

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

CERTIFICATE OF AMENDMENT OF BY-LAWS

We **TOM O. M. N’KHATARO AND ALFRED LUKANDU**

Chairman and Secretary of **ARDHI SAVINGS AND CREDIT CO-OPERATIVE**

SOCIETY LIMITED hereby certify:-

- i. That the enclosed amendment for the by-laws was made at a general meeting held on 28/04/2012
- ii. That on that date there were one hundred and eight two (182) members of the society of whom 176 were present in the meeting
- iii. That one hundred and seventy six (176) members by show of hands voted for the amendment.
- iv. That proper notice of the meeting and the proposed amendment were issued to all members of the society.

TOM O. M. N’KHATARO

.....

Chairman

ALFRED W. LUKANDU

.....

Secretary

Date..... Day of..... Year.....

1. NAME AND AREA OF OPERATION

The name of the society shall be **ARDHI SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED**: hereinafter referred to in these by-laws as the “The Society” and its area of operation shall be within the Republic of Kenya.

2. REGISTERED OFFICE/POSTAL ADDRESS

The registered office of the sacco society shall be at **Survey of Kenya Field Headquarters RUARAKA, OFF THIKA ROAD, KASARANI DISTRICT, NAIROBI COUNTY**, and its postal Address shall be; **P. O. Box 28782-00200, Nairobi**. Notice of any change of 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 Society within 30 days of such change.

3. OPENING AND RELOCATION OF SOCIETY BRANCH

The Sacco Society shall seek a written approval from the Authority to open a new branch or relocate a branch.

4. DEFINITIONS AND 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 2010 herein after referred to as the “Act” and “the Regulations” respectively, the Co-operative Societies Act “Co-op Act” and “Rules” respectively herein after referred to as the Co-op Act and Rules.

In these by-laws save as otherwise expressly stated:

- (a) “**Annual General Meeting**” means a General Meeting held every year at least four months after the closure of the financial year to discuss affairs of the society.
- (b) “**Applicable Law**” means the Sacco Societies Act 2008, and the Regulations, Co-operative Societies Act and Rules, these By-Laws and any other law applicable in the Republic of Kenya.

- (c) “**Audit Committee**” means a committee of the Board constituted as per the regulations.
- (d) “**Authority**” means the Sacco Society Regulatory Authority.
- (e) “**Board of Directors**” means the persons elected in a duly convened General Meeting to govern the Business of the Society as per these By-Laws referred to as the Board.
- (f) “**Commissioner**” means “the Commissioner for Co-operative Development as provided for in the Co-op Act.”
- (g) “**Co-op Act**” refers to the Co-operative Society Act (Cap.490, Laws of Kenya).
- (h) “**Co-operative Society**” means a society registered under the Co-op Act.
- (i) “**Core Capital**” means 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 Society.
- (j) “**Delegate**” means members’ representative elected from a defined electoral zone or unit in accordance with these By-laws.
- (k) “**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.
- (l) “**Dividend**” means members portion of the surplus of the Society which is divided amongst its members based on shares owned.
- (m) “**Electoral Zone**” means established Counties or units where Society delegates are elected from in accordance with these By-laws.
- (n) “**General Meeting**” means be a meeting (either “Annual” or “Special”) for delegates duly convened by the society to conduct its business.
- (o) “**Indemnity**” means compensation of loss or damage incurred.

- (p) “**Institutional Capital**” means disclosed reserves, retained earnings, grants and donations all of which are not meant to be expended unless on liquidation of the Society.
- (q) “**Management**” refers to person(s) who are appointed to positions of responsibility and are in charge of day to day running of the Society.
- (r) “**Member**” includes a person or a co-operative society joining in the application for the registration of a society, and a person or co-operative society admitted to membership after registration in accordance with the by-laws.
- (s) “**Members of the immediate family**” includes, but is not limited to, a spouse or other family members living in the same household or under the direct influence of the officer, member or employee of the society.
- (t) “**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.
- (u) “**Ordinary Resolution**” means a resolution passed at a general meeting of the society by simple majority of members present and voting.
- (v) “**Quorum**” means the minimum number of members required to be present at a meeting before any business can be transacted.
- (w) “**Register**” means register of members of the society
- (x) “**Returning Officer**” means a person appointed to oversee or conduct the elections of the society at a Delegates Meeting.
- (y) “**SACCO Society**” means a savings and credit Co-operative Society registered under the Co-op Act and licensed under the Sacco Societies Act 2010.
- (z) “**Seal**” means the common seal of the Society.
- (aa) “**Share Capital**” means members’ equity in the form of issued and fully paid up shares of common stock that shall not be refunded to a member unless on liquidation of the Society.
- (ab) “**Special General Meeting**” means any general meeting of the society which is convened to discuss special issues of the society.

- (ac) “**Special Resolution**” means a resolution passed by two thirds majority of the members present and voting at a general meeting of the Society.
- (ad) “**Supervisory Committee**” means an oversight committee elected at a general meeting and in accordance with these by-laws.
- (ae) “**The Society**” means ARDHI Savings and Credit Co-operative Society Limited.
- (af) “**Tribunal**” means the Co-operative Tribunal established under the Co-op Act to hear and determine disputes.
- (ag) “**Year**” means the financial year of the society from 1st January to 31st December both days inclusive.

4.2 Where the masculine gender is used in these By-Laws, it shall also refer to the feminine gender.

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

5. OBJECTIVES

The objectives for which the society is established is to organize and promote the quality of life of the members by providing quality financial products and services. In particular, the society shall undertake:-

- i) To promote thrift among its members by affording them an opportunity for accumulating their savings and deposits, provision of credit to them exclusively for provident and productive purposes, at fair and reasonable rates of interest, thereby enabling them to use and control their money for their mutual benefit.
- ii) To ensure personal growth through the introduction of new products and services that will promote the economic base of the members.
- iii) To ensure progress of members and society through continuous education programs on savings and proper use of credit, reduction of poverty, human dignity and co-operation.

- iv) To apply to co-operation among co-operatives in order to promote members' interest. In furtherance to its objects, the society may affiliate to the relevant National Co-operative Union and the Apex Society.

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

6. CO-OPERATIVE PRINCIPLES AND VALUES

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

i) PRINCIPLES

i) Voluntary and open membership.

The primary purpose of Co-operative is to serve their members and as applicable, non-members, in a prudent and effective manner. Within their capacity to admit members, co-operatives are open on voluntary basis, without political, religious, gender or social discrimination, to all who can contribute to, and benefit from their activities.

ii) Democratic member control

Co-operatives are democratic and participatory organizations actively controlled by their members. In primary co-operatives, members have equal voting rights, on a one member one vote basis.

iii) Economic participation by members.

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

iv) Autonomy and independence.

Co-operatives are autonomous, mutual-self help organizations controlled by their members.

v) Education, training and information.

Co-operatives foster reciprocal, ongoing education programmes for members, leaders and employees, so they can teach and learn from each other in understanding and carrying out their respective roles.

vi) Co-operation among co-operatives.

In order to best serve the interests of their members and their communities, co-operatives actively co-operate in every practical way with other co-operatives locally, nationally and internationally.

vii) Concern for community in general.

Co-operatives are concerned about the communities in which they exist. While focusing on members needs, they strive for the sustainable development of those communities through policies that are respectful of the environment.

ii) VALUES

The values shall include self-help, mutual responsibility, equality and equity. It shall practice honesty, transparency, good governance and social responsibility in all its activities.

7. MEMBERSHIP

Membership shall consist of:-

- i) Original members who signed the application for registration.
- ii) New members subsequently admitted in accordance with these by-laws and whose names are entered in the register of members.

8. MEMBERSHIP QUALIFICATIONS

A person may become a member if he fulfils the following qualifications:-

- (a) Is an employee in Public Service or any other institution approved by the Board.

- (b) Is an employee of the Society.
- (c) Is not less than 18 years of age.
- (d) Is of sound mind.
- (e) Is of good character.
- (f) Is not a member of another Sacco Society within the same area of operation and with similar objectives.
- (g) All persons, institutions and groups who apply and fulfill the conditions of these by-laws.
- (h) A member of the immediate family of the society members.
- (i) A nominee of a member of the Sacco.

9. APPLICATION FOR MEMBERSHIP

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

10. ADMISSION INTO MEMBERSHIP

- (a) An applicant shall be admitted to membership on application upon payment in full of entrance fee and purchase a minimum shares as decided by the general meeting from time to time.
- (b) Pay a minimum monthly contribution as shall be fixed by the General Meeting from time to time.
- (c) Upon admission, the member’s name shall be entered in the membership register and a membership number and card issued.
- (d) Members shall be admitted by the Board of Directors subject to confirmation by the General Meeting.

11. REFUSAL OF ADMISSION OF MEMBERSHIP

The Board may refuse admission of membership to a person after assigning reasons for their decision. Such a person shall have the right to appeal in writing

to the next General Meeting. The decision of the General Meeting on the matter shall be final.

12. RIGHTS OF MEMBERS

A member of the society shall have the right to:-

- (a) Attend and participate in decision making at all general meetings of the society.
- (b) To vote in all general meetings of the society.
- (c) Be elected to organs of the society, subject to these by-laws.
- (d) Enjoy the use of all the facilities and services of the society subject to these by-laws.
- (e) Access to all legitimate information relating to the society, including: internal regulations, registers, minutes of general meetings and supervisory committees reports, annual accounts and inventories at the society's registered office.

13. OBLIGATIONS OF A MEMBER

A member of the society shall have the obligations to:-

- (a) Observe and comply with the Act, Regulations, Co-op Act and Rules, the society's by-laws and decisions taken by the relevant organs of the society.
- (b) Pay up for shares and deposits or make any other regular payments provided for in these by-laws.
- (c) Meet the debts of the society in case of insolvency in accordance with the provision of the Act and co-op Act and these by-laws.
- (d) Nominate next of kin with the Society.
- (e) Recruit new members to the society.
- (f) To attend to society members meetings convened by the Board.

14. TERMINATION OF MEMBERSHIP

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

- (a) Death
- (b) Withdrawal.
- (c) Expulsion.

- (d) Being certified insane.
- (e) Transferring all shares to another member.
- (f) Failure to remit regular savings and loan repayments for a continuous period of six months without valid reasons or leave in writing of the Society.
- (g) Ceasing to hold qualification for membership as specified in these by-laws.

15. SUSPENSION AND EXPULSION

The Board of Directors may suspend a member, subject to the decision of the general meeting to expel, who:

- (a) Willfully fails in his obligations to the society whether stated in these by-laws, general internal regulations, a resolution of the General Meeting or in contravention of any other document, provided such a member has been called upon to do so.
- (b) Is convicted in a court of law for a criminal offence involving fraud and dishonesty or imprisoned for a period exceeding 3 months.
- (c) Is a member of another society having similar interests of the society.
- (d) Acts in any manner prejudicial to the interest of the society.
- (e) For any other reason approved by the General Meeting and/or as may be contained in the Society's code of Ethics.

16. PROCEDURE OF SUSPENSION AND EXPULSION FROM MEMBERSHIP

- (a) Upon formal and written proof that a member has committed a violation punishable by expulsion, the Board of Directors shall serve a thirty (30) days written notice to the member stating the reason(s) for the proposed expulsion and requiring him to file a defense.
- (b) Upon the expiry of the 30 days and taking into consideration the member's defense if any, the Board of Directors shall initiate administrative inquiry and make a decision on its findings within 15 days. The Board may suspend the member pending expulsion by the General Meeting or impose any other penalty as provided for in these by-laws.

- a) The Board shall present the case to the next General Meeting which may either lift the suspension or expel the member.
- b) A member who is expelled from the society shall have the right to appeal to the next General Meeting.
- c) A member who is expelled by the General Meeting shall have a right to appeal to the Tribunal.

17. WITHDRAWAL FROM THE SOCIETY

- a) A member may at anytime withdraw from the Society by giving at least sixty (60) days written notice to the Board of Directors.
- b) Partial withdrawal of non-withdrawable deposits from the Society shall not be allowed under any circumstances.

18. PAYMENT ON CEASSATION OF MEMBERSHIP

On cessation of membership, a person shall be paid the following:-

- a. The deposits (both withdrawable and non-withdrawable).
- b. Any dividends and interests due prior to the cessation date.
- c. Any other funds held by the Society on his behalf.

19. NOMINEES

- (a) Every member shall nominate in writing one or more persons as nominee(s) who upon his death, the shares, deposits and any other interest in the society shall be transferred.
- (b) A member desirous of changing nominee(s) may do so at any time provided that such change or alteration is in writing and signed.

20. PAYMENT TO THE NOMINEE

- (a) The society after obtaining such documentary proof of the death of a member as it may consider necessary, shall pay to the nominee within 90 days the value of

the deceased member's deposits, interest and dividend after deducting monies owed to the society.

- (b) Where there arises a dispute in nomination, the matter shall be referred to the Public Trustee for Administration.

21. ADMISSION OF NOMINEE(S)

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

22. FUNDS OF THE SOCIETY

The funds of the Society shall consist of:

- a) Unlimited number of shares of Ksh.20 each.
- b) withdrawable and non-withdrawable deposits paid on regular basis.
- c) Deposits or loans from members or non-members.
- d) Any surplus resulting from operations of the Society.
- e) Any donations, grants or gifts from other bodies, organizations or individuals.
- f) Funds obtained from other lawful miscellaneous sources.
- g) Statutory reserve and any reserve funds created by the society.

23. CAPITAL ADEQUACY

The Society shall at all times maintain core capital and institutional capital as prescribed in the regulations as follows:-

- a. Core capital of not less than shillings ten million.
- b. Core capital of not less than ten percent of total assets.
- c. Institutional capital of not less than eight percent of total assets.
- d. Core capital of not less than eight percent of total deposits.

24. SHARES

Every member shall hold at least two hundred fifty (250) shares of Ksh.20 each or as shall be fixed by the General Meeting. However no member shall hold more than one fifth of the total shares of the society.

25. TRANSFER OF SHARES

- a) With the approval of the Board of Directors, a member may at any time transfer his shares to another member. Such transfer shall be in writing and at nominal value.
- b) All transfers of shares must be registered with the society and no transfer shall be valid unless so registered. A transfer fee of Ksh.500 shall be paid to the society by the transferee for each such transfer.

26. LIABILITY OF MEMBERS

- i) The liability of a member shall be limited to the nominal value of the shares held.
- ii) 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.

27. POWER TO BORROW

- i) Loans may be obtained from non-members subject to the maximum amount and terms approved by the General Meeting and registered with the Commissioner provided the total borrowing by the Society does not exceed the limit prescribed in the Regulations.
- ii) For the securing of any loans accepted the Society may grant a charge over its assets. The authority to grant a charge shall be vested to the General Meeting.
- iii) The rate of interest on loans shall not exceed the market rates.

28. INVESTMENT OF THE SOCIETY FUNDS

The funds of the society shall only be applied for the promotion of the stated objectives of the 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 of any Sacco Society or Co-operative Society.
- iv) Loans to members.

Investments under (b) and (c) above shall not in the aggregate, exceed such prescribed of total core capital and deposits of the Society as prescribed in the Regulations.

29. RECEIPT, PAYMENT AND DISBURSEMENT OF SOCIETY'S FUNDS

i) RECEIPTING OF MONEY

Money received on account of entrance fees, shares, deposits, loans, interest fees or fines shall be recorded and evidenced as provided for in the approved policy manuals.

ii) PAYMENT AND DISBURSEMENT

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

30. ELECTORAL ZONES

The Society shall operate a delegates mode of representation through established electoral zones.

- (a) To facilitate services to members, the Board shall circulate or cause to be circulated a list of established electoral zones to all members for their information.
- (b) Every member shall belong to one electoral zone, based on his place of employment or business, from which he will participate in elections. It is the member's responsibility to inform the Board of any change of his electoral zone.
- (c) The delegates shall be elected for a term of three years and 1/3 retiring by rotation may be eligible for re-election.
- (d) Sitting Board and Supervisory Committee members shall not be subjected to elections as delegates until their term of office lapses.
- (e) The delegates so elected shall present their electoral zones at all General Meetings.

31. FACTORS TO CONSIDER BEFORE OPENING AN ELECTORAL ZONES/UNIT

- a. The Size and permanence of membership in an area whose number should not be less than fifty (50).
- b. Distance between an existing electoral zone and the proposed one.
- c. Operational cost effectiveness.
- d. The Board shall review and relegate an electoral zone whose membership declines below minimum of 50 members.
- e. Nairobi area and all other zones which do not qualify as above shall be considered as electoral units.
- f. Existing electoral zones/units shall exist unless relegated by the general meeting.
- g. The Board shall recommend of new electoral zones/units for approval by the General Meeting.
- h. The Board shall harmonize the society operations in the established counties.

32. COMPOSITION OF AN ELECTORAL ZONE COMMITTEE

- (a) There shall be an electoral zone committee whose number shall be determined by the Board but shall not exceed (3) members.
- (b) The three (3) shall be elected in the electoral zone meeting constituted in such manner as shall be determined by the Board.
- (c) Electoral zones which do not qualify for Branch status shall elect a delegate to represent members in the general meeting.
- (d) They shall be elected for 3 years on rational basis.
- (e) The electoral zone committee shall meet once every month.
- (f) Nairobi electoral units may elect more than one delegate to represent members in the general meeting and who are eligible for election as board members in the general meeting.
- (g) The quorum in such committee shall be ½ of the electoral zone committee.
- (h) Any member of the electoral zone committee who fails to attend three (3) consecutive meetings without reason his position shall be declared vacant and the vacancy filled by electing another member from the members of the zone.
- (i) Any member of an electoral zone committee transferred from the electoral zone shall cease to be a committee member and the vacancy shall be filled by electing another member from the members in the zone.

33. FUNCTIONS OF ELECTORAL ZONES/UNITS

- (a) To receive and consider loan applications from the members of the electoral zones/units and forward to the Society Head Office for final approval by the Credit Committee.
- (b) To receive and consider complaints from the members of the electoral zone/unit and to furnish the members with information.
- (c) To receive, implement and disseminate the decisions of the Board.
- (d) In consultation with the Board to organize Member education.

- (e) To ensure that the Co-op Act, Regulations, Rules and By-Laws are strictly observed and where necessary, to recommend disciplinary action on any member to the Board.
- (f) To assist the Board and Society staff to pursue the loan defaulters within their area of jurisdiction.
- (g) To introduce members to the Bank.
- (h) Assisting the Board in pursuing cases of next of kin.
- (i) To receive and recommend loans and forward to the Society Headquarter.
- (j) Any other duties/responsibilities that may be assigned by the Board.

34. ELIGIBILITY FOR ELECTION AS A DELEGATE

Any member shall be eligible or qualified to be elected as a delegate if he;

- (a) Is a member of the Society for atleast two years.
- (b) Must have contributed deposits of atleast Ksh.150,000.
- (c) Is not adjudged bankrupt.
- (d) Is of sound mind.
- (e) Is not an employee of the society.
- (f) Is not a loan defaulter.
- (g) Has attained a minimum academic qualification of “O” level or its equivalent.

35. DUTIES AND RESPONSIBILITIES OF DELEGATES

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) Educate members about the society matters in general.
- (d) Act as a liaison between the society and its members.
- (e) Elect committed and visionary leaders as Board and Supervisory committee of the society.
- (f) Market the society's activities and enhance its corporate image.
- (g) Perform such other duties and responsibilities as may be directed by the Board of Directors from time to time.

36. DISQUALIFICATION AS A DELEGATE

A delegate shall cease to represent an electoral zone if he :

- (a) Dies.
- (b) Is adjudged bankrupt.
- (c) Is convicted of an offence involving fraud and dishonesty.
- (d) Becomes a loan defaulter.
- (e) Is transferred from an electoral zone/unit.
- (f) Fails to attend three consecutive electoral zone meetings without valid reason.

37. GENERAL MEETING

The supreme authority of the Society shall be vested in the General Meeting and shall be convened as follows:-

- (a) An Annual General Meeting shall be convened within four months after the closure of the society's financial year.
- (b) A special General Meeting of the society may be convened at any time:-
 - a) By the Board of Directors.
 - b) By the Commissioner.
 - c) By the Board within 15 days of receipt of a written request by atleast 2/3 of the delegates provided the request is deposited by registered mail at

the Society's address or delivered to the Society office within normal working hours.

- d) Where the Board fails to convene a meeting within fifteen days of receiving notice under the Co-op Act, the delegates shall give notice to the other delegates of the society, stating the object and reasons for the meeting and the fact that the Board has failed to convene the meeting.
- e) Any business not completed at the Annual General Meeting, may be taken up at a subsequent Special General Meeting of the society.

38. NOTICE OF THE GENERAL MEETING

- a) The General Meeting shall be convened by giving at least 15 days written notice to the members.
- b) The Honorable Secretary shall take necessary steps to publish the notice of the meeting in a public place, on the society's notice board(s), in local newspapers including the media or any other mode decided by the members.
- c) All notices shall specify the following :-
 - ii) The venue of the meeting.
 - iii) The time of the meeting.
 - iv) The general nature of the business to be transacted.

39. QUORUM FOR THE GENERAL MEETING

The quorum at the General meeting shall be as follows:-

- (a) Annual General Meeting:
atleast 50% of the delegates present.
- (b) Special General meeting:
 - i) A meeting convened by the Commissioner shall not require a quorum.
 - ii) Atleast 2/3 of the delegates present.
- (c) Where a quorum is not attained, the Chairman shall adjourn the meeting and fix a date within one (1) month of the adjourned meeting which shall be

adequately advertised and publicized. If at such a meeting a quorum is again not attained, the Chairman shall declare the meeting open with those present forming the quorum, one –half hour after the advertised time of the meeting.

40. DUTIES OF THE GENERAL MEETINGS

The General Meeting shall have the powers and duties as prescribed in the Act, Regulations, Co-op Act, Rules and these By-laws. It shall:-

- (a) Consider and confirm the minutes of the previous General Meeting.
- (b) Consider reports of the board and the audited accounts on the Society's activities during the past financial year.
- (c) Consider reports by the Commissioner.
- (d) Consider and resolve on the manner in which any available surplus shall be distributed or invested, subject to the Act, Regulations, Co-op Act, Rules and these By-Laws.
- (e) Elect members of the Board of Directors and the Supervisory committee, subject to the Act, Regulations, Co-op Act, Rules and these By-laws.
- (f) Fix the indemnity for the elected Board members.
- (g) Consider recommendations on expulsion of members and refusal of membership by the Board.
- (h) Fix the maximum liability which the society may incur in loans and deposits from members and non-members.
- (i) Approve the estimates of income and expenditure for the following financial year.
- (j) Fix the honoraria for officers and employees of the society.
- (k) Decide on the management structure, including the establishment of branches to facilitate efficient and cost effective delivery of services to members.
- (l) Appointment of Auditors of the society for the ensuing year.
- (m) Approve affiliation to National Co-operative Organization.

- (n) Transact any other business of the society for which notice has been given to members in the manner prescribed in these By-laws.

41. PROCEEDINGS AT GENERAL MEETING

All business transacted at any General Meeting shall be in accordance with and as communicated through the notice convening such a meeting.

- (a) No business shall be transacted in any general meeting unless there is a quorum of Delegates present at the time when the meeting proceeds to business.
- (b) No business shall be transacted at a general meeting of the Society other than the business set out in the notice of the meeting unless notice thereof has been received by the Society at least seven (7) clear days before the meeting.
- (c) The Chairman of Board (or in his absence the Vice-Chairman) shall preside at every general meeting of the Society. In the absence of both the Chairman and the Vice Chairman, the Delegates shall nominate one of the Board members.
- (d) At any general meeting an ordinary resolution put to the vote of the meeting shall be decided by at least 51% of the Delegates present while a special resolution shall require 2/3 of the elected and voting.
- (e) All decisions shall be made at the venue of the meeting by show of hands or secret ballot.
- (f) Subject to any rights every Delegate present shall have one vote and in case of an equality of votes, the returning officer of the meeting shall order for a repeat.
- (g) In every General Meeting convened in accordance with these By-Laws and where election is part of the agenda, the Board members shall notify the delegates through the notice of the meeting the retiring members of the Board and the Supervisory committee.

- (h) During elections, the returning officer shall present duly nominated candidates for the vacant position. Each candidate must have a proposer and a seconder.
- (i) No member shall be entitled to vote by proxy.
- (j) Irrespective of the number of shares held, no member shall have more than
- (k) one vote.
- (l) Within fourteen (14) days of the elections, the Honorary Secretary shall forward to the Commissioner the names and addresses of all persons elected.
- (m) all business discussed and decided at the General Meeting shall be recorded in a minute book which, shall be signed by the Chairman and Secretary or any other member of the Board who was present at the meeting to verify that in their opinion the minutes are a true and complete record of matters which were discussed or decided at the meeting.

42. THE BOARD OF DIRECTORS

- a) The Board of Directors shall be the governing body of the Society elected from the delegates and shall consist of at least five members and not more than nine members.
- b) The Board shall include the Chairman, Vice Chairman, Treasurer and Secretary all of whom shall be elected by the Board from amongst themselves.
- c) Members of the Board shall hold office for a term of three years provided that one third of the Board members shall retire by rotation every year but will be eligible for re-election. The Chairman and the Vice Chairman shall retire at the end of the third year.
- d) Not more than $\frac{2}{3}$ of members of the Board will be of the same gender.
- e) Where the members of the Board fall below five, the Board shall co-opt qualified Delegates into the Board until the next General Meeting.

43. ELIGIBILITY TO ELECTION AS A BOARD OF DIRECTORS.

Any delegate shall be eligible to be elected as a member of the Board if he:-

- (a) Is 18 years and above.
- (b) Is a member of the Society for at least two years and contributed deposits of atleast Ksh.250,000.
- (c) Is of sound mind.
- (d) Has not been adjudged bankrupt.
- (e) Is not an employee of the Society.
- (f) Is a delegate from Nairobi and working within Nairobi Metropolitan.
- (g) Is not a Board member of another Sacco Society with similar objectives.
- (h) Has not been adversely named by the Commissioner or the Authority in an inquiry or inspection report for mismanagement or corrupt practices while being a Board member of any co-operative society.
- (i) Has not been convicted of a criminal offence involving fraud or dishonesty.
- (j) Is not a loan defaulter.
- (k) Has attained a minimum of 'O' level standard of education or its equivalent.
- (l) Has not been removed from Public Office on disciplinary grounds.

44. BOARD OF DIRECTORS MEETINGS

- a) The Board of Directors shall meet regularly at least once every month and at any other time when necessary.
- b) At least five (5) members shall form a quorum.
- c) A member of the Board should not fail to attend three (3) consecutive meetings without valid reason otherwise he may be suspended.
- d) The Chairman or in his absence the Vice Chairman shall preside at all Board meetings where both are absent or refuses to preside the members shall elect one of them.
- e) All business discussed and decided at the Board meeting shall be recorded without erasures or corrections in a minute book within one week of the meeting. The minutes shall be confirmed in subsequent meeting by the

Chairman and Secretary or any other member who was present in the meeting to indicate in their opinion the minutes were a true record of the proceedings of the meeting.

- f) All decision by the Board shall be by simple majority and where there is equality of vote, the Chairman vote shall prevail.

45. DUTIES AND POWERS OF THE BOARD OF DIRECTORS

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

- (a) Observe in all its transactions the Act and the Regulations, Co-op 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, information management and preservation.
- (c) Ensure that true and accurate records are kept on the Society income expenses, assets and liabilities.
- (d) Decide the amount and kind of surety bond, or other security, which shall be required of the Board of Directors, Chief Executive Officer, and any other officer or employee having the custody of, or handling fund or property of the society, provided that it is in compliance with the Act, Regulations, Co-operative Act and Rules.
- (e) Prepare and develop business plans and annual budgets for presentation at the General Meeting.
- (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 and the maximum amounts that may be loaned with or without security to any members as recommended by the 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) Present to the General Meeting audited accounts, together with proposals for the disposal of net surplus.
- (j) Fill through co-option, vacancies occurring in the Board of Directors between General Meetings.
- (k) Authorize the conveyance of properties.
- (l) Authorize borrowing of the society in accordance with the law.
- (m) Approve and review lending policies of the society to ensure compliance with the law.
- (n) Approve or ratify all loans to Directors and employees of the society.
- (o) Approve interest rates on loans to members as recommended by finance committee.
- (p) Designate a depository or depositories for the funds of the Sacco society.
- (q) Prepare and approve a code of ethics in the form set out in the third schedule of the Regulations.
- (r) Employ and fix the remuneration of the employees including the appointment of Chief Executive Officer in accordance with the approved human resource policy.
- (s) Report within 15 days the appointment, resignation or removal of the Chief Executive Officer to the Authority.
- (t) Impose fines as provided for under these By-laws.
- (u) Ensure that the Society pays its statutory levies to the Authority as and when they fall due.
- (v) Ensure adequate provision for known and probable losses and recommend to the General Meeting for the write-off of bad debts.
- (w) Perform or authorize any actions consistent with the Act, the Regulations, Co-op Act, Rules and these By-Laws, unless specifically reserved for the General Meeting.

- (x) To provide adequate budget for education and training of members, and the capacity development of the board and staff.
- (y) Receive and consider reports from the established Board committees.
- (z) Ensure that the Society functions effectively and that adequate internal controls are put in place.
- (aa) Ensure adequate provisions are made on known and probable losses likely to occur in the course of business are required by the Authority.
- (ab) Ensure that the society Tender Committee is constituted and adhered to in accordance with the procurement Act.
- (ac) Establish the society electoral zones/units.
- (ad) Formulate electoral rules in accordance to these By-laws, the Act, Co-op Act, Rules and Regulations.
- (ae) Ensure that free and fair elections are conducted.
- (af) To vet all candidates in accordance with the By-laws.
- (ag) To arbitrate on all election disputes.
- (ah) To order repeat of elections after arbitration.
- (aj) To instill discipline to delegates violating the electoral rules.
- (ak) Enter into and sign contracts on behalf of the society.

46. LEGAL STANDARD OF CARE

In the conduct of the affairs of the society, the members of the Board shall exercise due prudence and diligence of ordinary men of business and shall be held jointly and severally liable for any losses sustained through by any of their acts, or failure to act, which are contrary to the Act, the Regulations, Co-op Act and Rules or any other applicable law, these By-Laws or the directions of the General Meeting.

47. DELEGATION OF DUTIES

- (a) The Board of Directors may delegate to the Chief Executive Officer of the society such duties as it deems fit.

- (b) Nothing in (a) above shall absolve the board from its responsibility of running the affairs of the society in a proper and business like manner.

48. INDEMNITY AND DECLARATION OF WEALTH

1. All Board Members shall each provide an indemnity of an amount approved by the General Meeting and shall be lodged with the Commissioner within 14 days upon election to the Board.
2. Every board member shall within 30 days of being elected declare wealth in the prescribed manner.

49. SUSPENSION OF A BOARD MEMBER

- (a) 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.
- (b) The majority of the Board Members may suspend a Board Member subject to ratification by the General Meeting for;
 - i) Failure to disclose vested interest.
 - ii) Any other good cause.

50. REMOVAL OF A BOARD MEMBER FROM OFFICE

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

- (a) Ceases to hold qualifications of a Board of Directors 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 delegates present and voting at a General Meeting.
- (d) Is removed by the Commissioner under the provisions of Co-op Act and the Rules.
- (e) Dies.
- (f) Ceases to be a Nairobi Delegate.

- (g) Resigns.
- (h) Fails to attend three consecutive meetings without a valid reason.
- (i) Conducts business in competition with the Society.
- (j) Attains retirement age.
- (k) Ceases to be a member.
- (l) Fails to perform his duties.
- (m) Becomes a loan defaulter.

51. BOARD CHAIRMAN

The Board Chairman shall:

- (a) Preside at General Meetings, Board of Directors meetings and joint meetings with the Supervisory Committee.
- (b) Perform such other duties as may be directed by the Board of Directors, not inconsistent with provisions of the Act, the Regulations, Co-op Act and Rules applicable laws and these By-Laws.

52. VICE CHAIRMAN

- a) Perform the duties of the Chairman during his absence.
- b) Chairs education committee meetings.
- c) Perform any other duties assigned by the Board.

53. HONORARY SECRETARY

The duties of the Honorary Secretary shall include:-

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

54. TREASURER

The duties of the Treasurer shall include:-

- a) Ensure society's budgets are prepared in time.
- b) Generally maintain or cause to be maintained the full and complete records of all the Society's assets.
- c) Ensure that all payments and expenditure are duly authorized.
- d) Ensure periodical submission of financial statements to the Board Meeting.
- e) Ensure timely production and presentation of audited accounts in the General Meeting.

55. BOARD COMMITTEES

- (a) The Board Committee shall consist of persons drawn from the Board of Directors.
- (b) The Board of Directors may delegate to the Board committees some of its duties under these By-laws as it deems fit.
- (c) The committees:-
 - i) Shall keep minutes of their meetings at all times.
 - ii) Shall report to the Board regularly as may be deemed fit.
 - iii) May delegate to the management any of their functions but shall ultimately bear responsibility.

56. EXECUTIVE COMMITTEE

The Chairman, the Vice-Chairman, the Treasurer and the Secretary shall be termed Office Bearers or "Executive Officers" of the Society.

The Office Bearer or the Executive Officers and any other member authorized by a full Management Committee shall sign all society documents/negotiate instruments issued by the Society and see to it that the decision of the committee and members are properly implemented. The quorum to this committee shall be three members. Its duties shall include:-

- (a) Review and make recommendations on appropriate Human Resource Policies.
- (b) Review the organizational structure of the Society and ensure its manned by staff with relevant skills and experience.
- (c) Ensure that periodic reviews of staff performance are conducted.
- (d) Examine and recommend Human Resource expenditure for approval by the Board.
- (e) Ensure establishment of management succession plan in the society.
- (f) Ensure the management adheres to the approved human resource and related policies.

57. CREDIT COMMITTEE

The credit committee shall consist of three members of the Board. 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 problematic loan accounts are adequately identified and classified as prescribed in the Regulations.
- (c) Ensure adequate provisions for potential loss is maintained.
- (d) Review periodic credit and loan portfolio reports of the society before submission to the Board.

58. EDUCATION COMMITTEE

The Education Committee shall consist of three members appointed from the Board and headed by the Vice Chairman of the Board. Its duties among others shall be:-

- (a) Formulate and review constantly training policies and procedures.
- (b) Review and recommend education programmes for members, board members, staff and the general public for approval by the Board.

- (c) Ensure implementation of educational programs formulated to ensure that the members, staff and the Board are well trained and prepared for the tasks they are entrusted with.

59. AUDIT COMMITTEE

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 of Directors shall not be a member of the Audit committee.

- a) The primary responsibility of the Audit committee shall be as prescribed in the Regulations which include:
 - i) Formulate and establish a society audit policy.
 - ii) Ensuring establishment and review of the internal control system.
 - iii) Review performance and findings of the internal auditor and recommend remedial actions regularly and at least once in every three months.
 - iv) Recommending three names of external auditors and their remuneration to the Board of Directors.
 - v) Reviewing coordination between internal and external audit functions as well as monitor external auditors independence and objectivity.
 - vi) Report to the Board of Directors on their findings and recommendations.

60. TENDER COMMITTEE

The Chief Executive Officer shall appoint a tender committee in accordance with the provisions of the public procurement and disposal Act 2005 and Regulations 2006.

61. FINANCE AND INVESTMENT COMMITTEE

- a) 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:-

- b) Review and make recommendations to the Board on the financial plans of the Society by ensuring its adequacy and soundness in providing for the society current operations and long term stability.
- c) Review, discuss and make recommendations to the Board concerning significant financial planning, management and reporting issues of the society.
- d) Review periodic financial statements of the society before submission to the board.
- e) Consider and advice the Board on investment and borrowings.
- f) Make recommendations to the Board on capital expenditure projects.
- g) Ensure all the expenditure of the society are within the approved budgets.
- h) Monitor the management's adherence to the procurement plans approved by the Board.
- i) Review and make recommendations on finance related policies including investments, capital adequacy and financial performance monitoring.
- j) Ensure the society has liquidity management policies as prescribed in the Regulations.
- k) Review loan interest rates and other levies proposed by the management and make recommendations to the Board for approval.

62. AUTHORIZATION TO SIGN DOCUMENTS

Unless decided otherwise by the Board of Directors all documents, contracts and cheques shall be signed on behalf of the society by:-

- i) Chairman.
- ii) Vice Chairman.
- iii) Hon. Secretary
- iv) Treasurer and
- v) Chief Executive Officer.
- vi) Any other member appointed by the Board.

63. SUPERVISORY COMMITTEE

- (a) There shall be a supervisory committee consisting of three members elected at a General Meeting for a period of three years and one member shall retire annually. No person who has been a member of the Board of Directors within two (2) years preceding the date of the anticipated election shall be eligible for membership of the supervisory committee.
- (b) The committee shall:
 - i. Have qualifications similar to those of members of the Board.
 - ii. shall have three (3) of its members elected on rotation basis, one from East and West of Rift Valley while the Secretary shall be from Nairobi.
 - iii. shall be elected for two consecutive terms.
 - iv. Not more than $\frac{2}{3}$ of the members of the Supervisory Committee shall be of the same gender.
 - v. Be required to have atleast some knowledge of accounts.
 - vi. Be removed by a resolution of the general meeting.
- (c) The supervisory committee shall hold quarterly meetings save for joint meetings between its members and those of the Board.
- (d) The duties of supervisory committee shall include:-
 - i) Verification of all transactions of the society.
 - ii) Writing periodic reports of its finding to be tabled at Board meeting.
 - iii) Submission of its reports to the commissioner.
 - iv) Presenting its reports to the general meeting.
- (e) The supervisory committee shall not perform the duties or exercise any of the powers of the Board.
- (f) The supervisory committee shall be held liable for any loss incurred due to their negligence in performing their duties.
- (g) In the event of the committee being transferred out of the electoral zone, his position shall be filled in the next General Meeting.

64. THE CHIEF EXECUTIVE OFFICER

- (a) The Chief Executive Officer shall be appointed by the Board and shall be responsible for the day to day operations of the 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 objectives is adhered to.
 - iv. All staff matters, particularly human resource development and training are attended to.
 - v. Adherence to the established code of ethics.
 - vi. Compliance with the Act, Regulations, Co-op Act, Rules these By-laws and any other applicable laws.
 - vii. Keep in safe custody the Society assets and accountable documents.
- (b) The Chief Executive Officer shall ensure that the Board is frequently and adequately appraised on the operations of the society through presentation of relevant reports which shall cover, but not limited to the following:-
- i) Financial statements (monthly, quarterly and annually) showing current compared with past period actual performance, the budget compared with the actual and with explanations for any variances.
 - ii) Capital structure and adequacy.
 - iii) Delinquent loan list, and in particular growth in loans, loan losses, recoveries and provisioning.
 - iv) Sources and application of savings and deposits.
 - v) All insider lending and non-performing insider loans if any.
 - vi) Violation of the Act, the regulations, By-Laws and any other applicable law, and remedial actions taken to comply.
 - vii) Large risk exposures.
 - viii) Investment portfolio.
- (c) The Chief Executive Officer shall;

1. Attend all Board and Delegates meetings as an ex-officio member.
2. Be a signatory to Society cheques, contracts and other documents as may be necessary.
3. Perform such other duties as may be assigned by the Board of Directors.

65. BOOKS OF ACCOUNTS

1. The Society shall keep up-to-date and in a proper business like manner accounts and such books as the Act and Regulations, Co-op Act and Rules may require from time to time. The following books shall be kept by the Society:-
 - i) A register of members showing in respect of each member.
 - ii) The name, age, date of application for membership, address and occupation, the date he was admitted to membership and the date on which he ceased to be a member.
 - iii) Minute book giving details of proceedings of the Board of Directors and Supervisory committee.
 - iv) A minute book giving details all moneys expended or paid supervisory committee.
 - v) A ledger containing such accounts as are necessary to properly record the transactions of the business of the society.
 - vi) A personal ledger for each member showing his transactions with the society.
 - vii) An assets (property) register.
 - viii) A stock control ledger.
 - ix) A cash register indicating how the Society Funds are received and expended.
 - x) A register of charges showing in respect of every charge by the society the amount of the charge and the person entitled thereto.
 - xi) A register of loans to members showing in respect of each loan, the name of the borrower, the amount borrowed, the purpose of the loan, the due date of repaying, and the date the repayment is made.

- xii) A ledger showing deposits and withdrawals made by the members.
 - xiii) A guarantors control register showing loan interest rate and collaterals.
 - xiv) A copy of the Co-operative Societies Act.
 - xv) A copy of the Co-operative Societies Rules.
 - xvi) A copy of the Co-operative Societies By-laws.
 - xvii) A copy of the Sacco Act.
 - xviii) A copy of the Society's regulations.
 - xix) A certificate of registration of the society visibility displayed in the office.
 - xx) A copy of the audited accounts.
 - xxi) A copy of the loan policy, financial policy, human resource policy, purchasing, procurement and tendering policy, risk management policy.
 - xxii) A copy of the Risk Insurance Certificate.
 - xxiii) Such other books and records as the Board of Directors may decide or the authority may prescribe.
2. The accounts and the financial records of the society shall be denominated in Kenya Shillings and shall comply with international financial reporting standards and any reporting requirements prescribed by the authority.

66. FINANCIAL YEAR

The financial year of the society shall be the same as the calendar year (from 1st January to 31st December)

67. DISPOSAL OF SURPLUS FUNDS

Subject to the Act, Regulations and approved by approved by the General Meeting, the net surplus resulting from operations of the Society during any financial year may be disposal off as follow:-

- (a) Credited to the Reserved Fund.
- (b) Disposed of as decided by the General Meeting for:

- i. Paying dividends on shares.
- ii. Being forwarded to education fund or any other fund or funds of the society including the appropriation.
- iii. Paying honorarium to Board members and bonus to staff.
- iv. In any other way recommended by the Board of Directors and approved by the General Meeting.

68. CONDUCT OF BUSINESS

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

69. POLICIES AND PROCEDURES

- i) The Board of Directors shall make and approve such policies and procedures as prescribed in the Regulations and as they deem necessary for the conduct of the Society's business. Any such policies and procedures shall be documented.
- ii) The Board shall establish appropriate policies and procedures, including but not limited to accounting and finance manual, FOSA operations manual, human resource policy, credit policy and procedures manual, investment policy, savings policy, asset liability management, liquidity policy, information preservation policy, capitalization, reserves and dividends policy, risk management and internal control policy, board charter and code of conduct policy, training policy, disaster preparedness and business continuity plan, marketing plan, procurement policy, ICT policy and shall be reviewed regularly to ensure conformity with financial regulation and the interest of the members.

70. CODE OF CONDUCT

- i) The officers of the Society shall comply with governance rules as prescribed by the ethics commission for co-operatives.
- ii) The society shall formulate a code of conduct in accordance with third schedule of the regulations which shall be approved by the authority.

71. COMMON SEAL

The Society may adopt and use a common seal bearing the words “**ARDHI SACCO SOCIETY LTD**” which shall be different from the ordinary name stamp of the society.

- i) The seal shall be kept securely under lock and key by the Chief Executive Officer and be used only in the presence of the officer authorized to sign documents 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 authorized by the Board of the society.

72. FINES

For any breach of these By-laws or lawful instructions issued by the Board of Directors and General Meeting, or failure of a member to pay his obligations on time, the member may be fined an amount not exceeding Ksh.20,000 for each offence.

73. DISPUTES

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 all the society, its committee or any officer of the society or;
- (c) Between the society and any other co-operative society or;
- (d) Between the society and the authority

Which cannot be determined by the Board of Directors or General Meeting, it shall be referred to the Tribunal. Any appeals shall be referred to the High Court.

74. MISCELLANEOUS

- i. No Board member or Supervisory Committee member shall receive from the society any payment apart from sitting allowance, and traveling and

subsistence allowance or any other payment approved by the Board, except honorarium from the net surplus as allowed in these By-laws.

- ii.** The Board of Directors and Supervisory committee members, and employees of the society shall hold in the strictest confidence all transactions of the society with its members.
- iii.** No member of the Board or Supervisory committee shall in any manner participate in the deliberations and determinations of any question affecting his/her financial interest. In the event of any disqualification, the remaining qualified Board or committee member present at the meeting, if constituting a quorum without the disqualified person may exercise, with respect to the matter, all powers of the Board or committee.
- iv.** 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 Ksh.500.

75. INSPECTION OF DOCUMENTS

- i.** All books of accounts and other records shall at all times be available for inspection by the authority, the Commissioner, supervisory committee and the members.
- ii.** The By-Laws of the Society and the registration certificate shall at all times be available for inspection by the Authority and the Commissioner.
- iii.** A list of members (excluding details of nominees and shareholdings, deposits and loans) shall be available for inspection by any member and any other stakeholder upon payment of a prescribed fee.

76. DISSOLUTION

The society may be dissolved in accordance with the procedures set forth in the Co-op Act, Regulations and Rules made there under.

77. AMENDMENTS OF BY-LAWS

These By-Laws shall be amended in accordance with the Co-operative Society's Act and the rules and regulations but no amendment shall become effective until it is approved and registered by the Commissioner.

78. ACCEPTANCE

We, the undersigned Board members of ARDHI Savings and Credit Co-operative Society Limited named herein do hereby accept these By-laws for and on behalf of the society.

TITLE	NAME	ID NO.	SIGNATURE
CHAIRMAN	TOM O. M. N’KHATARO	8190551
VICE CHAIRMAN	MARY M. MURINGO	1521576
HON. SECRETARY	ALFRED W. LUKANDU	1870219
TREASURER	NELSON K. SIELE	10988833

OFFICIAL CERTIFICATION

I CERTIFY that the foregoing By-Laws of **ARDHI SACCO SOCIETY LIMITED** have been approved and duly registered.

Given under my hands at Nairobi thisDay of20.....

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT