
LOGOS(BUK AND SAMAHA)

**SAMAHAMULTI PURPOSE
CO-OPERATIVE SOCIETY LIMITED**

BAYERO UNIVERSITY, KANO

BYELAWS

As Prepared, Drafted and Adopted.....

Motto: *Faith and Prosperity*

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PREAMBLE

- 1.1 We hereby affirm our recognition that mankind is created by Allah (SWT) and that every human effort should be geared towards establishing HIS authority on the surface of the earth;
 - 1.2 We recognize that economic and financial transactions are part and parcel of the religion of Islam. Hence, these activities must be conducted in accordance with the Shari'ah;
 - 1.3 We recognize the advantage of co-operation in advancing individual as well as the collective goals of the society;
 - 1.4 We recognize that Allah (SWT) permits productive enterprises of trade (which engenders mutual benefits) but forbids interest (which endangers the accumulation of wealth in hands of few and the impoverishment of the majority) as contained in Qur'an 2:275-278;
 - 1.5 We do hereby form ourselves into a non-interest multipurpose co-operative society in furtherance of our collective goal of the economic empowerment of our community.
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SECTION 1: INTERPRETATION

1.1 The following words and expressions used in this byelaw shall give the following meaning assigned to them as defined by section 2 of the Kano State Co-operatives Societies' Law No. 90 of 1991.

a. Financial Year: The period of twelve months beginning from 1st January to the following end of December.

b. Law: The Co-operative Societies' Law of Kano State of Nigeria.

c. Registrar: The Registrar of co-operative societies of Kano State.

d. Regulation: Regulation made under the law by the government of Kano state.

e. Management Committee: The governing body to whom the management of its affairs is entrusted

f. Member: Any person admitted to membership after registration in accordance with the byelaws and regulations

g. Trustee: Any five respected members of the society, so appointed at the AGM

h. Committee: A nominated body of persons within the society to whom specific duties are delegated by the society.

i. Good Standing: shall mean: (i) payment of all society's dues and levies as and when due (ii) Active participation at society's activities which shall mean a minimum of fifty percent (50%) attendance at society's meetings and activities.

SECTION 2: NAME

The official name of this society is Samaha Multipurpose Co-operative Society (SMCS) Limited; hereinafter called “The Society”.

SECTION 3: OFFICE AND AREAS OF OPERATION OF THE SOCIETY

3.1 The registered office: The registered office of the society shall be its Secretariat.

3.2 The official secretariat: The official secretariat of the society is the International Institute of Islamic Banking and Finance, Bayero University, Kano. The office of the Secretary/Manager is the correspondence address of the society.

3.3 Area of operation: The area of operation of the society shall be in Nigeria.

SECTION 4: NATURE/FORM OF THE SOCIETY

The society is a non-governmental, a non-political and non-interest (*riba*) Islamic multipurpose co-operative society.

SECTION 5: OBJECTS OF THE SOCIETY

The main object of the society is to promote the economic interest of its members through the following:

5.1 The provision of facilities for regular thrift savings and deposits by members.

5.2 The creation of funds to finance its members for provident or productive purpose.

5.3 The creation of funds to advance emergency loan (*qard-ul-hassan*) to its members.

5.4 Procurement of essential commodities and consumables for sale and to members at reasonable prices.

5.5 Engaging in any legal business that the management committee feels shall be of benefit to the society.

5.6 Engaging in any other activity designed on co-operative principles to encourage the spirit and practice of thrift, mutual help and self-help among its members.

SECTION 6: METHODS OF ACHIEVING OBJECTS

6.1 To carry out business activities within Nigeria and beyond, if the need arises;

6.2 To provide opportunities for its members to save and deposit funds for participating in any legal business;

6.3 To co-operate with members to engage in shari'ah compliant business or activities for mutual help;

6.4 To provide an open forum for its members for the discussion of all matters affecting the society;

6.5 To finance members' consumption and viable productive needs.

6.6 To advance emergency loan based on *qard-ul-Hasan*, to its members.

SECTION 7: MEMBERSHIP AND LIABILITY OF THE SOCIETY

7.1 MEMBERSHIP

Person eligible for membership of the society must either be:

- (a) A permanent employee of Bayero University Kano
- (b) A contract staff of Bayero University Kano

7.2 Without prejudice to sub section (1)(a)&(b) of this section, any other person employed by the cooperative, who is not an employee of Bayero University Kano, may be admitted by the management committee.

7.3 QUALIFICATION

Every member of the society must:

- a. Not be less than 18 years of age;
- b. Have the desire and willingness to promote Islamic economic principles and practices;
- c. Submit an application for membership in writing in the prescribed form through the secretary/manager, which shall be disposed of by the management committee who may grant or refuse the application;
- d. Have paid the prescribed membership registration fee and share subscription fee (to be determined by the management committee).

7.3 LIABILITY

- a. The liability of a member for the debt of the society shall be limited to the member's share;
- b. A past member shall be liable to debts due to the society, as they existed on the date when he ceased to be a member;
- c. A member shall be held individually liable for any financing obtained from the society;
- d. The estate of a deceased member shall be liable for the payment of any outstanding liability.

7.4 NOMINEES/NEXT OF KIN

- a. Every member shall complete the prescribed forms indicating the person to whom should he/she die or become incapable of carrying on with the activities of the society, by way of insanity or otherwise, his shares and savings shall be transferred to. The member may at any time change his nominee by notifying the management committee in writing.
- b. The name of the nominee shall be entered in the register of members and the member shall sign any alteration.
- c. The name of the next of kin must be confirmed by Bayero University, Kano/employer.

7.5 WITHDRAWAL OF MEMBERSHIP

A member may withdraw his membership from the society after giving a three (3) months' notice to management committee of the society in writing provided that:

- a. No loan/financing is outstanding against him;
- b. The withdrawing member shall settle all his debts owed to the society before withdrawal;
- c. Withdrawal of membership shall not be made during the first one year of membership except by termination of appointment, dismissal from Bayero University service, transfer of service or death.

7.6 CESSATION OF CONTRIBUTION BY MEMBERS

- 1. Any member that fails to contribute for six (6) consecutive months shall henceforth have his/her account become dormant until he/she applies for reactivation.
- 2. A member can apply for dormancy for a maximum period of twelve (12) months. Such an application shall however be formally approved by the management committee.
- 3. Any member undergoing dormancy shall not be entitled to any financing benefits within the period for which he pauses his contribution.
- 4. All payments obligations must be fulfilled during the period of dormancy as and when due.

7.7 EXPULSION OF MEMBERS

- 1. Any member found guilty of any of the following, shall be expelled from the cooperative society:
 - a) Conviction by any competent court of criminal offence involving dishonesty or resulting in imprisonment for three months or more;

- b) Any act which may be held by the management committee to be dishonest, contrary to the interest of members or to the stated objectives of the society;
2. Expelled members shall only be entitled to the profit already accrued to them while they were members.

7.8 TERMINATION OF MEMBERSHIP

Membership of the society shall terminate by:

1. Death;
2. Permanent insanity;
3. Expulsion by two-third (1/3) majority of the members of the society at the General Meeting;
4. Complete withdrawal of ordinary savings and any other deposits;
5. On termination of membership, a member shall be paid all his entitlements within three months.

SECTION 8: SOURCES OF FUNDS AND CONDITIONS FOR WITHDRAWAL of SAVINGS

8.1 SOURCES OF FUNDS:

The funds of the society shall consist of:

1. Registration fees (non-refundable) to be determined by the management committee;
2. Shares;

3. Membership savings;
4. Special deposits, loans, grants and donations;
5. Surplus (profits) arising from the business of the society;
6. Proceeds from the sale of registration forms and other forms as may be approved by the management committee;
7. Sales of membership pass books, byelaws etc;
8. Fines (where applicable);
9. Administrative charges; and other
10. Miscellaneous sources approved by the Registrar of the cooperative society of Kano State.

8.2 ORDINARY SAVINGS (monthly contributions)

1. The minimum contribution of ordinary savings by a member who is a of BUK is N5,000= (five thousand naira only) while for the junior employee is N2,000= (two thousand naira only) every month, which is to be paid into the bank account of the society.
2. All payments of monthly contribution by the employees of the University shall be by direct Bursary deduction at the point of salary payment or through any other means agreed upon by the management.

8.3: SHARES

1. Authorized Share capital:

The authorized shares of the society shall stand at ten million (10,000,000) valued at ~~N~~50.00 per share that is equivalent to an authorized share capital of

~~N~~500,000,000.00. The general meeting shall have the power to increase both the authorized shares and the shareholding of the society.

2. Minimum Shareholding:

Every member shall hold at least 500 shares equivalent to N25,000 as soon as he/she is admitted as a member of the society or within the stipulated period shareholding

3. Maximum Shareholding:

A member shall hold any number of shares in excess of the stipulated minimum shares in multiples of 100 provided that his/her total holding shall not exceed 20% of the subscribed share capital of the society

8.4 SPECIAL SAVINGS

A member may make special savings with the society for a specified period of time.

8.5 INVESTMENT DEPOSIT

A member may make special deposit with the society for investment purposes for a fixed period of time and for a project on a profit and loss sharing basis.

8.6 WITHDRAWAL OF SAVINGS

i. Ordinary savings: No member shall have a right to withdraw part or all of his ordinary savings except in the case of *Zakah*, termination or withdrawal of membership from the society.

- ii. Special Savings: A member may withdraw all or part of his special savings provided he/she has given in writing of at least one month notice.
- iii. Investment Deposit: Withdrawal of investment deposits shall be based on the terms and conditions of the underlying contract.

SECTION 9: FINANCING AND EMERGENCY LOAN

9.1 FINANCING

- i. Financing request by members when approved by the financing committee shall be forwarded to the chairman for final approval.
- ii. An employee of BUK shall be entitled to the financing of the society:
 - a. Equivalent to 300% of his/her total accrued savings, which is to be paid within the maximum of 24 calendar months.
 - b. The payment may be made within a minimum period of 3 calendar months to be made through direct bursary deduction (not more than 1/3 of the member's salary.) or any other means approved by the management,
 - c. A contract staff of BUK shall be entitled to the financing of the society equivalent to up to 300% of his/her accrued savings, which is to be paid within 12 calendar months or within the remaining period of his contract, through direct bursary deductions of not more than 1/3 of the member's salary.

iv. Other members of the society shall be entitled to the financing of the society to the extent of the amount of money to be decided and approved by the management committee.

9.2 EMERGENCY LOAN (*Qard-al-hassan*)

A member shall be eligible to apply for an emergency loan; and such amount shall not exceed 35% of his/her total ordinary savings, provided the emergency loan shall be payable within three (3) consecutive months.

SECTION 10: BUSINESS OPERATIONS

- i. Ordinary savings would be used for financing emergency loan and other businesses of the society.
- ii. Any accepted business proposal from a non-member or an organization shall be carried out based on a mutually agreed shari'ah compliant contract.
- iii. If a business idea emanates from a member of the society, he/she shall be considered for an incentive of 2.5% of the profit realized.
- iv. The Net Profit realized from all business activities within a financial year, shall be disposed of as agreed in a General Meeting and in line with the society's byelaw.
- v. 100% of the share subscription by members shall go for medium to long-term investment.

SECTION 11: OFFICERS OF THE SOCIETY AND THEIR FUNCTIONS

11.1 OFFICERS OF THE SOCIETY

- a. The officers of the society shall consist of the Chairman, Vice Chairman, Secretary/Manager, Assistant Secretary, Financial Secretary/Treasurer, Internal Auditor and Public Relations Officer. They shall also be known as the Management Committee of the Society.
- b. The immediate past Chairman and Secretary/Manager of the society shall be Ex-Officio I and II members of the Society's Management Committee.
- c. The duties/functions of the Executive Officers of the Management Committee of the society are as set out in this law.

11.2 FUNCTIONS OF THE OFFICERS

a. THE CHAIRMAN

The Chairman of the Samaha management committee who must be knowledgeable in Islamic Finance and a senior staff of B.U.K shall:

- i. Preside over all meetings of the society;
- ii. Be the chief accounting officer of the society;
- iii. Be the 'A' signatory to the bank accounts of the society;
- iv. Sign minutes of the meetings
- v. Implement all policies of the society.

b. THE VICE CHAIRMAN

- i. Shall assume all responsibilities of the chairman in case the chairman is not available or ceases to be a member in whatever way;

ii. Any other responsibility assigned to him by the Chairman.

c. TREASURER

- i. The treasurer of the Samaha co-operative society shall take charge of all money received by the society.
- ii. She/he shall make disbursement in accordance with the direction of the management committee.
- iii. He/She shall sign the cashbook.
- iv. He/She shall produce the cash balance whenever called upon to do so by the registrar and at every general meeting.
- v. He/She shall deposit all money in his/her possession over the limit fixed by the general meeting in the bank approved for this purpose by the management committee to be ratified by the general meeting. All such money shall be deposited in the name of the society.
- vi. Shall be one of the 'B' signatories to the Accounts of the society.

d. THE SECRETARY/MANAGER

The Secretary/Manager of the Samaha co-operative society shall:

- i. Keep and maintain correct and updated prescribed books and registers
- ii. He shall take minutes of all meetings.
- iii. He shall prepare all vouchers and documents required by the regulations or byelaws or as called upon by the management.
- iv. He shall summon and attend all meetings.

- v. He shall sign on behalf of the society and conduct all its correspondences.
- vi. He shall prepare records and proceedings of meetings and have them duly signed.
- vii. He shall prepare and submit to the management, the annual, account, Bank statements and copies of entries in the books.
- viii. He shall make himself available in the office during the hours fixed for him from time to time.
- ix. He shall be one of the 'B' signatories to the Accounts of the society.
- x. He shall keep the register of the members of the society.

d. ASSISTANT SECRETARY

- i. The assistant secretary shall act on behalf of the secretary
- ii. Shall assume other roles as may be designated to him by the General Meeting or Management Committee from time to time.

f. INTERNAL AUDITOR

- i) The Internal Auditor shall audit all the books and accounts of the society for every financial year. He/she shall:
- ii) Liaise with the supervisory committee and advice it as may be required from time to time;
- iii) Prepare Audit report and submit it to the general meeting;
- iv) Carry other responsibilities as may be assigned to Him or Her by the management Committee or the General Meeting;

v) Append his/her signature to the correctness of the financial statement and the accounts of all money received and expended by the society.

g. PUBLIC RELATIONS OFFICER

The Public Relations Officer shall:

- i. Be the image-maker of the Society;
- ii. Arrange for the society's meeting and communicate it to members
- iii. Publicize the activities of the Society in conjunction with the other members of the management committee.
- iv. Make himself available in the office during the hours fixed for him from time to time.
- v. Be the publicity Secretary of the Society.
- vi. Convey messages to and on behalf of the society or its members.

h. EX-OFFICIO 1 AND 2

Ex-officio 1 and 2 shall attend all Management and General Meetings of the society and share their experiences with the Management Committee and members of the society generally.

11.3 The Secretariat:

The society shall have a secretariat where its activities shall be coordinated.

- i. The secretariat shall be supervised by the General Secretary and other Management Committee members;
- ii. It shall employ officers who will work in the secretariat on the day-to-day running of the society.

- iii. The Secretariat may be staffed by direct employees of the Society or outsourced to a third-party;
- iv. The Management Committee shall determine appropriate entry point and conditions of service for any employed staff from time to time.

11.4 ELECTION OF OFFICERS OF THE SOCIETY

- i. The screened candidates shall be presented by *Shura*, shall be elected by secret ballot and shall be persons of good standing.
- ii. The election of the officers of the society shall be conducted at the General Meeting to be held in the month of January of every other year at the venue to be determined by the management committee.
- iii. Every member of the society shall be entitled to a single vote at the election PROVIDED he has paid up all outstanding dues and levies as at the time of voting.
- iv. The election shall be conducted by the *Shura* committee and approved by the General Meeting on the date of the election and in the event of a tie, the committee shall have the final say.
- v. Nominations for elective offices shall be made at least two weeks to date of the AGM
- vi. All officers elected at the General Meeting of the society may continue in office for 2 years until their successors are elected or appointed.
- iii. Election shall be determined by a simple majority of votes cast.

- iv. Election results shall be announced publicly at the election venue and the decision of the *Shura* Committee shall be final.

11.4 VACANCIES

- i. The Management Committee shall fill any vacancies occurring in any office of the society for the remaining unexpired term;
- ii. Offices shall become vacant by death, disability, resignation, removal, and revocation or by other reasonable causes.

11.5 TERM OF OFFICE

The officers of the society shall serve for a renewable term of 2 years.

SECTION 12: COMMITTEES OF THE SOCIETY AND THEIR FUNCTIONS

There shall be in place the following committees as may be approved by the Annual General Meeting of the society.

- i. *Shura* committee
- ii. Management committee
- iii. Investment committee
- iv. Financing committee
- v. Supervisory committee;
- vi. and other committees as circumstances might demand and with the approval of the Annual General Meeting.

THE *SHURA* COMMITTEE

The *Shura* committee shall consist of five (5) members. The committee shall be constituted at the 3rd quarter of every election year and it should be automatically dissolved after accepting nominations for election into various offices as well as approving selections and appointment of members into various committees. The quorum of the committee shall be three members.

ELIGIBILITY FOR MEMBERSHIP OF SHURA COMMITTEE

- i. Must be a person of proven integrity;
- ii. Must be generally acceptable to the university community.
- iii. Must not be an incumbent member of the Management Committee;
- iv. Members of *Shura* Committee are not eligible for appointment into the Management Committee.

DUTIES OF THE SHURA COMMITTEE

- i. The *Shura* committee shall provide guidelines for the conduct of elections into the posts of management offices of the society;
- ii. It shall act as a search team for deserving members that could hold offices of the management committee;
- iii. It shall collect nominations into various offices two weeks before the Annual General Meeting;
- iv. It shall submit report of activities of the *Shura* and, hence, announce the names of the new members of the management and other committees.
- v. It shall dissolve the existing management committee and other committees following the acceptance of their reports.

12.1 MANAGEMENT COMMITTEE

The members of the management committee shall be elected at the Annual General Meeting to manage the affairs of the Society for three financial years renewable once. The committee shall comprise of the Chairman, Vice Chairman, Treasurer, Secretary/Manager, Assistant Secretary, Internal Auditor, Public Relation Officer, Ex-Officio II and I.

DUTIES OF THE MANAGEMENT COMMITTEE

- i. The committee shall meet as often as the business of the society may require and in any case not less than once a month;
- ii. The secretary in consultation with the Chairman shall summon the meetings of the committee;
- iii. The committee shall keep a true and accurate account of assets and liabilities of the society;
- iv. The committee shall keep a register of all members correctly and up-to-date;
- v. The committee shall prepare and lay before the general meeting once every year the accounts of the society;
- vi. The committee shall enter into contract on behalf of the society;
- vii. The committee shall have the power to employ staff and assign duties and responsibilities;
- viii. The Committee shall have the power to appoint a new member to fill any casual vacancy arising out of death, resignation, retirement or removal of a member of the Committee before the AGM.

12.3 INVESTMENT COMMITTEE

The Investment committee shall consist of (7) members appointed for 2 years (renewable) by the Management Committee. The quorum of the committee shall be 4 members.

DUTIES OF THE INVESTMENT COMMITTEE

- i. The investment committee shall amongst other roles as may be assigned to it, identify *Shari'ah*-complaint and viable investment opportunities.
- ii. It shall prepare a business and investment plans for the short, medium and long terms and present it to the Management Committee for approval.
- iii. It shall execute approved business and investment plans.
- iv. It shall be represented in the monthly Executive Management meetings and give report in it through its Chairman.

12.4 FINANCING COMMITTEE

The Financing Committee shall consist of 5 members nominated for two years (renewable) by the Management Committee. The quorum of the committee shall consist of 3 members.

DUTIES OF THE FINANCING COMMITTEE

i. The committee is to receive applications for Financing and examine them against the background of the financial conditions, personal habit/conducts, previous record of borrowing, purpose of the financing, ability to repay fully and promptly, the character and financial standing of the applicant and the availability of funds in the society.

ii. It is to decide on terms of payments for financing granted.

iii. It is to call at regular intervals, comparative statement of outstanding payments, analysis of delinquent payments and reasons for them.

iv. The committee shall give a monthly report to the management committee through its chairman.

12.5 SUPERVISORY COMMITTEE

At the Annual General Meeting there shall be elected 5 members as supervisory committee. The quorum of the committee shall be 3 members.

12.5.1 DUTIES OF THE SUPERVISORY COMMITTEE

i. The committee shall examine the records of the society, which shall include an audit of its books and inspection of registers, accounts and financing.

ii. It shall make a written report to the management committee of its findings following the examination.

iii. It shall make an annual audit and submit a written report to the Management Committee.

- iv. It shall make an examination of the operations of the society to ensure shari'ah compliance.
- v. The committee shall meet at least twice every year.

12.5.2 POWERS OF THE SUPERVISORY COMMITTEE

The supervisory committee shall have the power to recommend the suspension of any or all officer(s) of the management committee or to call a special meeting of the society to consider any violation of the rules and regulations according to the byelaw of the society.

SECTION 13: FUNDS AND DEPOSITS IN BANKS OR OTHER INSTITUTIONS

- i. The fiscal year of the society shall begin on the 1st day of January and shall end on the last day of December of the same year.
- ii. The funds of the society shall consist of share subscription of its members at such rates to be determined from time to time by the management committee, ordinary savings, special savings, special deposit, reserve fund and other forms of income as the society may receive from time to time.
- iii. The funds of society shall be applied exclusively for the purpose of the society in accordance with the directions of the management committee.
- iv. All funds belonging to the society shall be kept in its name with reputable Banks.

v. Except as otherwise specifically provided for in this bye-law, no indebtedness other than the necessary expenses for office supplies, postage stamp, mailings of letters, and the payment for Post Office Box or for office rent shall be incurred by any officer or members on behalf of the society except by the vote of the management committee.

vi. The secretariat of the society may hold as imprest such amount of money as may be approved by the management committee from time to time.

13.1 OPERATION OF BANK ACCOUNTS

i. The society shall operate a Savings Account where the bulk of the society's money shall be kept and a Current Account for the day to day running of the society's expenses.

ii. For the society's funds in the Bank Account to be withdrawn, there shall be three principal signatories namely: the chairman, the Treasurer and the Secretary. Chairman and one of the two may sign.

13.3 INVESTMENT

The funds of the society that are not required for recurrent use may be invested in accordance with the directions of the management committee or in a manner prescribed by the byelaw.

SECTION 14: APPROPRIATION OF SURPLUS

14.1 ANNUAL SURPLUS

The annual surplus of the society shall be appropriated in the following manner:

- i. Not less than 5% to the General Reserve Fund, unless there is a lower prescribed percentage by the Registrar.
- ii. 5% to the education fund/development fund.
- iii. At least 10% as Honoraria to Management committee and other statutory committees as decided by the AGM;
- iv. Donation or others appropriations as may be decided upon by the General Meeting
- v. Dividend on members' shares and returns on savings.

14.2 RESERVE FUND

When the amount appropriated to the reserve fund equals to total limited liability of the society as contained in the byelaw, no further contribution shall be made to this account. The reserve fund shall belong to the Society and no member is entitled to claim a specific share in it except with the written permission of the Registrar.

14.3 DIVIDEND ON SHARE:

Dividend on shares and returns on savings shall be proposed by the management committee on the basis of income earned during the period.

14.4 REGISTRAR'S APPROVAL

The appropriation of the net surplus shall be subject to approval by the Registrar and governed in all respects by the rules and regulations and the law.

SECTION 15: BOOKS AND ACCOUNTS

Account and records shall be maintained by the Secretary/Manager in the forms prescribed by the registrar and shall include the following:

- i. Membership and attendance register showing the name, address and occupation of every member, date of admission to membership. The nominee and attendance at meetings.
- ii. A cash book showing the receipts, expenditure and balance each day business is done;
- iii. General Ledger; personal ledger showing account for each member, depositor or creditor;
- iv. Finances register;
- v. Minute book for proceedings at Annual General Meeting and Committee Meetings;
- vi. Such other records as may be prescribed by the Registrar.

15.1 PASSBOOK

Every member shall purchase from the society a passbook showing particulars of his personal account with the society.

15.2 INSPECTION OF BOOKS

The books, accounts, registers and papers of the society shall be opened to all members for inspection at all reasonable times and to any accredited cooperative official; provided that no person other than an officer or committee member of the society or a cooperative official shall be allowed to inspect the personal account of another member without that member's consent, copies of the byelaw

and regulations shall be available for inspection at the registered office of the society at all reasonable time.

SECTION 16: REMOVAL OF EXECUTIVE OFFICERS OF THE MANAGEMENT COMMITTEE

Any management committee member can be removed through two-third (2/3) majority of the shareholders (members) in attendance at a meeting convened for that purpose.

1. An executive officer/ management committee member may be removed on any of the following grounds:
 - i. Dishonesty and/or conflict of interest. engaging in the society's contract without full disclosure of his interest to the members at Annual General Meeting;
 - ii. Incapability to discharge his/her duties by virtue of ill health;
 - iii. Fraudulent practices;
 - iv. Non-performance of his/her assigned duties.
 - v. Engaging in acts inimical to the continued existence of the society.
 - vi. Or for any other reasonable cause as may be decided by 2/3rd majority of the members of the Management Committee present and voting at that meeting.
2. Notice of removal shall be served to the officer at least two (2) days before the meeting and copies to be left in the registered office of the society.

16.2 ELIGIBILITY TO HOLD OFFICE

- i. Only members in good standing may hold elective or appointive offices in the society.
- ii. To be eligible to stand for elections for any of the management offices, a candidate must be a member of the society.
- iii. To be eligible to vote or be voted for in an election, a member shall be in good standing and shall in addition be duly registered with the society.
- iv. No member shall be elected as management officer of the society if he/she has not been an active member for a period of at least two years.
- v. For the post of Chairman, no member of the society shall be elected except he/she is knowledgeable in Islamic Finance.
- vi. For the post of Secretary/Manager, no member of the society shall be elected except he/she is of good standing and is knowledgeable in Islamic Finance.

SECTION 17: ARBITRATION AND LIQUIDATION

17.1 ARBITRATION:

Any disputes arising in or concerning the society, its members, past or present, or person claiming through them, shall be referred to the Registrar for settlement by arbitration where the intervention of Trustees fails.

17.2 LIQUIDATION:

The society shall not be liquidated except by order of the Registrar. In case there are any surplus after all liabilities of the society and repayment of all sums

at the credit of members, such surplus shall be disposed of as decided by the General Meeting with the approval in writing of the Registrar.

17.3 DISPOSAL OF FUNDS:

On the dissolution of the society, the reserve and other funds of the society shall be applied:

- i. To discharge the liabilities of the society and
- ii. Repayment of the membership savings, and deposit to their credits.
- iii. The remainder shall be appropriated as provided by the law.

SECTION 18: MEETINGS OF THE SOCIETY

There shall be the following meetings by the society:

- a. Annual General Meetings
- b. Special General Meetings
- c. Ordinary General Meetings

18.1 ANNUAL GENERAL MEETING

a. The Annual General Meeting of members shall be convened by the management committee as soon as annual accounts have been approved by the Registrar or audit of the accounts by the Internal Auditor has been sanctioned by the Registrar or person authorized by him, is received by the management committee. At least fourteen (14) days notice shall be given to members before the General Meeting.

b. It shall be the duty of every member to attend the General Meeting. The General Meeting shall have power under the byelaws to impose fine on members who without good reason refuse to attend.

c. FUNCTIONS

The function of the Annual General Meeting shall be to:

- i. Confirm the minutes of the previous meeting and any intervening special general meeting.
- ii. Consider the report of the management committee and the accounts and balance sheet as approved by the Registrar together with the report on the audit of the accounts for the previous year as prepared by the Registrar or the person authorized by him.
- iii. Approved the appointment of new official including internal auditor(s).
- iv. Transact any other general business of the society.
- v. Confirm the membership of new members and termination of membership.

18.2 SPECIAL GENERAL MEETING

A special general meeting may be conveyed at any time by the management committee and on receipt of the demands stating the objective of the proposed meeting signed by not less than one-fifth ($1/5$) of members of the society. It shall be duty of the Chairman to convene such meeting giving fourteen (14) days notice.

18.3 ORDINARY GENERAL MEETING

Ordinary General Meeting shall be at such intervals as the Management Committee may deem appropriate and specify.

18.4 CONDUCT OF GENERAL MEETING

a. One fifth of the total membership or 50 members (whichever is less) shall form a quorum for the purpose of any general meeting.

b. In the absence of the Chairman and Vice Chairman of the society, any other member of the management committee duly nominated by those present at the meeting shall preside at the general meeting. If no member of management committee is around; majority members of those present shall elect one member of the house to preside over the meeting.

c. The secretary or in his absence any other person nominated in writing by the presiding officer shall acts as Secretary at the meeting. The Presiding Officer, if necessary, may nominate other officers to assist at the meeting.

d. Any issue presented for the decision of the members present at the meeting, unless otherwise dealt with in the regulations, shall be decided by majority votes.

e. At the meeting, a resolution put on vote shall be decided by a show of hand or balloting.

f. In respect of every resolution put on vote, the secretary shall enter all record to that effect in the minute's books with evidence of anything therein contained. The Chairman shall countersign minutes of General Meeting.

g. Any member who is unable to attend a General Meeting shall obtain a proxy form at a quoted price and such must be duly completed and returned to the Secretary not less than a week from the date of the meeting.

h. Any decision taken in a General Meeting shall remain binding on all members whether present or not at the meeting where such decision is taken.

SECTION 19: MISCELLANEOUS PROVISIONS

19.1 AFFILIATION TO CREDIT UNION:

Unless there are reasons to the contrary accepted by the Registrar, the society shall affiliate itself at the earliest possible time to any credit union formed in its area of operation.

19.2 FINES:

Any member or officer who absents himself from a General Meeting or committee meeting without reasonable excuse (s) or otherwise acts in a manner considered to be against the best interest of the society will be fined with ~~₦~~ 100 or any amount to be decided by the management committee.

19.3 SEAL:

The Secretary shall hold in safe custody, seal of the society on behalf of the trustees. The seal shall be of pattern approved by Registrar. Document shall be sealed at least by two of the trustees.

19.4 TRUSTEES:

- i. Trustees of the society shall be appointed at the General Meeting of the society.
- ii. Such trustees (hereinafter called “The Trustees”) shall be five (5) respected members of the society and shall be known as “THE REGISTERED TRUSTEES” of the “SAMAHA MULTIPURPOSE CO-OPERATIVE SOCIETY”
- iii. A trustee may hold office for life but shall cease to hold office if he/she:
 - (a) Resigns his/her office
 - (b) Ceases to be a member of ‘Good Standing’ in the society
 - (c) Becomes insane
 - (d) Is convicted of a criminal offence involving dishonesty by a court of competent jurisdiction
 - (e) Is recommended for removal from office by a two-thirds majority votes of members present at General Meeting of the society
- iv. Upon a vacancy occurring in the number of trustees, General Meeting shall appoint a member to fill the vacancy.
- v. The trustees shall have a common seal which shall be kept in the custody of the Secretary/Manager of the society who shall produce it when requires for use by the Trustees.
- vi. Any document to be executed by Trustees shall be signed by three of them and sealed with common seal.
- vii. The Trustees shall deal with the property of the society as directed in writing by a resolution of the General Meeting.

ELIGIBILITY TO SERVE AS A OF TRUSTEE

A person to serve, as a trustee of the society must:

- i. Believe in the ideal and goal of the society.
- ii. Have contributed to the growth and development of the society.
- iii. Not be found wanting in the discharge of his/her duty.

FUNCTIONS OF THE TRUSTEES

- i. Trustees are to serve as arbiters in any case of conflict that cannot be resolved by the management committee.
- ii. They are to project the proper interpretation of the policies, rules and regulations of the society in any case of misunderstanding.
- iii. They are to call to order any member of the management or any other committee who fail to discharge his/her duties as prescribed by the byelaw.
- iv. They are to make final decision about any deserving member worthy of being honored based on the recommendations of the management committee.
- v. They shall seal the document of the society.

19.5 DISCIPLINE

i. The society has power to discipline any erring member for any misconduct by imposing sanction on such a member through a simple majority decision of members of the management committee and if it is gross misconduct or fraudulent practices, the society shall report such to the 'General Meeting'

ii. The Management Committee in reaching its decisions on any misconduct may be guided by the recommendations of the Disciplinary committee.

19.6 DEATH OF A MEMBER

When a member of the society in good standing dies, at least two members of the management committee shall attend the burial/condolence on behalf of the society with a contribution of money, as may be prescribed from time to time by the management committee, to the bereaved family.

19.7 SUPREMACY OF THE BYELAW

The provision of this byelaw shall be supreme and binding on all members of this society and shall only be subject to the provisions of the laws of the university and the laws of the land.

19.8 AMENDMENT OF THE BYELAW

The Annual General Meeting of the society shall make any amendment to the byelaw. However the amendments are and not to be valid and binding until such amendment(s) are registered by the Registrar.

- i. No part of this byelaw shall be amended unless by the consent of $\frac{2}{3}$ (two third) majority of the registered members of good standing, present at the General Meeting.
- ii. Motion for amendment shall be considered for discussion only after a full month's notice to ensure full attendance. But nothing herein contained shall prevent the general meeting from making additional changes in the proposed amendments, as they deems fit.