KENVERSITY DT SACCO SOCIETY LIMITED

REGISTRATION NO. 2483

BYLAWS AMENDMENTS

AMENDED AUGUST 2026

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1. NAME AND AREA OF OPERATION

The Society shall be called **KENVERSITY DT SACCO SOCIETY LIMITED, herein** after referred to in these By-Laws as "SACCO Society" and its area of operation shall be in the Republic of Kenya.

2. REGISTERED OFFICE/ POSTAL ADDRESS

2.1 The registered office of the SACCO Society shall be at KENVERSITY PLAZA KAHAWA SUKARI and the postal address shall be: - **10263 - 00100 NAIROBI, KENYA. Telephone: +254715114454, +254736710906**, Email; info@kenversitysacco.co.ke,
Website; www.kenversitysacco.co.ke

2.2 Notice of any change of postal address shall be given to the Commissioner for Co-operative Development, herein after referred to as 'The Commissioner', 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. OPENING AND RELOCATION OF SACCO SOCIETY'S BRANCH

The SACCO Society may from time to time open and operate a place of business, other than its head office, including a branch, outlet or an agency, close and relocate upon written authorization from the Authority.

4. INTERPRETATIONS AND DEFINITIONS

4.1 In these By-Laws, unless the context otherwise suggests words or phrases shall be interpreted/defined in accordance with the Sacco Societies Act 2008 and Sacco Societies (Deposit Taking Sacco Business) Regulations 2010 made hereunder after referred to as the "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 Societies Act" and "Rules" respectively.

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

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

(i) "Audit and Risk Committee" shall mean Committee of the Board established as per the Regulations.

(ii) "Authority" shall mean the Sacco Societies Regulatory Authority **(SASRA).**

(iii) "A nominee" means a person appointed by the member to inherit the shares, deposits and other interests in the Society upon the death of that member.

(iv) “Applicable Law” shall mean the Sacco Societies Act, 2008 Rules and the Regulations, Co-operative Societies Act cap 490, Rules, and these By-laws.

(v) “Board of Directors” shall refer to the persons elected in a duly convened Delegates Meeting or co-opted between the Delegates meeting to govern the business of the SACCO Society as per these By-laws hereinafter referred to as the “Board”.

(vi) “Commissioner” shall mean “the Commissioner for Co-operative Development as provided for in the Co-operative Societies Act.”

(vii) “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.

(viii) “Dividend” shall mean members share of the surplus of the SACCO Society which is divided amongst its members based on shareholding.

(ix) “Deposit” means 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.

(x) “Delegates Meeting” shall be a meeting (either “Annual” or “Special”) for all delegates duly convened by the SACCO Society to conduct its business.

(xi) Virtual Meeting: Means real-time interactions that take place over the internet using integrated audio, video, chat tools and application sharing.

(xii) Hybrid Meeting: Means some participants are in the same physical location while other participants join the meeting through electronic means including conference or such other electronic methods.

(xiii) Meeting shall be defined as either of the following: -

a) Physical Meeting
b) Virtual Meeting
c) Hybrid Meeting

(xiv) Physical Meeting means participants are physically present in a meeting called for by the Society in accordance to these By-Laws.

(xv) “Member” shall “include any person, group or registered organization who has been admitted in the Society in accordance with this By-Laws”.

(xvi) “Returning officer” is a person appointed to oversee or conduct the elections of the Co-operative Society at a Delegates Meeting.

(xvii) "SACCO Society" means a Savings and Credit Co-operative Society, registered under the Co-operative Act and licensed under the Sacco Societies Act, 2008.

(xviii) "Share Capital" shall mean members' equity in the form of issued and fully paid up shares of common stock

(xix) "Tribunal" shall mean the Co-operative Tribunal established under the Co-operative Societies Act to hear and determine disputes.

(xx) "Officers" has the meaning assigned to it in the Sacco Societies Act and the regulations 2010

(xxi) "Branch" means a retail and physical location, other than the headquarters from where the Society operates.

(xxii) "Deposit-taking business" has the meaning assigned to it in the Sacco Societies Act;

(xxiii) "Dispute" has the meaning assigned to it under the Co-operative Societies Act;

(xxiv) "Ethics Commission for Co-operatives" means the Ethics Commission for Co-operatives established pursuant to the provisions of the Public Officer Ethics Act, 2003

(xxv) "Good standing" refers to a member who meets expected characteristics of minimum membership requirements, satisfactory loan repayment and deposit contribution.

(xxvi) "Management" refers to person(s) who are appointed to positions of responsibility and are in charge of the day-to-day running of the Society;

(xxvii) Non-withdrawable deposits" means all the members' deposits not available for withdrawal for the duration of the membership of a member in the SACCO Society, and which deposits may be used as collateral against borrowings.

(xxviii) Supervisory Committee" means the Supervisory Committee of the SACCO Society elected in accordance with the provisions of the Co-operative Societies Act, Co-operative Societies Rules and these By-Laws.

(xxix) Written law" means any written law by Act of parliament (s) for the time being in force in Kenya;

(xxx) Corporate member refers to the registered organization under the laws of the country and registered with the SACCO in accordance with this By-law.

(xxxi) FOSA members refers to registered members transacting with the Front Office services only as per the SACCO policy.

(xxxii) "Delegate" shall mean member designated and or elected to represent and act on behalf of society members from the respective electoral zones.

(xxxiii) "Electoral Unit "Means a defined voting unit consisting of one or more clusters, established to facilitate the election of delegates in an organized and equitable manner

(xxxiv) "Electoral Zone" means a broader geographical or operational area comprising several electoral units, within which members elect delegates to represent them at the Delegates Meeting.

(xxxv) "Volume of business" means the remittances received from institutions or individuals of a homogeneous class of membership at the Sacco.

4.4 Any questions concerning interpretation of these By-Laws or any matters not provided for therein, errors and omissions shall be referred to the Commissioner.

5. OBJECTS

5.1 The objects for which the SACCO Society is established are to organize and promote the quality of life of the members by providing quality financial products and services.

5.2 In particular, the SACCO Society shall undertake: -

(i) To promote thrift/prudence 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.

(ii) To ensure personal growth through the introduction of new products and services that will promote the economic base of the members.

(iii) 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.

(iv) 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.

(v) To perform all those functions and exercise the powers designated for savings and credit co-operative societies under the applicable law for the benefit of members and community.

(vi) To ensure safety and soundness of members' funds through Risk management programme or any other appropriate insurance scheme.

(vii) To offer the member's complementary savings and credit services as may be required by members from time to time.

5.3 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 act is approved by the members in a Delegates General Meeting.

6. 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.

6.1 PRINCIPLES

(i) **Voluntary and open membership**

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

(ii) **Democratic member control**

The 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 Society and share in the results of its operations. Usually, at least a portion of a co-operative's capital is owned collectively, intended to further the long-term purposes for which co-operative exist. Co-operative may pay a competitive rate of interest on capital, compensate employees fairly, according to the standards of the SACCO Society in which they exist. Members allocate surplus for any or all of the following purposes: -

a) developing the business of the co-operative;
b) benefiting members in proportion to their involvement with the co-operative; and
c) encouraging the further development of the Co-operative movement.

(iv) **Autonomy and independence**

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

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

The Society shall foster reciprocal, on–going education programmes for members, leaders, 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 Society shall actively co-operate with other co-operatives locally, regionally, nationally and internationally.

(vii) **Concern for community in Special**
The Society shall show concern to the community in which it exists and operates.

6.2 VALUES

The Society shall at all times uphold and practice the following values in its business; -

a) Co-operatives core values of self-help, democracy, self-responsibility, solidarity, self-reliance and equity.
b) Co-operatives ethical belief of honesty, openness, Social responsibility and caring for others.

7. MEMBERSHIP

Membership shall consist of: -

(i) Original members who signed the application for registration,
(ii) New members subsequently admitted in accordance with these by-laws,
(iii) employees of Kenyatta University, other affiliate universities and institutions with memorandum of understanding with the Sacco,
(iv) Business individual persons, incorporated and un-corporate carrying out business in the area of operation in Kenya,
(v) Registered and unregistered groups and organizations.

8. QUALIFICATION FOR MEMBERSHIP

8.1 A person who possesses the following qualifications shall be eligible for membership: -

(i) Is within the field of membership where deposits and loans contribution through employer check off system or salary and income processing through the Sacco is tenable,

(ii) Has attained the age of 18 years
(iii) Is of good character and sound mind
(iv) Pays the entrance fee and share capital as prescribed in these by-laws.

8.2 **Qualification for group membership**

The qualification for group membership shall include; -

a) Certificate of registration for the group as per the applicable laws,
b) Identification cards for the officials of the group,
c) Identification card for all members in case of unregistered un group,
d) Kenya revenue authority personal identification number certificate for the group, officials and members of un registered group,
e) Two colored passport size photographs for the officials of the groups,
f) Group by-laws or constitution or any other instrument permissible under the applicable laws,
g) Certificate of search for the registered groups from the registrar,
h) Resolution of the members to join the Sacco society including names of office bearers and individuals authorized to transact on behalf of the group,
i) Entrance fees and share capital as prescribed in these by-laws

8.3 **Qualification for corporate membership**

a) Certificate of registration of the corporate as per the applicable laws,
b) Certificate of search from the registrar of the corporate membership applicants,
c) Shareholding details information from the registrar of the ownership of the corporate applicant
d) Identification cards for the officials of the corporate entity or passports,
e) Kenya revenue authority personal identification number certificate for the officials and corporate organization,
f) Two colored passport size photographs for the officials of the corporate,
g) Corporate by-laws or constitution or any other instrument permissible under the applicable laws,
h) Resolution of the board to join the Sacco society including names of office bearers and individuals authorized to transact on behalf of the corporate,
i) Entrance fees and share capital as prescribed in these by-laws

8.4 **Diaspora members**

The qualification for Diaspora members shall include the following; -

a) qualifications for natural person, group and corporate membership as per 8.1, 8.2 and 8.3 above.
b) work permit from the country of origin or foreign license for the business.

9. APPLICATION FOR MEMBERSHIP

Every applicant for membership shall complete a prescribed “application for membership” form as may be amended from time to time by the Board of Directors.

10. ADMISSION INTO MEMBERSHIP

10.1 An applicant shall be admitted to membership on being accepted by a simple majority vote of the Board of Directors, but shall not qualify for the rights and privileges of membership until he/she has paid an entrance fee as set by the Board and paid in full at least 50 shares of Kshs.200 each (Kshs. 10,000/=), and a minimum monthly deposit as set by the Board or any other amount decided upon by Board of Directors and approved by the Delegate General Meeting of the SACCO Society from time to time.

10.2 Upon admission the member’s name shall be entered in the membership register and a membership number issued.

10.3 Members shall be admitted by the Board and total numbers reported to the next Delegates General Meeting.

10.4 The Chief Executive Officer shall cause the name and relevant particulars of qualified applicant to be entered in the register of members.

10.5 An applicant admitted into membership will only qualify for a BOSA loan after six months and having contributed the minimum shares and deposits as approved by a Zonal Meeting. However, he may patronize FOSA products immediately.

10.6 An applicant rejoining membership of the SACCO Society shall pay entrance fee of Kshs. 500/= and at least 50 shares of Kshs.200/= each or any other amount as may be determined by the Board and approved by the Delegate Meeting from time to time. A member will be allowed to rejoin the SACCO at least two (2) months after membership withdrawal maturity. Such a rejoining member will qualify for a BOSA loan after six (6) months, however he may patronize FOSA loans immediately.

10.7 Upon admission the member's name shall be entered in the membership register and a membership number issued.

11. REFUSAL OF ADMISSION.

The Board may refuse membership to any applicant giving him/her reasons for the refusal in writing, provided, however, that the person whose membership has been refused, if otherwise eligible for membership, shall have the right to appeal to the Delegates Meeting of the SACCO Society. Any such appeal must be supported by at least 10 (ten) members and upon payment of a fee of Kshs. 1,500/= by giving 14 days' notice before Delegate meeting date. The decision of the delegates meeting on the matter shall be final.

12. RIGHTS OF MEMBERS.

12.1 Subject to these By-Laws, policies, standards, values and procedures all members of the SACCO Society shall have the right to: -

a) Attend and participate in decision making at Zonal Meetings. Each member shall have one vote irrespective of the member's total shareholding;
b) Be elected into the organs of the Society unless otherwise prohibited by any other law or these By-laws;
c) Enjoy the use of all the facilities and services of the SACCO Society subject to the SACCO Society's By-Laws;
d) Submit proposals or initiatives to the Board for consideration that focus on improvement of products and services;
e) All legitimate information relating to the SACCO Society, including, internal regulations, registers, minutes of Zonal Meetings and Supervisory Committees report, annual accounts and inventories at the SACCO Society's registered office of the Society subject to the Policy and Regulations for the time being in force;
f) Other rights as prescribed by the Act and Rules.

13. OBLIGATIONS OF MEMBERS

13.1 Member of the SACCO Society shall have the obligation to: -

a) Observe and comply with all the SACCO Society's By–Laws and decisions taken by the relevant organs of the SACCO Society;
b) Buy and pay up for shares or make any other regular payments as provided for in these By–Laws;

c) Meet the debts of the SACCO Society in case of insolvency in accordance with the provisions of the Co-operative Societies Act and these By–Laws.
d) To repay all outstanding loans according to the terms and
   i. Conditions stated in the loan agreement and policy,
e) To promptly make all required contributions,
f) To support issues put forth that improves the sustainability of the Society and promotes the goodwill of all members,
g) To attend and actively participate in meetings of the Society,
h) Inform nonmembers who qualify and encourage them to join
i) Attend educational meetings and seminars organized by the SACCO Society or other organization approved by the Board
j) Support projects of the SACCO Society approved by the Board.

14. MEMBERS PERSONAL ACCOUNT

The Society shall maintain a Member's Personal Account (MPA) in compliance to the Management Information System (MIS) of the Sacco Regulatory Authority requirement for each member which shall contain full particulars such as: -

a) name, Society membership number and employment personal number or business details, identification, ID number, shareholding deposits, types of loans and interests where applicable,

b) a member on request and payment of requisite fee can get statement as per (i) above,

c) every member shall receive regular statements through email at least once every six months as per (i) above,

d) a member can access statements directly in the member portal and other digital platforms as determined by Board of Directors from time to time.

15. NOMINEE IN THE EVENT OF DEATH / INCAPACITATION

15.1 Every member may nominate in writing one or more persons as nominee(s). The nomination shall be attested to by at least two competent witnesses who are members of the SACCO Society.

15.2 In case of appointment of more than one (1) nominee, the amount of shares to be transferred to each of those nominees shall be specified at the time of nominating. Provided, however, that where no amount or percentage is specified each of the nominees shall receive an equal share.

15.3 A member desirous of changing his/her nominee(s) may at any time do so in writing by filling a records updating form in the presence of at least two competent witnesses who are members of the SACCO Society.

15.4 The particulars of the nominee(s) shall be recorded and kept in the members file to be kept in the custody of the Chief Executive Officer and whose reference particulars shall be entered in the register of members.

16. PAYMENT TO NOMINEE

16.1 The SACCO Society after obtaining such documentary proof of the death of a member and or a medical doctor's certificate of incapacity, as it may consider necessary, shall pay to the nominee the value of the deceased/incapacitated member's deposits, interest and dividend after deducting monies owed to the SACCO Society, if any within sixty days (2 months).

16.2 Upon the death of a member, the SACCO shall transfer the share or interest of the deceased member to: -

a) the person nominated by deceased member;

b) if there is no person so nominated, such person as may be granted letters of administration or probate by a Tribunal of law; or

c) in case (a) and (b) are not applicable, the share or interest of the deceased member shall be transferred to Unclaimed Financial Assets Authority established under section 39 of the Unclaimed Financial Assets Act, 2011.

17. ADMISSION OF NOMINEE INTO THE SACCO

A nominee may be admitted to membership of the SACCO Society if qualified. The shares, deposits, interest and dividends due to the deceased member shall be transferred to the account of that nominee.

18. TERMINATION OF MEMBERSHIP

Membership in the SACCO Society shall cease with effect from the date of:

a) death
b) withdrawal
c) expulsion.

d) being certified insane,

e) transferring all shares to another member,

f) failure to remit regular savings and loan repayments for a continuous period of six months without valid reasons or leave of the SACCO Society,

g) ceasing to hold qualification for membership as specified in these By-Laws.

19. VOLUNTARY WITHDRAWAL

a) Members with no liability or outstanding obligations on their accounts and no outstanding collaterals or guarantees for other members' loans may withdraw from membership at any time provided that where a member has an outstanding obligation in respect of guarantee, shall continue to be responsible unless alternative arrangements accepted to the SACCO Society are made.

b) A member withdrawing from the SACCO Society shall give 60 days' written notice of intention to withdraw.

c) Partial withdrawal of non-withdrawable deposits from the SACCO Society shall not be allowed under any circumstances.

d) A member who willfully withdraws from the SACCO Society shall qualify to rejoin and shall be treated as a new member.

20. SUSPENSION AND EXPULSION

20.1 The Board may suspend a member subject to the decision of the next Delegates General Meeting to expel, who; -

(i) willfully fails to fulfill his/her obligations to the SACCO Society whether stated in these By-Laws, Special internal regulations, a resolution of the Delegates Meeting or in contravention of any other legal document, provided such a member has been called upon to do so but has failed,

(ii) acts in any manner prejudicial to the interests of the SACCO Society,

(iii) or for any other reason approved by the Delegates Meeting and/or as may be contained in the SACCO Society's code of ethics.

21. PROCEDURE OF SUSPENSION AND EXPULSION

21.1 Upon formal and written proof that a member has committed a violation punishable by expulsion, the Board shall serve thirty (30) days' written notice to the member stating the reason(s) for the proposed expulsion and requiring him/her to file a defense.

21.2 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; -

a) Suspend the member pending expulsion by the Delegates General Meeting or,
b) Impose any other punishment as may be provided in this By-Laws or as may be directed by the Delegates General meeting from time to time.

21.3 A member so suspended may appeal to the Delegates General Meeting if not satisfied with the decision to the next Delegate meeting.

21.4 The Annual Delegates Meeting shall consider and determine the appeal which may either lift the suspension or maintain or expel.

21.5 A member who is expelled from the SACCO Society shall have the right to appeal at the next Delegates Meeting provided the notice and grounds of such appeal have been filed with Honorary Secretary not less than 30 days before the date of the meeting. The decision of the Delegates Meeting on such expulsion shall be final.

21.6 SUSPENSION AND REMOVAL OF A DELEGATE

21.61 The Board of Directors may suspend a delegate subject to removal by the General Meeting who:-

i. Fails to maintain the confidentiality test as provided for in the code of conduct for delegates and applicable law.
ii. Continuously spreads malicious information on board, management and the SACCO.
iii. Acts in any manner prejudicial to the interests of the SACCO.
iv. fails to fulfill his/her obligations to the SACCO whether stated in these by-laws, general internal regulations, a resolution of the general meeting or in contravention of any other legal document, provided such a delegate has been called upon to do so but has failed.
v. Is convicted by a court of law with an offence involving fraud or dishonesty pending the determination of the matter.
vi. Is found to have willfully furnished false particulars in his application for delegate of the Sacco.

vii. Adversely mentioned in an inquiry for financial impropriety or corrupt practices.

viii. Is removed by the Commissioner of Co-operatives or Sacco Society Regularity Authority under the provisions of Co-operative Societies Act, Sacco Act and the Rules.

viii. Any other reason approved by a general meeting and / or as may be contained in the SACCO's code of ethics.

21.62 A delegate who is in suspension shall NOT enjoy rights and privileges of a delegate and shall not attend general meetings and/or other delegates' forums unless invited in writing.

21.63 Provided that, no delegate shall remain in suspension for a period of more than 12 months.

21.7 PROCEDURE OF SUSPENSION AND REMOVAL OF A DELEGATE

a) Upon formal and written proof that a delegate has committed a violation punishable by removal, the board shall serve a thirty (30) days written notice to the delegate stating the reason(s) for the proposed removal and requiring him/her to file a defense.

b) Upon the expiry of the 30 days and taking into consideration the delegates 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 delegate pending removal by the Delegates 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 suspended delegate may appeal to the General Meeting, if not satisfied with the decision of the Board of Directors provided that notice and grounds of such appeal have been filled not later than thirty days before the date of the General meeting. Upon hearing the appeal, the delegates may:-

   i. Reinstate the delegate
   ii. Confirm the suspension and consequently remove the delegate

d) Where a suspended delegate does not prefer an appeal through the general meeting, the board shall present its finding to the next

General meeting which may either lift the suspension or remove the delegate.

e) Provided that, the delegate who has been removed shall continue to enjoy his or her rights of membership as provided for in these by laws.

21.8 CESSATION OF THE TERM OF A DELEGATE

a) The term of a delegate shall cease before expiry of the three (3) years upon a delegate's:
   i. Death
   ii. Expulsion or removal by the Delegates General meeting
   iii. Certifiable insane or incapacitation
   iv. Ceasing to hold the qualifications of a delegate as specified in these By- Laws.
   v. Defaulting
   vi. Adversely mentioned in an inquiry for financial impropriety or corrupt practices.
   vii. A Delegate who is elected or appointed to a political office shall cease to hold office as a Delegate.
   viii. being transferred outside his/her electoral zone/unit and unable to serve and replaced as provided for in these by laws.
   ix. A written complaint signed by at least 2/3 members from his electoral unit or cluster outlining service dissatisfaction and replaced as provided in these by laws.

b) Upon occurrence of any of (i-ix) above, a by-election in the respective electoral unit or cluster in which a vacancy has occurred shall be carried out within 90 days or next Electoral Zone elections whichever comes first.

22. PAYMENT ON TERMINATION, EXPULSION OR WITHDRAWAL OF MEMBERSHIP

22.1 Expulsion or termination of membership will not exonerate a member from any existing personal or membership liability.

22.2 On termination, withdrawal, expulsion of membership, a person shall be paid the following less any outstanding Kenversity DT Sacco Society obligations; -

(i) The nominal or book value of deposits (both withdrawable and non-withdrawable), provided however, that the Board may require a maximum of 60 day's written notice of intention to withdraw. Any dividends and interests due prior to the termination date.

(ii) Any other funds other than shares held by the SACCO Ssociety on his/her behalf.

(iii) The member will be allowed to transfer his/her shares to an existing member.

23 MEMBERSHIP IN APEX ORGANIZATIONS

(i) The SACCO Society may become a member of the Kenya Union of Savings and Credit Co-operative (KUSCCO) and Co-operative Alliance of Kenya (CAK), Co-operative Insurance Company (CIC), Co-operative Bank of Kenya or any other approved organization.

(ii) The Society may become a member of a licensed and Regulated central liquidity and Shared Services Platform (SACCO Central) for the SACCO Societies in Kenya.

(iii) It shall recognize the fact that such membership is vital for the safety of its transactions and in the interest of its members.

(iv) In accordance with the principle of co-operative among co-operatives, it shall participate in building a strong SACCO system, nationally, regionally and internationally.

24 FUNDS OF THE SACCO SOCIETY

24.1 The funds of the SACCO Society shall consist of:

(a) **Core Capital**

- (i) Paid up member's 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.

24.2 Liabilities, which include deposits from members and borrowings from other sources as may be prescribed by the Authority.

24.3 Funds obtained from lawful miscellaneous sources.

24.4 Capital Adequacy

The SACCO Society shall at all times maintain: -

- (i) Core Capital of not less than 10 million 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.

24.5 Investments

(a) The funds of the SACCO Society shall only be applied for the promotion of the stated objects of the SACCO Society as set forth in these By- laws and shall be invested in: -

- (i) security 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 and any other licensed or Regulated institution in Kenya.
- (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) Money market investment fund.

(b) The Society is prohibited in investing its funds in: -

- I. foreign trade operations,
- II. investment in enterprise capital beyond the prescribed limit by the SACCO Regulatory Authority and Commissioner of Co-operatives development,
- III. purchase of land other than for SACCO business within prescribed limits,
- IV. allowing non-members to save and receive loans from the SACCO,
- V. such other activity as the Authority may prescribe or prohibit.

24.6 **Liquidity and capital reserves**

- a) The SACCO shall maintain liquid funds above 15% of the total withdrawable deposits.
- b) Capital Reserve shall be held by the SACCO Society to fund the growth and to meet operational losses not related to loans.
- c) The loan allowance for loan loss account shall be held to meet loan losses as prescribed by the SACCO Regulatory Authority or International Financial Reporting Standards.
- d) Capital Reserve and the allowance for loan loss 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.

25 SHARES

25.1 Members shall hold minimum shareholding as prescribed in Clause 10.1 of this By-Laws or as may be amended from time to time or any other amount which shall be fixed by the Delegates meeting. However, no member shall hold more than one-fifth (20%) of the total shares of the Sacco Society.

25.2 Any amount may be accepted towards the purchase of shares, provided, however, that the Board may fix a minimum amount that may be paid in by a member at any one time.

25.3 A Member should meet the minimum shares before he/she qualifies for a loan.

26 TRANSFER OF SHARES.

26.1 With the approval of the Board, a member may at any time transfer shares to another member. Such transfers must be in writing and at nominal value. The transferee must have been a SACCO member for more than one year.

26.2 All transfers of shares must be registered with the SACCO Society and no transfer shall be valid unless so registered. A fee of Kshs.500/= shall be payable by the transferee for each transfer.

26.3 Shares are not refundable but they can only be transferred to another member upon exit or active members may transfer surplus shares to other members provided the minimum shareholding is maintained.

27 DEPOSIT

27.1 DEPOSIT

a) Deposits to the SACCO Society made by a member through the Back Office operations shall not be withdrawable in whole or in part unless on resignation of a member.
b) Deposits made to the SACCO Society through Front Office Service Operations shall be withdrawable according to the terms and conditions as provided by the Board and approved by the Delegates Meeting.
c) In considering monthly deposits reduction, a member shall apply to the Board, provided that either his/her deposits and loan balances are equal, or the deposits exceed the loan balance and the repayment shall not be less than 0.5% of the original normal loan

subject to a minimum of KSHS. 1,500/= or as may be determined by the Board.

d) Non-withdrawable deposits shall attract interest at a rate as may be determined in a Delegates Meeting subject to the Regulatory requirements and the recommendations of the Board on a prorate basis.
e) Withdrawable deposits through FOSA shall attract interest on pro-rata basis at a rate to be determined by the Board and as dictated by external market forces or internal funding needs.
f) Deposits as defined by SASRA Regulations shall be the primary security for loans including guaranteed loan that are defaulted.

27.2 **Dormant and abandoned savings**

a) The Society shall from time to time maintain a register to be called dormant and abandoned savings accounts respectively.
b) Dormant and abandoned accounts savings or deposits shall be transferred to the Unclaimed Asset Authority or Public Trusts established by the Republic of Kenya after sending both to the member or nominee a notice of 90 days using the last known address as per the enabling law after the lapse of the period prescribed in law.

28 LIABILITY

28.1 The liability of a member shall be limited to the nominal value of the shares held by him/her.

28.2 In the event of liquidation, where available funds are insufficient to pay the full nominal value of the shares held by members; the funds shall be distributed pro-rata among the shareholders according to the amount of shares held by each.

28.3 In addition to section 31 b), members shall be compensated by the Deposit Guarantee Fund as provided in the Regulations.

29 POWER TO BORROW

29.1 Loans may be obtained from non-members subject to the maximum amount and terms approved by the Delegates Meeting and the Commissioner of co-operatives provided the total external borrowing by the SACCO Society does not exceed the limit prescribed in the Regulations.

29.2 For the securing of any loans accepted by the SACCO Society may grant a charge over its assets. The authority to grant a charge shall be reserved to the Delegates Meeting and the commissioner of Co-operatives.

29.3 The rate of interest on loans shall not exceed the current market rate.

29.4 The Society shall cause a charge to be registered by the Commissioner of Co-operatives Development within 30 days from the date of execution.

29.5 The Society shall maintain a register of charges held by the Commissioner of Co-operatives Development showing the date of acquisition, particulars of property charged, amount secured and any other requirement deemed necessary.

30 RECEIPTING OF MONEY

30.1 Money received in or out on account of shares, deposits, Loans, interest's fees or fines shall be recorded and evidenced by an entry in the member's personal account and issuance of an official receipt in the name of the SACCO Society.

30.2 Should the statement of account or other receipt given to the member by the Society be lost or destroyed, the member shall give immediate notice of such fact to the Chief Executive Officer who may be authorized by the Board to issue a duplicate Statement of Account or a duplicate receipt.

30.3 The Board may require the member to sign an indemnity to protect the SACCO Society against any loss due to the issuance of such duplicate. The Board may also require payment to the SACCO Society of a reasonable charge at cost of issuing the duplicate Member Personal Account.

31 RISK MANAGEMENT FUND

a) The SACCO Society shall operate a Risk Management Fund for all its members as prescribed in the policy.

b) The aim and purpose of the risk management fund shall be to: -

   (i) Provide security against loan default by deceased member,
   (ii) Provide financial cushion to the sacco society when a member is deceased,
   (iii) Ensure that a deceased member's deposits are refunded to the nominee(s) less sacco society's obligations if any,
   (iv) Provide funeral expenses for deceased member/nominees.

c) When a member defaults in contributing to the Risk Management Fund other than through death, the Board shall use all reasonable means to recover the money from such a member including; -

d) utilizing any accrued dividends from the SACCO Society,

e) loading the arrears on the loan,

f) reduction of deposits,

g) eligibility to the Risk Management Fund ceases upon voluntary withdrawal, death or expulsion,

h) the SACCO Society shall maintain member's register for the risk management fund and separate register for nominees in respect of the Risk Management Fund,

i) Risk Management fund benefits shall be; -

   (i) payment of the funeral expenses of Kshs. 20,000/= (twenty thousand shillings only) each on the death of any four nominees from a list of 10 nominees provided by the member or as may be amended by the Board of Directors from time to time,

   (ii) on being deceased, a member's nominee (s) for the deposits shall be paid twice the total of the deceased member's deposits as per time of death,

   (iii) payment of last expenses of Kshs. 50,000/= on death of a member or as may be amended by the Board of Directors from time to time,

   (iv) a deceased member shall have his/her outstanding loans paid by the insurance provided that such loan was insured,

j) A rejoining member who had exhausted his/her benefits under this fund shall not benefit from the same,

k) Any new member who has subscribed to the risk management fund qualifies to benefit from the original list of the nominees,

l) Any member who changes/alters/replaces a nominee(s) will qualify against such changes/alteration/replacement six months from the date of that change/alteration,

m) For purpose of payment to nominee, the sacco society after obtaining such documentary proof of the death of a member as it may consider necessary, shall pay to the nominee the value of the deceased member's deposits, interest and dividend after deducting monies owed to the sacco society, if any.

n) An amendment to the risk management fund rules and regulations underlined herein shall be by the authority of the board of the sacco society.

32 PAYMENT AND DISBURSEMENT

Payments made by the SACCO Society shall be recorded and evidenced as provided for in the approved policy and procedure manual.

33 ELIGIBILITY FOR MEMBERSHIP TO THE BOARD

33.1 No person shall be eligible as a member of the Board of Director or remain a member of the board if he/she:-

a) Has NOT served as a delegate for at least three (3) years prior to election subject to the transition period. During the transition the serving board members will be deemed to be delegates for a period of 3 years subject to the end of their respective terms. Except for the first three years where any delegate who meets the requirement can be elected as a director.
b) Is not a current or former employee of Kenyatta University
c) has been adversely named by the Commissioner in an Inquiry Report endorsed by a General Meeting for mismanagement or corrupt practices whilst still a member of the Board of a Co-operative Society or Union in the last ten (10) years, or mentioned adversely in any other national government inquiries where he/ she has been shown or alleged to be engaging or have engaged in dishonest activities
d) has been adversely named by the Authority in an Inquiry Report for mismanagement or corrupt practices while still a member of the Board of Directors or officer of a SACCO in Kenya;
e) has been barred or prohibited from holding office as a director or officer of a SACCO by the Authority;
f) has been charged of any offence involving dishonesty, a crime involving fraud, perjury or breach of contract of a licensed financial institution.
g) 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.
h) Is a current Board of Directors and, becomes delinquent and does not make good the default within a period of 90 days.
i) Is un dis-charged bankrupt;
j) Is of unsound mind;
k) shall not have attained a minimum of post secondary level certificate of Education or equivalent.
l) is a member of the Board of Directors of another existing SACCO authorized or licensed under the Sacco Societies Act;

m) Is an official of or holds a political office at any level or has been gazetted by an election body to vie for a political seat in an election.

n) Receives any remuneration, salary or other payment from the SACCO.

o) Does not conform to minimum qualification standards in accordance to the applicable law.

p) Has been removed from public office or barred from holding public office by any agency of the government, on disciplinary action.

q) has not executed and submitted or caused to be submitted to the Authority, the Fit and Proper Test Form as provided in the Regulations.

r) has not attained non-withdrawable deposits of Ksh. 1,000,000 as at the close of the previous financial year or any amount decided by the General meeting.

u) Has not attained a minimum share capital worth Ksh.50,000 or any other amount approved by the General Meeting from time to time.

v) Lends money on his own account.

w) Has not within thirty days (30) of being elected, declared his wealth to the commissioner in the prescribed manner.

x) Has not filed an indemnity with the Commissioner in Form V within fourteen days (14) of his election to the board.

y) He is voted out by two thirds majority of the members present and voting at a General meeting.

z) Is not a delegate of the Sacco.

34. GENERAL MEETINGS

The supreme authority shall be vested in a general Meeting of delegates elected in a manner prescribed in these By-laws. The delegates shall have the right to attend, participate and vote on all matters during the meeting. The Sacco shall have two types of General Meetings namely –

a) Annual Delegates Meeting(ADM); and

b) Special Delegates Meeting(SDM)

34.1. ANNUAL DELEGATES MEETING

a) The **Annual Delegates Meeting** shall be convened within four months after the end of the Sacco's financial year to undertake such business as is laid down in these by- laws.

b) Any business not completed at the annual Delegates Meeting, may be taken up at a subsequent Special Delegates Meeting of the Sacco.

34.2 SPECIAL DELEGATES MEETING

a) A Special Delegates Meeting(SDM) of the Sacco may be held when convened by the-

i. Board of Directors
ii. Commissioner or his representative
iii. Board within 15 days of receipt of a written request by at least **60 delegates or a half ($^1/_2$)** of the delegates, whichever is less; Provided that the request is deposited by registered mail at the SACCO's address or delivered to the Chief Executive Officer at the SACCO' offices within normal working hours.

b) For a **Special delegates Meeting** requested by the delegates, the request must state the object of the meeting being called, and the signatures of at least 60 delegates or a half ($^1/_2$) of the delegates, whichever is less. The request shall be deposited in the registered office of the Sacco. Such meetings shall be convened within fifteen days.

34.3 FAILURE TO CONVENE SPECIAL DELEGATES MEETING

If the Board of Directors fail to convene a Special Delegates Meeting within fifteen (15) days of receipt of notice from delegates as provided in **34.2** above, such delegates shall convene the Special Delegates Meeting as requested by notifying the Commissioner and the Board of Directors, stating the object and reasons for the meeting and the fact that the board has failed to convene the meeting.

34.4 DELEGATES MEETING

(a) The Supreme Authority of the SACCO Society shall be vested in the General meetings.

(b) An Annual Delegates meeting shall be convened within four (4) months after the end of the SACCO Society's financial year.

(c) Annual Delegates Meeting shall be convened by giving at least fifteen days' written notice to the delegates.

(d) Provided the request from the delegate(s) is deposited by registered mail or email at the SACCO Society's address or delivered to the Chief Executive Officer at the SACCO Society's offices within normal working hours.

(e) Delegates in (33.4) above, if the Board fails to convene a meeting within fifteen days of receiving notice under the Co-operative Act, the members shall give notice to the other Members of the SACCO Society, stating the object and reasons for the meeting and the fact that the Board has failed to convene the meeting.

(f) Any business not completed at an Annual Delegates Meeting may be taken up at a subsequent Special Delegates Meeting.

(g) The Society shall conduct either physical, virtual or blended General meetings.

35 NOTICE OF MEETINGS

35.1 At least fifteen clear days' notice shall be given in the case of an Annual Delegates Meeting.

35.2 The Honorary Secretary shall take all usual steps to publish the notice of the meeting in public places, on the Sacco Society's notice board (s), in local newspapers or news–sheets, including the media or any other mode decided by the delegates.

35.3 All notices shall include a statement of the business to be dealt with.

35.4 For a Special Delegates Meeting requested by the delegates, the notice must state the object of the meeting being called, and be signed or thumb-marked by the requestors. The request shall be deposited in the registered office of the Society.

36 QUORUM

Except when convened by the Commissioner, the presence of at least 60 delegates or 50% of the total delegates, whichever is less, shall constitute a quorum for the conduct of business at the General Meeting.

37 IDENTIFICATION

37.1 Before they attend or vote at a General Meeting, delegates shall be required to identify themselves an acceptable manner.

37.2 Any delegate who is disorderly and disrupts business of the General Meeting may be denied entrance or ejected from the meeting.

38 DUTIES OF DELEGATES MEETINGS

38.1 The Delegates Meeting shall have the powers and duties prescribed in the SACCO Act, Regulations, Co-operative Act, Rules and these By-Laws. It shall: -

(i) consider and confirm the minutes of the previous Delegates Meeting,

(ii) consider reports of Board, Supervisory Committee, the Commissioner or his/her representative and the audited accounts on the SACCO Society's activities during the past financial year,

(iii) consider and resolve on the manner in which any available surplus shall be distributed or invested, subject to the Act, Regulations, Co-operative Societies Act and Rules,

(iv) elect or remove members of the Board and the Supervisory Committee, subject to the Act, Regulations and these By-Laws,

(v) consider recommendations on expulsion of members and refusal of membership by the Board,

(vi) fix the maximum liability which the SACCO Society may incur in loans and deposits from members and non-members,

(vii) approve the estimates of income and expenditure for the financial year following the Delegates Meeting,

(viii) approve/fix the honoraria and bonuses, if any, for Board of Directors/Supervisory Committee or employees of the SACCO Society,

(ix) decide on the management structure, including the establishment of branches to facilitate efficient and cost effective delivery of services to members,

(x) appoint bankers, auditors and advocates of the SACCO Society for the ensuing year,

(xi) approve affiliation to National Co-operative Organizations for SACCO societies and the Apex bodies,

(xii) transact any other business of the SACCO Society for which notice has been given to members in the manner prescribed in these By-laws.

38.2 All qualified Delegates have a right to attend the delegates Meeting and participate in its deliberations however they may be required to identify themselves.

39 RECORD OF BUSINESS

39.1 All business discussed or decided at the Delegates Meeting shall be recorded without erasures and corrections in a Minute Book, which within one week of the meeting, shall be signed by the Chairperson of the meeting and at least one other Board member who was present at the meeting, to indicate that in their opinion the minutes are a true and complete record of all matters discussed or decided at the meeting.

39.2 At the next meeting after approving any alterations or variations which shall be written below the above signatures and not as alterations to the original record, the meeting shall by resolution authorize the Chairperson to sign and date the final record.

40 ESTABLISHMENT OF ZONES

40.1 The Sacco Society shall cause to establish Zones based on,but not limited to , Schools, Campuses, departments, branches, outlets geographical distance distribution, teaching, non-teaching staff, gender, special groups and retirees for purposes of representation and carrying out education to members. The number of delegates per zone will be determined by volume of business.

40.2 DELEGATE ZONES

a) The members shall exercise their rights and obligations at the meetings held at the zones.

b) The zones shall be represented by the delegates democratically elected by the members.

c) Delegates from respective zones shall convene meetings in consultation with the Board on regular basis but one years will not lapse before meeting being held.

d) Every delegate will retire after three year term and is eligible for re-election. The functions and duties of the zonal meetings shall consist the following: -

i. Election of delegates at the jurisdiction to attend the Delegates General Meetings on their behalf,
ii. Recall delegates from their electoral zones as per the provision of this policy and bylaws,
iii. Present projects, budgets and other activities of the region to be approved at the Delegates General Meetings and the Board,
iv. Receive and consider progress reports of the zone (s) for further decision making,
v. Receive education, training and information,
vi. Carry out environmental and governance Social corporate responsibilities approved by the Delegates General Meetings and the Board,
vii. Discuss problems affecting the zone and recommend solutions for adoption at the Delegates Meetings and the Board,
viii. Attend family Sacco member's day in the zone approved by the Board and Delegates General Meetings when called for by the Sacco,
ix. Discuss matters delegated to it by the Delegates General Meetings, Board and Supervisory Committee

40.3 ROLES OF DELEGATES

The delegates shall have the following duties and responsibilities;-

a) Represent members
b) Elect the Board of Directors
c) Elect Supervisory Committee members
d) Approve key decisions in Delegates General Meeting
e) Exercise oversight
f) Approve amendment of By Laws
g) Approve major cooperate actions in Delegates General Meeting
h) Remove any elected officials

i) Promote members' interests.

40.4 ELECTION OF BOARD OF DIRECTORS AND SUPERVISORY COMMITTEE

a. The Board of Directors and Supervisory Committee shall be elected by the delegates during the Delegates General meeting called for as per the bylaws to transact the business.
b. A third of directors shall retire on annual basis as per bylaws.

40.5 ESTABLISHMENT OF ELECTORAL ZONES

The Sacco shall establish electoral zones as shall be recommended by the Board and approved by the delegates General meetings from time to time.

a) A delegate's zone shall be established as per delegate policy and approved by the Board from time to time.

40.6 ELECTION OF DELEGATES

a. Elections of delegates shall be governed by Delegates Policy.

40.7 QUALIFICATION OF A DELEGATE

a) No member shall be eligible to be elected as a delegate if he or she:-
   (i) Has not been a member for at least 36 continuous months.
   (ii) Is an un-discharged bankrupt;
   (iii) shall not have attained a minimum of KCSE level certificate of Education or equivalent.
   (iv) Is of unsound mind;
   (v) Is an employee of the SACCO.
   (vi) Has not attained deposits of at least Kshs. 300,000/- as at the close of the previous financial year, or such other amount as may be approved by the Delegates General Meeting from time to time.;
   (vii) Has not attained a minimum share capital as per clause 10.1.
   (viii) Is currently delinquent on loans for more than 90 days or more within the last one year prior to election.
   (ix) Adversely mentioned in an inquiry report by the commissioner or the Authority for financial impropriety or corrupt practices.

(x) Engages in a business seen to be competing with the Sacco.
(xi) Is an official or holds a political office at any level or has been gazetted by an election body to vie for a political seat in an election;
(xii) Is a delegate/director in another Sacco Licensed and regulated as a Deposit Taking SACCO
xviii. Does not conform to Chapter 6 of Constitution of Kenya.
(xiii) Has been removed from public office on disciplinary action Relating to financial impropriety or corruption.

b) Where all members in the electoral unit are new, the transition clause shall apply.

40.8 TRANSITION PROVISIONS

The society shall adopt the following procedure as it transits to a delegate system of governance.

a) The Board and Supervisory committee members currently servicing at the time of transition from general meeting to delegate meeting shall be become automatic delegate members in the new established zones.

b) A system shall be established by the Delegates during their Annual Delegates Meeting to ensure that delegates will retire on annual basis per zone to comply with a third of the members retiring annually**.**

41. ELECTIONS

41.1 MODALITIES OF ELECTIONS

a) The Board shall notify the members of the vacancies arising in both the Board and Supervisory Committee.
b) When vacancies happen in the SACCO Society's Committees, the Hon. Secretary thereof shall issue notice of election to fill such vacancies thirty (30) clear days before the General Meeting.
c) There shall be a Nomination and Election Committee constituted by the Board to vet and clear the prospective candidate for election.
d) The elections shall be held during the Delegates General meeting day.
e) Any delegate is eligible to vie for the position of directorship and supervisory committee member, provided that they meet the requirements for those positions.
f) All delegates are eligible to vote in the election of Board of Directors and Supervisory Committee member during the Delegates general

meeting. If there is a tie vote, a runoff election for tying candidates shall be conducted within the ADM day.

42.2 ELIGIBILITY TO VOTE

a) All active Kenversity SACCO members fully registered with the minimum share capital requirements are eligible to vote. This includes group members with individual membership numbers and requisite share capital. Irrespective of the number of share held by him/her, no member shall have more than one vote.
b) Hybrid members shall only vote once. This includes a member with more than one membership number.
c) Groups with unlisted members shall nominate one representative to vote on their behalf.
d) Members may vote by proxy provided that the Board will formulate a procedure to guide the process.

43.3 ELECTIONS AND DECLARATION OF RESULTS

a) All candidates shall be proposed and seconded by delegates other than fellow candidates.
b) Voting shall be by secret ballot.
c) Election results shall be announced immediately after tallying and counting of votes.
d) The presiding officer shall sign and present the election certificate to the winner (s).
e) In case of a tie, a repeat election shall be conducted within seven days for the tying candidates.
f) All Candidates will be required to sign the results declaration form.
g) Within ten (10) days after the election, the names and addresses of all persons elected to office shall be compiled by the Chief Executive Officer of the SACCO Society.
h) Within fourteen (14) days, of the elections, the Chief Executive Officer shall forward to the Commissioner of Co-operatives and Sacco Regulatory Authority the names and addresses of all persons elected.

44.4 VOTERS REGISTER

The Voters register shall be compiled by the office of the Chief Executive Officer to be published at the website or notice Board within 7 days before election day. Any member might request for a hard copy from the Sacco at his or her own printing cost.

45.5 ELECTION METHOD

a) The Society shall adopt a manual or electronic election process at the elections of the Board of Directors and Supervisory committee members during the Delegates meetings.

b) Whichever the method adopted, the Society shall carry out an election process which is free and fair, respect political rights of members, inclusive of two third gender and people with disabilities.

c) The election shall be free and fair if; -

   i. is by secret ballot,

   ii. is free from violence, intimidation, improper influence or corruption,

   iii. is transparent and

   iv. accountable and accurate.

d) The method of voting shall be decided 7 days before election date and all participants shall be notified accordingly by the Chief Executive Officer.

46.6 RECONSTITUTION OF BOARD COMMITTEES

a) Within fourteen (14) days of the elections, the Chief Executive Officer shall forward to the Commissioner and the Sacco Regulatory Authority the names and addresses of all persons elected.

b) A new Board elected at the Delegates Meeting shall not assume office unless they have been cleared by the Sacco Regulatory Authority and satisfied the requirements of the Co-operative Act, Sacco Act, Rules and these By-Laws.

c) The County Director of Co-operatives or his/her representative shall preside over the reconstitution process whereas the Chief Executive Officer shall be the witness and record minutes.

d) The reconstitution of the committee shall take place within 7 days of the election.

e) The Board shall vote to elect among themselves the following position: -

    i. Chairperson
    ii. Vice Chairperson
    iii. Honorary Secretary
    iv. Treasurer

f) After the election, the Chairperson elect shall take charge and chair the rest of the meeting in consultation with County Director of Co-operatives or his/her representative.

g) The Board shall then nominate through an agreed manner, members of the following committees: -

    i. Finance, Staff and Administration Committee
    ii. Education and Training Committee
    iii. Audit and Risk Committee
    iv. Credit Committee

h) The tenure for sub-committee membership shall be one year.

i) The Supervisory Committee members shall elect from amongst themselves the following positions: -

    i. Chairperson,
    ii. Secretary,
    iii. Member.

47.0 THE BOARD OF DIRECTORS

47.1 The Board shall be the governing body of the Society elected by Delegates Members at a dually convened Delegates Meeting.

The minimum number of the Board members shall be 5 and maximum shall be 9 Non- Executive.

47.2 The Board shall include the Chairperson, Vice Chairperson, Treasurer and Honorary Secretary all of whom shall be elected by the Board from amongst the members of the Board.

47.3 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 by rotation and shall not be eligible for re-election after two terms of each three years.

47.4 Not more than two thirds of the members of the Board shall be of the same gender.

47.5 Where the membership of the Board of Directors falls below five (5) members, the Board of Directors shall co-opt good standing qualified member(s) into the Board of Directors until the next Delegates Meeting in liaison with the nominations and appeals committee.

47.6 The Board may appoint other sub-committees as prescribed in the Act, Regulations, Co-operative Act or as may be stipulated by the By-Laws.

48.0 BOARD MEETINGS

48.1 The Board shall meet not more than 12 times in a financial year and not more than two (2) months shall lapse between the date of one meeting and the date of the next meeting. At least 5 members shall form a quorum.

48.2 If a member of the Board fails to attend three consecutive meetings without being excused thereon, or otherwise fails to perform his/her duties, the position shall be declared vacant and may be filled as provided for in these By-Laws.

49.0 RECORD OF BUSINESS OF THE BOARD

49.1 All business discussed or decided at the Board Meeting shall be recorded without erasures and corrections in a Minute Book, which within one week of the meeting, shall be signed by the Chairperson of the meeting and at least one other Board member who was present at the meeting, to indicate that in their opinion the minutes are a true and complete record of all matters discussed or decided at the meeting.

49.2 At the next meeting, after approving any alterations or variations, which shall be written below the above signatures and not as alterations to the original record, the meeting shall, by resolution, authorize its Chairperson to sign and date the final record.

50.0 DUTIES AND POWERS OF THE BOARD

The Board of the SACCO Society shall be subject to any directions from the Delegates Meeting, it shall direct the affairs of the SACCO Society. Its procedures, powers and duties shall be as prescribed by the Act, Regulations, Co-operative Societies Act and Rules and these By-Laws. In particular, it shall: -

a) Observe in all its transactions the SACCO Societies Act and the Regulations, Co-operative Societies Act and the Rules, these By-Laws and prudent business practices,
b) Establish and approve appropriate policies including human Resource management, savings, liquidity, investment, dividend, risk management, membership administration, cash handling and information management and preservation,
c) Ensure that the management maintains proper and accurate records that reflect the true and fair position of the SACCO Society's financial condition,
d) Prepare and develop business plans and annual budgets for presentation at the Delegates meeting;
e) Formulate the Nomination and Electoral Policy to guide in the nomination and election process,
f) Appoint such number of Board committees as maybe necessary to effectively discharge its functions;
g) Approve interest rates on loans, the maximum maturities and terms of payment or amortization of loans from time to time and the maximum amounts that may be loaned with or without security to any member as recommended by the SACCO Society's management;
h) 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 members at the Delegates Meeting;
i) Lay before the Delegates meeting audited accounts, together with proposals (budget for the following financial year) for the disposal of net surplus, if any;
j) Recommend to the Delegates Meeting the dividend rate to be paid on shares, if any, and interest to be paid on non-withdrawable deposits;
k) Fill through co–option, vacancies occurring in the Board between Delegates meetings;
l) Authorize the conveyance of properties;
m) Authorize borrowing and lending operations of the SACCO Society in compliance with the policies,
n) Approve and review lending policies of the SACCO Society to ensure compliance with the Act and Rules,
o) Approve or ratify all loans to Directors and employees of the SACCO Society;

p) Approve interest rates on loans to members as recommended by the relevant committee,
q) Designate a depository or depositories for the funds of the SACCO Society;
r) Prepare and approve a code of conduct in the form set out in the third schedule of the Regulations;
s) Employ and fix the remuneration of the employees including the appointment of Chief Executive Officer in accordance with the approved human resource policy;
t) Report within 15 days the appointment, resignation or removal of the Chief Executive Officer to the SACCO Regulatory Authority.
u) Impose fines as provided for under these By-Laws;
v) Ensure that the SACCO Society pays its statutory levies to the Sacco Regulatory Authority as and when they fall due;
w) Ensure adequate provisions for known and probable losses and recommend to the Delegates Meeting the write-off of bad debts,
x) Perform or authorize any actions consistent with the Act, the Regulations and these By-Laws, unless specifically reserved for the Delegates Meeting;
y) Assisting persons empowered to audit the accounts and supervise the operations of the SACCO Society,
z) Affiliate and maintain liaison with any organization or institution approved by the Delegates Meeting.
aa) Offer new products and services and pricing policies and set appropriate policies and ensure implementation,
bb) To provide adequate budget for education and training of members, and the capacity development of the Board and staff,
cc) Receive and consider reports from the established Board Committees.

51.0 EXPENDITURE

The Board and/or management shall authorize no expenditure unless it is provided for in the estimates formally approved by the Delegates Meeting.

52.0 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, or failure to act, which are contrary to the Act, the Regulations, any other applicable law, these By-laws or the directions of the Delegates Meeting.

53.0 DELEGATION TO EMPLOYEES AND SUB-COMMITTEES

53.1 The Board may delegate to the Chief Executive Officer of the SACCO Society such duties as it deems fit.

53.2 Nothing in (47.1) above shall absolve the Board from its responsibility of running the affairs of the SACCO Society in a proper and businesslike manner.

54.0 INDEMNITY

All Board Members shall each provide an indemnity of an amount approved by the Delegates Meeting. A duly completed Form V in the schedule to the Rules in the Co-operatives Act shall be lodged with the Commissioner within 14 days upon election to the Board.

55.0 DECLARATION OF WEALTH

Every Board member shall within 30 days of being elected declare wealth to the Ethics Commission for Cooperative Societies (ECOS) in the prescribed manner.

56.0 SUSPENSION OF A BOARD MEMBER

56.1 The Commissioner of Co-operatives or the SACCO Regulatory Authority may suspend from duty any Board Member charged in a court of law with an offence involving fraud or dishonesty pending the determination of the matter.

56.2 The majority of the Board Members may suspend a Board Member subject to ratification by the Delegates Meeting for;

(i) Failure to disclose vested interests.

(ii) Any other good cause.

56.3 The Board of Directors shall formulate policies and procedures of suspending and expelling Board and Supervisory committee member (s) in compliance with applicable laws.

57.0 REMOVAL OF A BOARD/SUPERVISORY COMMITTEE MEMBER FROM OFFICE

A member of the Board shall cease to hold office if he/she: -

a) Ceases to hold qualifications of a Board of Director as specified in the Act, Regulations and these By–Laws;

b) Is voted out by two-thirds majority of members present and voting at the Delegates Meeting,

c) Is removed by the Commissioner of Co-operatives or Sacco Regularity Authority under the provisions of Co-operative Societies Act, Sacco Act and the Rules.

58.0 BOARD CHAIRPERSON AND VICE CHAIRPERSON

58.1 The Board Chairperson shall: -

a) Preside at Delegates Meetings, Board Meetings and Joint Meetings with the Supervisory Committee,

b) Perform such other duties as may be directed by the Board, not inconsistent with provisions of the Act, the Regulations applicable laws and these By-Laws.

58.2 The Board shall elect the Chairperson within seven days after the elections at the Delegates Meeting or when any vacancy arises.

58.3 The Vice Chairperson shall perform the duties of the Chairperson during his/her absence and such other duties as the Board may direct.

59.0 TREASURER

The Treasurer shall have the financial background. The powers and duties of the treasurer shall be: -

a) Specially, to 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 ensure compliance with all directives of the management Board,
f) Within 15 days after close of each month, the treasurer shall prepare and submit to the management Board a financial statement showing the conditions of the SACCO Society at the end of each month and shall promptly file a copy of monthly financial statement for perusal by the interested members,
g) He shall prepare and forward to the Commissioner of Cooperatives and the Sacco Regulatory Authority such financial reports as latter may require such as monthly bank reconciliation and quarterly reports on dormant Accounts.

60.0 HONORARY SECRETARY

The duties of the Honorary Secretary are to: -

a) Cause minutes of the Delegates Meetings, Board Meetings, and joint meetings with the Supervisory Committee to be recorded,
b) Ensure that notices of the meetings are prepared and sent out on time,
c) Ensure that the SACCO Society's correspondence is promptly and correctly attended to.
d) Perform such other duties as may be directed by the Board.

61.0 BOARD COMMITTEES

Board Committees shall consist of persons drawn from the Board.

a) The Board may delegate to the Board Committees some of its duties under these By-Laws as it deems fit.
b) These committees shall convene as directed by the Board.
c) The committees: -
    I. shall keep minutes of their work at all times,
    II. may delegate to the management any of their functions but shall ultimately bear responsibility.

62.0 FINANCE, STAFF AND ADMINISTRATION COMMITTEE

The committee shall consist of the Chairperson, Vice Chairperson, Honorary Secretary and the Treasurer. Treasurer shall serve at its Chairman. Its duties shall be to: -

a) review and make recommendations to the Board on the financial plans of the SACCO Society ensuring its adequacy and soundness in providing the SACCO Society's current operations and long-term stability,

b) review, discuss and make recommendations to the Board concerning significant financial planning, management and reporting issues of the SACCO Society,

c) review and make recommendation on appropriate Human Resource Policies,

d) review the organizational structure of the SACCO Society and ensure it is manned by staff with relevant skills and experience,

e) ensure that periodic reviews of staff performance are conducted,

f) examine and recommend Human resource expenditure for approval by the Board,

g) ensure establishment of management succession plan in the SACCO Society,

h) ensure the management adheres to the approved human resource and related policies,

i) review periodic financial statements of the SACCO Society before submission to the Board,

j) consider and advise the Board on investments and borrowings,

k) monitor the management's adherence to the procurement plans approved by the Board,

l) ensure all expenditure of the SACCO Society are within the approved budgets,

m) make recommendation to the Board on capital expenditure projects,

n) review and make recommendation of finance related policies including investment, capital adequacy and financial performance monitoring,

o) ensure the SACCO Society has liquidity management as prescribed in the Policies,

p) ensure that such other prudential standards as may be directed by the Commissioner or the Sacco Regulatory Authority from time to time are maintained,

q) ensure that minimum liquidity of the withdrawable deposits is maintained,
r) to ensure regular review of Strategic Plan and make recommendations to the Board,
s) ensure annual declarations on the fit and proper criteria for onward transmission to the Regulator.
t) perform any other duties as may be assigned by the Board.

63.0 EDUCATION AND TRAINING COMMITTEE

The Committee shall consist of three members selected from the Board. It shall comprise of the Chairperson, who shall be the Board's Vice-Chairperson, a Secretary and a member. Its duties among others shall be to:

a) organize, facilitate and promote members' and Board members' education,
b) organize, promote and oversee staff training,
c) ensure production and acquisition of literature including periodicals, magazines, or brochures,
d) promote production and interpretation of the By-laws to members,
e) advise the Board and update members on all matters of education and Training,
f) plan, recommend and allocate funds for educational and Training and publicize the same for the benefit of the members, Board and Staff,
g) identify, collect, disseminate and publish co-operative news for benefit of the SACCO Society,
h) to develop and review Board Manual and recommend to the Board,

i) to determine the performance measures to be deployed in assessing the performance of the business, the Chief Executive Officer, Chairman, individual Directors and the Board as a collective entity,
j) to develop and recommend to the Board an appropriate evaluation process for the Board and the Chief Executive Officer,
k) to develop recommendations regarding the essential and desired experiences, skills and competencies for Board members of the Society,
l) to review monitor and make recommendations regarding the induction and development of necessary skills for Board/Supervisory Committee members,
m) to monitor and make recommendations to the Board on matters reported using the SACCO's whistle blowing or other confidential mechanisms for employees and third parties to report ethical and compliance concerns or potential breaches or violations,
n) to ensure regular development of business strategies and marketing plan and make recommendations to the Board,
o) review loan interest rates and other levies proposed by the Management and make recommendations to the Board for approval;
p) undertake research on new products and services;
q) Undertake review of the existing products and services.
r) Perform any other duties as may be assigned by the Board.

64.0 AUDIT AND RISK COMMITTEE

64.1 The Audit and Risk 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 Chairperson of the Board shall not be a member of the Audit AND Risk Committee.

64.2 The primary responsibility of the Audit committee shall be as prescribed in the Sacco Societies Regulations,2010 57(2) which includes: -

a) Ensuring establishment and review of the internal control system,
b) Review performance and findings of the internal auditor and recommend to the board remedial actions regularly and at least once in every three months;
c) Recommending three names of external auditors and the remuneration to the board;
d) Reviewing coordination between internal and external audit functions as well as monitor external auditor's independence and objectivity;

e) Ensuring that accounting records and financial reports are promptly prepared to accurately reflect operations and results;
f) Reviewing management reports, internal and external on deviation and weaknesses in accounting and operations controls;
g) Reviewing the Sacco internal audit plan, with specific reference to the procedures for identifying regulatory risks and controlling their impacts on the Sacco society, including receiving correspondences from the authority and responses from the management;
h) Monitoring the ethical conduct of the Sacco society and considering the development of ethical standards and requirements, including effectiveness of procedures for handling and reporting complaints;
i) Reviewing any related party transactions that may arise within the Sacco society;
j) Ensuring that relevant plans, policies and control procedures are established and properly administered;
k) Ensuring that policies and control procedures are sufficient to safeguard against error, carelessness, conflict of interest and self-dealings and fraud;
l) Investigating members' complaints;
m) Report to the Board on their findings and recommendations.

65.0 CREDIT COMMITTEE

The Committee shall consist of three members of the Board whose Chairperson shall not be a member of the Finance, Staff and Administration Committee. Its duties among others shall be to: -

a) Ensure establishment and review of appropriate credit policies consistent with the relevant provisions of the laws, Regulations and the By-Laws,
b) Appraise and recommend loans to the Board for approval,
c) Ensure that the problem loan accounts are adequately identified and classified as prescribed in the Regulations,
d) Ensure adequate provisions for potential loss is maintained,
e) Review periodic credit and loan portfolio reports of the SACCO Society before submission to the Board;
f) Appraisal and approval of Micro credit loans applications and make recommendations to the Board,
g) Perform any other duties of Credit and Micro Credit as may be assigned by the Board.

66.0 SUPERVISORY COMMITTEE

66.1 The SACCO Society shall have a Supervisory Committee consisting of three members each elected at the Delegates Meeting for a period of three years and one member of the Supervisory Committee shall retire annually but shall be eligible for re-election. No member of the Board may be elected to the Supervisory Committee.

66.2 The committee shall have qualifications similar to those of members of the Board.

66.3 The Supervisory Committee shall hold quarterly meetings except for joint meetings between its members and those of the Board.

67.0 DUTIES OF THE SUPERVISORY COMMITTEE.

67.1 The duties of the Supervisory Committee shall include: -

a) Counterchecking, the effectiveness of the Society's internal control systems through: -
   (i) Writing periodic reports to be tabled at Board Meetings,
   (ii) Submission of its reports to the commissioner,
   (iii) Presenting its reports to the Delegates Meeting.
b) The Supervisory committee shall not perform the duties or exercise any of the powers of the Board.
c) The Supervisory Committee shall be held liable for any loss incurred due to their negligence in performing their duties.
d) The Supervisory Committee shall serve as the appeal committee to hear appeals from suspended members.
e) Evaluate programmes of the SACCO Society,
f) Check minutes of the Board and Delegates meeting for policy matters following the stated objectives;
g) Check if proper interpretation of Loan policies, By-laws, SACCO Societies Act and Rules, Delegates Meetings' resolutions, policies of the Board and their Implementations,
h) Confirm cash regularly and reconcile it with the records,
i) Check bank accounts monthly and their reconciliations,
j) Check statement of financial position, comprehensive income, cash flow, equity and other disclosures,
k) Make passbook, ATM and mobile banking audits,
l) Check loaning process and note the exceptions, if any,
m) Verify Society's investments in banks, and other institutions,
n) Check insider lending and SACCO members loans and ensure that the concerned are informed,
o) Check dividends/interest on share/savings and loan interest payment,

p) Check if the standardized accounting system is implemented in the SACCO,
q) Listen to member's complaints and recommendation solution to the Board,
r) Make regular review of the budgets,
s) Recommend to the Board solutions for weaknesses in management,
t) Report to the Board and to the Delegates meeting any performance of Board, Supervisory Committee and staff.

68.0 THE CHIEF EXECUTIVE OFFICER (C.E.O)

68.1 The Chief Executive Officer shall be appointed by the Board and shall be answerable to the Board for the day to day operations of the SACCO Society and in particular ensure; -

(i) the implementation of and adherence to the policies, procedures and standards;
(ii) systems that have been established to facilitate efficient operations and communication are followed;
(iii) the planning process that has been developed to facilitate achievement of targets and objective is adhered to;
(iv) all staff matters, particularly human resource development and training are attended to;
(v) adherence to the established code of conduct;
(vi) compliance with the Act, Regulations, Co-operative Act, Rules, these By-laws and any other applicable laws,

68.2 The Chief Executive Officer shall ensure that the Board is frequently and adequately appraised on the operations of the SACCO Society through presentation of relevant reports which shall cover, but not limited to the following: -

(i) financial statements (monthly, quarterly and annual); Showing current compared with past period actual performance, the budget compared with the actual and with explanations for any variances;
(ii) capital structure and adequacy;
(iii) delinquent loan list, and in particular growth in loans, loan losses, recoveries and provisioning;
(iv) statement of comprehensive income (monthly, quarterly and annual) comparison with budgeted against actual;
(v) sources and application of savings and deposits;
(vi) all insider lending and non-performing insider loans if any.

(vii) violation of the Act, these regulations and any other applicable law, and remedial actions taken to comply;
(viii) large risk exposures;
(ix) investment portfolio;

68.3 The Chief Executive Officer shall; -

i) attend all Board and Delegates Meetings as an ex-officio member,
ii) be a counter signatory but substantive signatory to SACCO Society cheques, contracts and other documents as may be necessary,
iii) Perform such other duties as may be assigned by the Board.

69.0 BOOKS OF ACCOUNTS AND RECORDS

69.1 The SACCO Society shall keep up to date and in a proper businesslike manner, electronic or otherwise, such books of accounts and records as stipulated in Co-operative Societies Act, Sacco Act and Rules, and in particular: -

(i) a register of members showing in respect of each member: -
  a. name, age, date of application for membership, address and occupation;
  b. date of admission to membership;
  c. date of cessation/termination of membership,
  d. name and particulars of nominees,
  e. any other information as may be required by the SACCO Society from time to time, and
  f. number and Value of shares held
(ii) minute books giving details of proceedings of Board, Board Committees, Joint Board and Supervisory Committee and Supervisory Committee meetings held in accordance with these By-laws,
(iii) minute book giving details of proceedings at the Delegates meetings,
(iv) a cashbook showing the details of all monies received or paid out by the SACCO Society,
(v) a Special ledger containing such accounts as is necessary to accurately reflect the business of the SACCO Society,
(vi) a personal ledger for each member showing his/her transactions with the SACCO Society,
(vii) a register of assets and property,
(viii) a register of loans to members showing in respect of each loan; the loan number, name of the borrower, the amount

borrowed, the purpose of the loan, security, the due date of repayments and the date repayments were completed,

(ix) a register of charges showing in respect of every charge 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 repayment is made,

(x) a ledger showing deposits and withdrawals made by members

(xi) a guarantors' control register showing loan interest rates and collaterals

(xii) a copy of current Cooperative Societies Act, Sacco Act and Rules

(xiii) copy of SACCO Society's By-Laws

(xiv) Copies of approved statements of financial position, income, cash flows, equity and other disclosures,

(xv) copies of monthly financial statements;

(xvi) Copies of the Credit Policy;

(xvii) copy of the Risk Management Certificate or insurance policy document;

(xviii) a copy of SACCO policies

(xix) Such other books and records as the Board or the Authority may decide or prescribe.

69.2 The accounts and the financial records of the SACCO Society shall be denominated in Kenya shillings and shall comply with International financial reporting standards and any reporting requirements prescribed by the Sacco Regulatory Authority.

70.0 POLICIES & PROCEDURES

The Board shall make and approve such policies and procedures as prescribed in the laws, Regulations and as they deem necessary for the conduct of the SACCO Society's business. Any such policies and procedures shall be recorded in the minute book.

71.0 CODE OF CONDUCT

71.1 The Board of Directors/Supervisory Committee of the SACCO Society shall comply with governance rules as prescribed by the Ethics Commission for co-operatives.

71.2 The SACCO Society shall formulate a code of conduct in accordance with third schedule of the regulations, which shall be approved by the Authority.

72.0 COMMON SEAL

The SACCO Society shall adopt and use a common seal. The seal shall have an imprint bearing the words "seal of **KENVERSITY DT SACCO SOCIETY LIMITED"** which shall be different from the ordinary name-stamp of the Sacco Society.

a) The seal shall be kept securely under lock and key by the Chief Executive Officer and be used only in the presence of the Directors authorized to sign documents on behalf of the SACCO Society.

b) Where the common seal is used in any document it shall be authenticated by the signature of the Board Chairperson and the Chief Executive Officer or any other officer authorized by the Board of the SACCO Society.

73.0 FINANCIAL YEAR

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

74.0 DISTRIBUTION OF SURPLUS FUNDS

Subject to the Act, Regulations and approval by the Delegates Meeting, the net surplus resulting from operations of the SACCO Society during any financial year may be disposed of as follows:

a) 20% shall be credited to the Reserve Fund.

b) The balance shall be disposed of as decided by the Delegates Meeting for:

  (i) Paying dividends on shares

  (ii) Paying interest on deposits to members on record at the close of the financial year at a rate determined by the Delegates Meeting.

  (iii) Being forwarded to any other fund of the SACCO Society including Retained Earnings,

  (iv) Paying honorarium to Board members and Supervisory Committee and bonus to staff.

  (v) In any other way recommended by the Board and approved by the Delegates Meeting.

75.0 FINES

For any breach of lawful instructions or order issued by the Board and Delegates Meeting, or failure to honor his obligations on time, the member may be fined an amount not exceeding **Kshs. 20,000** for offence.

76.0 DISPUTES

76.1 If any dispute concerning the By-Laws or the business of the SACCO Society arises: -

a) Among members, past members and persons claiming through members, past members and deceased members; or
b) Between members, past members or deceased members, and the Sacco society, its committee or any officer of the sacco society; or
c) between the Sacco society and any other co–operative society;
d) Between the Sacco society and the authority.

Which cannot be determined by the Board or Delegates Meeting, it shall be referred to the Alternative Dispute Resolution Mechanism (ADR) as per the policy and Tribunal as a dispute. Appeals shall be taken to the High Court.

76.2 In the case of debts due to the SACCO from the member or debts due to or from past members, the Board may, at its discretion, determine them as a dispute and may act accordingly including use of Alternative Dispute Resolution mechanism among other bodies.

77.0 MISCELLANEOUS

77.1 PAYMENTS TO THE BOARD AND SUPERVISORY COMMITTEE

77.2 A member of the Board of Directors or Supervisory committee shall not receive remuneration in the form of a salary or any fixed periodic payments in respect of services rendered to the SACCO Society.

77.3 The Board and Supervisory Committee of the SACCO may be paid reimbursements or allowances for necessary expenses incurred in the course of discharging lawful duties shall be determined at such rates as the members may approve during the Delegates meeting.

77.4 The SACCO Society shall develop and implement a Compensation Policy clearly detailing the rates of compensation or allowances payable to the members of the Board of Directors or Supervisory, nomination and appeals committee members taking into consideration the economic and financial condition of the SACCO Society, which Policy or any amendments thereto shall be approved by Delegates Meeting of the SACCO Society.

77.5 CONFIDENTIALITY

The Board and Supervisory Committee Members, delegate 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 to their personal affairs, except to the extent deemed necessary by Board in connection with the making of loans and the collection thereof.

77.6 CO-OPTION

When any Committee Member is absent for 3 consecutive times without apology, he/she shall be disqualified, or otherwise unable to perform his duties, the Board may co-opt another member or members of the Society to serve on the Committee until the next Delegates General meeting.

77.7 PECUNIARY INTEREST

i) No member of the Board, shall in any manner participate in the deliberations and determination of any question affecting his/her interest. In the event of any disqualification, the remaining qualified Board or Committee members present at the meeting, if constituting a quorum may exercise, with respect to the matter, all powers of the Board or Committee.

ii) Where the Board realizes that such a member failed to declare his interest in such a matter, the Board will take necessary disciplinary action.

77.8 ACQUSITION OF BY-LAWS

A hard copy of these By-Laws shall be furnished to every member who joins the SACCO Society or on request upon payment of a fee not exceeding its actual cost to the SACCO Society to be determined by the Board.

78.0 INSPECTION OF DOCUMENTS

78.1 All books of accounts and other records shall at all times be available for inspection by the Commissioner, Authority, Supervisory Committee and the members.

78.2 The By-Laws of the SACCO Society and the registration certificate shall at all times be available for inspection by the Authority and the Commissioner.

78.3 A list of members (excluding details of nominees and shareholdings, deposits and loans) shall be available for inspection by any member and any other stakeholder upon payment of a prescribed fee of **Kshs.500** or any amount that can be determined from time to time by the Board.

79.0 AUTHORIZATION TO SIGN DOCUMENTS

79.1 (i.) Any three of the following Directors shall sign all documents, contracts and cheques on behalf of the Society (one of whom shall either be the Chairperson or the Treasurer)

- Chairperson
- Vice Chairperson
- Treasurer
- Honorary Secretary

(i) The Chief Executive Officer shall counter sign all the documents, contracts and cheques.

N/B. The internal regulations shall detail which signatories are necessary for particular operations

79.2 Unless otherwise stated, the documents of the SACCO Society shall be deemed official provided they carry the official stamp and designated signatures referred to above.

79.3 The books of accounts and all other documents of the SACCO Society shall be permanently at the disposal of the Board, Supervisory Committee or any other authorized person or organization. Information from the records shall be kept very confidential.

80 AUDIT AND SUPERVISION FEE

The Society shall pay such audit, supervision fees and levies as the Delegates Meeting, the Commissioner and the Authority may prescribe as fair and reasonable from time to time and as per the Act and rules.

81 DISSOLUTION

The SACCO Society shall be dissolved in accordance with the procedures set forth in the Co-operative Societies Act and Regulations and the Rules.

82 AMENDMENT OF BY-LAWS

These By-Laws shall be amended in accordance with the Co-operative Act and the Rules, the Act and Regulations but no amendment shall become effective until it is approved and registered by the Commissioner of Co-operatives.

ACCEPTANCE

We the undersigned Board Members of **Kenversity SAVINGS AND CO-OPERATIVE SOCIETY LIMITED** named herein do hereby accept these By-Laws for and on behalf of the SACCO Society.

TITLE	NAME	ID. NO.	SIGNATURE
CHAIRPERSON:	_________	_____________	_____________
HON. SECRETARY:	_________	_____________	___________
TREASURER:	_________	_____________	_____________

OFFICIAL CERTIFICATION

I CERTIFY that the foregoing By-Laws (Amendments) of the **KENVERSITY SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED** have been approved and duly registered.

Given under my hand at Nairobi this ………. Day of ……………… 20…………...

<u>COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT</u>

FORM III
(r. 8(3)

THE CO-OPERATIVE SOCIETIES ACT
CERTIFICATE OF AMENDMENT OF BY-LAWS

We, ______________________ and ___________________, Chairperson and Hon. Secretary of **KENVERSITY DT SACCO SOCIETY LIMITED**, Hereby certify: -
(i) That the enclosed amendment for the By-Laws was made at a Special Meeting held on:___________________________
(ii) That on that date there were ____________________ members in the Society register of whom _________________________________ were present in the meeting;

(iii) That ______________________________ voted for the amendment;

(iv) That proper notice of the meeting and the proposed amendment were issued to all members of the Society;

(v) That a voting paper was duly issued to every member;

(vi) That the amendment had received the prior approval of the Commissioner for Co-operative Development.

Chairperson Signature……………... Date……

Hon. Secretary: Signature……………... Date……

THE CO-OPERATIVE SOCIETIES ACT

RESOLUTION PASSED

At a Special General Meeting of the Members of **KENVERSITY DT SACCO SOCIETY LIMITED** duly convened and held at Kenyatta University SZ39 Hall on _____________________, 2026

The following Resolution was duly passed: THAT BY-LAWS OF THE SOCIETY BE AMENDED.

CERTIFIED that the above is a true copy of the Resolution duly recorded as Resolution No: ___________________________

Under the provisions of Section 8 of the Co-operative Societies Act and that there were __________________________ paid up Members present at the meeting of whom ________________ voted in favor.

Authorized to sign under By-Law **No. 79.**

TITLE	**NAME**	**ID. NO.**	**SIGNATURE**
CHAIRPERSON:	_________	___________	_____________
HON. SECRETARY:	_________	___________	_____________
TREASURER:	_________	___________	_____________

CHIEF EXECUTIVE OFFICER:

NAME	**ID. NO.**	**SIGNATURE**	**DATE**
_______________	___________	_____________	__________

CERTIFY THAT the foregoing amendment to the By-laws of **KENVERSITY DT SACCO SOCIETY LIMITED** have been approved by me and duly registered in accordance with Sec 8(3) of the Co-operative Societies Act.

Given under my hand at Nairobi this………… Day of…………………

COMMISSIONER OF CO-OPERATIVE DEVELOPMENT.