TAITA TAVETA COUNTY

DEPARTMENT OF AGRICULTURE, LIVESTOCK, VETERINARY, BLUE ECONOMY AND COOPERATIVE DEVELOPMENT

CO-OPERATIVE DIRECTORATE

Subcounty Co-Operative Office-Voi,
P.O BOX 1036-Code 80304,
WUNDANYI.

Email: dco.voi60@gmail.com

When replying please quote:

17th April, 2026

Ref: CS.2523/Vol. 1/32

The Commissioner for Co-operative Development
Ministry of Co-operatives and MSME Development
P.O. Box 40811 – 00100
NAIROBI

RE: SUBMISSION OF AMENDED BY-LAWS – QWETU DT SACCO SOCIETY LIMITED

Pursuant to the provisions of the Co-operative Societies Act, Cap 490, and the relevant regulations, I hereby forward the amended by-laws for Qwetu DT SACCO Society Limited for your consideration, registration, and approval.

Attached herewith please find the following documents in support of the application:

1. Four (4) copies of the amended by-laws, duly signed.
2. Four (4) copies of the Special Delegate Meeting (ADM) minutes approving the amendments.
3. Four (4) copies of the duly completed Certificate of Amendment of By-laws forms.
4. Four (4) copies of the duly signed resolution forms authorizing the amendments.
5. One (1) copy of the current (existing) by-laws.
6. Proof of payment of the prescribed amendment fee of Ksh. 1,000 via e-Citizen (Government Paybill No. 222222 / USSD Code *222#).
7. One (1) copy of the summary of the proposed amendments.

The amendments were duly deliberated upon and approved by the Annual Delegate Meeting in accordance with the society's by-laws and statutory requirements.

Kindly consider and register the amendments at your earliest convenience.

Yours faithfully,

Nickson Mwadime,
Sub-County Co-operative Officer,
VOI.

SUB-COUNTY COOPERATIVE OFFICER - VOI
17 APR 2026
Sign:..............................

FORM III

(r.8 (3)

THE CO-OPERATIVE SOCIETIES ACT

CERTIFICATE OF AMENDMENT OF BY-LAWS

We, SIMON MBASHU AND DALMAS MZAE

Chairman and Secretary of* QWETU DT SACCO LTD Co-operative Society limited hereby certify:-

(i) that the enclosed amendment for the by-laws was made at a general meeting held on 27TH FEBRUARY 2026

(ii) that on that date there were 75 number of members' in the society register of whom 75 were present in the meeting;

(iii) that 75 Members 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.

Chairman

Date 17/4/2026

Secretary

* Insert name of society.

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

++ Deleted if not applicable.

APPROVED

David K. Obanyo

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

18th June 2026

BY-LAWS

OF

QWETU DT

SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED.

1. NAME AND AREA OF OPERATION

1.1 The society shall be called **Qwetu DT Savings and Credit Co-operative Society Limited**, herein after referred to in these by laws as "The SACCO Society" and its area of operation shall be the Republic of Kenya.

2. REGISTERED OFFICE/ POSTAL ADDRESS

2.1 The Registered Office of the SACCO society shall be situated at **Qwetu Sacco plaza, Voi** and the postal address shall be **PO BOX 802-80300 Voi**.

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'SBRANCH

3.1 The SACCO Society shall seek a written approval from the Authority to open a new branch, relocate or close a place of business.

4. INTERPRETATIONS AND DEFINITIONS

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

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). Commissioner" shall mean "the Commissioner for Co-operative Development as provided for in the co-operative Act".
ii). "Authority" shall mean the SACCO Societies Regulatory Authority
iii). "SACCO Society" means a savings and credit co-operative society registered under the Co-operative Act and licensed under the SACCO Societies Act, 2008.
iv). "Applicable Law" shall mean any other relevant law other than the SACCO Societies Act, 2008 and the Regulations, Co-operative Societies Act cap 490, Rules, and these by-laws.
v). "Tribunal" shall mean the Co-operative Tribunal established under the Cooperative Act to hear and determine disputes.
vi). "Delegates Meeting" shall be a meeting (either "annual" or "special") for all delegates duly convened by the SACCO society to conduct its business.

and these By laws refers to an annual general meeting attended by the society's delegates whose main agenda is to receive and consider the preceding years audited final accounts.

viii). "SDM" means a Special Delegates Meeting: which in accordance with the Act, Rules and these By laws refers to a Special general meeting attended by the society's delegates to address a specific agenda not covered during the ADM

ix). "A delegate" shall mean a representative of members elected within a designated cluster/electoral area

x). "Board of Directors" shall refer to the persons elected in a duly convened Delegates Meeting to govern the Business of the Sacco society as per these bylaws hereinafter referred to as the "board". Consequently, in these by-laws, where the term "Board" occurs it shall refer to " the board of directors"

xi). Audit Committee- Committee of the Board established as per the Regulations

xii). "Returning officer" is a person appointed to oversee or conduct the elections of a co-operative society at a delegates meeting.

xiii). "Cluster" means a number of schools in a particular area from which a delegate is elected to represent members in those schools.

xiv). "Electoral region" means a designated places in the society's area of operation within which members elect delegates

xv). "Core capital" means the 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.

xvi). "Share capital" means members' equity in the form of issued and fully paid up shares of common stock.

xvii). "Dividend" shall mean members share of the surplus of the SACCO society which is divided amongst its members based on shareholding.

xviii). BOSA" is an acronym "Back Office Services Activity" shall mean the society's activity that accepts members deposits/shares that are not readily Withdrawable and gives loans

xix). "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

xx). "FOSA" is an acronym for Front Office Savings Activity (Deposit-Taking Sacco Business) that offers Withdrawable/demand deposit services including other counter services otherwise also referred to as "banking" services

xxi). Withdrawable /Demand Deposits – These are cash savings kept in a FOSA. Such savings can be withdrawn on demand or through notice of up to 7 days.

xxii). "Non Withdrawable Deposits" Means the sum of money deposited in the members account and can only be refunded by giving an advance notice as per these by-laws

xxiii). Fixed deposits – these are deposits kept for a fixed period of say three months, six months, 12 months, 18 months etc. and are payable on maturity.

xxiv). "Long –term deposits" means the cumulative members' monthly contribution less the common stock. Long-term deposits can only be withdrawn when one ceases to be a member.

xxv). "Member" includes a person joining in the application for the registration of the society, and a person admitted to membership after registration in accordance with these by-laws.

xxvi). "Corporate member" means a registered association, corporation, community/self help group admitted to membership upon meeting the membership eligibility requirements for such category of membership

xxvii). "Members of the immediate family". Includes, but is not limited to, the spouse, parents and children of each person eligible to be a member of the society whether or not residing in the same household. The same term also includes any other relative of a person or of the spouse of the eligible person if the relative resides in the same household as the person.

xxviii). "Spouse" shall mean either husband or wife/wives of an active member

xxix). "Member in good standing" means a member who is current on the repayment of his/her loan payments due the society and who is current on making his/her required contributions and has not in any way acted in a manner which is potentially damaging to the society and has fully complied with the policies and rules set by the society.

xxx). "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.

xxxi). "Common Bond" means only unifying factors that bring the members together as employment, occupation or profession.

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 Authority or Commissioner as is applicable.

5. OBJECTS

5.1 The objects for which the society is established are to organize and promote the economic interest of its members

5.2 In particular, the Society shall undertake:

i). To promote thrift among its members by affording them an opportunity for accumulating their savings and deposits and providing them with credit exclusively for providence 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). Ensure that members, delegates, board of directors and employees are consistently enlightened and educated on their respective roles and responsibilities in line with the co-operative principle of education training and information.

iv). To offer to the members complementary Savings and Credit in form of Front Office services Activity (FOSA) and a diversity of other financial products as may be required by members from time to time.

v). To provide micro savings and credit services in accordance with the Act, Rules, Regulations, these by- laws and any other laid down policies the society may formulate and review from time to time

vi). To ensure safety and soundness of the members funds through an appropriate insurance scheme or a Risk Management Programme.

vii). To perform all those functions and exercise those powers designated for Savings and Credit Co-operative Societies under the applicable law for the benefit of members.

viii). 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 or any other approved organizations.

5.3 For the attainment of the above objects, the society may act in a manner that is Permissible under the Act and Regulations, Co-operative Act and Rules and these Bylaws and all such other things as are incidental or consequential to the economic enhancement of its members interests provided such act is approved in a Delegates Meeting.

6. CO-OPERATIVE VALUES AND PRINCIPLES

In order to achieve the objectives for which the society is established the society shall follow the following co-operative values and principles:

6.1 Co-operative Values

Co-operatives are based on the values of self-help, mutual responsibility, equality and equity. The Society shall Practice Competence and professionalism, Honesty, Convenience, integrity, Transparency and accountability, fairness and non-discrimination.

6.2 Co-operative Principles

i). **Voluntary and Open Membership**.

The Society aims at serving its members as well as non-member where applicable in a prudent and effective manner. As such admission to membership is done on voluntary basis without any form of discrimination to all who can contribute to, and benefit from its activities.

ii). **Democratic Member Control**.

The Society shall be a democratic and participatory organization actively controlled by its members. These entails equal voting rights, on a one member, one vote basis. Administration of the Society's affairs is conducted and control is exercised in a suitable democratic manner. The same democracy applies in decision-making and policy formulation.

iii). **Economic Participation By Members**

Members contribute jointly to the capital of their Co-operative and share in the results of its operations. The Society may pay a competitive rate of interest on capital and remunerate its employees fairly, according to the standards of the Society. Members may resolve to distribute the surplus on any or all of following purposes:

(a) Developing the business of the society.

(b) Paying dividends in proportion to their contributions to the Society.

(c) Paying of interest on deposits, bonus and honoraria as agreed by the general meeting.

(d) Encouraging further development of the Co-operative movement.

iv). **Education, Training and Information**.

The Society shall foster reciprocal, continuous education programmes for members, management committee and staff, so they can teach and learn from each other in understanding and carrying out their respective roles. The Society shall also have a responsibility to inform the public about the nature and benefits of the Co-operative movement.

v). **Co-operation among Co-operatives**.

In order to advance the interest of its members and their communities, the Society shall interact with other Co-operatives in every practical way to attain universal systems of operations locally, nationally and internationally.

vi). **Autonomy and Independence**.

The Society shall be an autonomous, mutual-help organization controlled by its members. Any agreement with government and other organization is facilitative and is done freely, on mutually acceptable terms that ensure the autonomy of the Co-operative.

vii). **Concern for Community in General**.

It is from defined communities that Co-operatives thrive. While focusing on members needs, the Society shall strive for the sustainable development of those communities through policies that are respectful of the environment and acceptable to the community

7. MEMBERSHIP COMPOSITION:

7.1 The membership of the society shall consist of:-

i). Original members who signed the application for registration

ii). New members subsequently admitted in accordance with these by-laws.

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 consisting of the following common bond:
All employees of:-Teachers Service Commission, Public Service Commission, Parastatals/Government agencies and County Governments, Teacher Based organization's and related institutions, Private schools and other organisations/institutions legally registered in Kenya, Retirees, Business members in the community, Farmers, Tertiary institution and Security sector

ii). Is an employee of the SACCO or any related investment of the SACCO

iii). Retirees from (i) and (ii) above who choose to retain their membership

iv). Has attained the age of 18 years if a natural person

v). Is of good character, and sound mind

vi). Pays the entrance fee and share capital as prescribed in these by-laws.

vii). Is a nominee and approved into membership by the board.

viii). Is a spouse of an existing member who has been officially introduced by the spouse

ix). Is a resident, within, or occupies land within, the society's area of operation

x). Is in employment or in business within the society's area of operation

xi). Is a child of a member in whose name a junior account has been opened and actively operated, who upon attaining the age of eighteen exercises the option of becoming a member

8.2 All eligible persons shall become members in accordance with the membership policy of the society

8.3 Provided that no member shall belong to more than one Sacco society serving similar objectives.

9. APPLICATION FOR MEMBERSHIP:

9.1 Every applicant for membership shall complete an "application for membership" form (for the respective category of membership) in accordance with these by laws. This form shall be drawn to show all the information required for the purpose of registration of a member.

9.2 The completed form, when filed in serial order, shall constitute the Register of members as required under the Rules.

10. ADMISSION INTO MEMBERSHIP:

10.1 An applicant shall be admitted to membership on application upon payment of an entrance fee and minimum shares as shall be determined by the Board of Directors and approved by the delegates from time to time.

10.2 Upon admission the members' name shall be entered in the register of members and a membership number issued.

10.3 A member shall then furnish the society with two recent passport size photographs and a copy of the National Identity Card and be issued with a copy of the Society's by-laws upon request and payment of actual cost.

10.4 An applicant shall not qualify for the rights and privileges of membership until he has paid an entrance fee and minimum prescribed shares as may be prescribed in the membership policy

11. REFUSAL OF ADMISSION:

11.1 The board may refuse admission to a person after assigning reasons for their decision. Such a person, if otherwise eligible for membership, shall have the right to appeal to the next delegates meeting through a delegate.

11.2 Any such an appeal must be supported by at least 10 delegates and upon payment of a fee as may be prescribed in the membership policy. 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 shall have the right to use society's services and exercise the rights established by the Act, the Rules and these by-laws. The members are entitled but not limited to:-

i. Elect or be elected as a delegate/official of the society unless otherwise prohibited by any other law or these by-laws.
ii. Use the SACCO society services according to the policies and procedures approved by the board.
iii. Receive, periodically and regularly, or upon request, and at least once a year, a statement of Accounts containing the individualized record of his/her credit and debit transactions.
iv. Access all legitimate information relating to the society including; internal regulations, reports registers, minutes of delegates meetings, annual accounts and inventories.
v. Appoint a nominee.
vi. Participate in sharing of society's surplus.
vii. To attend and participate at members' zonal meetings.
viii. Submit project proposals or initiatives to the Board for the improvement of the Sacco Society Services
ix. All other rights prescribed by the Act and Rules.

12.2 Membership rights for all categories of membership shall be contained in the society's membership policies.

13. OBLIGATIONS OF MEMBERS:

13.1 Subject to these by-laws, policies and other provisions of the law, a member of the society shall have the obligation to:

i). Observe and comply with the Act, Rules and these by-law and decisions taken by the relevant organs of the society
ii). Buy and pay up for shares or make all required and regular payments provided for in these by laws.
iii). Liable for the society's indebtedness in case of insolvency in accordance with the Act and these by laws
iv). Attend education meetings and seminars organised by the society or other organisations approved by the board
v). Observe the code of conduct and ethics for the society, and in particular desist from any corrupt practices in all dealings with the society
vi). To show good co-operative spirit
vii). Identify problems affecting the society and suggest solutions
viii). Support projects of the society approved by relevant authorities
ix). Inform non-members and encourage them to join the society

14. MEMBER'S PERSONAL ACCOUNT

14.1 Every member shall receive regular statements at least once every six months, which shall contain particulars of membership, shares, deposits and loan transactions with the SACCO society. If such a statement is lost, the Board upon payment of such a fee may authorize issuance of a duplicate as it may decide as fair and reasonable.

15. CESSATION FROM MEMBERSHIP

15.1 Membership in the society shall cease with effect from the date of: -

i). Death.
ii). Expulsion.
iii). Withdrawal.
iv). Being certified insane.
v). Acting contrary to the relevant provisions of the Co-operative Act, The Sacco Act, Rules, Regulations and these by-laws.
vi). Ceasing to hold the eligibility qualifications for membership as specified in these by laws.
vii). Withdrawing all his deposits and transferring shares.
viii). Ceasing to hold a share in the society in accordance with these by-laws.
ix). Failure to remit mandatory contributions and loan repayments for a continuous period of six months without a valid reason or leave of the Sacco Society

16 SUSPENSION AND EXPULSION

16.1 The Board may suspend a member pending expulsion by the Delegates Meeting who: -

i). Fails to fulfill his/her obligations to the SACCO society whether stated in these by-laws, General 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). Is convicted in a court of law for a criminal offence involving dishonesty or fraud or is, imprisoned for a period of three months or more
iii). Is a member of another SACCO society serving similar purpose
iv). Acts in any manner prejudicial to the interests of the society.
v). Fails to save regularly and wilfully defaults in the repayment of his loans due_or part of loans or advances for a period exceeding six months
vi). Lends money on his/her own account or in another person's account unless the directors have given a written authority.

vii). Spreads malicious rumours concerning the society, its members, employees or board.

viii). Activities are detrimental to the society's interests, particularly if he makes consciously untrue statements to the managing committee
ix). Wilfully fails or refuses to abide with the society's by-laws, policies and contracts, and persists in such refusal or failure.
x). For any other reason approved by a general meeting and / or as may be contained in the society's code of ethics.

16.2 Provided that, no member shall remain in suspension for a period of 12 months.

17. SUSPENSION AND EXPULSION PROCEDURE:

17.1 Upon formal and written proof that a member has committed a violation punishable by expulsion, the board shall serve a thirty (30) days written notice to the member starting the reasons(s) for the proposed expulsion and requiring him/her to file a defence.

17.2 Upon the expiry of the 30 days and taking into consideration the member's defence if any, the board shall initiate administrative inquiry and make a decision on its findings within 15 days. The Board may:-

i). Suspend the member pending expulsion by the Delegates Meeting or
ii). Impose any other punishment as may be in this by Law or as may be directed by the delegates meeting from time to time.

17.3 The suspended member may appeal to the supervisory committee if not satisfied with the decision of the Board.

17.4 Where a suspended member does not prefer an appeal to the supervisory committee, the board shall present its finding to the next Delegates Meeting, which may either lift the suspension or expel the member.

17.5 The Supervisory Committee shall and determine the appeal and present their findings to the next delegates Meeting,

17.6 Upon hearing the appeal, the Delegates Meeting may:-
i). Reinstate the member
ii). Confirm the suspension and consequently expel the member
iii). Take any lawful action.

17.8 Any member who is expelled from the Society shall have the right to appeal against such expulsion to the Tribunal.

18. WITHDRAWAL FROM THE SOCIETY

18.1 A member may at any time withdraw from the society by giving at least sixty (60) days notice to the board of directors,however, a member may be exempted from the 60 days notice upon payment of a charge as may be prescribed in the membership policy.

18.2 No member shall be allowed to withdraw from the society unless his outstanding loans are repaid in full. Such a member will also have to satisfy the society that all the loans guaranteed have been paid in full or alternative guarantors have been provided.

18.3 A member who wilfully withdraws from the society shall on rejoining pay a re- admission fee in addition to the entrance fees whose amount shall be prescribed in the membership policy.

18.4 Partial withdrawal of non-withdrawable deposits from the SACCO society shall not be allowed under any circumstance.

19. REFUNDS ON CESSATION OF MEMBERSHIP

19.1 Withdrawal, expulsion or termination of membership shall not exonerate a member from any existing personal or membership liability.

19.2 On cessation of membership, a person shall be refunded the following amounts after deduction of any debts owned by him to the society as borrower, endorser, guarantor, or otherwise:-

i) The nominal value of deposits however, the board may require a maximum of sixty (60) days written notice of intention to withdraw deposits
ii) Any dividends or interest due prior to the cessation date
iii) Any other funds held by the society on his/her behalf

20. NOMINEE(S):

20.1 Every member of the Society shall appoint his / her nominee(s) to whom upon his death, the shares, deposits and other interests in the society shall be transferred.

20.2 Every appointment of a nominee(s) by a member shall be made in writing and signed by the member in the presence of at least two attesting witnesses who are members of the society and thereafter the names of such nominee(s) shall be entered in the nominee register.

20.3 Provided that a member shall have the right to change his/her nominee(s) in writing in the presence of at least two attesting witnesses who are members of the society. Any change of nominee(s) shall supersede the earlier one(s).

20.4 Where more than one nominee is appointed by a member, the member shall specify the amount or proportion of shares / deposits to be transferred to each nominee. Provided, however, that where no amount is specified each nominee shall receive an equal share.

20.5 The particulars of nominee(s) shall be recorded on Form VII set out in the schedule to the Rules and kept in a sealed envelope and whose reference shall be entered in the register of members.

21. NOMINEE'S ADMISSION INTO THE SOCIETY

21.1 A nominee shall not have the option to be admitted to membership unless he makes his application on his own right. On admission to membership of such a nominee, the shares, deposits and interest or dividend due to the deceased member shall be transferred to the account of that nominee.

22. PAYMENT TO UNADMITTED NOMINEE(S)

22.1 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 Society, if any subject to:-

i) Submission of the relevant deceased member's documents.
ii) Recovery of all outstanding debts not covered by the society under any insurance cover or risk management programme.

22.2 When a member dies intestate, the final benefits will be paid to a validated personal representative

22.3 Where a nominee does not exist and the personal representative cannot be verified by the society, the deceased dues shall be paid to the nearest public trustee or legal personal representative

22.4 In case the nominee is a minor, the society shall act as trustee to the fund until such a time he or she is deemed fit to administer the finances. However, installments may be paid towards direct benefit of the nominee upon approval by the board.

22.5 After paying the nominee(s) the value of the deceased member's deposits or interest, less any sums due by the latter to the society the nominee's obligations by the society shall be discharged.

23. FUNDS

23.1 The funds of the society shall consist of: -

(a) Core capital

i) Paid up members shares
ii) Statutory reserves fund
iii) Retained earnings
iv) Disclosed reserves
v) Grants and donations

(b) Income

i) Interest, fees and charges, penalties and commissions
ii) Entrance fee
iii) Funds obtained from other lawful miscellaneous sources

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

24. CAPITAL ADEQUACY REQUIREMENTS

24.2 The SACCO shall at all times maintain and thereafter as amended by the Authority:-

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

25. APPLICATION OF FUNDS

25.1 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) Securities issued or guaranteed by the government or any agency of the government
ii) Deposits obligations or other accounts of deposit taking institutions under the banking Act
iii) Shares, stocks, deposits in, loans to or other obligations to any SACCO Society or Co-operative Society
iv) Loans to members
v) Properties and Equipment for purposes of SACCO business

25.2 Investments under 26.1 above shall not in the aggregate, exceed such proportion of total assets, core capital and deposits of the SACCO Society as prescribed in the Regulations. .

26. SHARES

26.1 Every member shall hold at least **250** shares of Kshs 100 each as shall be fixed by the delegates meeting but shall continue to build up his/her shares at Kshs 100 per month. However no member shall hold more than one fifth (1/5) of the total shares of the society.

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

26.3 The society shall maintain capital adequacy as required by the regulation

26.4 No member shall be permitted to reduce his shareholding below the minimum at all.

27. TRANSFER OF SHARES

27.1 With the approval of the Board, a member may at any time transfer his shares to another member but not to any other person provided the member maintains the current required minimum. Such transfers must be in writing and at nominal value.

27.2 All transfers of shares must be registered with the Chief Executive Officer, and no transfer shall be valid unless so registered. The Board may require payment of a fee as it may decide for each transfer. The transfer fee shall be paid by the transferee.

28. DEPOSITS

28.1 The Society shall have a written savings policy to guide the operations of savings, deposits and shares

28.2 All Withdrawable deposits shall attract interest at a rate prescribed in the terms and conditions of the deposit

28.3 The amount accumulated in non-withdrawable deposit accounts may be used as collateral against borrowings and shall be refunded only when a member withdraws from membership, provided the member has fully repaid his debts and obligation ,and is free of any guarantee.

28.4 A member may be refunded the amount saved in his non-withdrawable deposit account within 60 days after giving a written notification.

28.5 Non-Withdrawable deposits shall attract interest at a rate determined by the society

29. LIMIT OF LIABILITY OF MEMBERS

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

29.2 In the event of liquidation, where available funds are insufficient to pay the full nominal value of the shares and deposits held by members, the funds shall be distributed on pro-rata basis amongst the shareholders according to the amount of shares or deposits held by each member.

29.3 In addition to (30.2) above members shall be compensated by the Deposit Guarantee Fund as provided in the Regulations

29.4 The estate of a deceased member shall be liable for the debts of the society, as they existed at the time of his/her death unless otherwise covered under any other existing scheme in the society.

30. POWER TO BORROW

30.1 Loans may be obtained from non-members subject to the maximum amount and terms approved by the Delegates Meeting provided the total external borrowing by the society does not exceed the limit prescribed in regulations.

30.2 For the securing of any loans accepted by the society under paragraph (31.1) above the Sacco society may grant a charge over its assets. The authority to grant a charge shall be reserved to the Delegates Meeting subject to approval by the governing authorities.

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

30.4 Provided that loans obtained for purposes of on lending to members shall be advanced to members at the rate of not less than 2% above the interest rate at which the loan was obtained or as provided in the regulations.

31. INTEREST RATES

31.1 The rates of interest on deposits shall be determined at the Annual Delegates Meeting with a proposal from the Board of Directors.

31.2 The rate of interest on loans and any other funds advanced to members shall not exceed the prevailing market rates and shall be approved by the Delegates Meeting.

32. RECEIPTING FOR MONEY

32.1 Money received on account of shares, deposits, Loans, interest, fees or fines shall be recorded and evidenced by an entry in the Members Personal Account or issuance of an official receipt in the name of the society or any other form as provided in the approved policies and procedures manuals.

32.2 Should the Member Personal Account or other receipt given to the member by the society be lost or destroyed, the member may request for a copy which the Society may issue at a charge.

32.3 The Society may require the member to sign an indemnity to protect the society against any loss due to the issuance of such duplicate.

33. PAYMENTAND DISBURSEMENT

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

33.2 The Board may re-allocate funds from one vote to another but shall spend within the approved limits of the general meeting.

34. LIQUIDITY MANAGEMENT

34.1 The Board of Directors shall formulate the liquidity policy to monitor liquidity for the society in accordance with the regulations.

34.2 The Board shall put in place a contingency plan to handle liquidity matters. The plan shall include procedure for making up liquidity shortfalls in emergency situations and backup liquidity strategy for circumstances in which the normal approach to funding operations are disrupted.

34.3 The society shall maintain adequate liquidity as required by law.

35. RESERVES

35.1 The society shall maintain a Reserve Fund as required by the Act and Rules. The Reserve Fund shall be credited with **20%** of net surplus resulting from operations during the financial year.

35.2 The reserve fund shall be invested or deposited in the manner provided for in the Act and Rules.

35.3 The reserve fund shall be indivisible and no member shall be entitled to claim a specified share of it.

35.4 On dissolution of the society, the reserve fund shall be applied for in the manner provided for in the act and rules

36. INVESTMENTS

36.1 The society shall have a written investment policy consistent with the relevant provisions of the Co-operative Act, Rules, the Sacco Act, Regulations and any other applicable law.

36.2 Investments under 37.1 above shall not in the aggregate, exceed such proportion of total assets, core capital and deposits of the Sacco Society as prescribed in the Regulations

36.3 The society shall only invest in non-earning assets or property and equipment, real estate and financial investments to the extent permitted by the Rules and regulations.

37 DISTRIBUTION OF SURPLUS FUNDS

37.1 Subject to the Co-operative Societies Act, Sacco Act Rules and Regulations, and approval by the Delegates meeting, the net surplus resulting from operations of the Sacco Society during any financial year shall be disposed of as follows:-

a) Not less than 20% shall be credited to the reserve fund

b) The balance may be disposed of as the board may decide and approved by the Annual Delegates Meeting, including but not limited to:

(i) Pay dividends on shares at a rate determined by the board of directors and approved by the general meeting

(ii) Paying interest on deposits to members on record as at the close of the financial year at a rate to be determined from time to time

(iii) Paying honorarium to Board members and bonus to staff.

(iv) Being forwarded to Education Fund or any other fund or funds of the Sacco Society including the appropriation account.

(v) After making the required allocation to the reserve fund, applying a specified amount of the remaining balance to any charitable purpose.

(vi) In any other way recommended by the board and approved by the Annual Delegates Meeting.

c) Detailed policies and procedures regarding payment of dividend, honorarium, bonus and other payments resulting from surplus shall be provided for in society policies.

d) Computation of interest on deposits shall be paid based on the terms and conditions provided in the savings and deposit policy.

38. GOVERNANCE STRUCTURE

38.1 The society's governance structure shall comprise of the Delegates meeting that has the overall control of the society, the board of directors, the Supervisory committee, management and other staff.

38.2 Members of an electoral Region shall elect their delegates who shall constitute the delegates meeting. Provided that in the interest of maintaining the operations of the Society, the Board of Directors may delegate authority or appoint the Service center officials to provide specified services at designated Service Centers.

39. ELECTORAL REGIONS, AREA SERVICE CENTRES AND BRANCHES

39.1 The Society shall have as many Electoral Regions, Area Service Centers and Branches as may be established by the Board of Directors from time to time. This shall be provided for in electoral regions policy entailing the formation, operation and dissolution of regions and service centers.

39.2 Branches and Area service centers shall offer all services as may be offered by the Society's Headquarters and in line with the Society's operational policies and procedures.

39.3 Every member shall belong to one electoral region and one Area Service Center, provided that a member may be served at the head office or any branch of the Society.

40. ESTABLISHMENT OF ELECTORAL REGIONS

40.1 The Board may from time to time establish electoral regions and review them annually subject to delegates' approval.

40.2 The electoral Regions established shall include;

i. Challa and Kimorigo
ii. Kasighau, Mbololo, Sagalla, Mwambirwa and Voi
iii. Mwanda, Mbale, Wumingu and Werugha
iv. Bura, Rong'e, Mwatate and chawia
v. Other regions where there are members and they meet the minimum qualifications of a delegate.
vi. Other additional regions are;
    a) Business communities
    b) Retirees
    c) County Government
    d) Farmers
    e) Security sector

41. DELEGATES ELECTION

41.1 Delegates shall be elected from among a region of members of the society once every three years at a regional general meeting of the members.

41.2 Every delegate shall represent an area covered by a number of schools where applicable or as may be determined by the BOD, provided the total delegates do not exceed a number determined by the delegates meeting. The quorum shall be ¼ of members in the respective cluster.

41.3 Delegates shall serve for a term of 3 years unless transferred outside the electoral region and is unable to perform. On expiry of the term the delegate is eligible for re- election.

41.4 When a delegate is transferred outside his or her region and is able to serve it well, he/she continues being a delegate until a by-election is conducted during a regional general meeting. However, where a delegate is transferred from one region to another within the same electoral region shall continue to serve until the term is over, provided that sitting board and supervisory members shall not be subjected to election until their terms of office lapse.

41.5 The Society shall have a maximum of 120 delegates or as may be decided by the board and approved by the delegates from time to time.

41.6 No delegate shall be entitled to vote by proxy. All delegates will have one vote irrespective of their shareholding

41.7 A delegate may be voted in absentia provided he/she had indicated interest in the elections.

42. QUALIFICATION FOR A DELEGATE

42.1 No member shall be eligible or qualified to be elected as a delegate if he or she:-

a) Is not a member of the Society;
b) Is under 21 years of age
c) Is an un-discharged bankrupt;
d) Is of unsound mind and certified by a medical practitioner;
e) Is an employee of the Society or its subsidiary.
f) Has not attained non withdrawal deposits of Kshs 600,000.00 as at the time of vetting.
g) 1. Is not receiving salary through FOSA for salaried member
   2. Is not regularly depositing his/her business proceeds for non-salaried members

h) Is not a member in good standing
i) Has not attained minimum of Ordinary level of education or its recognized equivalent
j) Has not been an active member for at least 48 months.
k) Has been a defaulter and or dormant for three months or more.
l) Adversely mentioned in an enquiry report which must have been presented and adopted in the delegates meeting
m) Has not attained the minimum shares of Kshs 100,000 as at the time of vetting.
n) Is a board member of another existing SACCO society license under the Act
o) Is a shylock or engages in a business seen to be competing with the Sacco.
p) Is an official of or holds a political office at any level
q) Does not conform to minimum qualification standards in accordance to the applicable law
r) Has been removed from public office on disciplinary action.

s) Has not duly executed the fit and proper Test form as provided in the regulations
t) Is holding a leadership position in any teacher's organisation or political organisation.
u) Has not met the conditions of chapter 6 of the constitution of Kenya on leadership and integrity

42.2 Where all members in the electoral region are new, the board may grant a waiver on item (f) above.

42.3 Delegates will be people of high integrity, honest, innovative and beyond reproach.

42.4 All delegates shall be required to have thorough knowledge of co-operative society Act, rules and by-laws. It will be mandatory for delegates to conduct their roles diligently and in a civilized manner

43 DUTIES AND RESPONSIBILITIES OF DELEGATES

43.1 It shall be the responsibility of every delegate to:

a) Attend general meetings when convened in order to exercise their democratic rights and those of the members they represent

b) Attend education forums organized by the society for members and delegates

c) Notify the Society on issues related to deceased members

d) Educate members about the society matters in general

e) Advise members on proper loan utilization and importance of loan repayment.

f) Recommend and forward membership and withdrawal cases to the society for processing.

g) Act as a liaison person between the society and the members

h) Elect committed and visionary leaders as officials of the society

i) Market the society activities and enhance its corporate image.

j) Perform such other duties and responsibilities as may be directed by the BOD from time to time.

44. CEASATION OF THE TERM OF A DELEGATE

44.1 The term of a delegate shall cease before expiry of the 3 years upon a delegates:

a) Death

b) Certifiable insane/mental or incapacitation

c) Certifiable sickness/ physical incapacitation

e) If convicted of an offence involving dishonesty and imprisoned for a term exceeding 3 months

f) Defaulting

g) Adversely mentioned in an inquiry report

h) A written complaint signed by at least 2/3 members from his electoral area outlining service dissatisfaction.

i) A delegate being elected as a leader of any other Teacher Based Organization or union.

j) A delegate being transferred outside his/her electoral Region as provided for in these by laws and society's electoral region policy.

44.2 Upon occurrence of any of (a-k) above, a by election in the respective region in which a vacancy has occurred shall be carried out within 90 days or during the next regional elections whichever comes first.

45 GENERAL MEETINGS

45.1 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. Such a meeting shall be held as follows:

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

45.3 A Special Delegates Meeting of the Sacco Society may be held when convened by the-

a) Board.
b) Commissioner or his representative
c) The Authority
d) Board within 15 days of receipt of a written request by at least 30 delegates or one third (1/3) of the delegates, whichever is less.

45.4 Provided the request is deposited by registered mail at the Sacco Society's address or delivered to the Chief Executive Officer at the Sacco Society' offices within normal working hours.

45.5 Delegates in (46.3 d) above, if the Board fails to convene a meeting within fifteen days of receiving notice under the Co-operative Act. The delegates shall give notice to other delegates of the Sacco Society, starting the object and reasons for the meeting and the fact that the board has failed to convene the meeting.

45.7 For a **Special General Meeting** requested by the members the request must state the object of the meeting being called, and the signatures of at least **one third (1/3)** of the total registered members in good standing appended. The request shall be deposited in the registered office of the society.Such meetings shall be convened within fifteen days.

45.8 Where the Special Delegates Meeting has been convened by the Commissioner or his representative, the Commissioner shall direct what matters shall be discussed in the meeting and the delegates present in the meeting shall be deemed to constitute a quorum.

45.9 Any business not completed at the Annual Delegates Meeting (if not received by the time of the meeting) may be taken up at a subsequent Special Delegates meeting or at the next Annual Delegates Meeting.

46 NOTICE OF THE MEETING

46.1 At least **15 clear days' notice** shall be given in case of an Annual Delegates Meeting or a Special Delegates meeting

46.2 The Honorary Secretary/ Chief Executive Officer 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, to inform all members of the date and main business of the meeting

46.3 The society may use modern information and communication technology and send notices to members electronically in such form as emails and short text messages. Such form of invitation shall not invalidate a meeting

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

47 QUORUM

47.1 Except when convened by the commissioner, the presence of at least **50** delegates or 50% of the total delegates, whichever is less, shall constitute a quorum for the conduct of business at a Delegates meeting. When a quorum is not attained the chairman shall adjourn the meeting and fix a date for another meeting within a month, which shall be advertised as prescribed in these By –laws. If quorum is again not attained, the chairman shall declare the meeting open with those present one hour after the advertised time of the meeting.

48. REQUIRED MAJORITY

48.1 A motion to remove a member of the board whose term of office has not expired as a result of a vote of no confidence must be supported by at least three quarters of the total number of delegates in the society

48.2 Amendments of these by laws shall be made by a resolution of majority of delegates present or voting at a delegates meeting.

48.3 Any other motion shall be approved by simple majority of votes.

49. ENFORCEMENT OF DECISIONS

49.1 A decision taken by a general meeting shall be binding to all delegates and members present, absent and objecting.

50. CHAIRMAN AT MEETINGS

50.1 The chairman or in his absence, the Vice chairman shall preside at every general meeting. In their absence, any board member may preside failing which any member elected by a majority of those present shall preside.

51. IDENTIFICATION OF DELEGATES

51.1 Before they may attend or vote at a Delegates Meeting, delegates shall be required to produce evidence of their membership and eligibility as delegates or identify themselves in some other acceptable manner.

51.2 Any member who is disorderly and disrupts business of the general meeting may be denied entrance or ejected from the meeting.

52 REPRESENTATION PROCEDURE AT DELEGATES MEETING

52.1 If the society becomes national wide and decides to decentralize its operations, then the Board may establish a special procedure that is not inconsistent with the Act and the Rules and these By-Laws for giving representation at Delegates Meetings to the outlaying members in line with the provisions in these by-laws.

53. DUTIES OF DELEGATES MEETINGS

53.1 The Delegates meeting shall have the powers and duties prescribed in the Act, Regulations, Co-operative Act, Rules and these by-laws. It shall:-

a) Consider and confirm the minutes of the previous Delegates Meeting.
b) Consider reports of committees, the commissioner or his/her representative and the audited accounts on the SACCO society activities during the past financial year.
c) Consider and resolve on the manner in which any available surplus shall be distributed or invested, subject to the Act, Regulations, Co-operative Act and Rules.
d) Fix the indemnity for the elected committee members and management staff.
e) Consider recommendations on expulsion of members and refusal of membership by the Board.
f) Expel members, Consider appeals of members against the expulsion and refusals of membership by the Board.
g) Elect, suspend, or Expel members of the board, or the Supervisory Committee subject to the Act, Co-operative Act, regulations, rules and these by-laws.
h) Confirm or otherwise, actions taken by the board, and give direction to the new board where necessary;

i) Fix the maximum liability which the Sacco society may incur in loans and deposits from members and non-members.
j) Approve the estimates of income and expenditure for the financial year following the Delegates Meeting.
k) Receive reports and decide upon other matters as may be necessary for the conduct of the society's business.
l) Fix the honoraria, bonuses and other allowances if any, for the board members, supervisory committee, nominating committee or the employees
m) Decide on the management structure, including the establishment of branches, service centers, and electoral region to facilitate efficient and cost effective delivery of services to members.
n) Appoint bankers, auditors and advocates of the SACCO society for the ensuing year
o) Approve affiliation to National Co-operative Organizations for SACCO societies and the Apex society.
p) Receive the inspection notes of the commissioner and the Authority, if any
q) Transact any other business of the SACCO society for which notice has been given to members in the manner prescribed in the by- laws.

53.2 All delegates have a right to attend the delegates meeting and participate in its deliberations.

54. RECORD OF BUSINESS OF THE DELEGATES MEETINGS

54.1 All business discussed or decided at the Delegates meeting shall be recorded in a minute book which, within one month of the meeting, shall be signed by the chairman of the meeting and at least one other board member who was present at the meeting to verify that in their opinion the minutes are a true and complete record of all important matters which were discussed or decided at the meeting.

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

55. ELECTIONS

55.1 The board of directors and supervisory committee members shall be elected from the following electoral regions;-

i. Challa and Kimorigho
ii. Kasigau Sagalla and Voi
iii. Mbololo, Mwambirwa and Rong'e
iv. Mwanda, Wumingu, Mbale and Werugha
v. Mwatate, Chawia and Bura
vi. Other regions that qualify to have a delegate.

55.2 There shall be a Nominating Committee constituted as per the Sacco Electoral Policy formulated by the board to vet and clear the prospective candidates for elections.

55.3 The commissioner for co-operative or his representative shall be the returning officer for all Sacco elections

55.4 During elections, the Returning Officer shall present duly nominated candidates for the vacant positions. Each candidate must have a proposer and a seconder.

55.5 The following procedure shall be followed during voting;-

a) At the elections, members shall decide, by majority vote, the method of voting. The method may be secret ballot or queuing or by show of hands.
b) No member shall be entitled to vote by proxy.
c) Irrespective of the number of shares held by him, no member shall have more than one vote.

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

55.7 A new committee elected at the General Meeting shall not assume office unless they have been cleared by the Authority and satisfied the requirements of the Co-operative Act, Rules and these by-laws as to the indemnity and ethics.

55.8 The presiding officer shall spell out the minimum requirements for elections to the members or delegates prior to conducting any form of elections.

55.9 Election petition shall be filed to the returning officers within 48 hours from the date of election.

56 NOMINATING COMMITEE

56.1 There shall be a nominating committee which shall consist of a minimum of three (3) to a maximum of five (5) members who shall vet candidates offering themselves for election as delegate, board and supervisory committee members. The members of the nominating committee shall be appointed by the board within six months prior to the delegates meeting

56.2 The nominating committee shall come up with Nomination Procedures to be approved by the delegates meeting which shall guide the nomination process.

56.3 The nominating committee shall provide a list of qualified candidates in every Annual Delegates Meeting.

56.4 (a) The nominating committee shall be drawn from the following: -

i. The Chief Executive Officer,

ii. One sitting board member,

iii. One delegate of unquestionable integrity approved by the full board,

iv. A representative from the government ministry in charge of co-operative affairs Mandatory,

v. A representative from a professional association or National Co-operative organization, and

vi. A management representative of the society.

(b) The Chief Executive Officer (CEO) shall be the secretary to the committee while the board member shall be the chairman unless He/she is due for election.

56.5 Provided no member serving on the nominating committee may be seeking election at the society during the elections.

57. BOARD OF DIRECTORS AND COMMITEES

57.1 The board shall be the governing body of the Sacco Society elected from the General membership and shall consist of 9 members who are non-executive.

57.2 The board shall include the Chairman, Vice Chairman, Treasurer and Honorary Secretary all of whom shall be elected by the board from amongst the members of the board.

57.3 The board and supervisory committee members shall be elected from amongst the delegates as per the electoral regions and these bylaws, provided however that delegates from outside the County may be elected by virtue of their home advantage.

57.4 No more than two-thirds of the elected members of the Board and supervisory committee shall be of the same gender.

58. TENURE OF OFFICE OF BOARD MEMBERS:

58.1 Members of the Board shall be elected for a term of three years subject to one third or the number nearest to, retiring annually, except for the Chairman and the Vice Chairman who shall retire at the end of the third year. The retiring members shall, however, be eligible for re-election.

58.2 Notwithstanding the provision of clause (a) above, a duly convened Delegates Meeting may by a two thirds majority of the delegates present, if constituting a quorum, vote out the entire committee, which shall thereupon vacate office.

58.3 Where the entire board has been voted out under the provision of clause (b) above, the Delegates Meeting shall elect an interim Committee of not more than five (5) members to hold office for a period of 90 days.

58.4 The majority members of the Management committee may for a good cause suspend a committee member subject to ratification by a general meeting.

58.5 If during the term of office of the committee, a vacancy occurs in the board, the committee shall if the number drops below five, co-opt a delegate from the respective region to serve on the committee until the next Delegates meeting.

before the expiry of his/her term in office shall continue to serve until the next Annual Delegates Meeting (ADM).

59. ELIGIBILITY FOR MEMBERSHIP INTO BOARD

59.1 No person shall be eligible for membership of the board of the Society or remain a member of the board if:-

a) Has not been a member of the Society for at least 48 months
b) Has not been elected as a delegate
c) has been adversely named by the Commissioner or his/her representative in an inquiry report endorsed by an Annual or Special Delegates Meeting for mismanagement or corrupt practices whilst still a member of the Board of a co-operative society or union in the last ten years, or named in any other national inquiries where he/ she has been shown to be engaging in dishonest activities, misconduct or misappropriation
d) has been adversely named by the Authority in an inspection report for mismanagement or corrupt practices while still a member of the board of a Sacco society
e) has been charged of any offence involving dishonesty, a crime involving fraud, perjury or breach of contract of a licensed financial institution.
f) has been convicted of any offence involving dishonesty or is imprisoned for three months or more with a crime involving fraud, perjury or breach of contract of a licensed financial institution.
g) Is delinquent on loans with the SACCO for more than 60 days within 2 years prior to elections
h) shall not have attained a minimum of “O” Level Certificate of Education or equivalent
i) Is un dis-charged bankrupt
j) Is under 21 years of age;
k) Is of unsound mind;
l) Is a Board member of another existing Sacco society licensed under the Act
m) Is an official of or holds a political office at any level.
n) Does not conform to minimum qualification standards in accordance to the applicable law.
o) Has been removed from public office on disciplinary action
p) Has not duly executed the Fit and Proper Test form as provided in the Regulations
q) Is holding an executive position in any teachers organization
r) Has not attained non withdrawal deposits of Kshs 800,000.00 as at the time of vetting.
s) Has not attained the minimum shares of Kshs 200,000 as at the time of vetting.
t) Being a delegate from outside the County has no home or his/her home is not within the electoral region.

u) Does not have his salary paid through the FOSA for the last 6 months or as determined by the delegates meeting from time to time.
v) Receives any remuneration, salary or other payment from the society.
w) Lends money on his own account.
x) He is unreasonably over-loaned in contravention to the loan Policy.
y) Has not within thirty days (30) of being elected, declared his wealth to the commissioner in the prescribed manner.
z) Has not filed an indemnity with the Commissioner in Form V within fourteen (14) days of his election to the committee.
   i.) He/she is not in counties where there are members and he/she does meet the minimum qualification of a board member.

60. BOARD MEETINGS

60.1 The board shall meet at least once a month subject to a maximum of fifteen (15) meetings in a financial year..

60.2 If a members 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.

60.3 The quorum shall be five (5) members. In case the chairman and the Vice chairman are absent, a chairman for the meeting shall be elected among those present

60.4 In case of equal votes in the board, the chairman shall have a casting vote.

61. RECORD OF BUSINESS OF THE BOARD

61.1 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 Chairman 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.

61.2 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 Chairman to sign and date the final record.

62. DUTIES AND RESPOSIBILITIES OF THE BOARD

62.1 The board of the Sacco Society shall subject to any directions from the Delegates Meeting generally direct the affairs of the Sacco Society. Its procedures, powers and duties shall be as prescribed by the Act, Regulations, Co-operative Act and Rules and these by-laws. In particular, it shall:-

a) Observe in all its transactions the Act and the Regulations, Co-operative 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 General meeting;
e) Formulate the Electoral policy to guide in the nomination and election process.
f) Appoint such number of board committees as may be 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 its members at the general meeting;
i) Lay before the General Meeting audited accounts, together with proposals for the disposal of net surplus, if any;
j) Recommend to the general 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 of the Sacco Society in accordance with the law.
n) Approve and review lending policies of the Sacco Society to ensure compliance with the Law.
o) Approve or ratify all loans to directors and employees of the Sacco Society;
p) Approve interest rate on loans to member as recommended by finance 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, registration or removal of the chief executive to the Authority.
u) Improve fines as provided for under these by-laws;
v) Ensure that the Sacco Society pays its statutory levies to the 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) To provide adequate budget for education and training of members, and the capacity development of the board, delegates and staff.
y) Receive and consider reports from the established Board committees
z) Enter into contracts
aa) Institute and defend suits brought in or against the name of the society
bb) Perform such other duties as the Annual Delegates Meeting may from time to time direct.

cc) Perform or authorize any actions consistent with the Act, the Regulations and these by-laws, unless specifically reserved for the Delegates Meeting;

63. LEGAL STANDARD OF CARE AND INDEMNITY:

63.1 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.

63.2 All Board Members shall file an indemnity in Form Five of the Rules whose amounts shall be determined by the General Meeting which shall be lodged with the Commissioner within 14 days of his election the committee.

63.3 Any Board member who fails to comply with provision of clause (64.2) above shall automatically cease to be a board member.

64 CODE OF CONDUCT AND ETHICS

64.1 The Board and the staff of the society shall adhere to the Co-operative societies' code of conduct and ethics and such other code of conduct as may be prescribed by the Commissioner or other relevant authority from time to time.

65 DECLARATION OF WEALTH

65.1 Every board member shall within 30 days of being elected declare wealth to the Commissioner in the prescribed manner.

66. FINANCIAL PLAN AND EXPENDITURE

66.1 No expenditure shall be authorized by the board and/or management unless it is provided for in the estimates formally approved by the Delegates Meeting. Where need arises, a Special Delegates Meeting prior to incurring any expenditure shall approve a supplementary budget prepared by the board.

66.2 However, the board may incur reasonable unforeseen essential expenditure not estimated for and seek ratification by the next Annual Delegates Meeting subject to these by- laws.

67. SUSPENSION OF A BOARD MEMBER

67.1 The 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.

67.2 The majority of the Board members may suspend a Board Member and accordingly inform the Authority subject to ratification by the Delegates meeting for:-

a) Failure to disclose vested interests.
b) Any other good cause.

68. REMOVAL OF A BOARD MEMBER FROM OFFICE

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

a) Ceased to hold qualifications of a Board of Director as specified in the Act, Regulations and these By-laws.
b) Is removed by the Authority under the provisions of the Act and Regulations.
c) Is voted out by two-thirds majority of members present and voting at the delegate Meeting.
d) Is removed by the Commissioner under the provisions of Sacco Act and Sacco Regulations.

69. APPOINTMENT OF BOARD COMMITTEES

69.1 The Board shall, within seven (7) days after each Annual Delegates Meeting elect the Chairman, Vice- chairman, Honorary Secretary, Treasurer and reconstitute all Board Committees.

69.2 The board may delegate to the committees such of its powers and duties under these by-laws as it may deem fit and proper provided that the Board shall remain responsible.

69.3 The Chairman, Vice Chairman, Treasurer and Secretary shall act on behalf of the full BOD between board meetings and when the board is not in session.

69.4 The quorum of the Board Committee meetings shall be 5 members of the board committee.

69.5 Any sitting Board and Supervisory committee member who attains his/her retirement age before the expiry of his/her term in the office shall continue until the next Annual Delegate Meeting (ADM)

70. THE BOARD CHAIRMAN AND VICE CHAIRMAN

70.1 The board Chairman shall:-

a) Preside at general meetings, board meetings and joint meetings with the Supervisory Committee.
b) Direct the affairs of the society in conjunction with other elected officials.
c) 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.

70.2 The Vice Chairman shall perform the duties of the Chairman during his/her absence and such other duties as the board may direct.

71. THE HONORARY SECRETARY

71.1 The duties of the secretary shall be to-:

a) Cause minutes of the Delegates meetings, board meetings, and joint meetings with the Supervisory Committee to be recorded.
b) Ensure that notice of the meetings are prepared and sent out.
c) Ensure that the Sacco Society's correspondence is promptly and correctly attended to.
d) Advice the Chairman of quorum during the meetings.
e) Perform such other duties as may be directed by the board.

72. THE TREASURER

72.1 The powers and duties of the treasurer shall be to:-

a) Generally to manage or cause to be managed the financial affairs of the society in a competent and efficient manner.

b) Maintain full and complete record of all assets, liabilities, income and expenses of the society.

c) Ensure safekeeping of the society's money, securities, and books of account.

d) Ensure that all payments and expenditures are duly authorized and;

e) Ensure compliance with all directives of the board, the Act, the Rules and these by-laws on financial matters.

f) Perform such other duties as may be directed by the board.

72.2 Provided that Ensure that within (15) days after the closure of each month a financial statement showing the condition of the society's finances at the end of the preceding month is prepared and submitted to the Board for discussion

73 FINANCE AND ADMINISTRATION COMMITTEE

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

a) Review and make recommendations to the board on the financial plans of the SACCO society ensuring its adequacy and sounding in providing for the SACCO society current operations and long term stability.
b) Review, discuss and make recommendations o the board concerning significant financial planning, management and reporting issues of the SACCO society
c) Review Periodic financial statements of the SACCO society before submission to the board
d) Consider and advice the board on investments and borrowings
e) Make recommendations to the board on capital expenditure projects
f) Ensure all expenditure of the SACCO society are within the approved budgets
g) Monitor the management s adherence to the procurement plan approved by the board
h) Review and make recommendation on finance related policies including investments, capital adequacy and financial performance monitoring
i) Ensure the SACCO society has liquidity management policies prescribed in the Regulations.

j) Review loan interest rates and other levies proposed by the management and
k) Review the organizational structure of the Sacco Society and ensure its manned by staff with relevant skills and experience.
l) Ensure that periodic reviews of staff performance are conducted.
m) Examine and recommend Human Resource expenditure for approval by the board.
n) Ensure establishment of management succession plan in the Sacco Society.
o) Ensure the management adheres to the approved human resource and related policies.

74. EDUCATION AND MARKETING COMMITTEE

74.1 The education Committee shall consist of three members appointed from the board. Its duties among others shall be to:

a) Review and recommend education programmers' for members, board members, and the general public for approval by the board.
b) Ensure production and acquisition of literature including Periodical Magazines, or brochures.
c) Promote distribution and interpretation of these by-laws to members.
d) Arrange for educational visit in liaison with other members of the Board of Directors.
e) Ensure appropriate allocation of funds for educational purposes and apply the funds for the benefit of the society.
f) Prepare periodic reports on educational and information and publicize same for the benefit of members
g) Identify, collect, disseminate and publish co-operative news for the benefit of the society
h) Advise the Board of directors and update members on all matters of education and information
i) Monitor implementation of educational programs formulated to ensure that the members and the board are well trained and prepared for the tasks they are entrusted with.
j) Organize, facilitate and promote members, delegates and committee member's education
k) Organize, promote and oversee staff training

75. AUDIT AND RISK MANAGEMENT COMMITTEE

75.1 The audit committee shall consist of not more than three members appointed from the board, one of whom shall be conversant with financial and accounting matters. The Chairman of the board shall not be a member of the Audit committee. The internal auditor shall be the secretary to the committee.

75.2 The primary responsibility of the Audit committee shall be as prescribed in the Regulations which includes;-

a) Ensuring establishment and review of the internal control system.
b) Review performance and findings of the internal auditor and recommend 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 auditors independence and objectivity.
e) Report to the board on their findings and recommendations.

76. CREDIT COMMITTEE

76.1 The credit committee shall consist of three members of the Board whose Chairman shall be the board Vice Chairman, its duties among others shall be to;-

a) Ensure establishment and review of appropriate credit policy consistent with the relevant provisions of the Regulations and these by laws.
b) Ensure that the problem loan accounts are adequately identified and classified in the Regulations.
c) Ensure adequate provisions for potential loss is maintained.
d) Review periodic credit and loan portfolio reports of the Sacco Society before submission to the board.

77. TENDER COMMITTEE

77.1 The Tender Committee shall be appointed in accordance with the provisions of the Public Procurement and Disposal Act and Regulations or any other applicable law.

78. SUPERVISORY COMMITTEE

78.1 The supervisory committee shall be elected by and from the Annual Delegates Meeting and shall consist of three members.

78.2 No person who has been a member of the board within two (2) years preceding the date of the anticipated election shall be eligible for membership of the Supervisory Committee.

78.3 Members of the committee shall be elected for a term of three years and one member of the committee shall retire annually.

78.4 Notwithstanding the provision of by-law 78.3 above, any member of the supervisory committee may be removed by a resolution of a Delegates Meeting.

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

79. AUTHORITY OF THE SUPERVISORY COMMITTEE

79.1 Without intervening in administrative functions subject to its control and supervision, the supervisory committee is responsible for Sacco compliance and internal control and oversight.

79.2 Its chairman shall convene meeting of the supervisory committee. The supervisory committee shall meet as often as it finds necessary to carry out their work efficiently.

79.3 It is also responsible for the truth and accuracy of the society's financial condition and for making sure that the society's administrative practises and procedures are adequate to safeguard the member's and institution's rights and interests.

80. DUTIES /POWERS OF THE SUPERVISORY COMMITTEE:

80.1 The duties of the Supervisory Committee shall include to:-

a) Generally countercheck the effectiveness of the society's internal financial system by:-

i). Ensuring that standardized accounting systems and procedures are implemented.

ii). Carrying out investigations at least once every three (3) months for the interest of the society and its members.

iii). Confirm cash and bank accounts regularly and reconcile with records and make necessary recommendations to the Board.

b) Generally countercheck the effectiveness of the implementation of credit policy and compliance through:-

i). Checking loan applications and note exceptions.

ii). Checking delinquent loans among the Board and members.

c) Prepare reports and present to the Board and at the Delegates Meeting.

d) Generally assist in the interpretation of the loan policies, the Act the rules, the Delegates Meeting resolutions and Management Committee policies with a view to create understanding and harmonious working relationship between the members and the Board.

e) Listen to the members' complaints and assist them find solutions.

f) The Supervisory Committee shall serve as the appeal Committee to hear appeals from suspended members.

g) Submit their report to the commissioner.

h) Notwithstanding the provisions of (a) to (g) above, the supervisory committee shall not perform duties or exercise powers of the Board.

80.2 The role of the Supervisory committee shall be complementary to that of the Board and hence it shall at all times desist from fault finding. Its actions shall be focused on strengthening the various internal control systems and the observance of the various checks and balances through the principle of separation of powers and the spirit of collective responsibility.

81. LIABILITY OF THE SUPERVISORY COMMITTEE:

81.1 The Supervisory committee members shall be jointly for any loss incurred due to negligence in performing their duties.

82. QUALITIES OF THE SUPERVISORY COMMITTEE:

82.1 The members of the supervisory committee shall meet the same qualifications as for the members of the board.

82.2 In addition, at least one member of the committee shall have basic book keeping, accounting and auditing or financial management knowledge. Where no such person is elected, those elected may be taken for basic accounting training.

83. SOCIETY EMPLOYEES

83.1 The board shall have the powers to appoint one or more paid staff who shall carry out such duties as may be required by the board in accordance with the terms and conditions of employment.

83.2 All appointments shall be done in a transparent manner and in line with the Human Resources policy

83.3 The board may require all employees of the society to provide indemnity/security for the employment in such sum, as the board may deem necessary.

84. DELEGATION TO EMPLOYEES

84.1 The board may delegate to the Chief Executive Officer of the Sacco Society such duties as it deems fit.

84.2 Nothing in (84.1) above shall absolve the board from its responsibility of running the affairs of the Sacco Society in a proper and business likewise manner

85. THE CHIEF EXECUTIVE OFFICER

85.1 The Chief Executive Officer shall be appointed by the board and shall be responsible for the day-to-day operations of the Sacco Society and in particular ensure.

a) The implementation of and adherence to the policies, procedures and standards.
b) Systems that have been established to facilitate efficient operations and communication are followed.
c) The planning progress that has been developed to facilitate achievement of targets and objective is adhered to.
d) All staff matters, particularly human resource development and training are attended to.
e) Adherence to the established code of conduct.
f) Compliance with the Act, Regulations, Co-operative Act, Rules these by laws and any other applicable laws.

85.2 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:-

a) Financial statements (monthly, quarterly and annual).
b) Showing current compared with past period actual performance, the budget compared with the actual and with explanations for any variances.
c) Capital structure and adequacy.
d) Delinquent loan list, and in particular growth in loans, loan losses, recoveries and provisioning.
e) Statement of comprehensive income (monthly, quarterly and annual) comparison with budgeted against actual.
f) Sources and application of Savings and deposits.
g) All inside lending and non-performing insider loans if any.
h) Violation of the Act, these regulations and any other applicable law, and remedial actions taken to comply.
i) Large risk exposures.
j) Investment portfolio.

85.3 The Chief Executive Officer shall:-

a) Attend all board and general meetings as an ex-officio member.
b) Be a signatory to Sacco Society cheques, contracts and other documents as may be necessary.
c) Perform such other duties as may assigned by the board.

86. BOOKS OF ACCOUNTS AND RECORDS

86.1 The Sacco Society shall keep up to date and in a proper business-like manner, electronic or otherwise, such books of accounts and records as stipulated in Co-operative Act and Rules, and in particular.

a) A register of members showing in respect of each member:-

   i. Name, age, date of application for membership, address and occupation.
   ii. Date of admission to members.
   iii. Date of cessation of membership.
   iv. Name and particulars of nominees.
   v. Any other information as may be required by the Sacco Society from time to time, and.
   vi. Number and value of shares held.

b) Minute books giving details of proceedings of board, Board Committees, joint board and Supervisory Committee, Supervisory Committee meetings and all other committee meetings held in accordance with these by-laws.
c) Minute book giving details of proceedings at the general Meetings.
d) A cashbook showing the details of all monies received or paid out by the Sacco Society.
e) A general ledger containing such accounts as is necessary to accurately reflect the business of the Sacco Society.

f) A personal ledger for each member showing hi/her transactions with the Sacco Society.
g) A register of assets and property.
h) 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 complete.
i) Such other books and records as the board or the Authority may decide or prescribe.

86.2 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 Authority.

87. ANNUAL AUDITS:

87.1 The society shall submit to the Authority the selected names of the external Auditor within 30 days after the Annual Delegates meeting together with an extract of minutes appointing the external auditor.

87.2 The auditor shall submit audited Accounts to the Delegates meeting within four months after the end of the accounting period.

87.3 The audited accounts shall be displayed conspicuously for the members to see at the registered office and all branch offices of the society at least two (2) weeks before presentation to the Delegates Meeting.

87.4 The society shall pay such audit fees and supervision fees in accordance with the Act, Rules and Regulations.

88 DEPOSIT GUARANTEE FUND

88.1 The society shall pay the assessed annual premiums to the Deposit Guarantee fund.

89. FINANCIAL YEAR:

89.1 The financial year for the society shall begin on January 1st and end on 31st December.

90. POLICIES & PROCEDURES OF THE SOCIETY

90.1 The board shall make and approve such policies and procedures prescribed in the 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 and shall be posted on the society's notice board, and shall come into force when and as determined by the board of directors.

91. CODE OF CONDUCT

91.1 The officers of the SACCO society shall comply with [illegible]
commission for Cooperatives

91.2 The SACCO society shall formulate a code of conduct in accordance with third schedule of the regulations which shall be approved by the Authority

92. CONDUCT OF BUSINESS

92.1 As it may deem necessary for the conduct of the society's business, the Board may make such rules not inconsistent with these by laws.

92.2 Any such regulations shall be recorded in the minutes, incorporated in the society policies and shall be posted on the society notice board, and shall come into force when and as determined by the board.

93. AUTHORIZATIONS TO SIGN DOCUMENTS:

93.1 The Chairman, Vice Chairman, Hon. Secretary, Treasurer, Chief Executive Officer or any other designated employee shall be signatories for the SACCO. The internal regulations shall detail which signatories are necessary for particular operations.

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

93.3 The accounts and all other confidential documents of the SACCO shall be permanently at the disposal of the board of directors, Supervisory Committee or any other authorized person or Organization. Information from the records shall be kept very confidential

94. DISPOSAL OF SURPLUS:

94.1 Subject to the Act, Rules, Regulations, these by laws and approval by the delegates meeting, the net surplus resulting from the operations of the society during any financial year shall be disposed of as follows:

a) 20% shall be credited to the statutory reserve fund.

b) The balance may be disposed off as decided by the General Meeting for: -

i. Paying dividends on shares at the rate decided by the Board and approved by the general members.
ii. Paying an interest refund to members on record at the close of the financial year in proportion to the interest paid by them during the financial year.
iii. Being carried forward to an education fund or any other fund or funds of the society including the appropriation account.
iv. After making the required allocation to the statutory reserve fund applying an amount not exceeding 10% of the remaining net balance to any charitable purpose.
v. Paying a honorarium to committees and bonus to employees
vi. In any other way approved by the Delegates Meeting.

95. LOANS TO MEMBERS:

95.1 There shall be a Credit policy and procedures, which shall be prepared by the Management and approved by the BOD. The policy shall comply with the cooperative Act, Rules, SACCO ACT and Regulations, the commissioner's policies and any other relevant law of Kenya that shall guide the issuing of loans to members.

95.2 All loans (including repayment, security and recovery) shall be considered in accordance with the provisions of the credit policy in force and which may be reviewed from time to time

95.3 The rate of interest shall be determined by the board of directors as informed by a cost analysis and pricing through the annual business plan process and in view of the prevailing market situation.

96 COMMON SEAL

96.1 The society may adopt and use a common seal. The seal shall have an imprint bearing words, **"Seal of Qwetu DT Savings & Credit Co-operative Society Limited"** and shall be different from the ordinary name stamp of the society.

96.2 The seal shall be kept securely under lock and key by the Chief Executive Office or a duly authorised officer for that purpose and shall be used only by, and in the presence of the officers authorized to sign documents on behalf of the society.

96.3 A register of all sealed documents shall be maintained by the society.

97. FINES

97.1 For any breach of these by-laws or instructions issued by the Board or for failure of a member to pay his obligations on time, the defaulting member may be fined on amount not exceeding **Kshs. 20,000/=** for the offence as provided for by the Act or Rules.

98. DISPUTES

98.1 If any dispute concerning the business of the 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.

98.2 Which cannot be determined by the board (or Delegates meeting), it shall be referred to the Tribunal. Appeals shall be taken to the High Court.

98.3 In the case of debts due to the society from a member or debts owing to a member or past members by the society, a delegates meeting may ,at its discretion, issue such instructions to the Board for liquidation of the debts as may be necessary or refer the dispute to the tribunal.

99. CONFLICTS OF INTEREST

99.1 No member of the board, Supervisory Committee, and the Staff should engage in any business with the Society either directly or through Proxy.

99.2 Every board member and employee of the society shall be required before taking part in any business transaction which the society is about to discuss, or initiate to disclose any personal interest in the matter and shall not take part in any discussion or vote upon that item of business.

99.3 The board member or employee shall physically absent himself from the discussion unless it is determined that the individual has relevant information to provide. Failure to divulge this information shall result in removal from office or termination of employment.

99.4 No person or member shall serve as a board member of the society as well as in a sister organization with common interest or which is having a dispute with the society. Such affected member shall be given one month from the date of election/appointment to decide whether to serve and notify the society of such decisions in writing, failure to which it shall be deemed he/she has ceased to be a board member of the society.

100. CONFIDENTIALITY BY OFFICERS OF THE SOCIETY

100.1 The Chief Executive Officer, members of the board, supervisory and employees of the society shall hold in the strictest confidence all transactions of the society, with its members, and all information respecting their personal affairs, except to the extent deemed necessary by the Board of Directors in connection with the loans and the collection thereof.

100.2 In cases of breach of confidentiality, besides the resulting action for damages, the responsible party shall be removed from the office or their employment and terminated if proven guilty.

101. MISCELLANEOUS

101.1 No Board or Supervisory Committee member shall receive from the society any payment apart from sitting allowance, and travelling and subsistence allowance, except an honorarium from the net surplus as allowed in these by-laws.

101.2 When any Board member is disqualified or unable to perform his duties, the committee shall co-opt a member or members of the society to serve on the committee until the next general meeting if the number falls below five.

101.3 The society shall pay an audit and supervision fee of such sums as may be required by the Commissioner.

101.4 No member of the Board or supervisory committee shall in any manner participate in the deliberations and determination of any question affecting his financial interest. In the event of any disqualification, the remaining qualified committee members present at the meeting, if constituting a quorum with the disqualified person may exercise, with respect to the matter, all powers of the committee.

101.5 A copy of these by-laws shall be furnished to every member who joins the society or on request upon payment of a fee not exceeding its actual cost to the society.

102. INSPECTION OF DOCUMENTS

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

102.2 The by-laws of the society and the registration certificate shall at all times be available for inspection by the Commissioner and the members.

102.3 A list of members excluding details of nominees and shareholdings or loans shall be available for inspection by any member and any other stakeholder upon payment of the prescribed fee.

103. BRANCHES:

103.1 The Board shall determine the criteria for opening and the number of branches the society may have. The establishment of any branch shall be approved by a General Meeting and the Authority.

104. DISSOLUTION:

104.1 The Sacco Society shall be dissolved in accordance with the procedures set forth in the Co-operative Act and Regulations and the Rules

104.2 In the event of liquidation, the assets of the SACCO Society shall be realized, all liabilities shall be paid, all savings shall be refunded to the member and any surplus or deficit thereafter shall be apportioned to each member in proportion to the value of each member's shares at the date of liquidation

105. AMALGAMATION

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

106. AMENDMENT OF BY-LAWS

106.1 These by-laws may be amended in accordance with the Act and Rules and regulations, but no amendment shall become effective until is approved and registered by the Commissioner.

107. ACCEPTANCE:

We, the undersigned office bearers of **Qwetu DT Savings and Credit Co-operative Society Limited** named herein do hereby accept these by laws for and on behalf of the society.

NO	TITLE	NAME	ID NUMBER	SIGNATURE
1	Chairman	SIMON MBASHU	8464450	
2	Vice Chairman	ALFRED MLOLWA	13631404	
3	Treasurer	DISHON MWALE	10394670	
4	Secretary	DALMAS MZAE	5398393	

OFFICIAL CERTIFICATION

I CERTIFY that the foregoing by-laws of **Qwetu DT Savings and Credit Co-operative Society Ltd** have been approved and duly registered.

Given under my hand at Nairobi this 18th Day of June 20 2026

DAVID K. OBONYO

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT