

## **KENTOURS SACCO SOCIETY - EXTRACTS OF THE BYLAWS**

### **15.0. CONSTITUTION OF THE BOARD OF DIRECTORS**

#### **15.1. BOARD OF DIRECTORS IS THE GOVERNING BODY**

The Board of Directors shall be the governing body of the SACCO Society elected from the general membership and shall consist of nine (9) non-executive members, elected by the members pursuant to the provisions of the Co-operative Societies Act, these By-Laws and any other written law.

#### **15.2. ELIGIBILITY FOR MEMBERSHIP TO THE BOARD OF DIRECTORS**

No person shall be eligible as a member of the Board of Directors if he; -

- a) has not been a member of the SACCO Society for at least two (2) years prior to the Annual General Meeting during which he is seeking to be elected to the Board;
- b) has been adversely named by the Commissioner in an Inquiry Report endorsed by a General Meeting for mismanagement or corrupt practices whilst still a member of the Board of a Co-operative Society or Union in the last ten (10) years, or mentioned adversely in any other national government inquiries where he has been shown or alleged to be engaging or have engaged in dishonest activities;
- c) has been adversely named by the Authority in an Inspection Report for mismanagement or corrupt practices while still a member of the Board of Directors or officer of a SACCO Society in Kenya;
- d) has been barred or prohibited from holding office as a director or officer of a SACCO Society by the Authority;
- e) has been charged of any offence involving dishonesty, a crime involving fraud, perjury or breach of contract of a financial institution;
- f) has been convicted of any offence involving dishonesty or has been imprisoned for three (3) months or more with a crime involving fraud, perjury or breach of contract of a financial institution;
- g) is delinquent on loans with the SACCO Society for any period within two (2) years prior to elections;
- h) Is not an active member of the SACCO Society and whose monthly savings have not been contributed to the SACCO Society for a period of three (3) consecutive months;
- i) shall not have attained a minimum of "O" level certificate of education or equivalent except as otherwise expressly exempted by the Commissioner;
- j) is undischarged bankrupt;
- k) is under 18 years of age;
- l) is of unsound mind;
- m) is a member of the Board of Directors of another existing SACCO Society authorized or licensed under the Sacco Societies Act;
- n) is an official of or holds a political office at any level;
- o) does not conform to minimum qualification standards in accordance to any applicable law;
- p) has been removed from public office or barred from holding public office by

- any agency of the government, on disciplinary action;
- q) has not executed and submitted or caused to be submitted to the Authority, the Fit and Proper Test Form as provided in the Regulations 2020;
  - r) Has not signed the declaration of wealth and indemnity within thirty (30) days of assuming office;
  - s) Receives a salary, remuneration or other payment from the SACCO Society save in accordance with the Act, Rules and the SACCO Society's By-Laws;
  - t) Has a record of lending members money on his own account;
  - u) Holds deposits less than Five Hundred Thousand Kenya Shillings (Ksh. 500,000) or as may be decided from time to time by the General Meeting;
  - v) Has ceased to be an employee of the unit or company that signed the Memorandum of Understanding with the SACCO Society and has not joined another unit or company in the common bond and that has signed the Memorandum of Understanding and already remitting members deductions. At the discretion of the Board of Directors, such a member may be co-opted to serve until the next General Meeting when a new member will be elected;
  - w) Has not undergone the SACCO Society vetting process and been duly cleared; or
  - x) Has sought to be elected into the Supervisory Committee during the same General Meeting.

## **23.0. SUPERVISORY COMMITTEE**

### **23.1. ESTABLISHMENT OF SUPERVISORY COMMITTEE**

The SACCO Society shall have a Supervisory Committee consisting of three (3) members each elected at the General Meeting for a period of three (3) years, and one member of the supervisory committee shall retire annually.

No member who seeks to be elected into the Board shall be eligible for election into the Supervisory Committee during the same General Meeting.

### **23.2. QUALIFICATIONS FOR MEMBERS OF SUPERVISORY COMMITTEE**

A member shall be qualified and eligible for elections to the Supervisory Committee of the SACCO Society, if the member; –

- a) has qualifications similar to those of Board Members; and
- b) in addition, at least one member of the committee must have basic knowledge in accounting, auditing or financial Management.