

# **BY- LAWS OF CSAWZ - SACCO**

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THE CO-OPERATIVE SOCIETIES ACT  
No.20 OF 1998  
(PART III, Section 19)

## **BY-LAWS OF THE**

### **CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED**

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#### **PRELIMINARY – DEFINITION/INTERPRETATION**

**THESE ARE BY-LAWS RELATING TO THE REGULATIONS OF THE  
CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA  
SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED**

**TO PROVIDE FOR MATTERS CONNECTED WITH OR INCIDENTAL TO THE  
FOREGOING.**

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In these By-laws, unless the context otherwise requires: -

“**ACT**” means the CO-OPERATIVE ACT No. 20 of 1998 and any amendments thereto, and any other law replacing it.

“**BOARD OF DIRECTORS**” means the governing body, of CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED to whom the supervision and direction of its affairs are entrusted by the members.

“**BY-LAWS**” means these By-laws for CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED.

“**CO-OPERATIVE**” see ‘Society’ hereunder.

“**DIVIDENDS**” means a share of the net-surplus of the Society divided amongst the members in proportion to the use made of the services of the Society operative or the value of labor provided by members.

“**NON-MEMBER**” means a person not being a member who uses the services of the Co-operative Society to such an extent as provided for in these By-laws.

“**REGISTRAR**” means the **Registrar of Co-operative Societies**.

“**SOCIETY**” means the “Co-operative”, in this respect the **CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED** referred to as (CSAWZ- SACCO).

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“CSAWUZ” means the Civil Service and Allied Workers Union of Zambia.

“RESOLUTION” means a resolution passed by a majority of the members at a duly convened meeting of the Society.

All other words or phrases shall be defined or interpreted in accordance with the Co-operative Societies Act No. 20 of 1998 or any Law replacing it.

All questions concerning interpretation of these By-laws or any other matter not provided for herein, errors and omissions shall be referred to the Registrar whose decision thereafter shall be final and conclusive.

## **PREAMBLE**

### **STATEMENT ON THE CO-OPERATIVE IDENTITY**

#### **Definition**

A Co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and-aspirations through a jointly owned and democratically controlled enterprise.

#### **Values**

Co-operatives are based on the values of **self-help, self-responsibility, democracy, equality, and solidarity**. In the tradition of their founders, co-operative members believe in the ethical values of **honesty, openness, social responsibility and caring** for others.

#### **Principles**

The Co-operative principles are guidelines by which co-operatives put their values into practice.

#### **1<sup>st</sup> Principle: Voluntary and Open Membership**

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

#### **2<sup>nd</sup> Principle: Democratic Member Control**

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

#### **3<sup>rd</sup> Principle: Member Economic Participation**

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the Cooperative. Members usually receive compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their

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co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

### **4<sup>th</sup> Principle: Autonomy and Independence**

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

### **5<sup>th</sup> Principle: Education, Training and Information**

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

### **6<sup>th</sup> Principle: Co-operation among Co-operatives**

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

### **7<sup>th</sup> Principle: Concern for Community**

Co-operatives work for the sustainable development of their communities through policies approved by their members.

## **1. NAME AND ADDRESS**

1.01 The name of this Association is the **CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED** hereinafter referred to as **CSAWZ-SACCO** or the Society.

1.02 The Certificate of Registration is No.....issued on .....by .....

1.03 Its Postal address shall be;

Plot No. 5045 A6  
Union Head Office,  
Mumbwa Road,  
P O Box 50160,  
Lusaka - Zambia

1.04 The Registered Office of CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED shall be at Plot No. 5045 A6, Union Head Office, in Lusaka.

1.05 CSAWZ-SACCO Society shall focus its activities to all Civil Servants and Allied Workers throughout the Republic of Zambia.

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## 2. OBJECTIVES

The objective for which the CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY LIMITED is to **promote** and **upgrade** the standards of its members with a bid to improve their **livelihoods economically** and socially by undertaking any or all of the following objects / activities.

- 2.01 To encourage thrift among members and **promote the habit of savings** through the Society.
- 2.02 To **provide a source of funds** by accumulating the savings stated in 2.01 above which members can borrow for productive and provident purposes only.
- 2.03 To act as an agent between lending institutions/and-financing agencies with its individual members.
- 2.04 To encourage individual members **to engage in business and productive ventures** not prohibited by Law to enhance the objective of CSAWZ-SACCO Society as stated in 2 above.
- 2.05 The CSAWZ-SACCO Society shall **provide educational services** and training to its **members** and **staff** in the field of its objectives and operations, and to provide information about its products and services to the service personnel of the Civil Service and other Affiliate Institution.
- 2.06 CSAWZ-SACCO Society shall also engage in the advocacy of disseminating information and providing education about the **HIV/AIDS** in a bid to fight against the pandemic among members.
- 2.07 The endeavour of CSAWZ-SACCO Society shall be to finance its undertakings by capital contribution by its members and also created by the Society's business activities. However, the CSAWZ-SACCO Society shall solicit for funds from donors and creditors including the government for specific programmes and projects for the development and advancement of the Society and its individual members.
- 2.08 In carrying out the above mentioned objectives and activities, CSAWZ-SACCO Society shall undertake any other kind of activities necessary for the conduct of the stated objectives and interests of its members such as acquiring and owning land, buildings, machinery and other moveable or immovable assets. CSAWZ-SACCO Society shall also engage in some other business ventures approved by members and permissible by law.

## 3. MEMBERSHIP

- 3.01 Membership of the CSAWZ-SACCO Society shall comprise of members on register at the commencement of these By- Laws whose list is appended to herewith, and subsequent applications admitted in accordance with these By-laws;

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- 3.02 Notwithstanding By-law 3.01 above, the Society shall have the minimum of fifty (30) individual members.
- 3.03 The Board of Directors may admit members to the Society;
- (a) Any person employed in the Public Service and affiliate Institutions in the Republic of Zambia.
  - (b) The wife or husband of a member or retired or resigned member from the Public Service who with their spouse signs an Application for joint Membership Agreement as in the Form of the Co-operative Societies Rules providing for joint ownership of the shares and deposits in the Society subject to the right of survivorship.
  - (c) Another Society or organisation with a membership drawn from the same general group as that compromising the membership of the Civil Service.
  - (d) Any employee of a Society or Institution mentioned in paragraph (b).
  - (e) Any individual businessman providing service to those comprising the same general group as the membership of the Society members.
  - (f) A minor who is the son or daughter of a member of the CSAWZ-SACCO Society or of an employee providing service to the CSAWZ-SACCO Society provided that a member under the age of twenty one years' shall not be eligible to hold office as a member of the Board of Director or any Committee.
- 3.04 Applications for membership shall be made in writing to the Board of Directors of the CSAWZ-SACCO Society accompanied with a non-refundable Application Fee of One Hundred kwacha (K 100). Entry fee may also be paid by Stop-Order deduction from applicant's salary.
- 3.05 The Board of Directors reserves the right to accept or reject admittance to membership of any applicant. Aggrieved applicants have the right to appeal to the Annual General Meeting of the Co-operative union or the Registrar of Co-operative Societies.
- 3.06 All members of the Society shall have the following obligations and rights;
- a) For joining purposes purchase at least two (2) shares in the Society as subscribed in By-law 4 hereunder;
  - b) Observe the Co-operative Societies Act, Regulations, these By-laws and the Resolutions passed at a duly constituted General Meetings of the Co-operative union;

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- 3.07 Membership of the CSAWZ-SACCO Society may be terminated in any of the following circumstances:
- a) Resignation or withdrawal from membership.
  - b) Expulsion in accordance with By-law 3.10 below here,
  - c) By notice of being liquidated, winding up or its registration being cancelled by the Registrar.
- 3.08 Any member may be suspended from the Society by the Board of Directors and be recommended for expulsion to the Annual General Meeting (AGM) for any of the following: -
- a) Any action which may be considered by the Society Board of Directors to be disloyal or contrary to the interests of the Society or deceive its officers or employees or allowing such action to be done; and
  - b) Any action, which the Board may consider likely to defeat, frustrate or hinder the objects of the Society as defined in these By-Laws-
- 3.09 A suspended member will have no rights of membership in the Society until such time the suspension has been lifted.
- 3.10 Only the General Meetings will consider the expulsion of members on recommendation from its Board of Directors.
- 3.11 Expelled member(s) shall forfeit rights and benefits of the CSAWZ-SACCO Society with effect from date of the expulsion.

### **4. SHARES AND FUNDS OF THE CO-OPERATIVE UNION**

- 4.01 The share capital of the Society shall be the total nominal value of shares issued at any given time: -
- a) The value of each share shall be Two hundred kwacha (K 200) each;
  - b) Only a member who has paid for at least ten (5) shares in the Society shall exercise the full rights to membership; thus One thousand kwacha (K 1,000) shall be the minimum required share capital by each member in the CSAWZ-SACCO Society.
  - c) There shall be a maximum limit of ten (10) numbers of shares held by each member.
- 4.02 The funds of the CSAWZ-SACCO Society shall consist of:-
- a) Undetermined number of members shares at the value of two hundred Kwacha (K200) each.

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- b) Membership annual contributions to be determined by the Board of Directors from time to time.
- c) Membership fees at the value of (One hundred Kwacha) K100 each.
- d) Subscription and loan repayments from members and other sources.
- e) Undetermined amounts of business stocks and cash.
- f) Society deposits and members' savings with the Bank(s).
- g) Statutory reserves and surpluses.
- h) Any other income derived from some business operations of the CSAWZ-SACCO Society.
- i) Grants and donations received from government, donors, business houses and well-wishers.

4.03 The Society shall hold in-trust the individual member's Savings Account.

### **Conditions for loans**

4.05 All loan transactions between the CSAWZ-SACCO Society and the members shall be conducted on **Loans Conditions** to be designed by the Board of Directors and subject to change from time to time. The Board of Directors will also determine the rate of interest on Loans from time to time but reasonably and fairly.

## **5. DISPOSAL OF THE NET SURPLUS**

5.01 The net surplus arising from the operations of the Society during any financial year shall be distributed as follows:-

- a) Not less than 20% shall be set-aside to the RESERVE FUND against future possible losses.
- b) 6% or less shall be paid as dividends on shares.
- c) The balance remaining may be distributed by the Annual General Meeting on recommendation by the Board of Directors, **including paying gratuities and honorarium** to deserving officers and **the retiring Board of Directors**. Honorarium is **NOT** a right but rather a privilege only to deserving retiring Directors upon their faithful and diligent performance of their duties during their term of office.

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## **6. TRADE / BUSINESS WITH NON-MEMBERS**

- 6.01 CSAWZ-SACCO Society shall do business with non-members, but non-members shall not have the right or claim of services if such services are and are reserved for the members only.
- 6.02 Trade or business done with non-members will NOT attract any dividends or bonus, or any benefits of the Society arising from the surplus of annual operations.

## **7. THE ORGANISATIONAL SET-UP**

- 7.01 The organs of the CSAWZ-SACCO Society are as follows:-
- a) **The General Meeting** - Representatives all paid up members of the Society.
  - b) **The Board of Directors** - Elected at the Annual General Meetings by members;
  - c) **The Management** - Employed for the day to day functions and operations of the CSAWZ-SACCO Society.
- 7.02 Only paid up members are eligible to bodies mentioned in By-Law 7.01 (a) and (b) above.
- 7.03 For the purpose of scrutinizing the business and operations of the Society, Auditors will be appointed on annual basis by the AGM on terms and conditions to be set by the Board and agreed by the two parties concerned.
- 7.04 The Society shall/may appoint any other committee to carry out specific duties and functions of the CSAWZ-SACCO Society as shall be deemed necessary by the Board of Directors. Such committees if put in place shall have a period of stay as may be directed by the Board of Directors.

## **8. GENERAL MEETINGS**

- 8.01 The supremacy of the CSAWZ-SACCO Society shall be vested in the General Meetings, which shall be held at least once every year (AGM) but not more than thrice (**Extra-ordinary General Meetings**).
- 8.02 The quorum of the General Meetings shall be two thirds (**2/3**), of the total number of the voting members present.
- 8.03 Except with the approval of the Registrar of Co-operative Societies, the Annual General Meeting shall be held within six months of the Financial Year.
- 8.04 At least twenty one (21) days notice of every meeting shall be sent to each delegate.



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- 8.05 Each delegate shall have one vote and there shall no voting by proxy.
- 8.06 Except in case a resolution to amend these By-Laws or to remove an elected officer or in the case of special resolution where two thirds (**2/3**) majority is required, a majority of delegates at a meeting where there is a quorum shall decide other questions.
- 8.07 The order of business at the Annual General Meeting of the Co-operative union shall include:-
- a) Registration and call to order by the Chairperson;
  - b) Reading and approval or correction of the minutes of the last Annual General Meeting.
  - c) Business arising out of the previous minutes;
  - d) Reports of the Board of Directors;
  - e) Report of the Auditors if any;
  - f) Adoption and confirmation of the Auditors report;
  - g) Adoption or other disposal of reports;
  - h) Apportionment of the Net Surplus as recommended by the Directors according to the By-Laws and the Act;
  - i) Business to be laid before the General Meeting by the Board;
  - j) Motions from members to the General Meeting prepared in accordance with the By-laws;
  - k) Amendments to By-Laws if any;
  - l) Appointment of Auditors where required;
  - m) Decisions regarding remunerations to the Board of Directors;
  - n) News business;
  - o) Elections of the Board of Directors;
  - p) Any other business referred earlier.
- 8.07 Delegates to the AGM shall be elected or nominated every year and their names shall be forwarded in advance to the Management.
- 8.07 Expenses of delegates to the AGM shall be met by Society except for those that may be travel on their own without being nominated by their respective Districts..

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## 9 BOARD OF DIRECTORS

- 9.01 The number of elected Board of Directors of the Society shall be **nine (09)**.
- 9.02 Members of the CSAWZ-SACCO Society Board of Directors shall elect among themselves the Chairperson, vice Chairperson, Secretary and Treasurer for a period of one year only but shall be eligible for re-election. Appointed Directors shall NOT hold any office in the Society.
- 9.03 The position of Secretary to the Board shall at all times be a preserve of whoever is the General Secretary of CSAWUZ.
- 9.04 Directors shall be elected for a term of two (3) years in office.
- a) Three (3) of the Directors elected at the first General Meeting of the Society shall retire at the next Annual General Meeting;
  - b) Three (3) of the Directors will retire in the second year Annual General
  - c) Three (3) of the Directors will retire at the end of the third year. .

**At each Annual General Meeting thereafter, the longest serving members shall retire.**

- 9.06 Retiring Board of Directors may be re-elected but shall not serve for more than six consecutive years without stepping down for at least one year.
- 9.07 A retiring Director may receive a honorarium per term served as shall be determined by the remaining Board members from time to time on each merit and availability of funds.

## 10. VACATION OF OFFICE OF DIRECTOR

- 10.1 A member of the Board shall cease to hold office if:
- a) Such circumstance arise as would, if she/he were not a member of the Board, disqualify her/him for election or appointment as such or;
  - b) He/She becomes of unsound mind or;

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- c) He/She accepts an office of profit in the Society or receives any honorarium without the written sanction of the Board or-,
- d) For good reasons s/he is removed by a two thirds majority at any Annual General Meeting called for that purpose;
- e) He/She is absent without good cause and without the permission of the Board from three (3) consecutive meetings of the Board-;
- f) Is convicted in court of Law for any dishonesty and is imprisoned for at least three (3) months or more;
- g) Resigns from the Board in writing.
- h) A member dies.

10.2. In addition to (1) above the following will also apply: -

- a) Any action which may be considered by the Board to be disloyal or contrary to the interest of the Society or deceive its officers or employees or allowing any such action to be done on a members behalf.
- b) Any action which the Board of Directors consider likely to defeat frustrate or hinder the objects of the Co-operative union as defined in the By-Laws or for any other reason.

### **11. CO-OPTION TO THE BOARD FOR VACANT SEATS**

#### **11.01 VACANCIES**

##### **a) Directors**

Any vacancy in the Board of Directors may be filled by the remaining Directors until the next Annual General Meeting when a successor shall be elected.

##### **b) Credit Committee**

Any vacancy in the Credit Committee may be filled the remaining Directors until the next Annual General Meeting when a successor shall be elected

##### **c) Supervisory Committee**

A vacancy in the Supervisory Committee of a member elected at the Annual General Meeting shall be filled by the remaining member of the Supervisory Committee until the member appointed by the Director becomes vacant it shall be filled by the Director for the unexpired term.

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### **12. POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

12.01 The business of the CSAWZ-SACCO Society shall be managed by the Board of Directors, which shall have and may exercise all the powers and functions conferred on the Society in accordance with the Co-operative Societies Act, Rules and these By-Laws. In addition to the above, the Board shall do the following:-

- Appoint and employ the Manager. He will be entitled to attend Board Meetings speak and submit reports. But not to vote.
- Decide on remunerations and other Conditions of employment for staff
- Decide in matters of principles or great financial Importance such as:
  - a) Change in the Society area of operations;
  - b) Aims and plans in general for the Society including long term and short term estimates.
  - c) Purchase or sale of real estates.
  - d) Purchase of loan or mortgage of real estates,
  - e) Financial statements of the Society business should be brought before the General Meeting.
  - f) Right to decide upon disposal or mortgaging of Society's real estate or leasehold.
  - g) Any Board member, Supervisory Committee member, Credit and Management may be a cheque signatory.

12.02 The Directors shall exercise discretion to make arrangements to form a subsidiary Company (ies) with limited liabilities to which to take or other wise acquire and hold shares or securities having objects wholly or part similar to those of the Society or carry on any business capable of being conducted so as to benefit the Society in accordance with its objects and sell or otherwise deal with the same.

12.03 Subject to these By-Laws, the Board may execute such powers of the Society as are not required by the Act and the Rules to be exercised by resolutions of the members in the Annual General Meeting.

12.04 Minutes shall be kept on decisions made at the meeting of the Board and Minutes shall be kept at the Head Office of the Society.

12.05 The Board of Directors shall exercise discretion to remove any Board of Director from

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office at any time, who dishonestly misconduct her/himself or commit an offence, which is prejudicial to the attainment of the objects of the Society as specified in By-Law 10.2 above.

**The Board of CSAWZ-SACCO Society shall allow itself the formation of appropriate committees to deal with specific matters or duties of the Society.**

### **13. THE EXECUTIVE COMMITTEE**

There shall be one Executive Committee elected by the Board of Directors, The Executive Committee shall comprise of the Chairperson and two Members. This Committee shall be responsible for both Administration policies and the operations of the Society.

### **14. DUTIES OF THE EXECUTIVE COMMITTEE**

The duties of the Executive Committee shall include to follow up implementations of decisions made at Board Meetings where necessary, undertake such actions as is required between Board Meetings to achieve the objectives of the Society and make recommendations to the Board regarding the affairs of the Society as deemed advisable.

### **15. DUTIES OF THE CHAIRPERSON**

The Chairperson shall preside at the opening and closing of all meetings of the Society, unless unavoidably prevented from so doing and his/her other duties shall include:-

- (a) Ensuring that all orders and resolutions of the Board are carried into effect;
- (b) Presenting to the Annual General Meeting, the Directors Report on the affairs of the Society.
- (c) Counter signing all Cheques, Notes, Bills of Exchange and other negotiable instruments for carrying on the business of the Society. Unless some other person or persons are authorised to do so by resolution of the Board of Directors or;
- (d) Carrying out all duties incidental to the office of the Chairperson in accordance with furtherance of the affairs and objects of the Society.

### **16. DUTIES OF THE VICE CHAIRPERSON**

In the absence or inability of the Chairperson to carry out his/her duties, all the rights and powers of the Chairperson shall for the time being be vested in the Vice Chairperson.

### **17. MEETING OF THE BOARD**

The Board shall -meet quarterly unless in avoidable circumstances when Special Board Meetings may be called,

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### **18. QUORUM AT BOARD MEETING**

The number of the members of the Board of Directors required to form a quorum at a meeting of the Board shall not be less than four (6) one of whom must be either the Chairperson or the Vice Chairperson.

### **19. SPECIAL BOARD MEETING**

The Directors may, at the requisition of not less than five (5) members of the Board, convene a Special Meeting of the Board. Such requisition must state the objectives of the meeting and signed by the requisitionists and deposited at the registered office of the Society and may consist of several documents unlike form, each signed by one or more requisitionists.

### **20. PROCEDURES AT MEETING**

The Board may make standing orders for regulating the conduct of business and the procedure at its meetings.

### **21. VOTING BY CHAIRPERSON**

The Chairperson of the meeting shall have a casting or deciding vote.

### **22. THE CREDIT COMMITTEE**

The Credit Committee shall consist of three members

At each Annual General Meeting a Credit Committee Member shall be elected to replace the one retiring and each member as elected shall hold office for three years.

### **23. DUTIES OF THE CREDIT COMMITTEE**

- a) The Credit Committee shall have general supervision of loans to members and fix the amount the rate of interest and the terms repayment for each loans as authorised.
- b) Where only two members of the Credit Committee are present at a meeting approval of each loan application shall be unanimous provided that where all members of the Committee are present the approval of at two members shall be required.
- c) The Committee may appoint an Advisory Credit Committee at each District or other centres within the Civil Service to provide information and advice on loan application from the area concerned.
- d) No loan shall be made to a Registered Society or Registered Organisation unless such Society or Organisation has provided to the Committee a resolution in Form E of the Co-operative Societies Rules authorised the offices named therein in transact business with the Society.
- e) No loan shall be made to an organisation that is not registered unless each organisation provides a resolution to the Committee in Form E of the Co-operative Societies Rules naming the officers who have authority to make with withdrawals and sign on behalf of such

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organisation together with a certified copy of a resolution given to its signing officers by the organisation to obtain the loans.

- f) The Credit Committee shall report at least monthly on its works to the Board of Directors including the number of loans made , the purpose of the loans, the rate of interest charged on the various classes of loans and renewals of the loans granted if any.

### **24. APPEALS AGAINST NON-APPROVAL OF LOANS**

In case of a member's loan application not approved by the Credit Committee such a member may appeal against disapproval to a Sub-Committee composed of;

- a) Two Board of Directors Members.
- b) One Member of the Supervisory Committee.
- c) Majority of the Credit Committee.

### **25. THE SUPERVISORY COMMITTEE**

- a) The Supervisory Committee shall consist of three members, two elected by the delegates and one appointed by the Board of Directors.
- b) At each Annual General Meeting a Supervisory Committee Members shall be elected to replace the one retiring and each member so elected shall hold office for three years.

### **26. QUALIFICATION OF THE SUPERVISORY COMMITTEE**

- a) No member of the Board of Directors or Credit Committee or any appointed officer of the Society shall be eligible to be a member of the Supervisory Committee.
- b) In case of election or appointment as the case may be, consideration shall be given as to whether the member has some knowledge of accounts.

### **27. MAIN DUTIES OF THE SUPERVISORY COMMITTEE**

The Supervisory Committee shall examine the affairs of the Society as prescribed under Section 90 of the Co-operative Society Rules including particularly the following;

- a) Make a surprise cash count and bank verification together with reconciliation with books and records at least quarterly.
- b) Check at least quarterly application for loans during the period under review to determine whether for each loan there is a completed application in the prescribed form on file whether the security given for each loan is in accordance with the recommendation of the Credit Committee, whether a negotiable instrument in the form of promissory note for the repayment of the loan signed by the borrower and whether the terms of repayment or renewals if any, have been complied with.

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- c) Determined whether the provision of the Act, the Rules and these By-Laws have been complied with in making loans to individual members, loans for the purchase or erection of buildings or the financing of a business and loan account, if any.
- d) Check any overdrawing from share capital account or loan account, or deposit account or loan account, if any.
- e) If approval by unanimous vote of all members of the Committee suspend any officer of the Society whose action are deemed to be detrimental to the Society and interests of the members and call a meeting of the Society to consider the report of the Committee on such suspension.
- f) Call a special meeting of the Society to consider any matter which in the opinion of the Committee should be placed before the delegates.
- g) Check periodically the meetings of the Board of Directors and of the Credit Committee and see to it that the policies and practices prescribed as such minutes are being followed.
- h) Report monthly to the Board of Directors on the work of the Committee during the preceding.
- i) Present to the Annual General Meeting a report of its work during the preceding financial year, a report of any. Inspections made by the Registrar of Co-operatives or his representatives during that year and if an Auditor has been appointed by the Society the Committee shall present to the Annual General Meeting the Auditor's report for the preceding financial year.

### **28. REMUNERATION AND EXPENSES OF BOARD MEMBERS**

The Members of the Board shall be paid out of the funds of the Society, remunerations determined by the Annual General Meeting and in accordance with the Co-operative Societies Act, Rules and these By-Laws. This shall include travelling and other expenses as may have reasonably been incurred by the members by reason of their office.

### **29. LIABILITY OF MEMBERS OF THE BOARD**

No member of the Board or a person co-opted to serve on the Board shall be personally liable for any act or default of the Board done or omitted to be done in good faith and without negligence in the course of the operation of the Board.

### **30. OFFICERS APPOINTED BY THE BOARD**

#### **30.01 GENERAL MANAGER**

There shall be a General Manager of the Society who shall be appointed by the Board.

#### **30.02 DUTIES OF THE GENERAL MANAGER**

The General Manager shall: -



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- (a) Conduct the business of the CSAWZ-SACCO Society in accordance with the instructions of the Board-,
- (b) Cause the Society's funds and Securities to be kept under safe custody;
- (c) Keep or cause to be kept full account of cash records and accounts of all receipts and payments in the books of the Society;
- (d) Make such payments from the funds of the Society as may be directed by the Board;
- (e) Attend unless excused by the Board, all meetings and keep or cause to be kept a record of all votes and minutes of the proceedings by the Society;
- (f) Give or cause to be given, notice of all meetings of the Board to members and to all other interested parties;
- (g) Prepare or cause to be prepared, the Balance Sheet and all Statutory Reports of the work of the Society;
- (h) Render to the Board at its meetings or at such other times as required an account of all the transactions and financial position of the Society;
- (i) Prepare or cause to be prepared. Balance Sheet and Accounts for Audit and for submission to the Board;
- (j) Keep in safe custody, the Seal of the Society and;
- (k) Perform such other duties as may be prescribed by the Board.
- (l) In the absence or inability of the General Manager to carry out his/her duties, all rights for the time being be vested in the Deputy Manager.

### **31. DUTIES OF THE ACCOUNTANT**

The Accountant shall;

- a) Keeping full and accurate accounts of all receipts and payments in the books of the Society.
- b) Effect payments from the funds of the Society as directed by the General Manager on behalf of the Board.
- c) Attend unless excused by the Board all Board Meetings.
- d) Prepare the Balance Sheet and all Statutory Reports of the works of the Society.

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- e) Prepare an account of all transactions and financial position of the Society as may be directed by the Board.
- f) Prepare Balance Sheet and Accounts for Audit and for submission to the Board.
- g) Perform such other duties as may be prescribed by the Board.

### **32. ACCOUNTS OF THE SOCIETY**

The Board shall cause to be kept and make, such books and statements of Accounts and other books in relation thereto and all its undertakings, funds, activities and property in such manner as shall be required from time to time by or under the Co-operative Societies Act and Rules and the Society's By-Laws, and Resolutions passed at a duly convened meeting.

### **33. AUDITORS**

33.01 The Society shall produce and lay before the Auditors all books and Accounts of the Society with all vouchers in support thereof, and all books papers and writings. In its possession or control relating thereto, and the Auditors shall be entitled to require from all the members of the Board, the officers of the Society and all the employees and agents of the Society such information as they may consider necessary for the performance of their duties as Auditors.

33.02 The expenses of and incidentals to the Audit shall be paid from the funds of the Society.

### **34. SIGNATORIES**

The Board of Directors shall appoint a suitable number of persons, including the General Manager as signatories for the Society. Signatories on behalf of the Society shall be made by two of the signatories.

### **35. COMMON SEAL**

The Society shall have a Common Seal, which shall be in form of words **CIVIL SERVANTS AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT SOCIETY LIMITED**. It shall be kept by a person appointed by the Board and shall be used on all documents executed in the name of the Society.

### **36. BANKING**

- (a) The Society shall maintain a Bank Account/s with one or more Commercial Banks.
- (b) The General Manager, the Accountant, the Chairperson, Secretary or any other member of the Board shall be a signatory to all Cheques and any other negotiable documents of the Society;

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- (c) The Society shall be required to produce quarterly Statements of Accounts to the Board which shall show business of the Society during each quarter of the year in as far as Bank transactions are concerned;
- (d) The Registrar of Co-operative Societies appointed representative will counter sign all cheques and any other negotiable document as long as the Society is indebted for which the Government of the Republic of Zambia is a Guarantor.

### **37. CLOSING OF ACCOUNTS - FINANCIAL YEAR**

- (a) The Financial Year of the Society shall be from **1st January** to **31<sup>st</sup> December** each year.
- (b) The Society shall keep the books and records as required by the Registrar.
- (c) At the closing of Accounts, the stock of goods on hand shall be accounted for at least ten (10%) per cent below purchase value or that value in case it is lower which prevails at the closing of Accounts.
- (d) At least fifteen (20%) percent of the original cost of fixtures and equipment shall be written off, while premises shall be depreciated by at least the amount which taxation authorities recognise as deductible.
- (e) All Accounts shall be in the hands of the Auditors at the latest six (6) weeks after the closing of the Accounts.
- (f) The Board shall not later than ten (10) weeks after the closing of accounts prepare the Annual Report signed by the members of the Board on the Society's operations during the preceding year.

### **38. REGISTERS**

The following Registers and documents shall be maintained in proper order by the officers charged with the responsibilities.

- (a) A Register of Members, showing Names, Addresses;  
Membership Number, Shares Held, Date of Admission, Date of Termination to Membership and Name of Nominee or Solicitor.
- (b) A cash Book showing all receipts and payments or money and balance cash for each day on which business is done.
- (c) Ledger.
- (d) Minutes Book for Records of both General and Board Meetings.
- (e) Register of Shares.

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- (f) Such other records and other register as the Registrar of Co-operatives may from time to time require.

### **39. POWERS OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES**

- 39.01 The Registrar of Co-operative Societies shall in his discretion have power to suspend or remove from office any or all officers, employees and members of the Board if at any time he considers that the interest of the Society, and its Members is in any way being seriously neglected or endangered by the action of the Board or any of its members or its officers or employees of the Society.
- 39.02 The Registrar shall have power to appoint members of the Board if he/she thinks it desirable in place of Members removed from office under these By-Laws, to replace any officers or employees removed and to appoint a Manager or Managers to administer the affairs of the Society.
- 39.03 Any such action as outlined in By-Law (39.2) above shall be effective for one year from the date of the Registrar of Co-operatives decision or for such lesser period as the Registrar of Co-operative Societies may decide. And there after decision as to further action shall rest with the General Meeting of the Society.

### **40 GENERAL REGULATIONS**

- 40.01. Organisations or Institutions, which are members of the Society, are entitled to be represented at the General Meeting by one delegate.
- 40.02. The Rights to participate in decisions of the Society's affairs shall be approved in such a manner as the Board may determine.
- 40.03. Any Member desiring the inclusion of a certain business in the notice to the Annual General Meeting shall give written notice there-of to the Board at least a month before the General meeting takes place.
- 40.04. Voting on matters other than elections shall be open, unless so demanded by the members that the voting must be by ballot.
- 40.05. The Society shall be liable for its obligations only to the amount of its assets including paid shares and entrance fees.
- 40.06. If a member wishes to lodge a complaint and submits this to the Board, the Board is obliged to investigate the matter and inform the complainant of its decision on the matter.
- 40.07 Any disputes, within the Society or between the Society and other persons or associations shall be dealt and settled in accordance with the Laws of Zambia. The Registrar may appoint an arbitrator.
- 40.08 Amendments to these By-Laws may be made in accordance with Section 20 of the Co-operative Societies Act.

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- 40.09. Any proposal for such alterations shall be submitted to the Registrar for Examination. No alteration shall be valid unless approved and sanctioned by the Registrar.
- 40.10. In addition to the circumstances recorded in the Co-operative Societies Act, the Society shall seek liquidation when two thirds (2/3) of the paid up Share Capital has been lost and the logs has not been made good within a period of three months after it has been reported at a General Meeting.
- 40.11. Should the CSAWZ-SACCO Society be dissolved the Share Capital after the business has been legally wound up shall be repaid to the Members.
- 40.12. Funds then existing shall be allocated to purposes of General Welfare approved by the Registrar. Minutes, Management and Auditors and Ledgers shall be delivered into the office of the Registrar.
- 40.13 All other questions shall be decided in accordance with the co-operative Societies Act.**

**THESE ARE THE BY- LAWS OF THE CIVIL SERVICE AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY**

**Name of Chairperson:**.....

**Date:**.....

**Signed:**.....

**Name of Secretary:**.....

**Signed:**.....

**Date:**.....

**ON BEHALF OF THE CIVIL SERVICE AND ALLIED WORKERS OF ZAMBIA SAVINGS AND CREDIT CO-OPERATIVE SOCIETY**