRESENTATIVE

Where a member who dies had not appointed a nominee in the manner aforesaid, his or her dues in the Society shall be paid to **the** recognized heirs of that deceased member or Unclaimed Financial Assets Authority .

15. CESSATION OF MEMBERSHIP

Membership shall cease upon the member:

- (i) Dying,
- (ii) Being expelled,
- (iii) Withdrawing from membership,
- (iv) Becoming certifiably of unsound mind,
- (v) Generally ceasing to qualify as per by-law **7**.
- (vii) Being declared bankrupt by a court of Law.

16. a) A member may withdraw all his or her deposits by giving a written notice of 60 days to the Chairman intimating his or her intention to withdraw.

- b) No member who voluntarily resigns and withdraws from the Society shall become a member again except on new application for membership as provided under by-law **8**.

17. a) The Board may for good reasons suspend a member from the Society pending the decision of all members on the matter, at the next General Meeting where an agenda of the expulsion shall be discussed, thus.

b) The General Meeting may expel a member:

- (i) Who is convicted in a court of law on criminal offences involving theft, fraud or dishonesty or the sentence thereof is for a jail term exceeding three months.
- (ii) Who acts in a way prejudicial to the interests of the Society.
- (iii) Who fails to remit his or her deposits for a period of 6 months.

18. a) (i) Where a member has withdrawn from the Society under by-law **15 (a)** he or she shall be paid his or her deposits and interest due to him or her less any loans owing to the Society by him or her on expiry of 60 days of the notice given.

(ii) Where a member is expelled from the Society under by-law 16 he or she shall be paid the normal value of his or her shares, deposit and interest less any loans owing by the member, within one month from the date of the General Meeting at which a decision to expel him or her was taken.

b) A member who was a guarantor or endorser for loans taken by another member which are due and unpaid and having not been released from the guarantee or endorsement shall be deducted to the extent to which the member entered into guarantee or endorsed.

19. FUNDS

The Society's funds shall consist of:

- (i) Entrance fee of Kenya Shillings One thousand
- (ii) An unlimited number of shares of Kenya Shillings Twenty each.
- (iii) Deposits from members either fixed or withdrawable.
- (iv) Loans from non-members.
- (v) Reserve fund established under by-law 24.
- (vi) Surplus arising from the operations of the Society.
- (vii) Accrued interests

The funds of the Society shall be applied to the promotion of the stated objects and the purposes of the Society as set up in by-law 5.

20. SHARES

- a) Shares in the Society shall bear the nominal value of Kenya Shillings Twenty per share.
- b) A member may contribute any amounts of money towards the purchase of shares subject to such minimum that the Board may from time to time fix.
- c) Every member shall covenant on signing on the Deduction Authorization Form as set out in Form VIA in the Rules that his or her employer deducts such sums of money payable to the Society as shares, deposits repayment of loans and interest from his or her salary every month while his or her membership subsists.
- d) Any member who knowingly and willfully gives to his or her employer false returns to indicate that such employer makes a stop to such said deduction due to the Society or he or she connives or corruptly indulges the officer or officers making entries in the payrolls to the effect that such said deduction due from him or her to the Society be stopped, commits an offence.

21. TRANSFER OF SHARES

- a) A member may transfer his or her shares to another member or to any person who has been approved for membership by the Board.

b) The application for transfer of shares shall be made in writing to the Chairman or in such form that may be designed for that purpose by the Society and shall be accompanied with a transfer of shares fee of Kenya Shillings One Thousand.

c) After accepting the transfer, the Board shall direct the Honorary Secretary to enter all details of such a transfer of shares by the member in the Share Register book as proof of admissibility thereto.

d) A member who has loans and other debts owing to the Society may not transfer any of his/her shares to another person whether such debt is due for payment or not.

Where a person ceases to be a member of the Society other than by death and the Society has debts owing to non-members, the member may transfer his/her shares to another member or proposed member approved by the Society, but he or she shall not be entitled to repayment of any money paid by him/her in respect of such shares.

22. LIABILITY OF A MEMBER

a) In the case of dissolution of the Society, the liability of a member shall be limited to the nominal value of the shares held by him/her in the capital of the Society.

b) (i) In the case of a past member, where the first audit of the accounts of the Society after his/her ceasing to be a member revealed that the Society was solvent, the financial liability of such a past member shall cease forthwith.

(ii) Otherwise than as stated above, the liability of a past member of the Society shall be in respect of the debts of the Society which were contracted before the date when he or she ceased to be a member and if proceedings in respect thereof may be commenced within a period of two years from such date.

c) (i) In the case of a deceased member, if the first audit of the accounts of the Society after the death of the member discloses a credit balance in favour of the Society, the financial liability of the estate of such deceased member shall cease forthwith.

(ii) In circumstances otherwise than here before stated, the estate of a deceased member shall be liable for the debts of the Society as they existed at the time of his or her death and if proceeding thereof may be commenced within one year from the date of the death.

(iii) A personal representative shall not be liable except in respect of assets in his or her possession or under his or her control in the meantime.

Where the funds are insufficient to pay the nominal value of the shares held by each member in case of dissolution, the available funds shall be divided among the members pro-rata, according to the amount held by each member.

23. POWER TO BORROW

a) (i) The Society may obtain loans from non-members subject to the resolutions of the General Meeting having fixed such sums as the maximum amounts that may be borrowed by the Society in a Financial Year.

(ii) At every General Meeting the agenda of fixing the Borrowing Powers shall be discussed to resolve on such maximum sums of money that the Society may borrow as loans during the Financial Year.

(iii) Notification of the maximum liabilities fixed shall be sent to the Commissioner in Form VIII set out in the Schedule to the the Rules.

b) (i) The Society may grant a charge on its assets whether movable or immovable for the purpose of securing any loans obtained by the Society.

(ii) A charge on the assets of the Society shall not be affected until such a charge is deliberated upon and a resolution passed by a majority of the members at a General Meeting to that effect.

c) Every charge created on the assets of the Society shall be notified to the Commissioner in FORM IX to the Schedule to the Rules.

The Society may not obtain loans from non-members under by-law **23** unless:

(i) Such loans are granted at such rates of interest that are commensurate with and not exceeding the current market rates operating on the financial market.

(ii) The General Meeting passes a resolution that the Society is in need of the money to be borrowed and for such specified, genuine and for the benefit of members.

(iii) The General Meeting is satisfied that repayment thereof the loan has been well secured and that the amounts to be borrowed do not exceed such maximum that was fixed by the last Annual General Meeting and notified to the Commissioner.

24. RESERVE FUND

a) There is established hereby a RESERVE FUND to be maintained by the Society in Accordance with Section 47 of the Act to which shall be credited one fifth of the net surplus resulting from the operations of the Society during a financial year,

b) The Reserve fund shall be kept in separate account to be known as Reserve fund account in financial institutions approved by the General Meeting with instructions that no withdrawals shall be made from the account except by consent in writing of the Commissioner and any such withdrawals shall be made good from the net available funds accruing to the Society if the Commissioner so directs.

c) The reserve fund shall be indivisible and no member shall be entitled to claim to get a share of the Reserve fund, specifically or generally.

d) The Board shall cause an annual Audit of the reserve fund account.

25. CASH RESERVES

a) Subject to the provisions of Section 29 of the Sacco Societies Act, Regulations and requirements of the Authority as may be amended from time to time and approval of the Board, the Sacco Society shall pay net surplus resulting from the operations during the financial year to the reserve Fund adequate to maintain, core

capital of not less than 10% of the total assets, institutional capital of not less than 8% of the total assets and core capital of not less than 8% of total deposits.

b) It shall also be credited with all entrance fees, except the amount taken from such fees to pay initial expenses within 2 calendar years following the year in which the Sacco Society was registered, and with recoveries of loans and losses previously charged against the Reserve Fund.

c) The Reserve Fund of the Sacco Society shall be invested or deposited in the manner provided for in the Sacco Societies Act and the Regulations.

d) On dissolution of the Sacco Society, the Reserve Fund shall be applied for in the manner provided for in the Sacco Societies Act and Regulations.

e) The Cash Reserve shall not be withdrawn except when the General Meeting has passed a resolution authorizing the withdrawal and when the money is to be utilized:

- (i) To pay for withdrawal of shares as an emergency,
- (ii) To make for other emergency and contingent payments, and
- (iii) To pay for the deposits to NOMINEES or PERSONAL REPRESENTATIVES of deceased members.

26. FINANCIAL YEAR

The Financial Year of the Society shall be January to December of every year.

27. BOOKS AND FINANCIAL RECORDS

a) The Board shall cause to be kept up-to-date and in a proper business like manner books of accounts tallying with the International Financial Reporting Accounting Standards which shall include:

- (i) A Register of members giving details of the names, age, address, occupation and date of admission, serial number of nominee (s), the date on which he ceased to be a member, the appointment, if any, of his nominees in accordance with **13**,
- (ii) A register of Assets,
- (iii) A cash book showing details of cash transactions and banking accounts,
- (iv) A ledger book,
- (v) Journal books if necessary,
- (vi) Minute books for General Meetings and Board Meetings,
- (vii) Any other books and records that will be deemed fit, by the Board and the Commissioner.

b) (i) The books and all records kept at the Society shall be open for inspection by members of the Management Board, the Supervisory Board, the Commissioner or his/her representative and the members of the Society.

28. AUDITING

- a) The Annual General Meeting shall appoint a qualified external auditor for the Society who shall audit the books of accounts and to report to the next General Meeting on the manner of recording transactions undertaken by the Society, the position of liquidity, the position of assets in relation to the liabilities the manner in which members shares are invested, the overall results from the operations of the Society and generally the standard of accounting employed during the year under review. The auditors shall be selected in a transparent process after conducting a due diligence check.
- b) The auditor shall have the right of access to the accounting records and to all books kept by the Society which he or she has reason to believe will give the necessary information to give him or her the opportunity to form such opinion on the manner in which accounts were kept during the year under review that he or she shall report to the members.
- c) The Auditor shall at all times have the right to attend any General Meeting of the Society, receive all notices and other communications relating to any General Meeting as is entitled to members of the Society and to be heard at such a meeting on any part of the business which concerns him or her as an auditor.
- d) The audited accounts shall be displayed in a conspicuous place in the Society office at least two weeks before presentation of the accounts to the Members at the General Meeting.
- e) An Annual return will be filed in Form IVA set out in the Schedule to the Rules with the Commissioner within four months after the closure of the Financial Year.

29. DISPOSAL OF SURPLUS

Where the Auditor reports the result from the operations of the Society during the accounting year to have realized a net surplus, the General Meeting may pass a resolution apportioning such surplus to be utilized as follows:

- a) 20 % to be credited to the Reserve fund;
- b) The balance may be used as follows;
 - (i) To pay dividends;
 - (ii) To pay interest on members deposits;
 - (iii) To pay equity or honorarium to office bearers;
 - (iv) To pay to charitable purpose an amount not exceeding 10% of the balance after dealing with Reserve fund.

30. MEMBERS' MEETINGS

- a) Subject to the Act and the Rules the SUPREME AUTHORITY of the Society shall be vested in the General Meetings of members at which every member shall have the right to attend, to partake in discussions on the agenda and to vote on all matters, without any prejudice.

- b) Each member of the Society shall have one vote only in the affairs of the Society, irrespective of the number of shares he or she holds.
- c) No member of the Society shall vote by proxy.

31. FIRST GENERAL MEETING

There shall be the First General Meeting of the Society as prescribed under Rule 22 made under the Act, herein presumed to have been held immediately after registration of the Society and the business thereof required under the Rules, disposed of.

32. ANNUAL GENERAL MEETING

- a) The Annual General Meeting of members of the Society shall be convened in each year by the Board within four months after the close of the Financial Year.
- b)(i) Where the Society has received the Audit Report of the Accounts and one month thereafter, the Committee has not convened the Annual General Meeting, the Commissioner or his representative may convene such meeting.
- (ii) The General Meeting convened by the Commissioner shall proceed as if it has been convened by the Committee.
- c) Notice of **fifteen** calendar days shall be given for all the General Meetings.
- d) The Honorary Secretary shall take all possible and usual steps to inform all the members of the date, venue, and the business of the meeting being convened.

33. a) The Annual General Meeting of the Society shall:

- (i) Adopt the Agenda of the meeting.
- (ii) Consider and confirm minutes of the last Annual General meeting and of any other Special General Meeting.
- (iii) Receive and consider for action reports of:
 - 1. The Management and Supervisory Boards,
 - 2. The Cooperative Commissioner or his/her Representative,
 - 3. The Auditors.
- (iv) Approve the Accounts read by the Auditor and decide on disposal of surplus subject to by-law **29**.
- (v) Carry on elections of office bearers in accordance with clause **37**.
- (vi) Fix the maximum borrowing powers.

- (vii) Approve the budget for the ensuing year.
 - (viii) Appoint Auditors for the ensuing year.
 - (ix) Appoint the bankers for the Society.
 - (x) Appoint a Returning Officer.
 - (xi) Transact any other general business of the Society of which notice has been given to the members.
- b) The General Meeting shall be held at the head offices of the Society.
 - c) The quorum for the General Meeting shall be 100 members or one-third of the total number of members whichever shall be the less.
 - d) Resolutions at the Annual General Meeting shall be carried by a majority vote of two-thirds of those members present and voting on the matter.

34. SPECIAL GENERAL MEETING

- a) A Special General Meeting of the Society may be convened at any time by:
 - (i) The Committee,
 - (ii) The Commissioner or his Representative,
 - (iii) When not less than 100 members having written to the Management Board demanding for Special General Meeting and after fifteen days the Management Board has not convened the meeting, the members shall put notice for such meeting stating the agenda to be discussed.
 - b) The quorum for Special General Meeting shall be 100 or one-third the members or such number that those present may consider to be reasonable for the purpose of deliberating the agenda at hand PROVIDED the meeting convened by the Commissioner or his/her representative shall proceed with those members who are present.
- 35.** (a) (i) The Chairman of the Society and in his/her absence the Vice-Chairman and in the absence of both the Chairman and Vice-Chairman, such a person that may be appointed by those present shall preside the General Meeting or Special General Meeting.
- (ii) The Commissioner or his/her representative may preside at any meeting convened by him or her but shall not be entitled to vote.
- b) The discussions held at the General Meetings shall be recorded in the minute book and signed by the Chairman and the Honorary Secretary after confirmation of the minutes at the next General Meeting.

36. VOTING AT GENERAL MEETINGS

- a) Unless otherwise provided for in the Act and Rules, any question referred to the members present at a meeting shall be decided by a majority of votes.

- b) The Chairman shall declare whether every resolution put to vote has been carried or lost and shall cause an entry to that effect to be made in the minute book of the Society, which when signed by him, shall be conclusive evidence of anything contained therein.
- c) The Chairman shall have one vote only and no casting vote.
- d) A resolution on which the voting is equal shall be postponed to a subsequent meeting.
- e) The majority members of a Committee may for good cause suspend a Board member subject to ratification by a General Meeting.
- g) Elected members of the Board shall be removed only by a two-thirds majority of the members of the Society present and voting in a General Meeting.
- h) If a General Meeting removes a member of a Board, it shall forthright elect a new member who shall hold office for the remainder of the term of the member so removed and, where the entire Committee is removed from office, the General Meeting may decide to elect or fix a day for election of an interim Management Board of not more than five members to hold office for a period not exceeding ninety days.
- i) Candidates to contest for seats shall comply with clause **38**.
- j) There shall be a Returning Officer for every election at the General Meetings who shall be appointed by majority members of the Society at the General Meeting.

37. ELECTION OF BOARD OF DIRECTORS

- a) The Board of Directors of the Society shall be elected for a term of three (3) years subject to one third (1/3rd) retiring annually, except for the Chairperson and the Vice-Chairperson who shall retire at the end of the third year. The retiring members shall, however be eligible for re-election.
- b) Members who wish to contest for directorship shall complete the Sacco Directorship Application Form - **Annex 1** and submit it to the Nomination and Vetting Committee.
- c) UBORA Sacco Board of Directors shall establish an independent nomination committee from the membership of the Sacco, who are of good standing. The committee shall:
 - i) Comprise of a maximum Five (5) members including the Chairman of the Committee;
 - ii) Have a quorum of three (3) members;
 - iii) Compose of a balance mix of proficient individuals; and
 - iv) Have appointment, duties, responsibilities, qualification and terms of reference provided in the Nomination Rules.
- c) Elected members of the Board may be removed only by a two-thirds majority of the members of the Society present and voting at a General Meeting.

38. ELIGIBILITY CRITERIA

No member shall be eligible to be elected into the Board of Directors if he/she:

- i. Receives any remuneration, salary, or other payment from the Society save in accordance with the Act;
- ii. Has a record of lending members money on his/her own account;
- iii. is bankrupt;
- iv. is of unsound mind;
- v. Has been convicted of a criminal offence involving dishonesty or has been imprisoned for three months or more;
- vi. Is unable to provide an indemnity as determined by the General Meeting;
- vii. Has been convicted of any offense under the Acts or rules including adversely named by the Commissioner or Authority in an inquiry report adopted by a general meeting for mismanagement or corrupt practices while a member of the Board of Directors ;
- viii. Is a member of an existing Board of Directors and, becomes delinquent and does not make good the default within a period of 90 days.
- ix. The elected members must be from Nairobi County.

39. POST-ELECTION ACTIVITIES

- a) The duly elected persons shall within 7 days participate in the first Board Meeting.
- b) Elected persons shall replace guarantors for running loans which they guarantee other members within 30 days after election.
- c) Elected persons shall within 14 days of being elected declare their wealth as required by the Co-operatives Societies Act.
- d) An elected person shall execute indemnity within 14 days for an amount as set out in Ubora Sacco By-Laws.
- e) Elected persons shall sign the Society's Board of Directors Code of Conduct within 14 days of being elected.
- f) An elected person who fails to comply with the above shall be suctioned by the Board and may lose his/her position.
- g) If a Member of the Board of Directors fails to attend three consecutive Meetings without acceptable reasons or otherwise fails to perform his duties in his position as a Board member, he/she shall stand suspended and may be dealt with as in **40 ix**.
- h) Where a member of the Board is unable to attend meetings for a period exceeding 6 months and is therefore unable to perform his duties, his position may be declared vacant.

40. MANAGEMENT BOARD

(A)

1) There shall be a Management Board of the Society, which has been referred elsewhere within these by-laws to as 'the Board' of not less than five members and not more than nine elected from among the members of the Society at the General Meeting in accordance with By-law **37**. The Board shall be the governing authority of the Society and shall carry on the

following functions:

- i. Observe in all its activities the Act, the Rules, these by-laws and prudent business practices.
- ii. Generally manage the affairs of the Society at policy level.
- iii. Act upon all applications for membership.
- iv. Ensure that true and accurate records and accounts are kept of the Society's money and its properties, capital, reserves, liabilities, income and expenditure.
- v. Decide the amount and kind of surety bond, or other security, which shall be required of Treasurer, Secretary and any other officers or employees having the custody of, or handling funds or property of the Society.
- vi. Determine from time to time the interest rate on loans (subject to the minimum permitted by the law) the maximum maturities and terms of payment or amortization of loans to members, and the maximum amounts that may be loaned with and without security to any member. When by action of the Committee, the interest rates on future loans are reduced similar action may be taken with regard to interest rates on unpaid balances of existing loans.
- vii. Lay before the Annual General Meeting a balance sheet and income and expenditure account together with proposals for the disposal of the net surplus (if any).
- viii. Recommend to the Annual General Meeting the dividend rate to be paid on shares and the interest on deposits (if any).
- ix. Fill vacancies occurring in the Management Board, which may be vacant between General Meetings.
- x. Recommend capital projects by the Society to the General Meeting for approval.
- xi. Authorize borrowing and lending operations of the Society in accordance with the Act and the Rules.
- xii. Designate a depository, or depositories for the funds of the Society.
- xiii. Employ and fix the compensation of the Manager and such other employees as may be necessary to carry on the business of the Society which have been approved by the Commissioner.
- xiv. Impose fines under by-laws.
- xv. Approve transfers of shares between members.
- xvi. Determine the interest rates, which shall be paid on borrowed money.
- xvii. Supervise the collection of loans to members and recommend the write-off of uncollectable accounts to the General Meeting.
- xviii. Affiliate the Society to Co-operative Unions of Savings and Credit Societies, or apex Society subject to approval of the General Meeting.
- xix. Perform such other duties as may be directed by the Annual General Meeting.
- xx. Perform or authorize any actions consistent with the Act, the Rules and these by-laws unless specifically reserved for the General Meeting.
- xxi. Creation and dissolution of Committee(s) and Sub-Committees when necessary.

(B)

1) The Board may delegate any of the duties and functions assigned to them to a Sub-Committee set under these by-laws or to an employee or to an officer of the Society as it may deem fit.

2) The Sub-Committees shall be elected from among the members of the Board at the General Meeting and their composition announced thereby or within seven days from the date of the General Meeting if the failure to elect them is for good reasons.

3) The Sub-Committees constituted under these by-laws shall meet according to the demand of the business each undertakes

(C)

1) All business discussed and resolutions passed by the Board shall be recorded in the minute book by the Honorary Secretary.

2) The minutes shall be signed and dated by the Chairman on confirmation at the next Board meeting.

3) Copies of the minutes shall be maintained as a hard copy (signed) and a softy copy circulated to the members.

41. EXECUTIVE OFFICERS

a) The Executive shall comprise of the Chairman, Vice-Chairman, Treasurer and Honorary Secretary.

b) The members of the Executive shall be the official signatories to all documents, cheques, instruments and contracts of the Society and such other signatories authorized by the Management Board.

c) All correspondence shall be addressed to the Chairman.

42. CHAIRMAN AND VICE-CHAIRMAN

a) The Chairman shall preside at all General Meetings and Management Board Meetings.

b) The Chairman shall generally manage the Society giving directions and guidance as he/she may deem fit.

c) The Vice-Chairman shall perform the duties of the Chairman during his or her absence.

43. HONORARY SECRETARY

The duties of the Honorary Secretary shall include:

a) To ensure that minutes of the Management Board Meetings are prepared and circulated on time,

b) To ensure that the Society's correspondence is properly and correctly attended to,

c) To ensure that notice of the meetings are circulated on time.

d) To generally carry out such administrative duties as directed by the Management Board.

44. THE TREASURER

The duties of the Treasurer shall include:

- a) Generally to manage, or cause to be managed the affairs of the Society in a competent manner.
- b) To ensure that a proper record is kept of all monies received and paid out by the Society; its assets, liabilities, capital reserves, and its income and expenditure.
- c) To ensure the safe-keeping of the Society's money and securities
- d) To ensure that all payments and expenditures are duly authorized, and
- e) To ensure compliance with all directives of the Management Board and the Commissioner.

Within 15 days after the close of each month, the Treasurer shall cause the preparation and submission to the Management Board a financial statement showing the conditions of the Society at the end of such a month, and shall promptly post a copy of such monthly financial statement in a conspicuous place for the information of the members. He/she shall prepare and forward to the Commissioner such financial reports as the Commissioner may require.

45. EDUCATION AND MANPOWER DEVELOPMENT COMMITTEE

- a) The Education sub-Committee shall comprise of three members of the Committee including the Vice-Chairman who shall be the Chairman of the Sub-Committee.
- b) The Education Sub-Committee shall be responsible for:
 - (i) Training and education of the members, the Committee and the employees of the Society.
 - (ii) Industrial relations.
 - (iii) Review of staff and benefits.
 - (iv) Jobs evaluation.
 - (v) Publication of newsletters and magazines for the Society.
 - (vi) Formulation of personnel policies.
 - (vii) Formulation of staff terms and conditions of service.
 - (viii) General administration of staff welfare.
 - (ix) Any other duties assigned by the Management Board.

All decisions made by the Education Sub-Committee shall be forwarded to the Management Board for ratification.

46. CREDIT COMMITTEE

- a) There shall be a Credit Sub-Committee to comprise of three members of the Committee.
- b) The Credit Sub-Committee shall elect their own Chairman and Secretary.

c) The Credit Sub-Committee shall hold meetings at least once every month to assess for recommendation and approval the loans application, inquiring carefully in the character and financial position of each applicant for loans and of his or her guarantors and the collateral security and to establish especially:

- (i) His or her ability to repay promptly according to the obligation entered by the member,
- (ii) Whether the loan applied for is for a worthy purpose and shall benefit the borrower.

d) The Credit Sub-Committee shall endeavour diligently to assist members to solve their financial problems.

e) All recommendations by the Credit Sub-Committee shall be made to the Management Board who will give final approval and record the proceedings in the Minute Book.

47. PROCUREMENT COMMITTEE

Procurement Committee will be appointed from the staff. All procurement in the Sacco will observe the provisions of the Public Disposal Act and the Regulations made there under and will be awarded competitively.

48. AUDIT AND RISK MANAGEMENT COMMITTEE

a) The Audit and Risk Management Committee shall be duly constituted by the Board of Directors to review the financial conditions of the Society, its internal controls, performance and findings of the internal auditor and to recommend remedial actions. The Committee shall meet once every three months.

b) The Audit and Risk Management Committee shall be composed of a minimum of three directors with the Sacco CEO and Internal Auditor as ex-officio members. The Internal Auditor shall be the Secretary to the committee.

c) One of the Committee members, at the least shall be conversant with financial and accounting matters. The chairman of the Board of Directors shall not be a member of the Audit committee.

d) The Audit and Risk Management Committee shall report to the Board of Directors on measures taken to implement recommendations and corrections of findings reported.

c) The duties and responsibilities of the Audit and Risk Management Committee shall be as follows:

- i. Ensuring that internal controls are established and effectively maintained to achieve Sacco Society's financial reporting objectives.
- ii. Reviewing internal controls including the scope of the internal audit program, the internal audit findings, and recommend action to be taken by the Board or the Management
- iii. Reviewing internal audit reports and their overall effectiveness, the scope and depth of audit coverage, reports on internal control and any recommendations and confirm that appropriate action has been taken
- iv. Ensuring that accounting records and financial reports are promptly prepared to accurately reflect operations and result

- v. Reviewing co-ordination between the internal and external audit functions as well as monitor the external auditor's independence and objectivity taking into consideration relevant professional and regulatory requirements.
- vi. Reviewing with the external auditors the scope of their audit plan, systems of internal audit reports, assistance given by management to the auditors and any findings and actions taken.
- vii. Reviewing management reports and reports from the internal and external auditors concerning deviations and weaknesses in accounting and operational controls
- viii. Reviewing the Sacco society's audit plan, with specific reference to the procedures for identifying regulatory risks and controlling their impacts on the Sacco, including receiving correspondence from the authority and management's responses.
- ix. Monitoring the ethical conduct of the Sacco and consider the development of ethical standards and requirements, including effectiveness of procedures for handling and reporting complaints.
- x. Reviewing any related party transactions that may arise within the Sacco.
- xi. Ensuring that relevant plans, policies, and control procedures are established and properly administered.
- xii. Ensuring that policies and control procedures are sufficient to safeguard against error, carelessness, conflict of interest, self-dealing and fraud.
- xiii. Keeping minutes of their deliberations.

49. FRONT OFFICE SERVICE ACTIVITY (FOSA) COMMITTEE

- a) FOSA to be established as a department in Ubora Sacco.
- b) The Front Office Service Activity (FOSA) Committee will be vested with the duties and responsibilities of governing and directing the business of the Front Office Service Activity in accordance with the laid down regulations. It will comprise of five officials drawn from the full Board of Directors of the Society.
- c) Specifically, the FOSA Committee is charged with the following duties and responsibilities:
- d) Accomplishing of the objective for the SACCO Society in relation to the functions of the FOSA;
- e) Approval of the admission and processing of withdrawal of members from the activity;
- f) Ensure maintenance of accurate and up-to-date member account records;
- g) Ensure maintenance of Members Savings Register;
- h) Ensure members' savings and all other funds are safeguarded;
- i) Recommend the terms and conditions of lending and savings;
- J) Ensure preparation and presentation of regular financial reports
- k) Pursue recruitment of members into the activity;
 - i. Research on new products that may be accorded to members;
 - ii. Ensure maintenance of good human and public relations amongst the staff and the external public;

- iii. Ensure that proper banking practices are put in place at the Society's Front Office Services Activity.
- iv. Determine and set liquidity ratios for the SACCO in collaboration with other Societies and organizations and ensure that they are adhered to.
- v. Ensure that the Society is a member of the Deposit Protection Fund and that all remittances to the fund are done on time.
- vi. Ensure that all members are given proper services across the counter all transactions are properly carried out.

50. MANAGEMENT BOARD MEETINGS

a) (i) The Management Board shall sit once every month and shall every three months be joined by the Supervisory Committee.

(ii) The quorum for the Management Board shall be five members whereas that for the Joint Management and Supervisory meeting shall be seven.

b) No member of the Management Board may participate in a meeting whose deliberation shall touch on issues affecting the member or his/her own financial interest.

c) In the event of such disqualification the Board member or employee shall withdraw from such deliberation or determination and the remaining members if constituting the quorum shall exercise with respect to the matter, all powers of the Board and resolve the matter aforesaid.

d) The members of the Board and employees of the Society shall hold in the strict as CONFIDENTIAL all transactions and matters pertaining to the Society and all its members, and all information relating to the personal affairs as may be contained in the records of the Society including details of nominees except as may be deemed necessary for the proper management of the loans and recovery of such loans.

e) No member of the Board shall be entitled to remuneration for work done in the Society except for the actual costs of travelling, subsistence, honorarium from the net surplus or such allowances as may be agreed upon at the General Meeting.

51. SUPERVISORY COMMITTEE

a) There shall be a Supervisory Committee composing of three members elected at a General Meeting by a majority vote.

b) No member of the Management Board may become a member of the Supervisory Committee.

c) After being elected by the General Meeting, the members of the Supervisory Committee shall appoint from among themselves a Chairman, a Secretary and one member.

d) All the members of the Supervisory Committee shall be elected to office for a period of three years and one member of the Supervisory Committee shall retire annually.

e) The Supervisory Committee shall undertake a routinely check in the accounts, books and an examination of the day to day running of the Society to establish that the systems, internal checks and internal controls are working.

f) The Supervisory Committee shall further carry on the following functions:

- (i) Evaluate programmes of the Society,
- (ii) Check minutes of the General Meetings or the Management Board to follow up on implementation of policy matters in fulfilment of the objectives,
- (iii) Ensure proper application of the loans policies and resolutions of the General Meetings,
- (iv) Confirm cash and Bank reconciliation monthly,
- (v) Check the balance sheet and income and expenditure to ensure correctness,
- (vi) Verify investments,
- (vii) Verify the Assets and other properties,
- (viii) Analyse expenses in comparison to incomes,
- (ix) Ensure sound accounting principles are in use,
- (x) Handle/deal with members' complains,
- (xi) Make quarterly reports of its findings to be tabled at Management Board meetings.
- (xii) Submit its Reports to the Commissioner.

g) The Supervisory Committee shall attend joint Management Board meetings with Management Board every three months and will report to the General Meetings.

m) Not withstanding the provisions of 51(f) above, the Supervisory Committee shall not perform the duties or exercise any of the powers of the Board of the Society.

52. INDEMNITY OF MEMBERS OF THE COMMITTEE AND STAFF

a) The members of the Board shall exercise prudence and diligence of the ordinary men of business and shall therefore be held liable jointly and severally for any losses sustained through any of their acts in relation to the business of the Society which may be contrary to the Act, the Rules, these By-laws and to the resolutions of the General Meetings.

b) (i) Every member of the Board shall upon election provide an INDEMNITY in Form V in the schedule to the Rules of such amount to be determined by the General Meeting.

(ii) The Indemnity Form duly completed by every member shall be lodged with the Commissioner within fourteen days of being elected to the Committee.

c) The Board may, if it deems fit, require the staff on appointment, to give such security as it may determine.

53. DECLARATION OF INCOME, ASSETS AND LIABILITIES

All elected Board members must comply with the requirements of the Public Officer Ethics Act, 2003 (No. 4 of 2003) by declaring their Income, Assets and Liabilities (Section 26) to the Commissioner. Any Board Member who fails to fill the forms or fails to comply with the requirements of the said Act shall automatically cease being a Member of the Board.

54. GOVERNANCE REQUIREMENTS

The Board of Directors of Ubora Sacco shall comply with the following:

- a) The Constitution of Kenya on leadership and integrity, on accounts and audit of public entities and procurement of public goods and services;
- b) Public Officers Ethics Act;
- c) Leadership and Integrity Act on moral and ethical requirements.

55. LOANS TO MEMBERS

1. a) A member who requires a loan from the Society shall apply in the prescribed forms to be obtained from the office of the Society.
- b) The applicant for a loan shall give details of the purpose for the loan, the period in which repayment is to be made and collateral security.
- c)
 - (i) The Credit Sub-Committee shall assess every application for a loan to ascertain that the guarantors have adequate shares to serve as security of the loan, all requirements in the loans policy of the Society are adequately observed.
 - (ii) The Credit Sub-Committee will present to the Management Board every loan that they have considered that may be approved.
 - (iii) The Credit Sub-Committee may follow upon a loanee of the Society to monitor how he or she utilized a loan, whether for the purpose for which the application was made.
- d)
 - (i) No member shall be given a loan exceeding 5% of the total shareholding of the Society and no member shall be given a loan for a repayment period exceeding 60 months.
 - (ii) A member who has a development loan shall not be eligible for another development loan.
- e) Interest shall be charged on loans given to members at the rate not below 1% per month on outstanding balance but not more than 2% per month as the General Meeting may prescribe.
- f) Where a member with a loan defaults in repayment, his/her collateral security including land, buildings, machinery, livestock and other properties shall be attached by the Society, notwithstanding the guarantors having also secured the loan.
- g) A guarantor for a loan may apply to the Society to seek that his or her name be removed from the list of guarantors and he or she be released in which case the Credit Committee shall ask the loanee to get another

guarantor or his or her loan be recalled for full repayment of the outstanding balance at the time of the guarantor withdrawing.

h) In case of death or resignation of a guarantor, the loaned will need to fill a Guarantor Replacement Form to substitute and discharge the dead guarantor.

(i) Members of the Committee and employees of the Society shall not have any added advantage in getting loans from the Society and no loans shall be given to them unless they do qualify to receive such loans in accordance with Part c (i) of this by-law.

(ii) It shall be an offence for a member of the Board or employee to cheat in the application forms or to receive money in the form of a loan without duly completing the Loan Application Forms for approval by the Credit Committee or to give false information in the Loan Application Forms.

(iii) A person, who, when serving on the Committee or is an employee knowingly and wilfully cheats or gives false information in relation to a loan given to him or her shall be liable for a fine not exceeding Kenya Shillings five thousand and may be prosecuted for criminal offence subject to provisions of the Co-operative Societies Act.

2. a) Loans shall be classified as follows:

(i) Development loan,

(ii) Emergency loan,

(iii) Education Fees loan.

(iv) Bridging loans (top up).

v) Product financing

b) Emergency loans shall be repaid within a period of 12 months. School fees loans shall be repaid within Calendar Year and College fees loans shall be repaid within 24 months.

c) A member is entitled to all five at any given time but no member shall have two similar loans running concurrently except (iii).

d) Disbursement of loan shall be on first come first served basis.

e) The Credit Committee may require an applicant to appear before it personally to be interviewed in respect of his/her application for a loan.

f) The conditions for loan acquisition can be varied by a General Meeting which is attended by 100 members or one-third of the total number of members, whichever shall be the less.

56. SECURITY FOR LOANS

a) The Credit Committee shall ask for such security to loans as it may consider necessary. Other securities such as share certificates may be used to secure loans, provided that they are charged by a reputable bank of

the Society's choice and kept at the custody of the bank until the loan balance is equal to or less than the loanee's shares with the Society.

b) Loans must be fully guaranteed.

c) No employee or member of the Management Board or Supervisory Committee may act as endorser, guarantor, or co-maker for borrowers from this Society.

57. REPAYMENT OF LOANS

a) A borrower may on any day on which the Society is open for business, repay his/her loan in whole or in part prior to maturity.

b) Any member who fails to remit payment for his/her or her loan shall be considered to be a DEFAULTER which case the Society may refer his case to the guarantors and give notice to the borrower. The loan, if it is disputed, could be referred to the TRIBUNAL.

c) All costs of reference of a loan default to the Tribunal shall be borne by the loan defaulter.

d) No amalgamation of loans will be allowed under any circumstances.

e) At every regular meeting of the Management Board, the item LOANS shall

appear on the agenda. The Treasurer shall present an up-to-date listing of defaulters showing:

(i) Name of borrower

(ii) Account number.

(iii) Date of loan.

(iv) Date of last payment.

(v) Unpaid balance of loan.

(vi) Number of months in default.

(vii) Borrowers share balance.

(viii) Security or guarantors, if any.

The Committee shall thereupon take action to collect the overdue accounts.

58. SETTLEMENT OF DISPUTES

(a) Disputes arising and concerning the business of the Society or the by-laws hereof:

(i) Among members and persons claiming through members, past members and deceased members; or

- (ii) Between members, past members or deceased members on one hand and the Society, its Board or any officer of the Society; or
- (iii) Between the Society and any other Society registered under the Co-operative Societies Act, shall be referred to the Tribunal.

- b) Where the Society has a claim for any debt or demand due from a member or from a Nominee or Personal Representative of a deceased member, whether the debt is admitted or not, it shall be dispute for the purpose of this by-law.
- c) Any party to the proceedings before the Tribunal who is aggrieved by any order of the Tribunal may within thirty days of such order, appeal against such order to the high court, who may confirm, set aside or vary the order upon hearing of the appeal or may make such other decision that they may deem fit and such decision shall be final.
- d) The application to the Tribunal in a matter of dispute or any such matter related to default and non-adherence to the Act, the Rules or the by-laws, shall be made in writing by the Commissioner, any member of the Committee or an officer of the Society.

59. THE COMMON SEAL

- a) The Society may adopt a common seal. The seal shall bear the words '**UBORA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED**' and shall be different from the ordinary name-stamp of the Society.
- b) The common seal shall be kept under lock and key by the Treasurer under By-law 44 and shall be used in the presence of the officers authorized to sign documents and instruments as per By-law 41 (b).

60. INSPECTION OF DOCUMENTS

- a) All books of accounts, records and documents shall be availed to Committee members, to the Commissioner or their authorized representatives at any time.
- b) A copy of the Co-operative Societies Act, the Rules made thereunder, the registration certificate, a copy of these by-laws, the register of members excluding the details of nominee and shareholding or loans shall be availed for inspection by any member of the Society who may desire so to do, provided the members of the Public who have no business of a member with the Society and are not shareholders may access the records and any other documents of the Society at the Commissioners Office at Nairobi as provided under the Act and the Rules.

61. MISCELLANEOUS

Any person may purchase a certified copy of these by-laws from the Society on payment of ITS ACTUAL COST to the Society. Subject to the provisions of the Co-operative Societies Act:

- a) A member who knowingly and wilfully contravenes any part of these by-laws shall be required by the Committee to pay a fine not exceeding Kenya Shillings five thousand for every offence he or she makes.

- b) The Honorary Secretary shall cause for such member to be notified in writing that the Society intends to fine him or her disclosing the reasons why he or she may be fined.
- c) The member shall be given the opportunity to be heard with or without witnesses to show cause why he or she may not be fined as intended by the Committee.
- d) The fine imposed on a member under by-law 61a) shall be a civil debt due to the Society and shall without prejudice to any other means, be recoverable summarily.
- e) Any part of such fine may be set off against any monies due to such member in respect of his or her dues held in the Society.

62. AMENDMENT OF THE BY-LAWS

- a) Amendment of any of these by-laws may be made by a majority of the members present and voting at a General Meeting of which at least fifteen clear days notification was given of the proposed amendment.
- b) Where the amendment is proposed by a member of the Society, such proposal shall be forwarded to the Secretary at least 11 days before the General meeting at which the amendment is to be discussed.
- c) (i) An amendment of any of these by-laws shall be discussed at a General Meeting which is attended by **100** members or one-third of the total number of members whichever shall be the less.
(ii) Any resolution pertaining to an amendment of any of these by-laws shall be passed by a majority of the members present and voting in a General Meeting
- d) No amendment of any of the by-laws shall be valid until it has been registered by the Commissioner.
- e) Four copies of the amendment shall be sent to the Commissioner accompanied by a certificate in Form III in the schedule to the Rules.
- f) A copy of the amendment duly signed by the Commissioner shall be *Prima facie* evidence that the by-laws therein mentioned have been amended and are therefore part of the by-laws of the Society.

63. DISSOLUTION OF THE SOCIETY

The Society shall be dissolved in accordance with the provisions of the Co-operative Society's Act and the Rules made thereunder. On the dissolution of the Society, the Assets represented by the reserve fund shall be applied in the discharge of the Liabilities of the Society.

THE KENYA CO-OPERATIVE SOCIETIES ACT, CAP. 490 LAWS OF KENYA, 1997 AND THE CO-OPERATIVE SOCIETIES (AMEMEDMENT) ACT, 2004, NO 2 OF 2004

PASSED

At a General Meeting of the members of **UBORA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED** duly convened and held at **KENYA BUREAU OF STANDARDS**, Head Office, the following resolution was duly passed **THAT THE BY-LAWS OF THE SOCIETY BE AMENDED AS FOLLOWS:** (amended copy attached)

CERTIFIED THAT:

The above is a true copy of the resolution duly recorded as Resolution No: **MIN NO 10/2015** of **27th March 2015** under Provisions of Sections 8 of the Co-operative Societies Act, Cap. 490 Laws of Kenya, Revised Edition 1997 (10)(3) and Amended under the Co-operative Societies (Amendment) Act 2004, No.2 of 2004 and that there were **292** paid up members present at the meeting of whom **292** voted in favour.

Authorized to Sign

.....

CHAIRMAN

.....

SECRETARY

Date.....

CERTIFIED THAT the foregoing amendment to the By-laws of the **Ubora Savings and Credit Co-operative Society Limited** have been approved by me and duly registered in accordance with Sec 8(3) of the Co-operative Societies Act, Cap. 490 Laws of Kenya, Revised Edition 1997 and the Co-operative Societies (Amendment) Act, 2004 No. 2 of 2004

Given under my hand at Nairobiday of.....

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

THE CO-OPERATIVE SOCIETIES ACT, CAP. 490 LAWS OF KENYA, REVISED EDITION 1997 AND THE CO-OPERATIVE SOCIETIES (AMENDMENT) ACT, 2004, NO 2 OF 2004

CERTIFICATE OF AMENDMENT OF BY-LAWS

We, **MR. HENRY OBONYO** and **MR. ISAAC MUGENYA** Chairman and Hon. Secretary of **UBORA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LTD.**

Hereby certify:

- (i) That the enclosed amendment of the By-laws was made at a General Meeting held on 27th March 2015
- (ii) That on that date there were **292** members of the Society of whom were present in the meeting.
- (iii) That all members voted for the amendment.
- (iv) That notice of the Meeting and the proposed amendment were issued to all members of the Society.
- (v) That the amendment has received the prior approval of the Commissioner.

.....
CHAIRMAN

.....
SECRETARY

DATE:.....

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

Ubora Sacco Limited

To be deleted in all cases except those in which voting papers have been used by a Society of limited liability.

Delete if not applicable.

ACCEPTANCE

We the undersigned members of the Committee of the Ubora Savings and Credit Co-operative Society Limited do hereby accept and adopt these by-laws for and on behalf of all the members of the Society here before named:

Chairman

Vice-Chairman

Treasurer

Honorary Secretary

IBeing the **COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT** certify that the foregoing By-laws of Ubora Savings and Credit Co-operative Society Limited have been registered by me

This day of the year of our Lord Two Thousand and Fifteen at NAIROBI.

.....

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

REVISED BY-LAWS
OF
UBORA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED

Acceptance

We, the undersigned Officials of the Savings Co-operative Society Limited named herein do hereby accept and adopt these By-laws for and on behalf of the Society together with any changes or alterations that have been initialled or signed by us.

Chairman/Vice Chairman - **Henry Obonyo**
.....
Secretary - **Isaac Mugenya**
.....
Treasurer - **Lincoln Nyamai**
.....

Certified that the foregoing By-laws of the UBORA Savings and Credit Co-operative Society Limited have been approved by me and dully registered.

Given under my hand at Nairobi this.....day of.....

.....

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

Registered 4-4-1979

Revised 21st July 2000

Revised 19th March 2009

Revised 27th March 2015

ANNEX: 1- DIRECTORSHIP APPLICATION FORM

(CRITERIA STATUS)

Name..... Member Number Age.....
Organization (Employer).....
Education Level

Do you lend money on your own account? (Y/N).....
Have you ever been declared bankrupt? (Y/N).....
Have you ever been adversely mentioned by any report on Mismanagement? (Y/N).....
Are you a member of any professional body? (Y/N). If yes indicate which one.....
Have you ever been convicted of any offense under any prescribed law in Kenya? (Y/N).....
For how long have you been a member of UBORA?

What is your total amount of deposits to date?

What is your total amount of shares to date?

Are you a Board member in any other SACCO? (Y/N) If yes indicate its name.....

Have you ever defaulted in loan repayment issued to you by UBORA Sacco (Y/N).....

Have you ever defaulted in loan repayment issued to you by any other financial institution (Y/N).....

I declare that the above information is true to the best of my knowledge and understanding and I do understand that I can be charged before a court of law using this signed form as evidence for giving false information.

Signature _____ Date _____

Proposer's (Member) Name: _____ Mno. _____ Signature: _____

Seconder's (Member) Name: _____ Mno. _____ Signature: _____

Applicant's A/c status: _____ Proposer A/c Status: _____

Seconder A/c Status: _____

Signed by Manager _____ Signature: _____ Date: _____

FOR OFFICIAL USE:

Recommendations: Chair _____ Secretary _____

Member _____

Minute No. _____