

**POSTBANK SAVINGS AND CREDIT
CO-OPERATIVE SOCIETY
LIMITED**

PROPOSED BY- LAWS

CS /NO. 3440

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TABLE OF CONTENTS.

1. NAME AND AREA OF OPERATION-----	1
2. REGISTERED OFFICE AND POSTAL ADDRESS-----	1
3. OPENING AND RELOCATION OF SACCO SOCIETY’S BRANCH-----	1
4. DEFINATIONS AND INTERPRETATIONS-----	1
5. OBJECTS-----	3
6. CO-OPERATIVE PRINCIPLES AND VALUES-----	4
7. MEMBERSHIP-----	5
8. QUALIFICATION FOR MEMBERSHIP-----	5
9. APPLICATION FOR MEMBERSHIP-----	6
10. ADMISSION INTO MEMBERSHIP -----	6
11. REFUSAL OF ADMISSION-----	6
12. MEMBERSHIP RIGHT-----	6
13. MEMBERS OBLIGATIONS-----	7
14. MEMBERS PERSONAL STATEMENT-----	7
15. TERMINATION OF MEMBERSHIP-----	7
16. SUSPENSION AND EXPULSION OF A MEMBER FROM THE SOCIETY-----	7
17. SUSPENSION AND EXPULSION PROCEDURE-----	8
18. WITHDRAWALS FROM SACCO SOCIETY-----	8
19. PAYMENT ON CEASATION OF MEMBERSHIP-----	8
20. NOMINEE-----	9
21. PAYMENT TO NOMINEES-----	9
22. FUNDS OF THE SACCO SOCIETY-----	9
23. INVESTMENT OF SOCIETY’S FUNDS -----	10
24. SHARES AND DEPOSITS -----	11
25. TRANSFER OF SHARES-----	11
26. LIABILITY OF A MEMBER-----	11
27. POWER TO BORROW-----	11
28. RECEIPTING OF MONEY-----	12
29. PAYMENT AND DISBURSEMENT-----	12
30. SECURITY FOR LOANS-----	12
31. GENERAL MEETINGS-----	12
32. NOTICE OF MEETINGS-----	13
33. QUORUM FOR GENERAL MEETING-----	13
34. DUTIES OF GENERAL MEETINGS-----	14
35. RECORD OF BUSINESS-----	15
36. ELIGIBILITY FOR MEMBERSHIP TO THE BOARD-----	15
37. ELECTIONS -----	16
38. THE BOARD-----	17
39. BOARD MEETINGS -----	18
40. CONDUCT OF BUSINESS-----	18
41. RECORD OF BUSINESS OF THE BOARD-----	18
42. DUTIES AND POWERS TO THE BOARD -----	19
43. EXPENDITURE-----	21
44. LEGAL STANDARD OF CARE-----	21
45. DELEGATION TO EMPLOYEES -----	21
46. INDEMNITY-----	21

47. DECLARATION OF WEALTH-----	21
48. SUSPENSION OF BOARD MEMBER-----	22
49. REMOVAL OF A BOARD MEMBER FROM OFFICE-----	22
50. EXECUTIVE OFFICERS-----	22
51. CHAIRPERSON AND VICE CHAIRPERSON -----	23
52. HONORARY SECRETARY-----	23
53. BOARD COMMITTEES-----	23
54. FINANCE AND ADMINISTRATION BOARD-----	24
55. EDUCATION COMMITTEE-----	25
56. AUDIT COMMITTEE-----	26
57. CREDIT COMMITTEE -----	26
58. SUPERVISORY COMMITTEE-----	27
59. DUTIES OF THE SUPERVISORY COMMITTEE-----	27
60. THE CHIEF EXECUTIVE OFFICER -----	28
61. BOOKS OF ACCOUNTS AND RECORDS-----	29
62. POLICIES AND PROCEDURES-----	30
63. CODE OF CONDUCT-----	30
64. COMMON SEAL-----	31
65. FINANCIAL YEAR -----	31
66. DISTRIBUTION OF SURPLUS FUNDS-----	31
67. RESERVE FUND-----	31
68. FINES-----	32
69. COMMISSION-----	32
70. DISPUTES-----	32
71. MISCELLANEOUS-----	32
72. INSPECTION OF DOCUMENTS -----	33
73. DISSOLUTION-----	33
74. AMENDMENT OF BY-LAWS -----	33
75. ACCEPTANCE-----	34

1. NAME AND AREA OF OPERATION

1.1 The Society shall be called: **POSTBANK** Savings and Credit Co-operative Society Ltd. hereinafter referred to in these By-laws, as the “SOCIETY” and its area of operation shall be **WITHIN THE REPUBLIC OF KENYA.**

2. REGISTERED OFFICE/POSTAL ADDRESS

2.1 The registered office of the Society shall be at POSTBANK HOUSE. Premises, Banda Street, Nairobi and its Postal address shall be P.O. Box 30313 -00100 Nairobi.

Email; sacco@postbank.co.ke

2.2 Notice of any change of postal address shall be given to the Commissioner for Co-operative Development, herein after referred to as “The Commissioner”, the Sacco Societies Regulatory Authority (SASRA), herein referred to as “the Authority” and to all members of the Sacco society through their last known address as per records held at the Sacco society within 30 days of such change.

3. OPENING AND RELOCATION OF SACCO SOCIETY’S BRANCH.

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. DEFINITIONS/INTERPRETATIONS

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) **Audit Board**- Board established as per the regulations

(ii) “**Authority**” shall mean the Sacco Societies Regulatory Authority

- (iii) “**A nominee**” means a person appointed by the member to inherit the shares, deposits and other interests in the society upon the death of that member.
- (iv) “**Applicable Law**” shall mean 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) “**Board of Directors**” shall refer to the persons elected in a duly convened General Meeting to govern the Business of the Sacco society as per these by-laws hereinafter referred to as the “board”.
- (vi) “**Commissioner**” shall mean “the Commissioner for Co- operative Development as provided for in the Co-operative Act.”
- (vii) “**Core Capital**” shall mean fully paid up members’ shares, capital issued, disclosed reserves, retained earnings, grants and donations all of which are not meant to be expended unless on liquidation of the Sacco society.
- (viii) “**Dividend**” shall mean members’ share of the surplus of the Sacco society which is divided amongst its members based on shareholding.
- (ix) “**Deposit**” means a sum of money received or paid on terms under which it shall be repaid with or without interest or premium and either on demand or at a time or in circumstances agreed by or on behalf of the person making the payment and the person receiving it.
- (x) “**General Meeting**” shall be a meeting (either “annual” or “special”) for all members duly convened by the Sacco society to conduct its business.
- (xi) “**Member**” includes a person or a co-operative society joining in the application for the registration of a Sacco society, and a person or co-operative society admitted to membership after registration in accordance with the by-laws.
- (xii) “**Returning officer**” is a person appointed to oversee or conduct the elections of a co-operative society at a general meeting.
- (xiii) “**SACCO Society**” means a Savings and Credit Co-Operative Society registered under the Co-operative Act and licensed under the Sacco Societies Act, 2008.
- (xiv) “**Share Capital**” shall mean members’ equity in the form of issued and fully paid up shares of common stock
- (xv) “**Tribunal**” shall mean the Co-operative Tribunal established under the Co-operative Act to hear and determine disputes.
- (xvi) “**Common Bond**” shall mean any unifying factors that bring the members together. In this context it shall include individuals or organizations approved by the General Meeting.

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

5.0 OBJECTS

5.1 Subject to the Co-operative principles as outlined in by-law no. 6 below, the Society shall endeavor to:

- (a) Promote thrift among members by affording them an opportunity of accumulating their savings and deposits and to create thereby a source of funds from which loans can be given to them exclusively for provident and productive purposes at fair and reasonable rates of interest.
- (b) To provide an opportunity for each of its members to improve his/her respective economic and social conditions.
- (c) Carry out investment activities, under the authority of general meetings which should: -
 - (i) Increase the volume of output of the society.
 - (ii) Improve and sustain a healthy liquidity position.
 - (iii) Increase the level of surplus to the society.
 - (iv) Benefit members and their families.
- (d) Offer the member's complementary savings and credit services and other financial products such as front office services or withdraw able savings/ deposits accounts as may be required by members from time to time.
- (e) Ensure safety and security of the members' funds through risk management programme or any other appropriate insurance scheme.
- (f) Ensure progress of its members by educating them on proper methods of credit administration.
- (g) Perform all those functions and exercise those powers designated for savings and credit Co-operative societies under the relevant law for the benefit of members.
- (h) Co-operate with other Co-operatives and be affiliated to Apex Co-operative bodies like KUSCCO, KNFC and WOCCU.
- (i) Perform within the relevant law (The act, the rules and these By-laws) all those acts, deeds and things necessary to further enhance, promote or encourage any or all of the foregoing purposes and objects subject to the approval of the Annual general meeting.

6. CO-OPERATIVE PRINCIPLES AND VALUES.

6.1 The objects for which the society is established are to promote and organize the economic interests of its members in accordance with the Co-operative values and principles as defined here below.

a) Principles

For the attainment of those values outlined above, the Society shall apply the following principles as general guidelines to its activities.

i) Voluntary and open membership

The Society aims at serving its members as well as non-members where applicable in a prudent and effective manner. As such admissions to membership are 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 its member's deposits and remunerate its employees fairly, according to the standards of the society. Members may resolve to distribute the surplus on any or all of the 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 programs for members, Board 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 Co-operative movement.

v) Co-operation among Co-operatives

In order to best serve 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 the government and other organizations are basically facilitative and are done freely, on mutually acceptable terms that ensure the autonomy of the Co-operative.

vii) Concern for the 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.

b) Values

Co-operatives are based on the values of self-discipline, mutual responsibility, equality and equity. As such the Society shall apply Integrity, Respect to all members and stakeholders, practice Equity to all members, and prompt service delivery and professionalism in all activities.

7. MEMBERSHIP

7.1 Members shall consist of: -

- (a) Original members who filled and signed the application for registration of the Society and,
- (b) New members subsequently admitted in accordance with these by-laws and whose names are entered in the register of members.

8. QUALIFICATIONS FOR MEMBERSHIP

8.1 A person of either sex shall be eligible for membership who possesses all of the following qualifications: -

- (a) Is within the field of membership consisting of the following common bond: employees of **POSTBANK (K)** and employees of this Society. Provided that past employees of the aforementioned institutions who had earlier left the Bank and the Society's employment may continue to be members.
- (b) Is out of Common bond and has been accepted through a resolution by the Board.
- (c) Is not less than Twenty One years of age,
- (d) Is of good character and is of sound mind,
- (e) Is resident within, or occupies land within the Republic of Kenya.
- (f) Is in salaried employment or in other admissible occupation offering constant earnings within the Society's area of operation and/or;
- (g) Is not a member of any other Savings and credit Co-operative Society

9. APPLICATION FOR MEMBERSHIP.

9.1. Every applicant for membership shall complete an “Application for membership” form. This form may be drawn so as to show all the information required for the purpose of a register of members.

10. ADMISSION INTO MEMBERSHIP

10.1. An applicant shall be admitted to membership on being accepted by majority of the members of the Board but shall not qualify for the rights and privileges of membership until he/she has paid an entrance fee of Kshs. 1,000. 00 (One Thousand Only) which may be revised from time to time under a resolution of a general meeting and paid in full for at least 250 shares of Kshs. 20/- each.

11. REFUSAL OF ADMISSION.

11.1 The Board may refuse membership to a person after assigning reasons thereof, provided, however, that the person whose membership has been refused, if otherwise eligible for membership, shall have the right to appeal to the society’s Annual General Meeting. Any such appeal must be supported by at least 1/10 of all the active members who shall sign against their names on the notice of appeal, which shall be tabled with the society’s Secretary at least two days before the date of the General Meeting.

12. MEMBERSHIP RIGHTS.

12.1 Subject to these by-laws, policies and procedures of the society, a member shall have the right to use the society’s services and exercise the rights established by the Act, Rules and these by-laws. A member shall be entitled but not limited to: -

- (a) Receive periodically or upon request and at least quarterly, a statement of accounts containing the individualized record of his/her transactions.
- (b) Attend and participate at society general meeting; every member shall have only one vote irrespective of the shares held.
- (c) Elect and be elected into the organs of the society unless otherwise prohibited by any other law or these by-laws.
- (d) All other rights prescribed by the Act or Rules.

13. MEMBERS OBLIGATIONS

In compliment to the Act and Rules, a member is obliged to: -

- (a) Attend society meetings and take part in decision-making.
- (b) Comply with the by-laws of the society and the directions of any other general meeting.
- (c) Make the requisite contributions to the society.

14. MEMBER'S PERSONAL STATEMENT

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.

15 TERMINATION OF MEMBERSHIP

15.1 Membership in the society shall cease with effect from the date of a member's:

- a) Death
- b) Expulsion from membership by either Board or General meeting.

- c) Withdrawal of all his/her shareholdings.
- d) Insanity.
- e) Transfer of all his/her shares to another member/society.
- f) Failure to contribute his/her shares and loan repayment for a period of three months; or
- g) Failing to hold the qualifications stated in by-laws no. 8(a-f).

15.2A member may at any time withdraw from the society by giving written notice of not less than Sixty days PROVIDED THAT such a member has not acted as guarantor or endorser to any existing or delinquent loan for which he may be held responsible incase of default.

16. SUSPENSION AND EXPULSION OF A MEMBER FROM THE SOCIETY

16.1 The Board may suspend a member pending expulsion by a general meeting who: -

- (a) Willfully fails or refuses to comply with the society's by-laws.
- (b) Willfully defaults in the repayment of his/her loan(s).
- (c) Is convicted in court for a criminal offence involving dishonesty or is imprisoned for three months or more.
- (d) Acts in any way detrimental or pre-judicial to the interests of the society or ,

- (e) For any other reason approved by a general meeting of the society and/or may be contained in the society's code of ethics.

17. SUSPENSION AND EXPULSION PROCEDURE

17.1 In compliance with the rules of natural justice, a member may be suspended and/or expelled in accordance with the following procedure:

- (a) Upon formal and written announcement that a member has committed an offence punishable by expulsion, the Board shall give written notice to the member stating the offence he/she is alleged to have committed giving the member 30 days to prepare his / her defense.
- (b) Upon expiry of 30 days, the Board shall initiate an administrative inquiry and take a decision on its findings within 15 days.
- (c) A member suspended shall have a right to appeal to the next general meeting provided the notice and grounds of such appeal have been filed with the secretary not less than 20 days before the date of the meeting.
- (d) Upon hearing the appeal, the General meeting may: -
 - i) Reinstatement the member
 - ii) Confirm the expulsion
 - iii) Impose such fine as it may deem fit.
 - iv) Take any other appropriate action as it may deem fit.

17.2 The decision of the General Meeting on such expulsion shall be final. Provided such a member shall have the right to appeal to the Tribunal if the issue constitutes a dispute.

18. WITHDRAWALS FROM SACCO SOCIETY.

18.1 No member shall be allowed to reduce his/her deposits by withdrawal of deposits.

18.2 The board shall always require a member to give 60 days written notice of intention to withdraw deposits.

18.3 Where a member withdraws from the society then applies later on for re-admission, such a member shall be liable for payment of a rejoining fee of Kshs 1000/- and an entrance fee of Kshs1000/-, which may change from time to time through the Annual General Meeting's Resolution.

19. PAYMENT ON CEASATION OF MEMBERSHIP.

19.1 A member may at anytime withdraw from the Sacco society by giving at least sixty (60) days written notice to the board.

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

19.3 A member who withdraws or is expelled shall be repaid the following amount after deduction of any debts owed by him/her to the Society as borrower, endorser, guarantor, or otherwise: -

- a) The nominal or book value of his/her shares, provided, however that the Board may require in case of withdrawal a maximum of 60 days written notice.
- b) Any dividends or interest due to him/her on completion of the respective financial year.
- c) Any deposits or other sums held by the Society on his behalf.

20. NOMINEE

20.1 Every member shall nominate in writing one or more persons as nominee(s). The nomination shall be attested by at least two witnesses who are members of the Sacco society.

20.2 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 Sacco society.

20.4 A member who prefers more than one person, as nominees shall be required to specify the percentage of his/ her shares, or any other interests to be paid to each nominee in the event of death, bankruptcy and / or on being declared insane.

21. PAYMENT TO NOMINEES: -

21.1 A member's nominee(s) or next of kin who is/are indicated on the member's membership application form shall be paid in full the value of the deceased members shares, deposits or other interest less any sums due to the society within a reasonable time after the society receives official notice of the death of the member.

22. FUNDS OF THE SACCO SOCIETY.

22.1 The funds of the society shall consist of: -

- i. Paid up members shares Capital
- ii. Retained Earnings
- iii. Disclosed Reserves
- iv. Grants and Donations
- v. Interest, fees and charges, penalties, and commissions
- vi. Entrance fee

- vii. Any donations, grants or gifts from other bodies, organizations or individuals
- viii. Funds obtained from other lawful miscellaneous sources
- ix. Deposits from members.
- x. Borrowings from other sources as may be prescribed by the Authority.
- xi. Funds obtained from lawful miscellaneous sources.

22.3 Capital Adequacy

The Sacco Society shall at all times maintain:-

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

23. INVESTMENT OF SOCIETY'S FUNDS

23.1 The funds of the Society shall only be applied to the promotion of the stated objects and purposes of the Society as set forth in these by-laws and shall be invested in:

- a) The Kenya Post Office savings Bank.
- b) Such investments and securities, which are legal and have high marginal returns to the society.
- c) A capital formation fund, which shall only be applied in projects approved by the Annual General Meeting,
- d) Shares and deposits of any other co-operative society e.g. KUSCCO,
- e) The stock of any statutory body established in Kenya or any limited liability company incorporated in Kenya.
- f) Any other purpose approved by a resolution at an Annual General Meeting.
- g) Loans granted to members.
- h) Properties and Equipment for purposes of Sacco business

23.2 Investments under **22.3** 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.

24. SHARES AND DEPOSITS

24.1 The nominal value of each share shall be Kshs.20 and every member shall hold at least 250 shares in the society, provided that no member shall hold more than 1/5 of the total share capital of the society.

N/B; Non-members shall not hold any shares.

24.2 With the approval of the Board, a member may at any time transfer his/her shares to another member but not to any other person who is not a member. Such transfer must be in writing and at nominal value.

25. TRANSFER OF SHARES

25.1 All transfers of shares must be registered with the manager and no transfer shall be valid unless so registered. The Board shall require payment of a fee of 2% of the amount for each share transfer from both the transferor and transferee, which may be reviewed from time to time by the Annual General Meeting.

25.2 Where the transferor is willing to wait for the mandatory 60 days then the transferee shall bear the 4% transfer fee.

26. LIABILITY OF A MEMBER

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

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

26.3 In addition to 26.2 members shall be compensated by the Deposit Guarantee Fund as provided in the Regulations

27. POWER TO BORROW

27.1 The borrowing power of the society shall be determined annually by the Annual General Meeting.

27.2 Loans may be obtained from members and non-members (e.g. employer), Kuscco or any other lending institution subject to the maximum amount and terms approved by the General meeting provided total external borrowing by the Sacco Society does not exceed the limit prescribed.

27.3 For the securing of any loans accepted by the society, 26.2 the society may grant a charge over its assets. The authority to grant a charge shall be reserved to the General meeting,

27.4 The rate of interest on loans shall not exceed the prevailing market rate.

28. RECEIPTING OF MONEY

28.1 Money received on account of shares, deposits, Loans, interest's fees or fines shall be recorded and evidenced as provided in the approved policies and procedures manuals.

29. PAYMENT AND DISBURSEMENT

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

30. SECURITY FOR LOANS.

30.1) The Management Committee shall ask for such security of loans, as it may consider necessary. The salary, guarantors, shares and deposits of a member may be taken as a security.

30.2) The committee may refuse to accept as a guarantor a person who himself is in receipt of a loan and may decline to grant subsequently to a member while he remains liable as a guarantor.

30.3) No executive officer or member of the Management Committee or supervisory committee shall act as an endorser or guarantor for a fellow member of the committee.

30.4) A borrower or guarantor may apply to the Management Committee for a replacement of guarantor but not when the loan is in default.

31. GENERAL MEETING

31.1 The supreme authority of the Sacco society shall be vested in the General Meeting of members.

31.2 An Annual General Meeting shall be convened within four months after the end of the Sacco society's financial year.

31.3 A special General Meeting shall be held:

- i. When convened by the Board or the Commissioner, or
- ii. Within 15 days of receipt of a written request from at least 1/3 of members.
- iii. Except when convened by the Commissioner or his Representative, at least 21 clear days notice shall be given in case of an annual general meeting or special general meeting.

31.4 For a special General Meeting requested by the members, the request must state the object of the meeting being called and be signed or be thumb marked by the requesting members. The request shall be deposited in the

registered office of the society during normal working hours with a copy to the Commissioner or his representative.

31.5 The Secretary shall take all possible and usual steps such as announcement at staff meetings, posting notices on the society's notice boards, various branches or any other effective forum to inform all members of the date, venue and main business of the meeting. All written notices shall include a statement of items in the agenda to be dealt with.

31.6 Any business not completed at the annual General Meeting, may be taken up at a subsequent special General Meeting of the Sacco society.

32. NOTICE OF MEETINGS

32.1 The general meeting shall be convened by giving at least **15 days** written notice to the members.

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

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

33. QUORUM FOR GENERAL MEETING.

33.1. Except when convened by the Commissioner, the presence of at least 25% of the total membership or 75 members, whichever is less, shall constitute a quorum for the conduct of business at the General Meeting. When a quorum is not attained the chairman shall adjourn the meeting and fix a date for another meeting within one month, which shall be advertised as prescribed in these by-laws. If a quorum is again not attained, the chairman shall declare the meeting open with those present one hour after the advertised time of the meeting.

33.2 The chairperson or in his/her absence, the vice-chairperson shall preside at every General Meeting. In their absence, any member of the Board elected by a majority of those present shall preside.

33.3 Before they attend or vote at a General Meeting, members may be required to identify themselves in some acceptable manner.

33.4 In the case of the society going nationwide and deciding upon centralization, the Board may establish a special procedure that is not inconsistent with the Rules for giving representation at the General Meeting to the out-lying members.

34. DUTIES OF GENERAL MEETINGS.

34.1) General Meetings shall be conducted and shall have powers and duties prescribed in the Act, the Rules and these By-laws. The Annual General Meeting shall:

- a. Confirm the minutes of the previous General Meeting and discuss matters arising there from.
- b. Consider the statement of accounts, the auditors report, the inspection notes and the reports of the Boards on the activities of the society during the past financial year.
- c. Subject to by-law no. 62.1 decide on the disposal of the net surplus resulting from the operation of the society during the past financial year.
- d. Appoint or empower the Board to select the society's Auditor for the ensuing financial year.
- e. Confirm and/or give direction where necessary on the actions taken by the Board.
- f. Elect, suspend or remove members of the Board and /or any other sub-Board of the society.
- g. Consider and decide upon appeals against the suspension of members by the Board.
- h. Fix maximum liability which the society may incur in loans or deposits whether from members or non-members.
- i. Approve the estimate of expenditure for the next financial year following the Annual General Meeting.
- j. Fix honoraria if any for officers or bonus for employees of the society.
- k. Transact any other general business of the society for which notice has been received from members in the manner prescribed by these by-laws.
- l. Amend the by-laws or enact new by-laws as prescribed under Rule no. 8 of the Co-operative Societies Rules (2004)

34.2 The new Board may not take office until items (a) to (l) under by-law No. 34.1 have been dealt with.

34.3 All members have a right to attend the General Meeting and Participate in its deliberations; however they may be required to identify themselves.

35. RECORD OF BUSINESS

35.1 All business discussed or decided at the General 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.

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

36. ELIGIBILITY FOR MEMBERSHIP TO THE BOARD

36.1 No person shall be eligible as a member of Board of Directors if:

- a) He/she is not a member of the society.
- b) He/she is under twenty-one (21) years of age.
- c) He/she receives any remuneration, salary or other payment from the society except in accordance with the Act and Rules.
- d) He/she has a record of lending money on his/her account i.e. shylocks.
- e) He/she is declared bankrupt or is of unsound mind.
- f) He/she has been adversely named by the Commissioner or his representative in an inquiry report endorsed by any General Meeting for mismanagement or corrupt practices while still a member of the Board of a co-operative society or union within the last ten years.
- g) He/she has been convicted of any offence involving dishonesty or is imprisoned for a period of three months or more.
- h) He/she has an uncleared debt owing to the society at the end of the society's financial year.
- i) He/ She has not repaid his loans for 30days or more than 6 months period prior to elections.
- j) He/she has been convicted of any offence under the Act or Rules made thereunder.

- k) He/ She is not an active member of the society and whose monthly savings and loans have not been received by the society for a period of two months.
- l) He/she is not a holder of an 'O' Level certificate.
- m) He/she is unreasonably over-loaned in contravention of the loaning policy.
- n) He/She does not hold at least Kshs 200,000.00 worth of deposits contributed through check-off system or any other acceptable means by the Society.
- o) He/She has not been in the Society for at least one year prior to the Annual General Meeting.
- p) He/She does not sign an indemnity as may be determined by a general meeting of the society within 14 days of his election to the office.
- q) If he/she has not stayed out of either Supervisory or Central Management Committee for a period of 2 years since retirement from one Board.
- r) He/ She has not been cleared by the nomination Committee set-up as per the provisions of the election policy.
- s) Is an official of or holds a political office.
- t) Has not signed Sacco Society conflict of interest policy and disclosure.
- u) Has been removed from public office on disciplinary action.
- v) Members from KPOSB employees are the only class which has the right to be in the Sacco board.

37. ELECTIONS

- a) At least 30 days prior to each annual general meeting, the Chairman shall appoint a Nominating Committee of 3 members.
- b) It shall be the duty of the nominating Committee to nominate members for each vacancy in the management and/ or supervisory Committee for which elections is to be held. At least 14 days prior to the general meeting, the chairman shall receive from the nominating Committee the names to be placed before the general meeting.
- c) The nominated candidates shall be placed before the general Meeting. All members thus nominated, by the nominating Committee, shall be voted provided that each person seeking to be elected should have his/her nomination proposed and seconded, except where a nominee declines or is un-opposed.
- d) The mode of elections shall be decided by the Annual General Meeting.
- e) No member shall be entitled to vote by proxy.

- f) Irrespective of the number of shares held by him/her, no member shall have more than one vote.
- g) Within fourteen (14) days after the elections, the Chief Executive Officer shall forward to the Commissioner and the Authority the names and addresses of all persons elected.
- h) A new committee elected at the General Meeting shall not assume office unless members 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.

38. THE BOARD

38.1 The Board shall be elected from the membership and shall consist of a Maximum of 9 Members who shall be at least 21 years of age.

The Board shall include the Chairperson, vice chairperson, Treasurer and Secretary all of whom shall be elected by the Board from amongst themselves. General Members shall not be allowed to elect office bearers directly. Where the Membership of the board falls below five the Committee shall co-opt qualified members into the board to fill the vacant position. Such co-opted members shall serve in the Management Board until the next General Meeting at which the position shall be dully filled.

38.2 Members of the Board shall be elected for three year terms with a third of them retiring annually but shall be eligible for re-election unless otherwise decided by the general Meeting except for the Chairman and Vice Chairman who shall retire after the 3rd year.

- a) Notwithstanding the provision of By-law 38.2, a duly convened General Meeting may by a three quarters majority of the members present if constituting a quorum vote out the entire Board, which shall thereupon vacate office.
- b) Where the entire Board has been voted out under the provision of By-law (a) the General Meeting passing the resolution shall elect a new Board to hold office for a period not exceeding three years.

38.3 The Board shall have the power to discipline a member of the Board who fails or refuses to perform his/her duties as expected. Such disciplinary action must be consistent with the Act and Rules.

- a) If during the term of office a vacancy arises, the Board shall co-opt a member of the society to serve in the Board until the next General Meeting of the Society if the membership drops below five.
- b) If a General Meeting removes a member of the Board, it shall forthwith elect a new member who shall hold office until the next General Meeting.

39. BOARD MEETINGS.

39.1 The board shall meet not more than twelve (12) times in a financial year and not more than two months shall lapse between the date of one meeting and the date of the next meeting. At least one half of members shall form a quorum.

39.2 If a member of the Board fails to attend three consecutive meetings without being excused there from or otherwise fails to perform his/her duties or acts in a manner prejudicial to the interests of the society, or acts maliciously with intent to malign the work of the Board, or leaks the societies confidential information to unauthorized persons, the other members of Board may by a majority vote suspend the member pending the ratification by the General Meeting.

40. CONDUCT OF BUSINESS

40.1 The Board may make such rules, not inconsistent with these By-laws, as they deem necessary for the conduct of the Society's business. Any such rules 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 and approved by the General Meeting.

41. RECORD OF BUSINESS OF THE BOARD

41.1 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.

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

42. DUTIES AND POWERS OF THE BOARD

- i) The Board of the Sacco shall be the governing authority and subject to any directions from a General Meeting or Commissioner or his representative or other relevant authorities in accordance with the Act and Rules, it shall direct the affairs of the society. Its procedures, powers and duties shall be as prescribed in the Rules, and 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 maybe necessary to effectively discharge its functions;
 - g) Approve interest rates on loans, the maximum maturities and terms of payment or amortization of loans from time to time and the maximum amount 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 General 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 granted to directors and employees of the Sacco society;
- p) Approve interest rates on loans 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, resignation or removal of the chief executive to the Authority
- u) Impose 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 General Meeting the write-off of bad debts.
- x) Perform or authorize any actions consistent with the Act, the Regulations and these by-laws, unless specifically reserved for the General Meeting;

- y) Provide adequate budget for education and training of members, and the capacity development of the board and staff.
- z) Receive and consider reports from the established Board committees.

43. EXPENDITURE

43.1 No expenditure shall be authorized by the board and/or management unless it is provided for in the estimates formally approved by the General Meeting.

44. LEGAL STANDARD OF CARE.

44.1 In the conduct of the affairs of the society, the members of the Board shall exercise the prudence and diligence of ordinary men of business and may be held jointly and severally responsible for any losses sustained through any of their acts or failure to act, which are contrary to the Act, the Rules, these by-laws or the directions of any General Meeting.

44.2 The Board members shall be entitled to sitting allowances payable to those present in various meetings at rates determined by the Annual General Meeting.

45. DELEGATION TO EMPLOYEES.

45.1 The board may delegate to the chief executive officer of the Sacco society such duties as it deems fit.

45.2 Nothing in (42.1) shall absolve the board from its responsibility of running the affairs of the Sacco in a proper and business like manner.

46. INDEMNITY

46.1 All members of the Board shall be required to sign an indemnity form which may be reviewed by the Annual General Meeting from time to time and which shall be lodged with the Commissioner within 14 days upon election to the Board.

47. DECLARATION OF WEALTH

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

48. SUSPENSION OF A BOARD MEMBER

48.1 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.

48.2 The majority of the Board Members may suspend a Board Member and accordingly inform the Authority subject to ratification by the general meeting for;

(i) Failure to disclose vested interests.

(ii) Any other good cause.

49. REMOVAL OF A BOARD MEMBER FROM OFFICE.

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

(i) Ceases to hold qualifications of a Board of Director as specified in the Act, Regulations and these By-laws;

(ii) Is removed by the Authority under the provisions of the Act and Regulations;

(iii) Is voted out by two-thirds majority of members present and voting at the General Meeting.

(iv) Is removed by the Commissioner under the provisions of Co-operative Act and the Rules.

50 EXECUTIVE OFFICERS

50.1 The Chairperson, Vice chairperson, Treasurer and Secretary shall be termed "Executive Officers". The executive officers shall be elected at a meeting of the Board within seven days after each Annual General Meeting, for a term of three years, in accordance with by-law No. 38.2.

50.2. Unless decided otherwise by the General Meeting, any three members of the Executive officers shall be signatories to all society's documents including contracts and bank cheques. Any document not signed as aforementioned shall not be binding to the society.

51. CHAIRPERSON AND VICE-CHAIRPERSON.

51.1 The board chairman shall:

- (i) Preside at general meetings, board meetings and joint meetings with the Supervisory Committee.
- (ii) 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.

51.2 No person shall serve as a chairman for more than two consecutive terms and no person who has held office for two consecutive terms shall be eligible as chairman for a period of three years from the date of vacation of office.

51.3 The vice chairman shall perform the duties of the Chairman during his/her absence and such other duties as the board may direct

51.4 Where the business of the society dictates that a meeting be held in the absence of the chairperson and the vice chairperson, the Board shall elect from amongst themselves a chairperson for the meeting. In the absence or refusal by all Board members to chair a General Meeting, any of the members elected by the majority of those present if constituting a quorum shall preside.

52. HONORARY SECRETARY

52.1 The duties of the Honorary Secretary are to:

- (i) Cause minutes of the General Meetings, board meetings, and joint meetings with the Supervisory Committee to be recorded.
- (ii) Ensure that notices of the meetings are prepared and sent out.
- (iii) Ensure that the Sacco society's correspondence is promptly and correctly attended to.
- (iv) Perform such other duties as may be directed by the board.

53. BOARD COMMITTEES

- (i) Board committees shall consist of persons drawn from the board.
- (ii) The board may delegate to the Board-committees some of its duties under these by-laws as it deems fit.

(iii) These committees shall convene as directed by the board.

(iv) The committees:-

a) Shall keep minutes of their work at all times

b) May delegate to the management any of their functions but shall ultimately bare responsibility

54. FINANCE AND ADMINISTRATION BOARD.

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

(i) Review and make recommendations to the board on the financial plans of the Sacco society ensuring its adequacy and soundness in providing for the Sacco Society current operations and long term stability.

(ii) Review, discuss and make recommendations to the board concerning significant financial planning, management and reporting issues of the Sacco society

(iii) Review periodic financial statements of the Sacco society before submission to the board.

(iv) Consider and advise the board on investments and borrowings.

(v) Make recommendations to the board on capital expenditure projects.

(vi) Ensure all expenditure of the Sacco society is within the approved budgets

(vii) Monitor the management's adherence to the procurement plans approved by the board

(viii) Review and make recommendation on finance related policies including investments, capital adequacy and financial performance monitoring.

(ix) Ensure the Sacco society has liquidity management policies as prescribed in the Regulations.

- (x) Review loan interest rates and other levies proposed by the management and make recommendations to the board for approval.
- (xi) Review and make recommendations on appropriate Human Resource Policies,
- (xii) Review the organizational structure of the Sacco Society and ensure its manned by staff with relevant skills and experience.
- (xiii) Ensure that periodic reviews of staff performance are conducted.
- (xiv) Examine and recommend Human Resource expenditure for approval by the board.
- (xv) Ensure establishment of management succession plan in the Sacco society.
- (xvi) Ensure the management adheres to the approved human resource and related policies

55. EDUCATION COMMITTEE

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

- a) Review and recommend education programmes for members, board members, and the general public for approval by the board.
- b) 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.
- c) Organize for educational tours and receive guests on educational visits to the society.
- d) Source for, gather and disseminate relevant information to the Board and general public.
- e) Policy research and implementation.
- f) Source for and interpret all circulars and subsidiary legislation, which may be issued from time to time by the relevant authorities.
- g) Edit a periodic magazine highlighting the performance of the society subject to availability of funds and directions of the General Meeting.

h) Any other duties, which may be assigned to them by the Board.

56. AUDIT COMMITTEE

56.1 The audit Board 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 Board.

56.2 The primary responsibility of the Audit Board shall be as prescribed in the Regulations which include:-

- (i) Ensuring establishment and review of the internal control system.
- (ii) Reviewing performance and findings of the internal auditor and recommend remedial actions regularly and at least once in every three months;
- (iii) Recommending three names of external auditors and the remuneration to the board;
- (iv) Reviewing coordination between internal and external audit functions as well as monitor external auditors independence and objectivity;
- (v) Reporting to the board on their findings and recommendations;

57. CREDIT COMMITTEE

57.1 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:-

- (i) Ensure establishment and review of appropriate credit policy consistent with the relevant provisions of the Regulations and these by laws.
- (ii) Ensure that the non- performing loan accounts are adequately identified and classified as prescribed in the Regulations.
- (iii) Ensure adequate provisions for potential loss is maintained.

- (iv) Review periodic credit and loan portfolio reports of the Sacco society before submission to the board.

58. SUPERVISORY COMMITTEE

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

58.2 The committee shall:

- (i) Have qualifications similar to those of members of the Board.
- (ii) Be required to have at least some knowledge of accounts.
- (iii) Be removed by a resolution of the general meeting.

58.3 The supervisory committee shall hold quarterly meetings save for joint meetings between its members and those of the Board.

59. DUTIES OF THE SUPERVISORY COMMITTEE.

59.1 The duties of the supervisory Committee shall be among others the following:

- a) To generally countercheck the effectiveness of the society's internal financial controls by:
 - i) Reporting the effectiveness of the implementation of the standardized accounting systems and procedures to the Board.
 - ii) Carrying out investigations and audits as deemed necessary for the interest of the society and the members.
 - iii) Confirming cash and bank balances regularly, reconciling them with the records and making necessary recommendations to the Board.
- b) To generally countercheck the effectiveness of implementation of the loaning policy and ensure compliance through:
 - (i) Checking loan applications and noting exceptions.
 - (ii) Checking delinquent loans amongst Board, staff and society members.
- c) To compare the members' statements of account with the records of the society and confirm the same to the members. The supervisory Board shall maintain a permanent record of all such verifications.
- d) To ensure compliance with the annual estimates of expenditure as contained in the approved budget.

- e) To prepare reports and present them to the Board at least on quarterly basis and present a report to the General Meeting which should be discussed with the Board prior to the General Meeting.
- f) Listen to members' complaints and assist them in finding solutions thereto.
- g) Generally assist in interpretation of the loaning policy, the Act, Rules, General Meeting resolutions and Board policies with a view to creating an understanding and harmonious working relationship between the members and the Board.

60. THE CHIEF EXECUTIVE OFFICER.

60.1 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;

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

60.2 The chief executive shall ensure that the board is frequently and adequately appraised on the operations of the Sacco society through presentation of relevant reports which shall cover, but not limited to the following:-

- (i) Financial statements (monthly, quarterly and annual);
- (ii) Showing current compared with past period actual performance, the budget compared with the actual and with explanations for any variances;

- (iii) Capital structure and adequacy;
- (iv) Delinquent loan list, and in particular growth in loans, loan losses, recoveries and provisioning;
- (v) Statement of comprehensive income (monthly, quarterly and annual) comparison with budgeted against actual;
- (vi) Sources and application of savings and deposits;
- (vii) All insider lending and non-performing insider loans if any.

- (viii) Violation of the Act, these regulations and any other applicable law, and remedial actions taken to comply;
- (ix) Large risk exposures;
- (x) Investment portfolio;

60.3 The chief executive officer shall;

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

61. BOOKS OF ACCOUNTS AND RECORDS

61.1 The Sacco society shall keep upto 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 membership;
 - (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 his/her transactions with the Sacco society.
- g) A register of assets and property.
- h) A register of loans 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 are completed.
- i) Such other books and records as the board or the Authority may decide or prescribe.

61.2 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.

62. POLICIES AND PROCEDURES.

62.1 The board shall make and approve such policies and procedures as 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 documented.

63. CODE OF CONDUCT

63.1) The officers of the Sacco society shall comply with governance rules as prescribed by the ethics commission for cooperatives.

63.2) The Sacco society shall formulate a code of conduct in accordance with third schedule of the regulations which shall be approved by the Authority.

64. COMMON SEAL

64.1) The Society shall adopt and use a common seal. The seal may be a rubber-stamp bearing the words “seal of **POSTBANK Savings and Credit Co-operative Society LTD,**” and shall be different from the ordinary name-stamp of the society.

- i) The seal shall be kept securely under lock and key by the Executive Officer and shall be used only by, and in the presence of the officers authorized to sign on behalf of the society.
- ii) Where the common seal is used in any document it shall be authenticated by the signature of the board chairman and the chief executive officer or any other officer authorized by the board of the Sacco society.

65. FINANCIAL YEAR

65.1 The financial year of the Society shall be the same as the calendar year i.e. from 1st January to 31st December.

66. DISTRIBUTION OF SURPLUS FUNDS.

66.1 Subject to the Act, the Rules and these By-laws, the net surplus resulting from the operations of the Society during any financial year shall be disposed as follows: -

- a) 20% shall be credited to the statutory Reserve fund.
- b) The balance may be disposed of as decided by the General Meeting, and shall be either of the following ways:
 - i) Paying dividends on shares at a rate to be decided from time to time.
 - i) 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.
 - ii) Being carried to an education fund, investment fund or any other fund or funds of the society as may be approved by the General Meeting.
 - iii) Paying a gratuity, bonus or honorarium to elected members of the Board and staff of the society.
 - iv) In any other way approved by the General Meeting.

67. RESERVE FUND.

67.1 The Society shall maintain a statutory Reserve fund as required in the Act and Rules. Unless otherwise resolved by the General Meeting, the Reserve Fund shall be credited with 20% of the net surplus of each financial year.

68. FINES

68.1 For any breach of these By-Laws, or instructions issued by the Board, or for failure of a member to pay his/her obligation on time, the defaulting member shall be fined an amount not exceeding Kshs 20,000/- for each offence.

69. COMMISSION

69.1 The society may charge a commission for rendering some services to the members. Such types of services shall be as determined by the Annual General Meeting and shall be published on the society's notice board and recorded in minute books.

70. DISPUTES

70.1 If any dispute concerning the business of the Sacco society arises: -

- (i) Among members, past members and persons claiming through members, past members and deceased members; or
- (ii) Between members, past members or deceased members, and the Sacco society, its committee or any officer of the Sacco society; or
- (iii) Between the Sacco society and any other co-operative society;

70.2 Which cannot be determined by the board (or General Meeting), it shall be referred to the Tribunal. Appeals shall be taken to the High Court.

71. MISCELLANEOUS

71.1 No executive officer or Board member shall receive from the society any payment, apart from the actual cost of traveling and subsistence while working on the society's business, sitting allowance, entertainment and honorarium from the net surplus as allowed for in by-law No.61.1.

71.2 The executive officers, members of Board, and employees of the society shall hold in the strictest confidence all transactions of the society with its members, and all information in respect to the members' personal affairs, except to the extent deemed necessary by the Board in connection with the granting of loans and the collection thereof.

71.3 When a Board member is absent, disqualified or otherwise unable to perform his duties, the Board shall co-opt another member of the society to act and serve in place of the Board concerned when necessary in order to form a quorum if the number drops below five.

71.4 No executive officer, Board member, or employee of the society shall in any manner participate in the deliberations upon, or determination of any

affair affecting his own financial interest. In the event of disqualification of any such executive officer, Board member or employee, he/she shall withdraw from such deliberations or determination and the remaining qualified Board members present at the meeting, if constituting a quorum without the disqualified person, may exercise with respect to the matter all the powers of the Board.

72. INSPECTION OF DOCUMENTS.

72.1 All books of accounts and other records shall at all times be available for inspection to all Board members of the society, and to the Commissioner of Co-operative societies or his authorized representative. A copy of the act, the society's registration certificate, these By-laws and a list of members and their shareholding or loans shall be available for inspection by any member.

72.2 A copy of these By-laws shall be furnished to every member on admission to membership upon payment of a Kshs. 1000/- or its actual cost to the society.

73. DISSOLUTION

73.1 The society may be dissolved in accordance with the procedure set forth in the co-operative Societies Act in force at the time of dissolution.

74. AMENDMENT OF THE BY-LAWS

74.1 These By-laws may be amended further in accordance with the act and the rules, but no amendment shall become effective until it is approved and registered by the Commissioner of co-operative societies upon payment of such fee as may be in force at that particular time.

75. ACCEPTANCE

75.1 We, the undersigned Board Members of POSTBANK SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LTD. named herein do hereby accept these By-laws for and on behalf of the Sacco society.

TITLE	NAME	ID/NO	SIGNATURE
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CHAIRMAN	-----	-----	-----
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VICE CHAIRMAN	-----	-----	-----
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TREASURER	-----	-----	-----
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SECRETARY	-----	-----	-----
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OFFICIAL CERTIFICATION

I CERTIFIED that the foregoing By-laws of Postbank Savings and Credit Co-operative Society Ltd have been approved by me and duly registered.

Given under my hand at Nairobi this _____ the _____ day of _____ Year _____

COMMISSIONER OF CO-OPERATIVE SOCIETIES