

KHUMBU STOKVEL CONSTITUTION

Version: 2025

Date: 29/03/2025

1. NAME

The name of this Stokvel shall be Khumbu Stokvel (hereinafter referred to as "the Stokvel").

2. LEGAL STATUS & ECOSYSTEM ALIGNMENT

2.1 Independent Operation

- The Stokvel operates as an independent community-based financial group.
- Ecosystem Alignment : It aligns with the broader Khumbu Ecosystem , including:
 - **Khumbu Community Development Initiative (NPO) – to be established:** Advocates for affordable travel and financial inclusion.
 - **Khumbu Holdings Pty Ltd - to be established:** Manages revenue-generating ventures (e.g., transport services).
 - **Khumbu Cooperative - to be established:** Enables member-owned business initiatives.

2.2 Governance & Financial Autonomy

- The Stokvel will retain its own governance and financial autonomy while leveraging the benefits, expertise, and networks of Khumbu entities.
-

3. AIMS AND OBJECTIVES

3.1 The aims and objectives of the Stokvel are:

- To promote personal and group development.
- To pool funds for collective financial growth and investment.
- To provide financial support through savings and loan schemes.
- To act as a core funding mechanism for community projects.
- To create a pathway for members to participate in cooperative business ownership.

3.2 The main purpose of this Stokvel is to pool funds for the following objectives:

- **Savings and Loans:** Providing members with savings and borrowing options.
- **Investment Opportunities:** Allowing members to invest in Khumbu Invest and Cooperative businesses.

- **Travel Benefits:** Reducing transportation costs for members through discounts and group arrangements.
- **Business & Skills Development:** Providing financial backing for community business projects.

4. MEMBERSHIP

4.1 Tiers and Bank Accounts

TIER	ANNUAL JOINING FEE	MIN MONTHLY CONTRIBUTION	BANK ACCOUNT	PURPOSE
Savings Tier	Students: R50 Others: R100	R100	FNB Stokfella Account	Savings, loans, travel discounts.
Investment Tier	Students: R100 Others: R150	R250	Nedbank Stokvel Account	Short-term investments (retained within the Stokvel).
Wealth Tier	Once off (current value) To be Determined by founding member	To be Determined by founding member	Nedbank Stokvel Account	Long-term investments in ecosystem projects (e.g., Cooperative).

(Annual joining fees will be reviewed annually.)

4.2 Tier Benefits

The following is the tier benefits:

4.2.1 Savings Tier

- **Benefits:**
 - Access to savings, loans, and travel discounts.
 - Voting rights on general matters.

4.2.2 Investment Membership

- **Benefits:**
 - Access to short-term investment opportunities with regular returns.
 - Shares in cooperative-owned businesses.
 - Voting rights on investments.

4.2.3 Wealth Membership (Founding Member Equivalent)

- **Benefits:**
 - Lifetime stake in investment projects.
 - Profit-sharing in Khumbu Holdings and Cooperative businesses.

- Priority access to large-scale investment projects.
- Voting rights in Stokvel strategic decisions.

4.3 Legacy Clause

- Members who joined before 31 December 2024 may opt into the Wealth Tier at a reduced joining fee.

4.4 Data Privacy

- Member data (e.g., financial records, personal details) shall be stored securely and used only for Stokvel operations.
- Digital tools (e.g., Stokfella app) must comply with POPIA regulations.

5. CONTRIBUTIONS & FINANCIAL MANAGEMENT

5.1 Penalties for Non-Payment

Purpose:

- To ensure financial discipline, fairness, and sustainability within the Khumbu Stokvel, penalties will be applied for non-payment of contributions. These measures help protect committed members and maintain the integrity of the system. Balance fairness with consequences to protect the Stokvel's financial health.

Penalty structure:

- Late Payment Penalty: A R10 fine will be charged for each late monthly contribution to encourage timely payments.

Default & Suspension of Benefits:

- After two (2) consecutive missed payments, the member's benefits will be temporarily suspended.
- The member will be notified in advance about the impending suspension and provided with options to rectify the situation.

Reinstatement of Benefits:

- Members can restore their full benefits by settling outstanding contributions and penalties.

5.2 Risk Management

- Annual independent audits of all accounts.
- Disclosure Requirement: Members must be informed of investment risks (e.g., market volatility) before allocating funds to external ventures.

5.3 Finance Policy Annexure

- A detailed Finance Policy (to be updated) will outline fund allocation, risk management, and reinvestment strategies.
-

6. GOVERNANCE & LEADERSHIP

6.1 Executive Committee

Eligibility : Open to Tier 1–3 Founding Members (as defined in the Khumbu Entities Project Document):

- Tier 1 : R6,000+ contributors.
- Tier 2 : R3,000–R5,999 contributors.
- Tier 3 : R500–R2,999 contributors.

Roles:

- Chairperson : Leads meetings, approves withdrawals (with Treasurer/Secretary).
- Secretary : Manages records and communication.
- Treasurer : Oversees finances and compliance.
- Finance Committee : Allocates investments and manages risks.

Term Limits :

- Committee members serve 1-year term , renewable once.
- Elections held annually during the general meeting.

6.2 Advisory Council

Purpose :

- Provide advisory oversight on strategic decisions, ecosystem collaborations, and legacy preservation.

Membership Criteria :

- Founding Members : Members who joined before 31 December 2024 or hold Wealth Tier status .

Roles :

- Review proposals for allocating Wealth Tier funds to ecosystem entities.
- Mentor new members and mediate disputes.

GRIEVANCE MECHANISM

- Members may submit complaints in writing to the Secretary.
- The Executive Committee must resolve grievances within 30 days.
- Appeals may be escalated to an independent arbitrator (e.g., legal advisor).

7. MEETINGS

- Regular meetings will be held monthly.
- Special meetings may be called by the executive committee when necessary.

- Non-members may attend meetings only if invited by the committee.

7.1 Information and Communication Technologies (ICT)

- The Stokvel may use digital tools, such as Stokvel Management Systems and video conferencing platforms, to facilitate meetings, record-keeping, and communication.
 - Members will be provided with training and support to ensure equitable access to these tools.
 - Virtual meetings shall follow the same rules and procedures as in-person meetings, including quorum requirements and voting processes.
-

8. VOTING & RESOLUTIONS

- Each member shall have one vote.
 - A resolution can be passed by a simple majority (one more than half of members present).
 - Voting shall be by show of hands.
-

9. INTELLECTUAL PROPERTY (IP)

- All branding, digital platforms (e.g., Stokvel app), and innovations remain the property of Khumbu Stokvel and its ecosystem entities.
-

10. BENEFICIARIES

- In the unfortunate event of a member's passing, any funds owed to them will be paid out to their designated beneficiaries or legal estate.

10.1 Calculation & Payout of Funds

- **Short-Term Savings & Contributions:** Any **accumulated savings and contributions** within the stokvel will be **paid out in full** to the beneficiary or estate after verification.
- **Longer-Term Investments:**
 - If the member had **funds in longer-term investment structures**, the payout will be subject to the **terms of the investment plan**.
 - Where applicable, beneficiaries may be given the option to either **withdraw the funds** or **continue with the investment under their name**.

10.2 Process & Documentation

- The **next of kin or estate executor** must provide the necessary documentation, such as:
 - **Death certificate**
 - **Proof of beneficiary relationship or estate executor authority**
 - **Any additional legal documents required for claims processing**

11. CODE OF CONDUCT

- No member shall use the Stokvel's name for personal business or gain.
- Members must conduct themselves professionally in meetings.
- Members must dress in a socially acceptable manner during meetings.

12. DISCIPLINARY ACTION

- The Executive Committee shall form a Disciplinary Committee to review misconduct or breaches of the Constitution.
- Members found guilty of misconduct may face suspension or expulsion, forfeiting all rights to club property.

13. DISPUTE RESOLUTION

- Disputes among members or between members and the Executive Committee shall be resolved through mediation or a Disciplinary Committee.

14. CLOSURE & ASSET DISTRIBUTION

- Priority Order :
 - Settle debts and liabilities.
 - Liquidate non-cash assets (e.g., property, vehicles) at fair market value.
 - Distribute remaining funds.

15. AMENDMENTS

- Changes require a two-thirds majority vote and 60-day notice.

DECLARATION

I, [Name], accept the terms of this Constitution.

Signature : _____

Date : _____
