

**BY-LAWS
OF
SOYOSOYO
MEDICARE
CO-OPERATIVE
SAVINGS & CREDIT
SOCIETY LTD**

REVISED 2025

NAME AND AREA OF OPERATION

By-law 1. This society shall be called: SOYOSOYO MEDICARE CO-OPERATIVE SAVINGS & CREDIT SOCIETY LTD, hereinafter referred to in these by-laws as "the society", and its area of operation shall be in Kilifi County.

By-law 2. The registered office of the Society shall be at: Tezo, Malindi, and its postal address shall be: P.O. Box 3339 - 80100, Mombasa. Notice of any change of address shall be given to the Commissioner for Co-operative Development and to all members of the society within 30 days of such change.

DEFINITIONS/INTERPRETATIONS

By-law 3. In these By-laws, unless the context otherwise suggests, words or phrases shall be defined, interpreted, in accordance with the Co-operative Societies Act Cap 490 Laws of Kenya and the Rules made thereunder, hereinafter referred to as the "Act" and "Rules" respectively.

In these by-laws, where the masculine gender is referred to, it will be construed to include the feminine gender. In these by-laws save as otherwise expressly stated:

- (a) "Applicable Law" shall mean any relevant law other than the Co-operative Societies Act Cap 490, Rules, and these by-laws.
- (b) "Commissioner" shall mean the Commissioner for Co-operative Development as provided for in the Co-operative Act.
- (c) "Tribunal" shall mean the Co-operative Tribunal established under the Co-operative Act to hear and determine disputes.
- (d) "Capital" shall mean the permanent members' equity in the form of common stock and includes all disclosed reserves, retained earnings, grants, or donations.
- (e) "Share" means the amount represented by a member's portion in the equity of a society as a co-owner.
- (f) "Committee" means the governing body of a co-operative society to whom the management of its affairs is entrusted, and includes a board of directors.
- (g) "Supervisory Committee" means an oversight committee elected at a general meeting.
- (h) "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.
- (i) "Employee" means persons employed by the society.

By-law 4. Any questions concerning interpretation of these by-laws or any matters not provided therein, errors, and omissions shall be referred to the Commissioner.

OBJECTIVES OF SOCIETY

By-law 5. The objects for which the society is established are 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 and providing them with credit 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 its members by educating them continuously on proper use of credit.
- iv) To apply the co-operative principle of co-operation among co-operatives to promote members' interests. In furtherance to its objects, the society may affiliate to the relevant National Co-operative Union and the Apex society.
- v) To provide credit facilities at reasonable rates to all members to cater for their needs, including but not limited to school fee payments, business capital, and medical bill payments.
- vi) To lobby for members' interests and act as their advocate. For attainment of the above objects, the society may do acts and things that are permissible under the Act and Rules and these By-laws, provided such acts are approved by the members in a general meeting.

By-law 6. CO-OPERATIVE VALUES AND PRINCIPLES:

In order to achieve its objects, the society shall act in accordance with the following Co-operative principles and relevant values.

PRINCIPLES

- i) **Voluntary and open membership:** The society shall always be guided by the principle of voluntary and open membership in its member recruitment drive without political, ethnic, religious, gender, or social discrimination.
- ii) **Democratic member control:** The society will be fully controlled by members who will have equal voting rights on the basis of one member, one vote.
- 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:** The society shall operate on mutually acceptable terms with its stakeholders to ensure its autonomy and independence.
- v) **Education, training, and information:** The society shall foster reciprocal, ongoing education programs for members, leaders, staff, and the community so they can teach and learn from each other or from appropriate resource persons.
- vi) **Co-operation among co-operatives:** The society shall actively co-operate with other co-operatives locally, regionally, nationally, and internationally to better serve members' interests.
- vii) **Concern for community in general:** The society shall show concern for the community in which it exists and operates.

VALUES

The values shall include: -

- I. Mutual responsibility
- II. Transparency and accountability
- III. Concern for others
- IV. Democracy
- V. Integrity
- VI. Self-reliance

MEMBERSHIP

By-law 7. Members shall consist of:

- a) Original members who signed the application for registration and paid up registration fees and bought shares.
- b) New members subsequently admitted in accordance with these by-laws.

By-law 8. A person of either sex shall be eligible for membership who possesses all the following qualifications:

- a) Is within the field of membership consisting of: business persons in Kilifi County operating a registered business, employees of the society, residents within the society's area of operation, or employees of the government, parastatals, or vetted companies.
- b) Is not less than 18 years of age.
- c) Is not a member of a similar co-operative within its area of operation.

d) Is of good and proven conduct and not directly or indirectly a moneylender, cash daily collector, or carrying out activities detrimental to the objectives of the society.

e) Is of good character and sound mind.

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

By-law 9. Every applicant for membership shall complete an "Application for membership" form and a specimen signature card. This form may be drawn to show all information required for the purpose of a Register of members. The applicant should also submit 2 colored passport-size photographs and a copy of his/her national identity card/valid passport.

By-law 10. An applicant shall be admitted to membership on being accepted by a majority vote of the management committee, but shall not qualify for the rights and privileges of membership until he has paid a non-refundable registration fee of **Kshs.200** and paid in full for at least 1 share whose nominal value shall be **Kshs.3,000** (which can be changed by resolution of a General Meeting). Upon admission, the member's name shall be entered in the membership register and a membership number issued. Members will receive monthly statements of their contributions via email.

By-law 11. The management committee may refuse admission to a person after assigning reasons for their decision in writing. Such a person, if otherwise eligible for membership, shall have the right to appeal to the next General Meeting through a registered member. The decision of the General Meeting shall be final.

By-law 12. Every member shall receive regular e-statements at least quarterly which shall contain particulars of membership, shares, deposits, and loan transactions with the society.

By-law 13. Every member shall nominate in writing one or more persons as nominee(s). The nomination shall be attested to by at least one witness. The names of such nominee(s) shall be entered in the nominee register. Provided that a member shall have the right to change his/her nominee(s) in writing in the presence of at least two attesting witnesses. The society, after obtaining such documentary proof of the death of a member as it may consider necessary, shall pay to the nominee the value of the deceased member's deposits, interest, and dividends after deducting monies owed to the society, if any, within sixty days upon receiving official notice of the death.

By-law 14. 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.

By-law 15. Membership in the society shall cease with effect from the date of:

- a) Death
- b) Being expelled from membership
- c) Withdrawing all his/her savings holdings
- d) Becoming of unsound mind
- e) Acting contrary to the relevant provisions of the Act, Rules, and by-laws
- f) Losing any of the qualifications set out in By-law 8
- g) Withdrawing all or part of his/her shares and deposits.

By-law 16. a) Any outstanding loan to a deceased member shall be written off against the society's benevolent fund, of which all members shall be contributors.

b) The society shall maintain a compulsory benevolent fund for all members for the purpose of insuring members' loans and savings in the event of death of a member.

By-law 17. a) A member may at any time withdraw from the society by giving 60 days written notice, during which time the society will settle the member's accounts and refund the members' shares/deposits, provided that it complies with the rules.

b) Ex-members with outstanding liabilities and obligations shall continue being responsible for their respective obligations unless alternative arrangements acceptable to the society are made.

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

By-law 18. The management committee may suspend a member, subject to the decision of the general meeting to expel, who:

a) Wilfully refuses to comply with the society's by-laws, policies, and contracts, and persists in such refusal or failure.

b) Wilfully defaults in the payment of loans or part payment due for a period exceeding one month.

c) Acts in any way detrimental to the society's interest or for other just cause.

d) Is convicted in a court for a criminal offence involving dishonesty or imprisoned for any other offence for three months or more. Provided that no member shall remain in suspension for a period of more than 12 months.

By-law 19.

1.

i) Upon formal and written proof that a member has committed a violation punishable by expulsion, the management committee shall serve 30 days

written notice to the member stating the reason(s) for the proposed expulsion and requiring him/her to file a defense.

- ii) Upon the expiry of 30 days and taking into consideration the member's defense, if any, the management committee shall initiate an administrative inquiry and make a decision on its findings within 15 days. The management committee may:
 - a) Suspend the member pending expulsion by the General Meeting or
 - b) Impose any other punishment as may be directed by the general meeting from time to time.

2. The suspended member may appeal to the next General Meeting provided the notice and grounds of such appeal have been filed with the Honorary Secretary not less than 30 days before the date of the meeting.

3. Where a suspended member does not prefer an appeal, the management committee shall present its finding to the next General Meeting which may either lift the suspension or expel the member.

4. A member who is expelled from the society shall have the right to appeal to the Tribunal.

By-law 20. A member, who withdraws or is expelled, shall be paid the following amount after deduction of any debts owed by him to the society as borrower, endorser, guarantor, or otherwise:

a) The nominal or book value of his shares, whichever is less, provided that the management committee may require a maximum of 60 days written notice of intention to withdraw shares.

b) Any dividend or interests due to him/her on the date membership ceased. c) Any deposit or other sums held by the society on his behalf. Members who voluntarily withdraw may reapply for admission. Such members will be treated as new members. A member who resigns, retires, or is dismissed from his employment and opts not to be a member of the society qualifies to benefit from the dividends.

By-law 21. (a) RIGHTS OF MEMBERS

Members shall enjoy the following rights:

- i) Elect and be elected to the organs of the society subject to the provisions of these by-laws.
- ii) Enjoy and use all the facilities and services of the society.
- iii) Receive periodically and regularly, or upon request and at least quarterly, an e-statement of account in respect to his/her transactions with the society.
- iv) Access all legitimate information relating to the society, subject to the policy and regulations for the time being in force.

- v) Vote on all matters put before the general meeting of the society. vi) All other rights prescribed by the Act and Rules.

b) MEMBERS OBLIGATIONS

A member of the society shall have the following obligations:

- i) Observe and comply with all the provisions of the society's by-laws and the decisions taken by the organs of the society in accordance with the by-laws.
- ii) Buy and pay up for shares or make any other payments as provided for in the by-laws of the society.
- iii) Pay for the debts of the society at the time of liquidation where the assets are insufficient to meet the liabilities.
- iv) Support projects of the society that are approved by the relevant authority.
- v) Pay all loans owed to the society by him.
- vi) Attend meetings and take part in decision-making.
- vii) Show good co-operative spirit.
- viii) Inform non-members and encourage them to join.
- ix) Bring out problems affecting the society and look for solutions.
- x) Participate in the society's projects both physically and financially.
- xi) Attend educational meetings and seminars organized by the society or any other organizations approved by the management committee.
- xii) All other obligations prescribed by the Act and Rules. ---

FUNDS

By-law 22. The funds of the society shall consist of: -

Core Capital

- a) Non-refundable registration fee of Kshs.200 each or as may be determined from time to time by the management committee.
- b) Non-refundable share capital of Kshs.3,000 as may be determined from time to time by the management committee and subject to General Meeting approval.
- c) Minimum monthly contribution of Kshs.200 or as may be determined.
- d) Retained earnings.
- e) Any donations, grants, or gifts from other bodies, organizations, or individuals. **Income**
 - a) Any surplus resulting from operation of the society and funds obtained from other lawful sources.

Liabilities a) Loans from members or non-members and other sources as prescribed by the Authority.

By-law 23. The funds of the society shall only be applied for the promotion of the stated objects of the society as set forth in these by-laws and shall be invested in:

- a) Securities issued or guaranteed by the government or any agency of the government.
- b) Deposits or obligations of deposit-taking institutions under the banking act.
- c) Loans to members.
- d) Properties and equipment for purposes of society business.

Investments shall not exceed such proportion of total assets as prescribed in the rules.

SHARES

By-law 24. The nominal value of each share shall be Kshs.3,000 and every member shall hold at least 1 share in the society. However, no member shall hold more than one-fifth of the total shares of the society.

By-law 25. Any amount may be accepted towards the purchase of shares, provided that the management committee may fix a minimum amount that may be paid by a member at any one time.

By-law 26. With the approval of the management committee, a member may at any time transfer his shares to another member but not any other person. Such transfers must be in writing and at nominal value. Such transfer shall not enable the transferee to hold more than one-fifth of the total share capital of the society, and should it occur, the excess shares shall be converted to cash and paid out to the transferee. No member shall be allowed to reduce his or her shareholding by part withdrawal of shares or otherwise.

By-law 27. All transfers of shares must be registered with the secretary, and no transfer shall be valid unless so registered. The management committee may require payment of a fee for each such transfer.

LIABILITIES

By-law 28. a) The liability of a member shall be limited to the nominal value of the shares held by him.

b) 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 pro-rata among the shareholders according to the amount of shares held by each.

POWER TO BORROW

By-law 29. a) Loans may be obtained from members and non-members, subject to the maximum amounts and terms approved by the Annual General Meeting.

b) For the securing of any loans accepted by the society under (a), the society may grant a charge over its assets. The authority to grant a charge shall be reserved to the General Meeting subject to approval by the Commissioner.

By-law 30. The rate of interest on deposits or loans shall not exceed the current market rates, except with the approval of a General Meeting.

By-law 31. RECEIPTING OF MONEY

a) Money paid in or out on account of shares, deposits, loans, interests, fees, or fines shall be evidenced by an entry in the member's personal account or issuance of an official receipt in the name of the society.

b) Should the member's personal account or any other receipt given to the member by the society be lost or destroyed, the member shall give immediate notice of such fact to the Treasurer who shall be authorized by the management committee to issue a duplicate receipt.

RESERVE FUNDS

By-law 32. The society shall maintain a Reserve fund as required by the Act and Rules. The Reserve Fund shall be credited with at least 20% of the net surplus of each financial year, and with all entrance fees except the amount taken from such fees to pay initial expenses within two calendar years following the year in which the society was registered, and with recoveries of loans and other losses previously charged against the reserve fund.

INSTITUTIONAL CAPITAL

By-law 33. The society shall maintain an Institutional fund as required by the Act and Rules. The Institutional fund shall be recovered from each member's share capital (1 share at Kshs.3,000 each). This amount shall not be considered for loans, nor are they withdrawable during account closures, but the same will earn dividends whenever a surplus is declared in a financial year.

GENERAL MEETINGS

By-law 46.

- i) General meetings shall take place annually and shall consist of all members of the society.
- ii) The management committee or two-thirds of the members of the society shall have power to convene general meetings, whether special or annual.

By-law 47. DUTIES OF THE ANNUAL GENERAL MEETING

- i) Confirmation of the minutes of the previous meetings.
- ii) Receive reports from the management committee.
- iii) Consider the society's financial reports.
- iv) Express views and pass resolutions for consideration by the management committee.

By-law 48. ANNUAL GENERAL MEETING

a) Annual General Meeting shall be convened within 120 days after the end of the society's financial year.

b) A special general meeting of the society may be held when convened by the:

i) Management committee.

ii) Commissioner for Co-operative Development.

iii) Management committee within 14 days of receipt of a written request by at least 1/4 of the members, provided the request is deposited by registered mail at the society's address or delivered to the manager within normal working hours.

iv) Members in (iii) above, if the management committee fails to convene a meeting within 14 days of receiving notice under the Co-operative Act. The members shall give notice to the other members, stating the object and reasons for the meeting and the fact that the management committee has failed to convene the meeting.

c) Any business not completed at the Annual General Meeting may be taken up at a subsequent special General Meeting.

By-law 49. (a) The Annual General Meeting shall be convened by giving at least 15 days written notice to the members.

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

(c) All notices shall include a statement of the business to be dealt with.

By-law 50. For a Special General Meeting requested by the members, the request must state the agenda for the meeting being called and be signed by at least 1/4 of the total registered members. The request shall be received in the registered office of the society.

By-law 51. Except when convened by the Commissioner, the presence of at least 30 members or a quarter of the total number of members, whichever is less, shall constitute a quorum for the conduct of business in the General Meeting. When a quorum is not

present, the chairman shall adjourn the meeting and shall fix a date within one month for the adjourned meeting, which shall be advertised as prescribed in these by-laws. If at such a meeting a quorum is not present, the chairman shall declare the meeting open with those present thirty minutes after the advertised time of the meeting.

By-law 52. The Chairman, or in his absence the Vice Chairman, shall preside at every General Meeting. In their absence, any member elected by a majority of those present shall preside.

By-law 53. Before they may attend or vote at a general meeting, members may be required to produce evidence of their membership in the society.

By-law 54. POWERS AND DUTIES OF ANNUAL GENERAL MEETING

The Annual General Meeting shall have the powers and duties prescribed in the Act, Rules, and these by-laws. It shall:

- a) Confirm the minutes of the previous General Meeting and the audited accounts on the society's activities during the past financial year.
- b) Elect or remove members of the management committee and the Supervisory Committee, subject to the Act, Rules, and these by-laws.
- c) Fix the indemnity for the elected management committee members.
- d) Consider recommendations on expulsion of members and refusal of membership by the management committee.
- e) Fix the maximum liability which the society may incur in loans and deposits from non-members.
- f) Approve the estimates of income and expenditure for the financial year following the General Meeting.
- g) Appoint bankers, auditors, and advocates of the society for the ensuing year.
- h) Approve affiliation to National Co-operative Organizations for co-operative societies and Apex society.
- i) Transact any other business of the society for which notice has been given to the members in the manner prescribed in these by-laws.
- j) Fix the maximum borrowing powers of the society for the approval of the Commissioner of Co-operatives.

By-law 55. All business discussed or decided at a General Meeting shall be recorded in a minute book which, within one week of the meeting, shall be signed by the Chairman of the meeting and at least one other committee member who was present at the meeting to verify that in their opinion the minutes are a true and complete record of all important

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

THE MANAGEMENT COMMITTEE

By-law 39. The management committee shall be the governing body of the society elected from the general membership and shall consist of 9 members who are non-executive. The management committee shall be a policy-making body and shall be elected from the members at the Annual General Meeting. All committee members shall be at least 18 years of age. The committee shall include the Chairman, Vice Chairman, Treasurer, and Secretary, all of whom shall be elected by the members from amongst its members.

By-law 40.

a) Members of the management committee shall hold office for a period of three years, provided that one-third or a number close to one-third shall retire every year but will be eligible for re-election. The retiring member(s) shall be eligible for re-election, save for the Chairman and Vice-Chairman who will serve for a whole term.

b) Where the membership of the committee falls below five, the committee shall co-opt qualified member(s) into the committee until the next General Meeting.

By-law 41. ELIGIBILITY FOR MEMBERSHIP TO THE MANAGEMENT COMMITTEE

No person shall be eligible as a member of the management committee if he/she:

a) Has not been a member of the society for at least six months prior to the Annual General Meeting.

b) Is below 18 years of age.

c) Is delinquent on loans with the society and does not make good the default within 30 days.

d) Is of unsound mind.

e) Is unable to provide indemnity of an amount approved by a General Meeting within 14 days after being elected.

f) Does not conform to minimum qualification standards established by the committee from time to time.

g) Has not, within 30 days of being appointed, declared his wealth to the Commissioner in the prescribed manner.

h) Is unable to read and write.

i) If a member of the committee fails to attend three consecutive meetings without being excused therefrom or otherwise fails to perform his duties, his position may be declared vacant and the vacancy filled as provided in these by-laws.

By-law 42. (a) The management committee shall meet as often as necessary, but not less than quarterly. At least five members shall form a quorum.

(b) If a member of the committee fails to attend three consecutive meetings without being excused therefrom, or otherwise fails to perform his duties, his position may be declared vacant and the vacancy filled as provided in these by-laws.

(c) A majority of the committee members may, for good cause, suspend a committee member subject to ratification by the General Meeting.

By-law 43. The management committee 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, Rules, and these by-laws.

In particular, it shall:

a) Observe in all its transactions the Act, Rules, and these by-laws.

b) Establish and approve appropriate policies including savings, liquidity, investment, dividend, risk management, membership administration, and cash handling.

c) Ensure that the management maintains proper and accurate records that reflect the true and fair position of the society's financial condition.

d) Prepare and develop business plans and annual budgets for presentation at the General Meeting.

e) Appoint such number of sub-committees as may be necessary to effectively discharge its functions.

f) Approve interest rates on loans, the maximum maturities, and terms of payment or amortization of loans to members as recommended by the management.

g) Cause the audited accounts to be displayed in a conspicuous place at its registered office at least two weeks before presentation to members at the General Meeting.

h) Lay before the General Meeting audited accounts, together with proposals for the disposal of net surplus, if any.

i) Recommend to the General Meeting the dividend rate to be paid on shares, if any, and interest to be paid on deposits.

j) Fill through co-option, vacancies occurring in the committee between General Meetings.

- k) Authorize the conveyance of properties.
- l) Authorize borrowing of the society in accordance with the law.
- m) Approve or ratify all loans to committee members and employees of the society. n) Designate a depository or depositories for the funds of the society.
- o) Employ and fix the remuneration of employees, including the appointment of a manager in accordance with approved terms.
- p) Impose fines as provided for under these by-laws.
- q) Approve transfers of shares between members.
- r) Perform or authorize any actions consistent with the Act, Rules, and these by-laws, unless specifically reserved for the General Meeting.

By-law 44. In the conduct of the affairs of the society, the members of the management committee shall exercise the prudence and diligence of ordinary men of business and shall be held jointly and severally liable for any losses sustained through any of their acts, or failure to act, which are contrary to the Act, Rules, these By-laws, or the directions of the General Meeting.

By-law 45. a) The management committee may delegate to the manager of the society such duties as it deems fit.

b) Nothing in (a) above shall absolve the management committee from its responsibility of running the affairs of the society in a proper and businesslike manner.

By-law 70. All business discussed or decided at the management committee meeting shall be recorded without erasures and corrections in a Minute Book, which within one week of the meeting, shall be signed by the Chairman of the meeting and at least one other committee member who was present at the meeting, to indicate that in their opinion the minutes are a true and complete record of all matters discussed or decided at the meeting. At the next meeting, after approving any alterations or variations, which shall be written below the above signatures and not as alterations to the original record, the meeting shall, by resolution, authorize its Chairman to sign and date the final record

CHAIRMAN AND VICE-CHAIRMAN

By-law 49. The Chairman shall:

- a) Preside at General Meetings and management committee meetings.
- b) Perform such other duties as may be directed by the management committee, not inconsistent with provisions of the Act, Rules, and these by-laws.
- c) The Vice Chairman shall perform the duties of the Chairman during his/her absence and such other duties as the management committee may direct.

d) In the absence of the Chairman and Vice Chairman, the management committee may appoint another committee member to chair the meeting.

TREASURER

By-law 50. The powers and duties of the Treasurer shall be:

- a) Generally to manage or cause to be managed the financial affairs of the society in a competent manner.
- b) To ensure maintenance of full and complete records of all assets, liabilities, income, and expenses of the society.
- c) To ensure the safekeeping of the society's money, securities, and books of accounts.
- d) To ensure that all payments and expenditures are duly authorized.
- e) To ensure compliance with all financial management-related directives of the management committee and the Commissioner.
- f) To forward to the Commissioner necessary returns as required by the Act and Rules.
- g) To perform such other duties as may be assigned by the management committee from time to time.

By-law 51. Within fifteen days after the close of each month, the Treasurer shall prepare and submit to the management committee a financial statement showing the financial position of the society at the end of such month.

SECRETARY

By-law 52. The duties of the Secretary are:

- a) To record minutes of the management committee meetings and General meetings.
- b) To ensure that the society's correspondence is promptly and correctly attended to.
- c) To prepare and send notices of meetings. d) To perform such other duties as may be assigned by the management committee from time to time.

THE MANAGER

By-law 53. The manager shall be appointed by the management committee and shall be responsible for the day-to-day operations of the society and in particular ensure:

- a) The implementation of and adherence to the policies, procedures, and standards.
- b) Systems that facilitate efficient operations and communication are followed.
- c) The planning process to achieve targets and objectives is adhered to.

- d) All staff matters, particularly human resource development and training, are attended to.
- e) Adherence to the established code of conduct.
- f) Compliance with the Act, Rules, these by-laws, and any other applicable laws.
- g) He shall be responsible for the security of the funds and assets of the society.
- h) Attend all management committee and general meetings as an ex-officio member but with no voting rights.
- i) Be a signatory to society cheques, contracts, and other documents as may be necessary.
- j) Perform such other duties as may be assigned by the management committee.

SUB-COMMITTEES

By-law 45. The management committee may appoint sub-committees, such as but not limited to Finance Sub-Committee, Education Sub-Committee, and others as the General Meeting shall determine.

By-law 46. The management committee may delegate to the sub-committees such duties under these by-laws as it deems fit.

By-law 47. A member of the management committee shall cease to hold office if he/she:

- a) Ceases to hold qualifications of a management committee member as specified in the Act, Rules, and these by-laws.
- b) Is voted out by two-thirds majority of members present and voting at the General Meeting.
- c) Is removed by the Commissioner under the provisions of the Co-operative Act and Rules

FINANCE SUB-COMMITTEE

By-law 54. The Finance Sub-Committee shall consist of three members, including the Treasurer of the society who shall chair the committee. Its duties shall include:

- a) Advising the management committee on the financial position of the society.
- b) Supervising the loan recovery process.
- c) Deliberation on the monthly cash flow and budget.
- d) Overall responsibility for budgetary control and preparation of financial results.

EDUCATION SUB-COMMITTEE

By-law 58. The Education Sub-Committee shall consist of three members of the management committee, including the Vice Chairman of the society who shall be the chairman. Its functions shall be to:

- a) Organize, facilitate, and promote members' and committee members' education.
- b) Organize, promote, and oversee staff training and society members.
- c) Ensure production and acquisition of literature including periodicals, magazines, or brochures.
- d) Promote distribution and interpretation of these by-laws to members.
- e) Arrange for education tours in liaison with other members of the management committee.
- f) Advise the management committee and update members on all matters of education and information.
- g) Ensure allocation of funds for education purposes and apply the funds for the benefit of the society.
- h) Prepare periodic reports on education and information and publicize the same for the benefit of members.
- i) Identify, collect, disseminate, and publish co-operative news for the benefit of members.
- j) Perform any other duties assigned by the management committee.

SUPERVISORY COMMITTEE

By-law 60. The society shall have a supervisory committee consisting of three members elected at the General Meeting for a period of three years, with one member retiring annually. No person who has been a member of the management committee within two years preceding the date of the anticipated election shall be eligible for membership of the supervisory committee. The committee shall:

- i) Have qualifications similar to those of members of the management committee.
- ii) Be required to have at least some knowledge of accounts.
- iii) Be removed by a resolution of the General Meeting. The supervisory committee shall hold quarterly meetings.

By-law 62. DUTIES OF THE SUPERVISORY COMMITTEE The duties of the supervisory committee shall include:

- i) Counterchecking the effectiveness of the society's internal control systems through:
 - a) Verification of all transactions of the society.
 - b) Writing periodic reports to be tabled at management committee meetings.
 - c) Submission of its reports to the Commissioner.
 - d) Presenting its reports to the General Meeting.
- ii) The supervisory committee shall not perform the duties or exercise any of the powers of the management committee.
- iv) The supervisory committee shall be held liable for any loss incurred due to their negligence in performing their duties.
- v) The Supervisory Committee shall serve as the appeal committee to hear appeals from suspended members.

By-law 64. The supervisory committee members are jointly liable for the non-performance of duties, whether resulting from lack of supervision or negligence in noticing illegal and fraudulent acts.

BOOKS OF ACCOUNTS AND RECORDS

By-law 65. The society shall keep up to date and in a proper businesslike manner, electronic or otherwise, such books of accounts and records as stipulated in the Co-operative Act and Rules, and in particular:

- a) A register of members showing in respect of each member:
 - i) Name, age, date of application for membership, address, and occupation.
 - ii) Date of admission to membership.
 - iii) Date of cessation of membership.
 - iv) Name and particulars of nominees.
 - v) Any other information as may be required by the society from time to time.
 - vi) Number and value of shares held.
- b) Minute books giving details of proceedings of management committee, Supervisory Committee meetings, and General Meetings.
- c) A cashbook showing the details of all monies received or paid out by the society.
- d) A general ledger containing such accounts as are necessary to accurately reflect the business of the society.

- e) A personal ledger for each member showing his/her transactions with the society.
- f) A register of assets and property.
- g) A register of loans to members showing in respect of each loan: the loan number, name of the borrower, the amount borrowed, the purpose of the loan, security, the due date of repayments, and the date repayments were completed.
- h) Such other books and records as the management committee or the Commissioner may decide or prescribe. 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 Commissioner.

FINANCIAL YEAR

By-law 66. The financial year of the society shall be the same as the calendar year, i.e., 1st January to 31st December annually.

CONDUCT OF BUSINESS

By-law 67. The management committee may make such rules and policies, not inconsistent with these by-laws, as they deem necessary for the conduct of the society's business. Any such rules shall be recorded in the minute book and shall be posted on the society's notice board and shall come into force as and when determined by the management committee after approval by a General Meeting. ---

ELECTIONS

By-law 68. All elections shall be by secret ballot, queuing, or by show of hands as may be decided by the General Meeting. Every member shall vote in person and not by proxy. Within 10 days after their elections, the names and addresses of all persons elected to office shall be forwarded to the Commissioner.

By-law 69. Irrespective of the number of shares held by him, no member shall have more than one vote.

CONFLICT OF INTEREST

By-law 69. Every committee member and employee of the society shall, before taking part in any business transaction which the society may be about to discuss or initiate, disclose any personal interest in the matter. The committee member or employee shall not take part in any discussion or vote upon that item of business and shall physically absent himself/herself from the discussion unless it is determined that the individual has relevant information to provide. Failure to divulge this information shall result in removal from office or termination of employment.

AUTHORIZATION TO SIGN DOCUMENTS

By-law 70. Unless decided otherwise by the General Meeting, all documents, contracts, and cheques shall be signed on behalf of the society by the Chairman or Vice Chairman, Treasurer, and Secretary. The documents listed above may also be countersigned by the manager or any other senior staff as may be directed by the management committee.

DISTRIBUTION OF SURPLUS FUNDS

By-law 71. Subject to the Act, Rules, and approval by the Annual General Meeting, the net surplus resulting from operations of the society during any financial year shall be disposed of as follows:

- a) Not less than 20% shall be credited to the Reserve Fund.
- b) Provisions for doubtful loans shall be from the surplus each year until 100% of the required amount has been reached.
- c) If capital is less than 10% of the total assets, then the statutory Reserve contribution shall be equal to 30% of the surplus.
- d) The balance may be disposed of as decided by the management committee by:
 - 1. Paying a dividend on shares/deposits.
 - 2. Paying it into the institutional capital which no member has a claim.
 - 3. Being carried forward to an Education Fund or any other fund of the society, including the appropriation accounts.
 - 4. An amount not exceeding 10% of the remaining net balance may be paid to any charitable purpose.
 - 5. Paying a gratuity or honorarium to retiring officers or employees of the society.
 - 6. In any other way approved by the Annual General Meeting.

LOANS TO MEMBERS

By-law 72. All loans shall be approved by the management committee and shall be restricted to members as per the loan policy. The management committee can delegate to the manager the approval of loans up to a prescribed limit, with a monthly report forwarded to the committee. A member can be advanced the following loans:

a) Development Loan: This is a loan given to a member for development purposes repayable within a maximum period to be determined by the management committee.

b) Education Loan: This is given for school fees purposes repayable within a period to be determined.

c) Emergency Loan: This is a loan given for unforeseen circumstances repayable within a period to be determined.

d) Medicare Loan: This is a loan given to cater for medical bills for a member or a relative to the member

e) The rate of interest will be reviewed from time to time by the management committee as per the loan policy.

By-law 73. All loans shall be applied for on forms provided by the society for the purpose. The loan application shall set forth the amount applied for, the purpose for which the loan is desired, and security for the loan. All applications for loans and the reports of the management committee thereon shall be filed as permanent records of the society.

By-law 74. Loans shall be given for worthy purposes that will benefit the borrower.

By-law 75. Loan applications shall be considered by the management committee in the order in which application is made unless the loan is deemed by the committee to be an "emergency loan". Whenever there are more applications for loans pending than there are funds available, preference shall be given in all cases to applicants for smaller loans if the need and credit standing of the applicants are nearly equal.

By-law 76. The management committee may require an applicant to appear before it personally to be interviewed in respect of his/her application for a loan.

By-law 77. Loans may be granted to committee members and employees of the society who are members only if:

a) The loan complies with the by-laws and is not on terms more favorable than those extended to other borrowers.

b) The loan is approved by the management committee.

c) The applicant takes no part in the consideration of his application.

By-law 78. No loan shall be made to any member in excess of a limit to be determined by the management committee.

By-law 79. The management committee shall ask for such security to loans as it may consider necessary. The shares and deposits of a member may be taken as security.

By-law 80. The committee may refuse to accept as a guarantor a person who is himself in receipt of a loan and may decline to grant a loan subsequently to a member while he remains liable as a guarantor.

By-law 81. No member of staff or committee member shall act as endorser, a guarantor, or co-maker for borrowers from this society.

By-law 82. A borrower or guarantor may apply to the management committee for a change of guarantor.

By-law 83. Payments will be effected through agreed methods. However, a member may on any day on which the society is open for business, repay his loan in whole or in part prior to maturity.

By-law 84. The management committee shall only in the most exceptional circumstances agree to the refinancing of a loan balance or any request for an extension of time in which to pay. Any extension so granted shall be treated as though it was a new loan and an extension agreement shall be executed and signed.

By-law 85. At every regular meeting of the management committee, the item "LOANS" shall appear on the agenda. The management committee shall present an up-to-date listing and status of borrowers showing among other things: -

Name of the Borrower

Account number

Date of loan

Repayments status

Unpaid balance of loan

Borrowers share balance

Security, guarantors if any

By-law 86. Any loan more than three months overdue will be recovered from the guarantors.

By-law 87. Except otherwise authorized by the Commissioner, a Cash Reserve shall be maintained of not less than 10% of the total monthly remittance for the specific purpose of meeting requests and other emergency payouts. The Cash Reserve shall consist of cash in hand, the Current account, the Society Savings Account, and Fixed Deposits.

COMMON SEAL

By-law 73. The society shall adopt and use a common seal bearing the words "Seal of SOYOSOYO MEDICARE, SAVINGS & CREDIT SOCIETY". The seal shall be kept securely under lock and key by the manager and be used only in the presence of the officers authorized to sign documents on behalf of the society. Where the common seal is used in any document, it shall be authenticated by the signature of the

Chairman and the manager or any other officer authorized by the management committee.

FINES

By-law 75. For the breach of these by-laws or instructions issued by the management committee, or for failure of a member to pay his obligations on time, the defaulting member may be fined an amount not exceeding Kshs.2,000 for each offence.

DISPUTES

By-law 74. If any dispute concerning the business of the society arises:

- i) Among members, past members, and persons claiming through members, past members, and deceased members; or
- ii) Between members, past members, or deceased members, and the society, its committee, or any officer of the society; or
- iii) Between the society and any other co-operative society;
- iv) Between the society and the Commissioner Which cannot be determined by the management committee, it shall be referred to the Tribunal. Appeals shall be taken to the High Court.

MISCELLANEOUS

By-law 76. The society may, upon approval of the General Meeting, pay any of its officers or members such honorarium, salary, commission, or other payment, subject to the provisions of the approved budget for the financial year, provided that no expenditure shall be authorized by the management committee for payment unless it is provided for in the estimates formally approved by a General Meeting.

By-law 77. The executive officers, members of the committee, and employees of the society shall hold in the strictest confidence all transactions of the society with its members and all information respecting their personal affairs, except to the extent deemed necessary by the management committee in connection with loans and the collection thereof. In case of breach of confidentiality, besides the resulting action for damages, the responsible party shall be removed from office or their employment terminated.

By-law 78. No executive officer, committee member, or employee of the society shall in any manner participate in the deliberations upon or determination of any question affecting his/her own financial or personal interest. In the event of disqualification, the remaining qualified committee members present at the meeting, if constituting a quorum with the disqualified person, may exercise with respect to the matter, all powers of the committee.

INSPECTION OF DOCUMENTS

By-law 79. All books of accounts and other records shall at all times be available for inspection by the Commissioner, supervisory committee, and the members. The by-laws of the society and the registration certificate shall at all times be available for inspection by the Commissioner. A list of members (excluding details of nominees and shareholdings, deposits, and loans) shall be available for inspection by any member upon payment of a prescribed fee. By-law 80. A copy of the by-law shall be furnished to every member who requests one, upon payment of a fee not exceeding its actual costs to the society.

DISSOLUTION

By-law 80. The society shall be dissolved in accordance with the procedures set forth in the Co-operative Act and Rules.

AMENDMENT OF BY-LAW

By-law 78. These by-laws may be amended in accordance with the Co-operative Act and Rules, provided that no amendment shall become effective until it is approved in a General Meeting and registered by the Commissioner.

By-law 79. ACCEPTANCE

We, the undersigned Management Committee Members of SOYOSOYO MEDICARE CO-OPERATIVE SAVINGS & CREDIT SOCIETY LTD named herein do hereby accept these by-laws for and on behalf of the society.

TITLE	NAME	ID	SIGNATURE
CHAIRPERSON	JUDITH MRAMBA		
TREASURER	THOMAS THOYA		
SECRETARY	SIDI SARO		
VICE- CHAIRPERSON	JEREMIAH LEWA		

OFFICIAL CERTIFICATION

I CERTIFY that the foregoing by-laws of the SOYOSOYO MEDICARE, SAVINGS & CREDIT SOCIETY have been approved and duly registered. Given under my hand at Nairobi this ----- day of ----- two thousand and twenty-five.

COMMISSIONER