

Preamble and Name of Group

Flourish Ventures Self Help Group (hereinafter referred to as “The Group”) is hereby established as a non-political, non-sectarian, voluntary self-help group of members for the furtherance of the objectives hereinafter appearing.

1.2. Objectives

The objectives for which the Group is established are:

- a) To uplift the social and economic status of the members.
- b) To develop and uphold the best of the social and economic heritage of the member.
- c) To be a forum where members would give each other financial, social, emotional, mental and spiritual support whenever necessary.
- d) To acquire properties and chattels and do such other things as may be approved by members.
- e) To raise or borrow money for all or any of the foregoing objectives in such manner and upon such security as may from time to time be determined by the Group.
- f) To transform itself into a co-operative society at an appropriate time.
- g) To do all such other things as are incidental or conducive to the attainment of all or any of the foregoing.

1.3. VISION:

To create an enabling environment for enhancing wealth creation through viable economic activities such as investment aimed at improving the living standards of the members.

1.4. MISSION:

To mobilize resources from members for saving and consequently make investments.

2. MEMBERSHIP

2.1 A member must:

- a. Be aged 18 years and above
- b. Be willing to abide with the rules and regulations of the group

- c. Be introduced by two of the group who have been active for a period not less than one year
- d. Through writing to the executive committee express his interest to join the group then the exec will present his/her case to the members in the proceedings of the meeting upon which after vetting and agreement by the members he/she will be given an appointment to present him/herself in the meetings.

2.2 Every member of the Group shall, on becoming a member, pay the Group a non-refundable registration fee as prescribed

2.3 Every member, on being accepted for membership, shall notify the Group of his/her next of kin and the next of kin shall be entitled to the rights, privileges, obligations, emoluments and dividends of the deceased member.

2.4. Every member has the right to vote and to be elected and contribute in the group positively during the AGM or meetings

2.5. Every member has the right to share in the profits and losses of the group

2.6. Responsibilities

- a) Honour the constitution
- b) Meet the financial obligation as prescribed
- c) Attend all the meetings as prescribed

2.7. Resignation from membership

- a) Any member desiring to resign from the Group shall give a three-month written notice of the intended resignation to the Secretary and the resignation shall take effect from the date of expiry of the notice, provided that the member has cleared all outstanding loans and other commitments made by him/her to the Group and has handed over all the properties of the Group in his/her possession during the period of notice.
- b) If any of the shares of a member desiring to resign have been invested in land, buildings and other immovable property, the resignation shall only be effective when another member of the Group has bought such invested shares.

- c) Any member who falls into arrears with his/her annual subscription for more than one year shall automatically cease to be a member and his/her name struck off the register of Group member

2.8. Removal from membership:

- a) The Executive Committee shall have power to suspend a member from his/her membership on the grounds that the member's conduct has adversely affected the reputation and dignity of the Group or that the member has contravened any of the provisions of the Constitution of the Group.
- b) The grievances against a suspended member shall be reported and discussed at the next General Meeting of the Group following the suspension and the Meeting shall resolve by a two-thirds majority of the members present whether to expel the suspended member or lift the suspension.
- c) A person expelled from membership of the Group may re-apply for membership provided that such a person shall only be re-admitted as a member with the authority of a special resolution adopted by the Annual General Meeting.

2.9. Entitlement after ceasing to be a member of the Group

- a) Upon the death of any member a 100% of the total shares of the members shall be refunded to the next of kin as provided by the member.
- b) In case of disciplinary action to the member a refund of 2/3 of his contributions/shares shall be refunded after six months upon the date of being expelled.
- c) In case of voluntary resignation, a refund of 2/3 of their total contributions/shares shall be done within six months upon receiving the letter of resignation after deductions of group liabilities.

3. EXECUTIVE COMMITTEE AND OFFICE BEARERS

- a) For the proper management of the affairs of the Group, an Executive Committee of the Group is hereby established.
- b) The Executive Committee shall consist of 5 members elected at the Annual General Meeting of the Group
- c) The members of the executive committee will include Chairperson, Vice - Chairperson, Secretary, Treasurer and Organizing Secretary

- d) They shall be all be elected from members of the Group and shall take office immediately after the election
- e) The Executive Committee should be in office for a term of two years
- f) In the event of death, resignation, removal, suspension or disqualification of any member of the Executive Committee during his/her term of office, the vacancy so created may be filled by the Group at the next Genera Meeting or special general meeting
- g) Except as otherwise expressly provided by this Constitution, the Executive Committee may exercise all the powers of the Group; and no regulations made under this Constitution shall invalidate any prior act of the Executive Committee which would have been valid if the regulations had not been made.
- h) The chairperson can only be elected from the members of previous executive
- i) During election Secret ballot should be used to elect executive members
- j) Elections should be supervised by Electoral College. They shall seek to ensure free and fair elections for members. It must comprise of individual must be of high dignity and respected member of the group. They must have served in a relevant activity before
- k) The Electoral College shall compromise of 3 members: Chairperson, Secretary and a member. They shall remain in office until the next electoral college is set up
- l) The office bearers are eligible for a re- election if the members deem it fit for any of them to continue serving for more terms.

3.1 Eligibility for Executive Committee positions

- a) They should have been active member for at least 2 years
- b) They should be persons of high Integrity
- c) They should have consistently been in meetings
- d) Should meet all the financial obligations of the group

3.2 The duties of the Executive Committee include, but not limited to:

- a) Approving new members.
- b) Uniting and co-ordinating the Group's activities.
- c) Receiving and discussing recommendations of businesses and other activities from members of the Group.

- d) Bridging the gap, if any, between divergent views in the Group.

3.3 Duties of officers in Executive Committee Members

1. CHAIRMAN

- a) The Chairman shall provide leadership to the Group and shall, unless prevented by illness or sufficient cause,
- b) The Chairperson shall be the executive head and spokesperson of the group.
- c) He shall encourage participation by all members presents in group at meetings with others.
- d) He shall preside over all meetings of the Executive Committee and all General Meetings.

2. VICE-CHAIRPERSON

The Vice-Chairman shall perform such duties as may be specifically assigned to him/her by the Chairman and, in the absence of the Chairman, shall perform the duties of the Chairman.

3. SECRETARY

The Secretary shall deal with all the correspondence of the Group under the general supervision of the Executive Committee. In cases of urgent matters where the Executive Committee cannot be consulted, he/she shall consult the Chairman or if the Chairman is not available the Vice-Chairman, he shall make decisions. The decision reached shall be subject to ratification or otherwise at the next Executive Committee meeting. He/she shall issue notices convening all meetings of the Executive Committee and all General Meetings of the Group and shall be responsible for keeping minutes of all such meetings and for preservation of all records and proceedings of the Group and of the Executive Committee.

4. FINANCE SECRETARY

The Finance Secretary shall receive and also disburse, under the directions of the Executive Committee, all moneys belonging to the Group and shall issue receipts for all moneys received by him/her and preserve vouchers for all moneys paid out by him/her. The Finance Secretary shall be responsible to the Executive Committee and to the members that proper books of

accounts of all moneys received and paid out by the Group are written up, preserved and available for inspection and audit

5. ORGANISING SECRETARY

The Organising Secretary shall deal with the organising of all meetings and activities of the Group in him/her by the Chairman and, in the absence of the Chairman, shall perform the duties of the Chairman.

4 GENERAL MEETINGS

There shall be two classes of general meetings - Annual General Meetings and Special General Meetings

The Annual General Meeting shall normally be held not later than 30th June each year at such venue and time as the Executive Committee shall determine. Notice of such Annual General Meeting in writing, accompanied by annual statement of accounts and the agenda for the meeting, shall be sent to all members not less than 21 days before the date of the meeting.

4.1 The agenda for the Annual General Meeting shall consist of the following, among other items:

- a) Confirmation of the minutes of the previous Annual General Meeting.
 - b) Matters arising from the confirmed minutes.
 - c) Chairman's Report.
 - d) Considerations of accounts.
 - e) Election of Executive Committee members and appointment of auditor and directors as necessary.
 - f) Such other matters as the Executive Committee may decide or as to which notice shall have been given in writing by a member or members to the Secretary at least seven days before the date of the meeting.
- a) Any other business with the approval of the Chairperson.

A Special General Meeting may be called for any specific purpose by the Executive Committee. Notice of such a meeting shall be sent to all members not less than 7 days before the date thereof.

A Special General Meeting may also be requisitioned for a specific purpose by order in writing to the Secretary of not less than 10 members and such meeting shall be held within 21 days of the date of receipt of the requisition. The notice for such a meeting shall be as shown in Clause 4.4 and no matter shall be discussed other than that stated in the requisition.

4.5. Any member wishing to bring any matter before the Annual General Meeting for resolution or discussion may do so only if he/she shall have given notice in that behalf to the Secretary at least 14 days before the date fixed for resolution or discussion or by leave of all the members of the Group present at such meeting.

4.6. The quorum for the General Meetings shall not be less than two fifth of the registered members of the Group.

4.7 Procedure at General Meetings & Meetings of the Executive Committee

4.8 At all meetings of the Group, the Chairperson shall preside, or in his/her absence, the Vice-Chairperson or in the absence of both of these officers, a Chairperson elected from amongst the members present.

4.9. The Chairperson may at his/her discretion limit the number of persons permitted to speak in favour of or against any motion.

4.10. Resolutions shall be decided by simple voting by a show of hands. In the case of equality of votes, the Chairperson shall have a second or casting vote.

4.11. The Executive Committee shall keep proper minutes of all general meetings of the Group and of the Executive Committee to be taken and recorded and shall present to the Annual General Meeting a full report of the activities of the Group.

4.12. Regulations

The Executive Committee may, subject to the provisions of this Constitution, shall make regulations that shall be binding, on all members of the Group, prescribing all or any of the following matters:

- a) Annual subscriptions;

- b) Manner of application for membership of the Group;
- c) Grounds for, and procedure relating to, expulsion of members of the Group;
- d) Resignation of members from the Group;
- e) Regulation of powers exercisable by the Executive Committee and any committees or sub committees thereof, and delegation of powers;
- f) Manner of convening meetings of the Executive Committee, sub-committees and quorums and procedures thereof;
- g) Manner of convening general meetings of the Group, and quorums and procedures thereof;
- h) Manner of election, removal and replacement of the Chairman, the Vice-Chairman and other members of the Executive Committee; and
- i) Such other matters as may be deemed by the Executive Committee to be necessary for the promotion of the objects and regulations of the affairs of the Group.

5. ACCOUNTS

- a) The income of the group shall be derived from, but not limited to members' own contribution and any other income derived from the activities of the group, penalties due to breach of any conduct as provided in this constitution.
- b) All financial years shall start from June of every year and end at June of the following year.
- c) Every member shall be required to make monthly contributions by the first Sunday of every month.
- d) Unless otherwise officially specified by the Executive committee, or the members by any means deemed right by this constitution, each member shall be expected to make monthly payment of not less than KSh.2000
- e) As hitherto outlined in (c) and (d) above, every member shall be required to submit proof of monthly payments to the relevant member of the executive failure to which shall make him liable to the aftermath of such a breach of agreement as shall be decided by the executive committee.

- f) No member shall be restricted to monthly payments as outlined in (d) above on the account that he wishes to make a payment of an amount greater than the stipulated amounts subject to clause (w)
- g) The income and property of the group whencesoever derived, with the exception of the amounts outlined in clause (h) and (j), shall be applied solely towards the promotion of the objectives of the group
- h) Nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer including but not limited to the Chairperson, the Secretary, the Treasurer, their assistants or any other servant of the group, or to any member of the group, in return for any services actually rendered to the group subject to clause (i).
- i) Any remuneration of the kind, as outlined in clause (h) shall only be viable upon the assent of two thirds of the members present during the meeting when that decision is to be made.
- j) The remuneration of the members in return for their share capital shall be done according to the rule that shall be set upon by the executive committee.
- k) All members shall have equal powers and say in the group; however, all members shall be subject to subordination to the Executive Committee.
- l) The property and assets of the group, liquid, or fixed, gained by any means including those outlined in this constitution, any dividends or profits raised from the share capital, shall be subject to use in investment activities that shall have been approved by two thirds of the members present in the meeting when such a decision is made.
- m) The Executive Committee shall cause proper books of account to be kept with respect to;
 - i. All sums of money received and expended by the group and the matters in respect of which the receipt and expenditure takes place
 - ii. All sales and purchases by the group; and
 - iii. The assets and liabilities of the group.
- n) Proper books shall not be deemed to be kept if the content in such books is doctored and/or does not give a true and fair view of the state of the group's affairs.
- o) The books of Accounts shall be kept at the place designated by the Executive and shall always be open to the inspection of the members

- p) The Executive shall from time to time in accordance with the provisions of the Act cause to be prepared and to be laid before the group in general meeting such account of income and expenditure, balance sheets, and reports as are referred to in this constitution.
- q) A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the group in general meeting shall not less than ten days before the date of the meeting be sent to every member of the group by the finance secretary.
- r) An internal auditor shall be appointed for the following year by the Annual General Meeting from among members of the Group.
- s) All the Groups accounts, records and documents shall be open to the inspection of the auditor at any time. The finance secretary shall produce an account of his/her receipts and payments and a statement of assets and liabilities made up to a date which shall not be more than four weeks and not less than two weeks before the date of the Annual General Meeting.

The auditor shall examine such annual accounts and statements and either certify that they are correct, duly vouched and in accordance with the law or report to the Group in what respect they are found to be incorrect, unvouched or not in accordance with the law.

- t) The monthly contributions by the members are not withdraw able in whole or part, and may be used as collateral against borrowings subject to clause (u) and (v). Such contributions shall be refunded only when a member withdraws from membership **subject to clause 2.8** and provided the member has fully repaid all his debts and obligations, and is free from any guarantee.
- u) The rate of interest on loans shall not exceed the current market rates and shall be set from time to time by the executive committee.
- v) The loans disbursed to any member shall not exceed double the value of the shares held by that member
- w) No member at any time shall hold more than 20% of the total share capital of the group
- x) The group shall not at any time extend loan to anyone if such an act would render the group to have more liabilities than the assets.
- y) Any member who wishes to take a loan will request through the executive committee in writing. The committee must within their mandate vet such a request and give their

recommendation to the members during a set meeting. Such a request will need a two third approval of the members present.

- z) Cash at hand should never exceed 2000/= unless such an exceeding amount is required within a period of not more than 7 days, otherwise, the finance secretary should ensure all cash is banked within 7 days upon receipt.
- aa) The signatories to all bank accounts will be: The Chair, Treasurer and the Secretary with a mandate of **“all to sign.”**

6. 0 Disciplinary Measures of the group.

Disciplinary measures shall be enforced by the group’s Executive Committee.

- (a) The Executive Committee shall have power to ***suspend*** a member from his/her membership on the grounds that the member’s conduct has adversely affected the reputation and dignity of the Group or that the member has contravened any of the provisions of the Constitution of the Group.
- (b) The grievances against a suspended member shall be reported and discussed at the next Meeting of the Group following
- (c) ng the suspension and the Meeting shall resolve by a two-thirds majority of the members present whether to expel the suspended member or lift the suspension.
- (d) A member who fails to attend 3 consecutive monthly meetings without communication and contribution will be removed from the membership.
- (e) A person expelled from membership of the Group may re-apply for membership provided that such a person shall only be re-admitted as a member with the authority of a special resolution adopted by the Annual General Meeting.
- (f) If a member fails to honor their monthly contributions before its due for the next month, a 10% penalty shall be charged
- (g) Any group member who will miss any meeting without prior information shall be fined an amount of not less than Kshs. 500.
- (h) Any member who misses the Annual General Meeting shall be fined an amount of not less than Ksh 1,000

- (i) Any member who comes to the meeting late will be fined an amount no less than Kshs. 200 irrespective of the extent of lateness.
- (j) No member of the group is allowed to borrow money from the group without the knowledge of all members.

7.0 Amendment to the Constitution

- a) This constitution shall be the supreme law of the Group and any other law, rule or regulation inconsistent with it shall be null and void to the extent of inconsistency subject to the provisions of Government Act.
- b) Any amendment to this Constitution of the Group must be approved by at least a two-third majority of members at a General Meeting of the Group and implemented immediately thereafter provided the amendment does not contravene Government regulations.
- c) Any amendments made shall be updated in the Registrar's office.

8.0 Conflict Resolution

In case of conflicts in the group, negotiation, mediation and arbitration will be used for dispute resolution. These methods must however lead to a fair, just, reasonable answer for all the parties in the dispute. We recognize that settlement and compromise will be favoured as compared to the legal system. Only specific cases where we will invite a court of law to settle the dispute. These cases include irreconcilable differences.

9.0 Dissolution of the Group

- a) If the Executive Committee decides at any time that on the ground of expense or otherwise it is necessary or advisable to dissolve the Group, it shall call a Special General Meeting of the Group in accordance with this constitution stating the terms of the resolution to be proposed.
- b) If the decision shall be confirmed by two-thirds majority of those present and entitled to vote, the Executive Committee shall have the power to dispose of any assets held by or on behalf of the Group.
- c) The benefits and losses of the Group shall be shared among the members in proportion to the shares owned at the time of dissolution.

- d) Any assets remaining after the satisfaction of any proper debts and liabilities shall be given or transferred to such other charitable organizations having objects similar to the objects of the Group, as the Committee may determine.

This constitution was adopted at a general meeting of the Group on

_____ [date]

Signed by:

Chairperson:

Secretary:

Treasurer