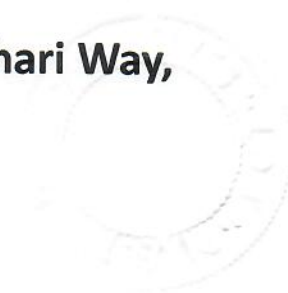


AKILAAH COOPERATIVE SOCIETY LIMITED

BYE-LAWS

DECEMBER 2024

**5th Floor (Left Wing), NICON Plaza, Muhammadu Buhari Way,
CBD, Abuja.**



BYE-LAWS OF AKILAAH COOPERATIVE SOCIETY LIMITED

Throughout the Bye-laws, reference should be made to the Nigerian Co-operative Societies Act 2004 CAP 98

1.0. NAME AND AREA OF OPERATION:

1.1 The society shall be called: **AKILAAH COOPERATIVE SOCIETY LIMITED**

1.2 The address and Headquarter of the society shall be at: **NICON Plaza,
Mohammad Buhari Way, Central District, Abuja.**

1.3 The Society shall have a Common Seal. The Common Seal shall be kept in the safe custody of the Officer authorised by the Management Committee and shall be used on the authority of a resolution of the Board constituted under the bye-laws of the society;

1.4 The area of operation of the society shall extend to all members location as operational areas and Abuja.

1.5 The society is body corporate which shall sue and be sued in its name.

2.0 DEFINITIONS:-

The words/expressions appearing in these bye-laws shall have the following meaning unless otherwise provided:

2.1 **"Act"** means the Nigerian Cooperative Societies Act..

2.2 **"Area" of Operation** means the area from which the persons can be admitted as members of the society.

2.3 **"Board"** means the Management Committee of the Society.

2.4 **"Bye-laws"** means the Bye-laws of the society for the time being in force which have been duly registered or deemed to have been registered under the Nigerian Cooperative Societies (NCS) Act in force and includes amendments thereto which have been duly registered or deemed to have been registered under the Act;

2.5 **"Director"** means the Director of Cooperative Societies appointed under the provisions of the NCS Act;

2.6 **"Cooperative Society"** means a cooperative society registered by Law.

2.7 **"Cooperative Year"** means the period from 1st of January to 31st of December

- 2.8 **"Member"** means an individual and cooperative society/organization that is admitted as a member of the society and continues to be so for the time being;
- 2.9 **"Officer"** means a President, Vice-President, Vice chairperson, Secretary, Manager, Members of the Board, and includes any other person empowered under.

3.0 OBJECTIVES AND FUNCTIONS.

a) Objectives.

The principal object of the society will be to promote the interests of all its members to attain their social and economic betterment through self-help and mutual aid in accordance with the cooperative principles.

- 3.1 To provide accessible, affordable, and user-friendly digital banking services to members
- 3.2 To develop tools to help members manage their finances more efficiently.
- 3.3 To provide facilities for savings, deposits, microloans, small and medium scale businesses.
- 3.4 To purchase and retail to its member's goods, commodities and services.
- 3.5 To provide farmers with seeds, fertilizers, chemicals, finances and any other inputs to in turn pay with produce.
- 3.6 To engage in Real estate and property development.
- 3.7 To invest in Commerce, Industries, Mines and Agriculture.
- 3.8 To engage in Agricultural production and processing for export.
- 3.9 To promote Co-operative spirit for economic and social interest of members.
- 3.10 To engage in any other economic activities that may tend to increase the earning capacity and ultimately improve the standard of living of members.
- 3.11 To obtain grants, loans and advances from Government agencies or International donor organizations, financial institutions and other organizations for the attainment of the attainment of the above objectives of the Cooperative.

b) Functions:

- 1) In furtherance of the above objects, the society may undertake any or all the following activities:-
- 2) Ensure compliance of the cooperative principle;
- 3) Provide specialized training, education and data-based information;
- 4) Undertake research, evaluation and assist in preparation of perspective development plans for its member cooperative;
- 5) Undertake business services on behalf of its member cooperative, if specifically required by or under the resolution of the general body or the board, or bye-laws of a member co- operative;
- 6) Provide management development services to a member cooperative;

4.0 Membership:

A Society shall have following categories of members:-

- (i) Individual members
- (ii) Corporate members
- (iii) Associate members

4.1 Application:

The application for membership of the society shall be submitted by the applicant to the Manager of the society in the prescribed form and payment of application fees.

A member may, with the approval of the Management Committee, transfer its shares to another member of the cooperative society.

The Management Committee may, on application, by a Member:

- (i) Approve conversion of shares allotted to it or a part thereof into those of other denominations subject to such conditions as the Board may decide to impose;
- (ii) Consolidate all or some of the partly paid shares already allotted to member.

4.2 Disqualifications of membership:

No person shall be eligible for being or continuing as a member of the society if:-

- a) His business is in conflict or competitive with the business of the society; or
- b) He did not make annual financial obligation as required for a member.

- c) He did not attend three consecutive general meetings and such absence was not condoned by the 2/3rd. majority of the members attending the meeting; or
- d) Has defaulted in payment of all dues including contributions, subscriptions, if any, as decided by the board of the society from time to time and has not made the payment within 30 days after receiving the notice for payment.

4.3 Cessation of membership:

The membership of the cooperative society may cease in case of :-

- (i) Resignation or death of the member.
- (ii) Cancellation of registration of member society or dissolution/liquidation of a corporate member;
- (iii) All the shares are transferred to another person/ society;
- (IV) Expelled by the general body;
- (v) Incurring any of the disqualifications of membership.

4.4 Withdrawal from membership:

Any member of the society may withdraw from membership of the society only by giving at least a three (3) month notice and duly approved by the Board of the society.

4.5 Expulsion of Members:

Members of the society may be expelled by a resolution of the general body passed by 2/3 majority present and voting if:

Any member has defaulted in payment of dues as per bye-laws of the society for a continuous period of one year;

Any activity of a member is found to be conflicting or competitive with the interest or activities of the society.

Provided that the member concerned shall not be expelled unless he has been given a reasonable opportunity of making representation in the matter. No member of the society who has been expelled shall be eligible for re-admission as a member of the society for a period of one year from the date of such expulsion.

4.6 Rights of member:

Every member of the society shall have the following rights:-

- a) One vote in the general body meetings of the society and no member shall be permitted to vote by proxy; Provided that a co-operative society or any other institution which is a member may appoint its representative by a resolution passed by its Board to vote on its behalf in the affairs of cooperative society.
- b) Right to receive notice of general body meetings as per bye-laws of the society;
- c) Right to attend and take active part in the proceedings of the General Body Meetings;
- d) Take part in elections and contest for any post as per provision of the Act, Rules and bye-laws of the society;
- e) Inspect member registers, books of accounts or any other record and obtain certified copies of the resolutions or documents on a payment of fee as may be prescribed by the society from time to time.

4.7 Liability:

- 1) Liability of the members shall be limited to the share capital subscribed by them;
 - 2) (i) In the case of a past member, on the date on which he ceased to be member;
(ii) In the case of a deceased member, on the date of his death.
- (1), where a Co-operative society is ordered to be wound up under section 38, the liability of a past member who ceased to be a member or of a deceased member who died within two years immediately preceding the date of the order of winding up, shall continue until the entire liquidation proceedings are completed, but such liability shall extend only to the debts of the society as they existed on the date of cessation of membership or death, as the case may be.

5.0 AUTHORISED SHARE CAPITAL:

The authorized share capital of the society shall be ₦1,000,000,000.00 (One Billion Naira), divided into 1,000,000 (One Million) shares at a nominal value of ₦1,000.00 (One Thousand Naira) per share..

- (i) Individual Members must subscribe to a minimum of 10 shares, equivalent to ₦10,000.00 (Ten Thousand Naira), while Corporate Members must

subscribe to a minimum of 500 shares, equivalent to ₦500,000.00 (Five Hundred Thousand Naira) as a requirement for membership.

- (ii) The total contribution of a member is equivalent to the total shares held by the member in the cooperative.
- (iii) No individual member shall hold more than 20% of the total paid-up shares of the society to ensure equitable ownership and avoid concentration of control.
- (iv) Manner of allotment, transfer, redemption and/or repatriation shall be at face value and as per the provisions of the Act.

5.1 Transfer of Shares

- i) A member may transfer his share or shares after holding them for not less than one year to any person duly approved by the Management Committee. The transfer is not complete until the name of the transferee has been duly entered in the register of members and the transfer fee per shares is paid as determined by the Management Committee.

5.2 Nomination

A member may nominate a person to receive the member's interest in the society after his death. Nomination shall be made in the prescribed form and entered in the special register kept at the society's registered office. Prior approval of the Board shall be necessary if the person to be nominated is an employee of the society.

5.3 Death of a Shareholder

On death of a shareholder, the society may pay to the person or persons nominated a sum representing the value of the shareholder's interest in the society within six months from the death of the shareholder. In the absence of nomination, the society may pay to such person or persons as may appear to the Management Committee to be entitled to receive the same as heir or legal representative of the deceased shareholder on his or their executing an appropriate deed of indemnity in favour of the society.

5.4 Lien on Shares, Dividends and Deposits

The society shall have the first and paramount lien or charge upon all the shares, dividends and deposits of any member of past member for all moneys due from him to the society from time to time. The society may at

any time set off any sum credited by or payable to the member or past member towards payment of any liability of such member as past-member.

6.0 CAPITAL AND FUNDS.

The society may receive funds from any or all the following sources:

- (i) Admission fee;
- (ii) Share capital
- (iii) Loans and deposits;
- (iv) Grants-in-aid;
- (v) Donations;
- (vi) Contributions; (vii) Subscriptions; (viii) Profit.

6.1 Maximum Borrowing Limit

The cooperative society shall be eligible to receive deposits from and disburse loans to members and other up to ten times of the sum of its subscribed share capital plus accumulated reserves minus accumulated losses, if any.

7.0 CONSTITUTION OF A GENERAL BODY:

The General Body of a Cooperative Society shall consist of all the members of such society. The final authority of the Society shall vest in the General Body.

- (i) Each member-society shall be represented by one delegate elected to the general body as specified in the Bye-laws of the society;

7.1 Annual General Meeting and Powers and functions of the General Body:

The Board of the society under a resolution shall within six months after the close of the corresponding year call the annual general meeting at the principal place of business of the society for the purpose of:

- a) Consideration of the audited statement of accounts;
- b) Consideration of the audit report and annual report;
- c) Consideration of audit compliance report;
- d) Disposal of net profits;
- e) Approval for appointment of Auditors & fixation of remuneration;
- f) Review of operational deficit, if any;

- g) Creation of specific reserves and other funds;
- h) Approval of the annual budget;
- i) Review of actual utilisation of reserve and other funds;
- j) Creation of specific reserves and other funds;
- k) Approval of the long-term perspective plan and the annual operational plan;
- l) Review of annual report and accounts of subsidiary institution, if any;
- m) Expulsion of members;
- n) List of employees who are relatives of members of the board or of the chief Executive;
- o) Amendment of bye-laws, if any;
- p) Formulation of code of conduct for the members of the board and officers;
- q) Election & removal of members of the board, if any;
- r) Consider the statement showing details of loans or goods on credit if any given to any director or to the spouse of the director or his/her son or daughter during the preceding year or outstanding against any of them;
- s) Review of the audit clearance issued by the office of the Director of Cooperatives after the external audit of the financial accounts
- t) Any other matter lay before it by the Management Committee.

8.0 Amendment to Bye-laws:

The amendment to bye-laws shall only be passed by a resolution of the meeting of the general body in which a quorum is present by a vote of not less than two thirds of the members present there and not less than 15 clear days' notice for considering of such amendment has been previously given.

9.0 Special General Meeting:

The Chief Executive, may at anytime, on the direction of the board, call a Special General Body Meeting of the Society and shall call such meeting within one month after the receipt of requisition by the Board or on a request from a member of the Board or by at least five members of the society to transact the business as stated in notice of the meeting.

9.1 Notices for the General Meetings and Special General Meetings:

- a) Annual General Meeting of the society may be called via zoom and other media channels giving 14 days' notice to all the members of the society.
- b) Special General Meeting of the society may be called via zoom and other media channels giving 7 days' notice to all the members of the society;
- c) The notice of the Annual General Meeting shall be accompanied by a copy of each of the audited balance-sheet, profit and loss account together with the auditor's report relating to the preceding year and the report of the Management Committee thereon.
- d) The notice of general body meeting shall be communicated to all members by any of the following:
 - i) By local and international media channels or ii) Notice shall also be on all social media platform of the society.
 - iii) Notice of the general body meeting shall also be affixed on the notice board of the society at its headquarters and its branches, if any.

9.2 Quorum of the meeting:

- (i) The quorum for the general meeting shall be one fifth($\frac{1}{5}$) of the total number of members of the society or $\frac{1}{3}$ of the total number of delegates of the smaller representative general body (as applicable);
- (ii) No business shall be transacted at any general meeting unless there is a quorum at the time when the business of the meeting is due to commence; If within half an hour from the time appointed for the meeting, quorum is not present, the meeting shall stand adjourned and would be held after half an hour at which the quorum will not be required. If at any time during the meeting sufficient number of members are not present to form the quorum, the Chairman/President or the member presiding over the meeting on his own, or on his attention being drawn to this fact, shall adjourn the meeting and the business that remains to be transacted at this meeting, if any, shall be disposed of in the usual manner at the adjourned meeting;

Where a meeting is adjourned under sub-clause (ii) the adjourned meeting shall be held either on the same day or on such date, time and place as may be decided by the Chairman/President or the member presiding over the meeting, but within 7 days from the date of adjourned meeting. No business shall be transacted at any adjourned meeting other than the business on the agenda of the adjourned meeting;

The adjourned meeting will transact its regular business even without the quorum being present at the meeting.

10.0 MANAGEMENT COMMITTEE:

The Management Committee of the society shall consist of Seven (7) Directors to be elected by the General Body, subject matter specialists may be invited by the Board in any of its meetings;

10.1 Meetings of the Management Committee:

- (i) The Management Committee shall meet at least once in every quarter;
- (ii) The meetings of the Management Committee shall be held at the registered address of the society. In exceptional cases, the meetings of the board may be held at any other place but within the area of operation of the society;
- (iii) The meetings of the Management Committee shall be presided over by the Chairman/President or in his absence by the Vice Chairman/Vice President and in the absence of both ; the Directors present in the Meeting shall elect a Chairman for the meeting from among themselves;
- (iv) 14 days notice shall ordinarily be necessary for the meeting of the Management Committee;
- (v) The quorum for the meeting of the Management Committee shall be 1/3 of its total strength or as specified in the Bye-laws of the multi-State cooperative society

10.2 Term of the Management Committee:

The term of the office of the elected Members of the Management Committee shall be three years from the date of election.

The term of office of the members of the Board who are nominees of the Government or institutions shall be as indicated from time to time by the Government or the concerned Institutions. However, their term will be co-terminus with the term of the elected Directors/Board; and the Government/concerned institutions shall make fresh nominations for the new Board; the elected members of the Board shall be eligible for reelection.

10.3 Powers & Functions of the Management Committee:

- (i) To admit members;
- (ii) To elect Chairman/President and Vice-Chairman/Vice President of the society;

- (iii) To authorise convening of Meetings of the General Body;
To interpret the organizational objectives and set-up specific goals to be achieved towards these objectives;
- (v) To make periodic appraisal of objectives;
- (vi) To appoint, suspend or remove the Manager and such other employee of the society as may be prescribed;
- (vii) To make provisions for regulating the appointment of the society and the scales of pay, allowances and other conditions of service, including disciplinary action against such employees;
- (viii) To place the annual report, annual financial statements, annual plan and budget for the approval of the general body;
- (ix) To consider audit and compliance report and place the same before the general body;
- (x) To acquire or dispose off immovable property;
- (xi) To review the membership in other cooperatives;
- (xii) To approve annual and supplementary budget;
- (xiii) To recommend to the General Body distribution of profits;
- (xiv) To raise funds;
- (xv) To sanction loans to the members;
- (xvi) To fill any vacancy/vacancies in the Board by election;
- (xvii) To approve the panel of auditors for placing in the General Body;
- (xviii) To appoint such Committees, Sub-Committees as may be necessary and delegate to them such powers as may be appropriate;
- (xix) To frame regulations for the election of delegates to the General Body, Members to the Management Committee and for the conduct of Meetings of the General Body and the Management Committee as per the provisions of the Act;
- (xx) To take such other measures or to do such other acts as may be prescribed or required under this act or the bye-laws or as may be delegated by the general body.
- (xxi) The Returning Officer for the election shall be a delegate appointed by the Office of the Director of Cooperatives. This delegate shall be responsible for supervising the election process and officially declaring the elected candidates to their respective positions.

10.4 Disqualifications of Management Committee:

1. No member or nominee of a member society shall be eligible for being chosen as or for being a member of the Board, if such member:-
 - a) Has been adjudged by a competent Court to be insolvent or of unsound mind;
 - b) Is concerned or participates in the profits of any contract with the society;
 - c) Has been convicted for an offence involving moral turpitude;
 - d) Holds any office or place of profit under the society :-

Provided that the Manager or such full-time employee of the Society as may be notified by the Government from time to time or a person elected by the employees of such Society to represent them on the board of such Society shall be eligible for being chosen as, or for being, a member of such board;
 - e) Has been a member of the Society for less than twelve months immediately preceding the date of such election or appointment;
 - f) Has interest in any business of the kind carried on by the Society of which he is member.
 - g) Has taken loan or goods on credit from the Society of which he is a member, or is otherwise indebted to such Society and after the receipt of a notice of default issued to him by such Society, has defaulted;-
 - i) In repayment of such loan or debt or in payment of the price of the goods taken on credit, as the case may be, within the date extended, which in no case shall exceed six months, within the date so extended, or
 - ii) When such loan or debt or the price of goods taken on credit is to be paid in installments, in payment of any installment, and the amount in default or any part thereof has remained unpaid on the expiry of six months from the date of such default:

Provided that a member of the board who has ceased to hold office as such under this clause shall not be eligible, for a period of one year, from the date on which he ceased to hold office, for re-election as a member of the board of the Cooperative Society of which he was a member or for the election to the board of any other Co-operative Society.
 - h) Is a person against whom any amount due under a decree, decision or order is pending recovery under this Act:

- i) Is retained or employed as a legal practitioner on behalf of or against the Society, or on behalf of or against any other Co- operative Society.
 - j) Has been convicted for any offence under this Act;
 - k) Is disqualified for being a member under these bye-laws;
 - l) Has been expelled as a member under these bye-laws;
 - m) Absents himself from three consecutive board meetings and such absence has not been condoned by the board;
 - n) Absents himself from three consecutive general body meetings and such absence has not been condoned by the members in the general body.
2. A person shall not be eligible for being elected as member of board of the Society for a period of four years if, the Board fails:
- a) To conduct election of the Board in accordance to the Act: or
 - b) To call the general body meeting in accordance to the Act: or
 - c) To prepare the financial statement and present the same in the annual general meeting.

10.4 Removal of Elected Members of the Board by the General Body.

An elected member of a board, who has acted adversely to the interests of the Society, may on the basis of a report of the Registrar or otherwise be removed from the board upon a resolution of the general body passed at its meeting by a majority of not less than two-third of the members present and voting at the meeting;

Provided that the member concerned shall not be removed unless he has been given a reasonable opportunity of making a representation in the matter.

10.5 Filling up of Casual Vacancies on the Management Committee:

If any vacancy arises in the Management Committee, it shall be filled by interim appointments by the remaining members of the Management Committee. Such interim appointments shall hold office until the next General Meeting, at which time the General Body shall either confirm the appointment or elect a replacement for the remaining term of the vacancy.

10.6 Committees of the Board:

The Management Committee shall constitute an Executive Committee and other committees, or sub-committees as may be considered necessary. Provided that other committees or sub- committees, other than the Executive Committee shall not exceed 3 at a given point of time

11.0 EXECUTIVE COMMITTEE

Composition & Functions of the Executive Committee or other committee or sub-committee may be specified in the Bye-laws of the Society.

11.1 Chairman/ President and Vice-Chairman/Vice President

There shall be a Chairman/President and a Vice-Chairman/ Vice-President elected by the Board of Directors from among themselves. The Chairman/President and in his absence, the Vice-Chairman/Vice President shall preside over the Meeting of the General Body and the Management Committee.

The terms of office of the Chairman/President and Vice-Chairman/Vice President shall be coterminus with the term of the elected Members of the Board unless Chairman/President or Vice-Chairman/Vice President ceases to be a Director earlier. In case of any vacancy within this period, the Board shall fill up the vacancy through reelection for the unexpired term of the Board.

11.2 Powers and functions of the Chairman/President:

The Chairman/President shall have the following powers and functions:

- (i) He shall preside over the meeting of the general body, Management Committee and executive committee;
- (ii) Shall sign the proceedings of all the meetings presided over by him.
- (iii) In the event of equality of votes on a resolution the Chairman/President shall have casting vote in the meeting.
- (iv) To convene the meeting of the Management Committee, Executive Committee and other committees of which he is the Chairman/President.
- (v) The Chairman/President may delegate any of his powers and functions to the Vice Chairman/Vice President.

11.3 Prohibition to hold office of Chairperson, or President or Vice- Chairperson or Vice-President in certain cases.

- 1) No member of the Board shall be eligible to be elected as Chairman/President or Vice- Chairman/Vice-President of the Society if he/she is a public office holder.
- 2) No member of the Board shall be eligible to be elected as Chairperson or President of the Society if he has held office during two consecutive terms whether full or part.

11.4 Holding of office in co-operative society

No person shall be eligible to hold at the same time, office of the President or Chairperson or Vice- President or Vice-Chairperson on the Board of more than two Co-operative Societies.

11. 5 Functional Directors:

They shall be appointed by the Board and will be whole time employees of the Society and Members of the Board.

12.0 MANAGER:

The Manager is appointed by the Board and shall aid and assist the Management Committee in its functions. He shall be member of all the committees, sub-committees of the Management Committee as may be constituted.

12.1 Powers and functions of the Manager:

Subject to overall control and general supervision of the Management Committee, the Manager by whatever name he is called shall have the following powers, functions and responsibilities:

- (i) To assist the Management Committee in the formulation of policies, objectives and planning;
- (ii) To implement the policies and plans duly approved by the General Body or the Board and furnish to the Management Committee periodical information necessary for appraising the activities and progress of achievement towards implementations of the policies and programmes;
- (iii) To summon meetings of various committees including the general body under the instructions of the Chairman/President;
- (iv) To maintain proper records of the society;
- (v) To manage the funds of the society, cause proper accounts to be maintained and audited;
- (vi) To attend to all correspondence of the society;
- (vii) To be responsible for collection and safety of the funds;
- (viii) To execute the policies/programs and business of the society and take such action as is necessary to give effect to the resolutions of the general body, Management Committee or any other committee constituted under byelaws;
- (ix) To sign all deposit receipts of the society with banks in accordance with the resolution of the executiven committee;

- (x) To endorse and transfer promissory notes and other securities and to endorse, sign, endorse cash cheques and negotiate instruments on behalf of the society;
- (xi) To be the office of the society to sue or to be sued on behalf of the society and sign all books and arrangements in favour of the society;
- (xii) To appoint such personnel in the society as may be approved by the Management Committee;
- (xiii) To determine powers, functions and responsibilities of the employee of the society of all categories;
- (xiv) To maintain a list of members correct and up-to-date;
- (xv) To exercise administrative control in respect of all officers and staff, including granting of leave, granting of annual increments and other matters relating to the service conditions of the employees;
- (xvi) To delegate powers to other officers of the society;
- (xvii) To sanction contingent expenditure in so far as the amount involved.
- (xviii) To sign on behalf of the society and conduct its correspondence;
- (xix) To present the draft annual report and financial statements for the approval of the Board;
- (xx) To record proceedings of meeting and have duly signed;
- (xxi) To perform all duties entrusted to him and to exercise such other powers as may be delegated to him by the Management Committee, executive committee and Chairman/President from time to time.

13.0 DEPOSITS:

- i) Deposits may be received from Members at any time within the limits determined under the Cooperative Societies ACT.
- ii) Deposits may be received on current, savings, fixed, recurring, and cumulative and under any other special schemes.

14.0 LOANS AND ADVANCES:

- 1) Loans shall be tied to the member's thrift savings, with a minimum multiplier of two times the amount saved. The multiplier is subject to periodic review and adjustment as determined by the Management Committee, considering the society's financial capacity and prevailing economic conditions.

- 2) Loans, cash credits and/or overdrafts on current accounts may be granted to members on securities mentioned below or other security or securities approved by the Management Committee or without security.
 - i) Personal security and/or surety/sureties of other member/members.
 - ii) Collateral security of movable and immovable property.
 - iii) Industrial, mercantile, agricultural and other marketable commodities or machinery under pledge, hypothecation or charge of the Bank.
 - iv) Pledge of government, trustee securities, and shares of approved companies, debentures and fixed deposits
 - v) Insurance policies assigned to the Bank within the surrender value.
 - vi) Warehouse receipts.
 - vii) Gold and silver ornaments
 - viii) Any other tangible security
- ix) The Board may frame detailed loan regulations prescribing proportion of unsecured loans to total loans and advances, proper terms and conditions and the nature of securities acceptable for loans and advances for different purposes.
- 3) Short-term loans will be for periods up to 12 months, medium-term loans for 15 months to 5 years and long-term loans over 5 years.

15.0 LINKING OF SHAREHOLDING WITH LOAN LIMITS

- a) A member is entitled to three times his savings on regular loans but for long term and investment loans, such member's shareholding will determine his/her eligibility.
- b) The total amount of share capital held by a member will, however, have to be within the limits laid down under these Bye-laws.

16.0 DISPOSAL OF NET PROFIT:

Subject to the provisions of the Act and Regulations the net profits of a Cooperative society shall be distributed as follows:

- (1) 25% to the reserve fund;
- (2) 10% to the cooperative education fund
- (3) 10% for Honorarium
- (4) 5% for corporate social responsibility
- (5) 50% to payment dividend or interest for member

17.0 INVESTMENT OF FUNDS:

The society may invest or deposit its funds in:-

- a) Any commercial, merchant or development bank.
- b) Government bonds, Securities and Trust funds.

18.0 RESERVE FUND

- i) In addition to the sum prescribed under the Nigerian Co-operative Societies Act and Bye-laws , all admission fees, entrance fees, nominal membership fees, amount of forfeited shares and dividends and donations shall be carried to the Reserve Fund.
- ii) Any loss occurring as the net result of the years working, may with the previous sanction of the Registrar is made good from the Reserve Fund or from the profits of the next ensuing year or years.
- iii) The Reserve Fund shall be separately invested in government and trustee securities or other approved securities or in fixed deposits.

19.0 DIVIDEND:

- i) The dividend declared shall be paid to the person whose name stands as the registered shareholder in the books of the Society on the last day of the co-operative year to which the dividend relates.
- ii) Dividend shall be proportionate to the amount paid on shares and the period in whole months for which the amount stood to the credit of the shareholder.
- iii) Any dividend remaining undrawn for three years after having been declared shall be forfeited and shall be carried to the Reserve Fund of the society. Unpaid dividend shall be payable on application provided the same has not been forfeited.

20.0 ACCOUNTS AND RECORDS

Accounts and records shall be maintained in forms prescribed or approved by the Registrar. Any member may inspect any of the registers

or records during office hours in so far as they relate to his own business transaction.

1. Audit

- i) The accounts of the society shall be audited by an auditor appointed by the Management Committee after each financial year reports prepared by the society each year and the remuneration of auditors shall be fixed by the Board. ii) Audit Committee shall reports to the Board with the budget of the coming year.

21.0 Appropriation of Cooperative Account

Subject to the provisions of the Act and Regulations, the net profits of the Cooperative Society shall be appropriated as follows:

- I. 25% to the Reserve Fund: A statutory allocation to strengthen the financial stability and long-term sustainability of the cooperative.
- II. 10% to the Cooperative Education Fund: To support member and employee education, capacity building, and awareness in line with cooperative principles.
- III. 10% for Honorarium: As approved by the General Body, this allocation shall serve as an honorarium for deserving members or officers of the cooperative.
- IV. 5% for Corporate Social Responsibility: Allocated to initiatives that promote community development and social welfare.
- V. 50% for Dividends or Interest: Distributed to members in proportion to their contributions and participation, fostering equitable benefit sharing.

The appropriation of the cooperative's net profits shall be reviewed and approved by the General Body during the Annual General Meeting and in compliance with cooperative laws and regulations

22.0 Settlement of Disputes:

All the disputes shall be referred to Arbitration in accordance with the provisions of 49 of Nigerian Cooperative Societies Act.

23.0 Limitations:

The limitation period in disputes shall be as per the provisions of the Act.

24.0 Miscellaneous

23.1 Founder's Right and Legacy Clause

23.1.1 Upon completion of tenure as President, the Founding President/ Founder shall be accorded the title of "Founder and Advisory Member" of Akilaah with the right to attend all meetings and provide advisory input.

23.1.2 The Founder shall be entitled to membership and all other privileges in accordance with the Akilaah's Bye-Law and member's policy.

23.1.3 The Founder's immediate family members, especially the children, shall be eligible to apply for membership in Akilaah, subject to the same conditions applicable to all prospective members, to ensure fairness and transparency.

23.1.4 The Founder may, with written notice to the Board of Directors, designate a portion of her equity or interest in the Akilaah to her children or legal heirs, provided such transfer complies with Akilaah's regulations.

Additionally, may nominate a family representative to manage her interests in the Cooperative in the event of incapacitation or other circumstances, provided such representation is approved by the General Assembly.

23.1.5 The Founder's contributions to Akilaah's history and development shall be documented and preserved as part of Akilaah's records.

f. In the event of any redistribution of equity or restructuring of Akilaah, the Founder's equity and contributions shall be duly considered to preserve their rightful interests.

23.1.6 Akilaah shall recognize the Founder's role in shaping its identity and values. Thus, any amendment to the bye-law that significantly affect the Founder's rights as outlined herein shall require consultation with the Founder, without compromising the collective decision-making

authority of the members. 23.2 No act of the General Body or the Management Committee shall be deemed invalid by reason of any defect in the election of a Member thereof or by reason of any vacancy therein not having been filled in;

25.0 Service Rules:

The society shall have a policy document and service rules for regulating the service and conditions of its employees as formulated and amended by the Board from time to time.

26.0 CERTIFICATION

I hereby certify that the foregoing Bye-laws of AKILAAH COOPERATIVE SOCIETY LIMITED



**APPROVED UNDER THE SEAL OF THE
DIRECTOR OF COOPERATIVES, FEDERAL
CAPITAL TERRITORY ADMINISTRATION
ABUJA.**