BYE – LAWS OF EL-ANSAR MULTI-PURPOSE CO-OPERATIVE SOCIETY LIMITED

Preamble:

Strongly believing in Allah as the Creator, Sustainer and Sovereign of the entire universe; and inspired by His commandment to help one another in virtue, righteousness and piety; we, the entire members of El-Ansar Multi-purpose Co-operative Society of the National Hospital Abuja do solemnly resolve and give ourselves the following bye-laws:

1.0 NAME, REGISTRATION, AND OWNERSHIP OF THE SOCIETY

The Name of the Society is**: El-Ansar Multi-Purpose Cooperative Society Limited**

It was registered by the Registrar of Cooperative Societies in Abuja on the **25th** Day of **June 2007** with registration number **9967.** The society is not a subsidiary of National Hospital but rather owned by the Muslim Ummah of the Hospital. It is a corporate body quite distinct from the owners, can sue and be sued and can own such properties as are consistent with its Cooperative status.

2.0 BYE-LAWS OF EL-ANSAR MULTI PURPOSE COOPERATIVE SOCIETY LIMITED.

2.1 Interpretation: Unless the context otherwise requires, all words and expressions used in these bye-laws shall have the meaning as provided by the Nigerian Cooperative Societies Act No. 98 of 2004 and without prejudice to the provisions of the said decree, the following words shall have the meaning respectively provided for them below:

i) **National Hospital Muslim Ummah** means a body of bona fide muslim staff of National Hospital, Abuja and their families.

ii) **Financial member** of el-Ansar Multipurpose Cooperative Society means any member whose monthly contribution is not in arrears of more than 3 months.

iii) **The Registrar** means the Chief Registrar of cooperative societies, FCT, Abuja.

iv) **Financial year** means the period of twelve months beginning from 1st of September to 31st of August of every year.

v) **Executive Council** means a body of persons within the society appointed by Shura committee and entrusted with general management of the affairs of the society.

vi) **Committee** means a body of person within the society nominated by the Executive council to perform a specific duty.

vii) **The Society** means **el-Ansar** Multi-purpose Cooperative Society Limited.

viii) **Hospital** means National Hospital Abuja.

ix) **Dividend** means a share of the surplus generated by the society.

x) **Quorum:** means minimum number of members required to be present for a meeting to hold.

Xi) **Gender:** In these bye-laws, words importing the masculine gender include Females.

Xii) **Falah:** means achievement of sustainable success and prosperity in a manner consistent with the attainment of Allah's pleasure.

xiii) **Halal** means what is permissible according to Islamic jurisprudence.

xiv) **Law:** Refers to co-operative law i.e. the edict or enactment of parliament setting up co-operative societies in Nigeria.

xv) **Regulations:-** Sets of rules regulating the day-to-day running of co-operative societies

xvi) **Bye-laws:** Refers to the bye laws of the el-Ansar Multipurpose Cooperative Society of National Hospital Abuja.

xvii) **Shura** – Group of highly esteem Islamic Scholars.

xviii) **Interest** – means extra money, usually in percentage charged in the loan.

xix) **Profit –** means a financial gain especially the difference between the amount earned and the amount used in buying, operating or producing goods or services.

xx) **Loss –** means a decrease in the net income after a normal operation of the business.

If there shall be arise any doubt regarding the meaning or intention of these bye laws the matter shall be referred to the Chief Registrar of Cooperative Societies for his ruling.

3.0 LOCATION AND ADDRESS OF THE SOCIETY

3.1 The society's secretariat shall be located within the hospital and its address shall be C/O National Hospital Abuja, Plot 132, Central Business District, Phase II, PMB 425 Garki, Abuja.

3.2 **Area of operation:** The area of operation shall be the secretariat of the society.

4.0 OBJECTIVES OF THE SOCIETY

The objectives of the society shall be to promote the general economic interests of its members. These include:

i. The provision of facilities for regular monthly savings by members.

ii. To create loan facility at interest free to its members.

iii. To supply food items and other essential commodities to its member at regular interval.

iv. To engage in trading and investment in shares and securities of companies in halal business. Such as:

   a. Real Estate Investment
   b. Landed Properties
   c. Setting up of Small/Medium scale industries
   d. Operating school e.t.c

v. To encourage and strengthen the bound of brotherhood and cooperative spirit among its members.

5.0 MEMBERSHIP

5.1 Membership of the society shall be open to persons (hospital staff and non hospital – staff) who:

i. Are of good character

ii. Have attained the age of 18 years and above, except where Chief Registrar has granted exception

iii. Spouses must be introduced by their partner who must be a financial member of the society

iv. Resident in Abuja and its neighboring states. In case of relocation outside Abuja the membership shall be retained provided such member shall not borrow from the society amount exceeding his/her contribution

v. Have registered and fully done necessary documentation with the secretariat

vi. Are willing to abide by the Islamic tenets that govern the society and that only hospital muslim members shall be eligible to hold Executive and Committees position

vii. Must be introduced and guaranteed by respective organizations OR 3-respected persons one of which must be a financial member of el-Ansar Multipurpose Cooperative Society Limited (Non hospital staff)

viii. Have steady halal source of income provided such a person fulfilled the conditions (5.1.7) above.

5.2 Admission of Members into the Society

i. Prospective members shall obtain and complete membership form from the secretariat and submit same with a non-refundable fee of ₦2,000.00 only (and as review from time to time) for consideration by the Executive Council.

ii. In case of refusal of application the person shall be duly communicated.

iii. Upon admission of any member his next of kin shall automatically inherit the assets or liability should the member dies or becomes permanently insane.

5.3 Membership Annual Levy: Each member shall be required to contribute to the running of the society by paying Membership annual levies which shall be determined/review from time to time by the Executive Council in line with financial need of the Society.

5.4 Cessation of membership

5.4.1 Membership of the society shall be terminated in the event of:-

i) Death or permanent insanity of member

ii) Voluntary withdrawal of membership after a 5 months (150 days) notice to the Secretary subject to confirmation of non-indebtedness to the society.

iii) Expulsion of member on account of:

a) Criminal conviction by a court of competent jurisdiction.

b) Inability to settle debts from society more than 3 months. In such cases, the guarantors shall be made to offset the debt failure of which legal procedure shall be taken against the erring member and guarantors.

c) Failure to meet monthly obligations in terms of thrift saving and/or investment for three (3) consecutive months.

d) Grievous acts of misconduct that is unethical to the objectives of the society. All cases of expulsion shall however be confirmed by the ordinary or Extra-ordinary General meeting as the case may be.

5.5 Nominee or Next of Kin

i. Every member shall nominate in writing a person or persons to whom should he/she die or become permanently insane, the amount standing to his/her credit and/or liability be transferred.

ii. A member may at any time change his/her nominee by paying a nominal fee of N100.00 and the name of the nominee shall be entered in the Register of members and any alterations shall be signed by the member. If not admitted to membership, the nominee shall in the case of death or permanent insanity of the member be paid the value of the member's savings cum Investment less any sum due to the society.

iii. The estate of a deceased member shall be liable for the debts of the society, as they existed on the date of his/her death for a period of two years after his death.

5.6 Liability of Past Members – A member whose membership ceased is referred to as past member from the date its ceased.

i. A past member shall be liable for the debts due by the society as it stand at the date its membership ceased.

ii. The asset of a deceased member shall be liable for the debts due to the society as they existed at the date of his death.

5.7 Recoverable dues to Members: Any money due on any account of a member of the society shall be set off in payment of any sum which he owes or which he stand surety as at the time its membership ceased.

6.0 MEETINGS

6.1 There shall be two Ordinary General Meetings (OGM), one Annual General Meeting (AGM) and Extra-ordinary General Meeting (EOGM) according to exigency in a financial year.

6.2 The decision by Executive Council shall be ratified at Ordinary General Meetings which shall hold 2 times in a financial year.

6.3 The Annual General Meeting shall be the ultimate decision making organ of the society provided it is in accordance with the Islamic tenets and shall hold once in a financial year.

6.4 **Quorum**: The presence of 25 members shall form a quorum for the business of the meeting provided the President and Secretary are included.

6.4.1 Where quorum is not formed the meeting shall be adjourned to reconvene after adequate publicity.

7.0 ANNUAL GENERAL MEETING(AGM)

The Annual General Meeting shall hold once at the end of every Financial Year after the annual statement of accounts has been prepared and audited.

7.1 **Duties of Annual General Meeting**

i. Shall receive and ratify Committee's report for the year ended. Shall receive and ratify Audited Financial Report including the disposal of surplus provided therein.

ii. Shall ratify all Executive Council activities from the end of preceding Ordinary General Meetings.

iii. To consider any communications received from the Registrar

8.0 ORDINARY GENERAL MEETING (OGM)

There shall be two Ordinary General Meeting in every financial year.

8.1 Duties of Ordinary General Meeting

i. Shall review and ratify decision taken by the Executive Council prior to the Ordinary General Meeting.
ii. Shall consider any communication received from the Registrar.
iii. Shall suspend or remove from office any Executive Council member in accordance with section 11.4
iv. Shall dispose any other business brought before it.

9.0 ATTENDANCE OF MEETINGS

It shall be the duty of every member to attend all the meetings (AGM and OGM)

10.0 RESOLUTION OF ISSUES

All issues that are in contention shall be resolved by simple majority of vote of members present at the time of voting.

In the event of a tie, the President shall have a deciding vote.

10.1 Voting of members: All matters shall be decided by a majority vote of members present. Each member shall have one vote only, and the President shall have a deciding vote in case of tie.

11.0 CONSTITUTION OF EXECUTIVE COUNCIL & DUTIES

Subject to the law and bye laws the Executive Management of the society shall be vested in the Executive Council.

11.1 Officers of the Society: The society shall have an executive council comprising of the following officers, each of whom shall have attained age of maturity.

i President
ii Vice President
iii Secretary General
iv Assistant Secretary General
v Treasurer
vi Financial Secretary
vii Public Relations Officer
viii Chairman Investment Committee
ix Chairman of Credit and Loan Committee

x Chairman Education, Training and Development Committee
xi Ex-Officio 1 – immediate past President
xii Ex-Officio 2 – immediate past Secretary General

11.2 Mode of Election of Officers: Election of the Executive Council shall be based on merit as adjudged by a Shura Council.

11.3 Duties of the officers

11.3.1 President

i. The President shall preside over all the meetings of the society

ii. Shall have power to convene meetings

iii. Shall be Chief Executive Officer/Accounting officer of the society

iv. Shall be official representative of the society at any external functions that involve the society.

11.3.2 Vice President

i. Shall act as the President when the incumbent is absent or when the position is vacant until a new one is elected

ii. Shall assist the President in the day-to-day running of the society

iii. Shall perform any other functions assigned by the President.

11.3.3 Secretary General

i. Shall be responsible for the running of the secretariat

ii. Shall summon Executive, General/Extra-ordinary meetings and conferences at the instances of the President

iii. Shall be in custody of all the records of the society

iv. Shall submit to the Executive Council the Annual reports of the society

v. Shall certify copies of entries of the book under any section as provided in the bye- law

vi. Shall maintain imprest account as may be approved by the Executive Council and retire at the end of each month.

11.3.4 Assistant Secretary General

i. Shall act as Secretary General in the absence of the incumbent or when the post become vacant until a new one is elected.

ii. Shall assist the Secretary General in various secretariat duties

iii. Shall carry out any other duties that may be assigned by the Executive Council.

11.3.5 Financial Secretary

i. Shall be responsible for collection of all contributions, donations, fees, levies and other monies on behalf of the society and ensure that all are properly documented

ii. Shall ensure that all payment/expenditure of the society are covered with payment voucher

iii. Shall prepare/maintain all relevant books of accounts for the society and make same available for inspection of the audit committee as at when required

iv. Shall submit/read financial report at the annual general meetings as may be required

v. Shall carry out any other duties that may be assigned by the Executive Council.

11.3.6 Treasurer

i. Shall take charge of all monies received and deposit same in the society's bank account within 48 hrs of receipt

ii. Shall make disbursement in accordance with the directive of the Executive Council

iii. Shall sign the cash book and all members' pass books and produce the cash balance as at when required by the Executive Council, the registrar or his representatives, the audit committee and at every general meeting

iv. Shall carry out any other duties that may be assigned by the Executive Council.

11.3.7 Public Relations Officer

i. Shall liaise with the various mass media (radio, TV, Newspaper etc) with a view to publicising the activities of the society

ii. Shall disseminate all information of the Society to its members(i.e Notice of Meetings, Annual General Meetings and other such programmes)

iii. Shall carry out any other duties that may be assigned by the Executive Council.

11.3.8 Chairman Investment Committee

i. Shall coordinate the activities of that Committee

ii. Shall present the periodic report to the Executive Council

iii. Any other duties that may be assigned by the Executive Council from time to time.

11.3.9 Chairman Credit & Loan Committee

i. Shall coordinate the activities of the Credit & Loan Committee

i. Shall present the periodic report to the Executive Council

ii. Any other duties that may be assigned by the Executive Council from time to time.

11.3.10 Chairman Education, Training & Development

i. Shall coordinate the activities of that Committee

ii. Shall present the periodic report to the Executive Council

iii. Any other duties that may be assigned by the Executive Council from time to time.

11.3.11 Ex-Officio 1 – Immediate Past President

i. Shall serve as an advisory member to the Executive Council.

11.3.12 Ex-Officio 2 - Immediate Past Secretary General

i. Shall serve as an advisory member to the Executive Council.

11.4 Disqualification of members of the Executive council

A member of the Executive council shall cease to hold office if he:-

i. ceases to be a member of the society;

ii. becomes of unsound mind;

iii becomes guilty of embezzlement of society's fund;

iv. becomes financially embarrassed;

v. becomes a paid officer of the society;

vi. acts in a manner prejudicial to the interest of the Society;

vii. Voluntarily resigned his/her office.

11.5 Meetings of the Executive Council

The meetings of the Executive Council shall hold once in a month while an Extra-ordinary meeting can be convened when necessary. The attendance of five (5) members shall form a quorum.

11.6 Power and Duties: The Executive Council shall have the powers vested in it by the laws. Thus among others are:

i. To observe in all their transaction the Law, the Regulations of Chief Registrar and the Bye-laws.

ii. To ensure the maintenance of accurate accounts received, expended and all the assets and liabilities of the Society.

iii. To keep an up-to-date register of members

iv. To lay before the General Meetings an income and expenditure accounts and an audited Balance Sheet

v. To examine the accounts, sanctions on unclear transactions contingent expenditure, and supervise the maintenance of the prescribed registers

vi. To consider the inspection notes of the Government Co-operative staff and take necessary action

vii. To admit new members subject to provision 5.0 of the Bye-Law

viii. To summon General Meetings

ix. To institute, conduct, define, compromise, refer to arbitration, or abandon legal proceedings by or against the Society or Executive Council or its officers or employees in matters concerning the affairs of the Society

x. To arrange for the custody of books and to appoint one of its members or one of the officers of the Society, resident in the Society's seat of operation, to take charge of all the registers and papers prescribed in these Bye-laws

xi. Generally to carry on the business of the Society, to watch over the interest of the Society, and to set an example of keenness and Co-operative spirit to the other members of the Society

xii. To control, regulate and approve all the activities of the various Committees of the Society

xiii. To exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts of omissions contrary to the law, the regulations and these bye-laws

xiv. To appoint an ad-hoc committee to carry out specific functions as the need arises.

11.7 Payment of allowances to Council Members: Council members may be paid from the current expenditure of the society such sums to their ordinary savings by way of compensation for time lost as may be approved by the general meeting.

11.8 Reimbursement: Committee members may be paid from the current expenditure of the society such sums spent on the society's business as may be approved by the President/Council.

11.9 Tenure of Office: Each officer of the society shall hold office for three years and shall step down at expiration of the third year's General Meeting but shall be eligible for re-appointment for not more than a second term. However, the experienced and knowledgeable Officer(s) could be retained after second term for continuity purpose.

12.0 STAFFING

The Society shall employ qualified skill persons for day-to-day running of the Society full-time under the direct supervision of the Executive Council.

13.0 TRUSTEES

The President, the Secretary General and treasurer shall be the trustees of the society. It shall be their duty to sign on behalf of the society all cheques and legal documents including those concerned with transfer of funds, acquisition and disposal of property of the society.

14.0 CREATION OF FUNDS

14.1 Sources of Fund: The funds of the Society shall be composed of:-

i. An undetermined value of contribution in the sum of the value N300 each

ii. Application of membership fees, sales of all forms, pass book (if necessary) and processing fees charged.

iii. Savings of members as defined in Bye-Laws in Section 14.9(i)

iv. Deposits and loans from non-members of staff as permitted by the Bye-Law in Section 14.8.

v. Surpluses arising out of the business of the Society

vi. Target savings of members

vii. Membership levy shall be deductible from members-ordinary or target savings

viii. Retirement Saving Account

ix. Profit accrued from other businesses

x. Miscellaneous sources approved by the Registrar

14.2 Share Holding

14.3 Conversion of Investment funds to Share: All investment funds shall be convertible into shares of ₦500.00 denomination each. Every member must hold at least twelve (12) full shares, which shall not be transferable except to a nominee in accordance with Bye-Law Section 5.5.

14.4 Payment of Shares: Shares shall be paid up in not more than 12 monthly installments. Any member may pay up the full value in advance at any time. Members not paying their installments by the due date may be fined not more than ₦250.00 for every full month of arrears.

14.5 Limit on share Holding: No member shall hold more than one fifth of the number of shares actually paid up. If any member, by inheritance or otherwise, become possessed of more than the maximum holding permitted, the Executive Council may sell the excess or buy them on behalf of and for disposal by the Society.

14.6 Entrance fees: Every member on joining the Society shall pay non-refundable entrance fee of Two Thousand Naira (₦2,000.00) only. And subject to review by the Executive Council.

14.7 Employment of Funds: In view of the fact that Islam is opposed to tying down of resources without being put to productive use, such funds accruing from target savings/RSA shall be invested in productive ventures which the Investment committee may decide.

14.8 Deposits and Investment (Special) from non-members: the Society shall accept deposits and Investment (Special) from non-members provided such deposits and Investments are given on interest-free basis. Such deposits and loans shall however attract returns based on the agreed profit/loss sharing formula.

14.9 Compulsory Savings and Investments

i. Every member shall make monthly thrift savings, a minimum of 50% of which shall be earmarked for investment purposes.

iii. Members are to note that 200% of loan obtainable shall be expressed in terms of the complementary 50% or less the ordinary savings segments of their total monthly contribution. Subject to availability of funds.

I. The Executive council may exempt a member from the obligation to make compulsory savings for any period during which his circumstances do not permit such savings

II. The rate of dividend payment on investment shall be determined after the surplus has been ascertained, provision for Zakat has been made and necessary reserves created.

14.10 Target/Emergency Savings: Definition: These are special form of savings towards the accomplishment of a project or programme of a given future date, for example wedding ceremony (Annikkah), pilgrimage (Hajj), Education pursuits, etc, such savings shall not count for determination of loan entitlement

14.10.1 **Target date/Emergency withdrawal:** Upon commencement of target savings/emergency fund saving, any contributor that require ₦500,000.00 and above shall at least give one (1) month notice prior to withdrawal of such.

14.10.2 **Returns on Target Savings:** Returns on all target savings that have been for investment shall be retained by the Society as Administrative Charges for the period for which such savings were invested.

14.11 **Retirement Saving Account (RSA):** This is a special form of saving towards retirement of the account holder and it is only withdrawn upon retirement from service or death. Such savings shall not count for loan entitlement.

14.11.1 **Returns on Retirement Saving Account (RSA)**: The investment returns on Retirement Saving Account that might have been accrued shall be distributed to all account holders in proportion to holdings of each account holder.

14.12 **Common Interest Contributions Account:** This is a special contributions account where members are grouped according to their special interest/financial capacity to contribute equally to common pool in order to achieve their common interest. The accrued contribution(s) is collected on monthly basis according to pre-arranged formula in turn among members of the group.

15.0 **FUND TRANSFER**

Funds can only be transferred from investment account to any other accounts within the waiting period of 30 days.

16.0 WITHDRAWAL OF EQUITY

In the unlikely event of a member being constrained to apply for withdrawal of equities where monthly contributions continues, a notice period of:

i. Two months (60 days) shall be required for withdrawal of 50% or less of the total savings

ii. Three months (90 days) shall be required for the withdrawal of 51% or more of the total savings.

iii. Withdrawal of assets will only be allowed from January to July of each financial year.

iv. Any member who withdraws 50% of his/her asset shall not withdraw again until after 2 years of such withdrawal.

17.0 CLOSURE OF ACCOUNT

In case of total closure of accounts a notice of 150 days shall be required and should such member intends to be a member again he/she shall be admitted as a member upon payment of N5,000.00 for re-admittance fees after a period of 6 months.

18.0 USE AND CUSTODY OF FUNDS

18.1 **Internal Funds**: The funds of the Society may be held in the form of:

i) A reserve fund

ii) A depreciation fund

iii) Development, education, publicity or other funds approved by the General meeting and the Registrar.

iv) Current or savings bank accounts or cash

18.2 **Use of funds:** The funds of the Society shall be applied only to the furtherance of its stated objects in accordance with these Bye-Laws

18.3 Limits of cash Holding: A replenishable imprest account of not more than ₦50,000.00 (Fifty Thousand Naira) only shall be maintained and duly retired by the Secretary General on monthly basis.

18.4 Loan to another registered Society: With the prior approval of the Registrar, a loan may be granted to another registered Society (but limited to an affiliate/partner society).

18.5 Recall of Loan: All loans shall be issued subject to the right of the Society to call for immediate repayment:

i) If any misapplication is proved

ii) If the borrower gives an indication of resignation

iii) or news of his/her expulsion is received from his place of work or loss of business premises.

iv) If any loan is defaulted for period of up to 3 months the society shall recall it through the defaulter's equity.

v) On the events of the failure of the loan collateral to defray the outstanding loan the society will refer to guarantors for recourse.

19.0 DISPOSAL OF SURPLUS

At the annual general meeting (i.e. the end of each financial year), the excess of Income over Expenditure (after provision has been made for Zakkat, depreciation and payment of audit and supervision fees, including bonuses for desk officers or paid officers of the society) during the previous financial year shall be announced.

19.1 Appropriation: The net-surplus shall be appropriated as follows:

i. At least one-fourth shall be carried to the Reserve fund, unless permission is given by the Registrar to reduce this amount.

ii. At least one-tenth shall be carried to an Education fund

iii. the balance shall be utilized for one or more of the following purposes

a) payment of a dividend on shares/investment subject to Bye-Law provisions

b) Donation not excess of 1% of the surplus to any charitable or social purpose approved by the Executive Council.

c) Institution of a Share Transfer Fund

d) Payment of honorarium to Executive Council Members, Committee Members & Staff bonus of not more than 10% of the net surplus.

19.2 **Dividend:** The dividend paid on shares shall be commensurate with shares held and no dividend shall be paid if any overdue claim to a depositor or lender remains unsatisfied.

19.3 **Registrar's approval:** The appropriation of the net surplus shall be subject to approval by the Registrar and governed in all respects by the spirit and letter of the law and the regulations.

19.4 **Reserve Fund:** The reserve funds is indivisible and no member is entitled to claim a specified share in it, except with written permission of the Registrar, it shall not be utilized in the business of the Society, but shall be deposited or invested in accordance with provision of the Cooperative Law of the Federal Republic of Nigeria.

20.0 AUDIT AND SUPERVISION FEES

20.1 **Audit and Supervision Fees** at the rate assessed by the Registrar and published in the FCT gazette shall be paid annually to the FCT Cooperative Limited not later than September 30.

21.0 BOOK AND ACCOUNT

21.1 **Prescribed Books and Records:** Accounts and Records shall be maintained in the forms prescribed by the Registrar and shall include the following:

i. A Membership and Attendance Register showing the name, address and occupation of every member, the number of shares held by him, the date of his admission to membership, the nominee appointed under Bye-Law and the member's Attendance at General Meetings

ii. A Cash Book showing the receipts, expenditure and balance of each day on which business is done

iii. General Ledger

iv. Personal Ledger with accounts for each member, depositor and Creditor

v. Loan Register – showing installments for repayment of loans

vi. Minute Book for proceedings for General and Executive meetings

vii. Register of share payments

viii. Loan Bond Book showing particulars of and containing bonds for all loans issued.

ix. Such other records as may be prescribed by the Registrar.

21.2 Inspection of Books: The books of account, registers and papers of the Society shall be open at all reasonable times for the inspection of members and of any accredited Co-operative official, provided that no person other than an officer or Executive member of the Society or a Co-operative official shall be allowed to see the personal account of any member without that member's consent. Copies of the Law, the Regulations and of these Bye-Laws shall be available for inspection at the registered address of the Society at all reasonable hours.

22.0 PASS BOOK:

Each member shall be provided from the Society a pass-book showing particulars of his personal account with the Society.

23.0 RECEIPT:

It is the duty of every member:-

i. To insist upon obtaining from the secretary a separate printed receipt from the proper receipt book, or such other form of receipt as may be approved by the Registrar, for every sum of money paid by him to the Society.

ii. To sign, or make his thumbprint in the proper book as evidence of receipt whenever any sum of money is paid or repaid to him by the Society.

24.0 LIQUIDATION:

The Society shall not be liquidated except in accordance with Section 30.5(2) of this Bye-Law.

25.0 DISPOSAL OF FUNDS:

On the dissolution of the Society the Reserve and other funds of the Society shall be applied

i) To discharging the liabilities of the Society;

ii) To the repayment of the share capital paid up

iii) The remainder shall be placed by the Registrar in the bank until a new co-operative investment and Credit Society with a similar area of operations registered, in which event the funds shall be credited to the Reserve Funds of the society.

26.0 STANDING SUB-COMMITTEES:

These include the following:

i) Investment Committee

ii) Credit & Loans Committee

iii) Education, Training Development

iv) Supervisory/Audit Committee

v) Shariah Advisory Committee/Advisory Committee of Expert

Vi) Appropriation Committee

26.1 INVESTMENT COMMITTEE

26.1.1 Composition: The Society shall have an Investment Committee which:

i. Shall consist of 11 Financial Members including a Chairman and Secretary.

ii. Shall consist of member with high business acumen.

iii. Shall be appointed by Executive Council except Chairman who is appointed by Shura.

iv. Shall hold office for 3 years but shall be eligible for re-appointment by 1 term

26.1.2 Duties: The duties of the Commission shall include among others:

i) Shall invest the Society's investible resources on Halal businesses

ii) Shall decide profit/loss sharing in line with the appropriate provision of the Bye-Laws

iii) Shall source for fund in order to boost investment

iv) Shall carryout feasibility studies on projects, which may be presented to it for possible financing.

v) Shall issue additional shares to interested members to fund viable projects beyond the immediate resources of the Society

vi) Shall submit periodic report of its activities to the Executive Council, Ordinary and Annual General Meeting of the Society.

26.1.3 Imprest Account: The Committee shall operate an imprest account to be retired from time-to-time in order to meet business and other operational expenses an amount not exceeding ₦500,000.00 (Five Hundred Thousand naira) only for emergency transaction.

26.1.4 Withdrawal of Shares: To guarantee the financial stability of the Society, Shares shall not be withdrawn able during the course of the year. At the end of the financial year of the Society the Executive Council shall repay to member whose membership has terminated during the year a sum not exceeding the amount paid by him on the Investment and any return on investment (profit/loss) shall be due to him.

26.1.5 Sources of the Committee's Finances: The Committee shall have its primary source of funds as follows:

i) Deposit received from the investment, saving and retirement savings account of members

ii) Loans from the Credit and Loan Committee

iii) Shall also receive loan from members/non-members who wishes to borrow money to the Committee on an agreed terms of payment and sharing formula of proceeds from the investment

iv) Shall be from proceeds made from sharing formula or an agreed term with manufacturers/manufacturers representatives in marketing their products.

26.1.6 Meetings

i. Shall meet once in a month

ii. Shall have extra meeting where necessary

iii. Secretary shall call meetings at the instance of the Chairman or at the request by 3 members of the committee

iv. Quorum shall be formed by 1/3 of member

26.1.7 Business Models: The Investment Committee shall employ Islamic Finance compliant models in its entire transactions and activities. These business models include but not limited to:

i. Muraabahah (cost plus)

ii. Mushaarakah (partnerships)

iii. Mudaarabah (Venture capital partnership)

26.2 CREDIT AND LOANS COMMITTEE

26.2.1 Composition: The Society shall have a Credit & Loans Committee which:

i. Shall consist of 11 Members including a Chairman and Secretary.

ii. Shall be financial members of the society.

iii. Shall be appointed by the Executive Council except the Chairman of the Committee to hold office for 3 years in the first instance but shall be eligible for re-appointment by 1 term.

26.2.2 Duties: The duties of the Commission shall include among others:

i Receive and treat applications for loan and recommend as appropriate to the Executive Council having regard to the applicant's previous records of borrowing/repayment, purpose of loan, repayment capability, the character and financial standing of the sureties etc.

ii To be guided by the Bye-Law in deciding on the terms of re-payment of loans granted.

iii To call for and examine at regular intervals, statements of comparative loan/repayment analysis with a view to detecting defaulters and appropriate recommendation to the Executive Council.

iv Shall give yearly notification to members whose savings has reached the Nisab for Zakat. This shall not apply to non-Muslim members of the society.

v Shall decide the terms and conditions to whom loans shall be given and reject the security offered by the borrower to defray the existing loan.

vi Shall fix maximum credit limit from time to time.

vii Shall process and approve loan to the Investment Committee of the Society.

ix Shall always have knowledge of cash-flow of the society in term of total savings and disbursements.

x Shall always make sure that all the financial transactions that involved savings of members are monitored by the Committee.

xi Shall present periodic report of its activities to the Executive, Ordinary and Annual General Meetings

26.2.3 Conditions Governing Loans: The following are the general rules and regulations guiding loan approval:

i) That no member can claim loan as a right and that both the lender and the borrower must agree with the terms and conditions of the loan.

ii) Loans granted are drawn from the pool of total contributions of all members and are therefore not the singular contribution of any loan beneficiary.

iii) The loan application shall be on the forms prepared by the Credit & Loans Committee and shall set out the purpose for which the loan is desired, the security (if any) and any other information that may be require.

iv) That a beneficiary of the loan must be a *financial member* of the society and the loan shall be used for good course and as being approved by the Credit and Loans Committee.

v) That a member must be a contributor for up to a minimum period of six (6) months before qualifying for loan.

vi) That a beneficiary must present two (2) sureties/guarantors, who must be staff of National Hospital, Abuja as well as a *financial member* of the society.

vii) That the loan must be an *interest-free* loan in conformity with Islamic principles.

viii) That members seeking for loan shall be treated on first come, first served basis.

ix) In line with government financial regulation, members applying for loan shall indicate their current monthly take-home pay in order to guide the Committee on the capability on the total amount of loan re-payment.

x) That non-NHA staff member(s) shall be granted loan equal to their total sum in their savings account.

xi) That non-NHA staff members can only be granted loan(s) in excess of their saving if and only when such member(s) is/are guaranteed in writing by two financial members who are staff of the Hospital or if his investment saving is in excess of the loan,

xii) That all loans granted shall be paid within a period of 12 months after the one-month period of moratorium, except if it is a special loan as determined by Loan Committee and ratified by the Council.

xiii) That any member that takes regular loan shall wait for 6 months before another regular loan can be granted to such member and should be base on first come first serve.

26.2.4 Maximum Credit Limit: The percentage of loan allowable to a member shall not exceed 200% (subject to future review) of his/her savings segment of contribution, bearing in mind the availability of funds and subject to the principle of making credit available to as many members as are qualified and the securities offered.

26.2.5 Moratorium: There shall be one (1) month grace period before the commencement of repayment of the loan granted.

26.2.6 Loan Repayment: In addition to monthly loan repayment, the beneficiary shall have the option of reducing his/her monthly deduction down to a minimum of 25% of the original monthly saving if he/she chooses to step up his/her capital base.

i) That a beneficiary must have the ability to repay the loan within a stipulated period of 12 months but NOT more than 24 months in case of special loan.

ii) No loan shall be given to a member:

a. Whose monthly savings are in arrears;

b. If the loan would bring a member's total indebtedness at the time of the loan to an amount exceeding twice his/her total ordinary savings; or

c. Who is yet to offset a previous loan granted to his/her by the y salary after all deductions.

d. Whose take home is less than 1/3 of his monthly salary after all deductions.

26.2.7 Bonds and Sureties: Every borrower shall execute a bond and shall furnish his/her sureties/guarantors as indicated in the loan agreement form (Form LSC002) and each surety shall be counseled as to his/her obligations/responsibilities that includes:

i. Repayment of the loan if the borrower defaults;

ii. Personal guarantee of the correctness of the particulars on which the value of the borrower's securities is based.

26.2.8 Qualification of Sureties

i. That no member shall be qualified to stand as surety/guarantor if such person has obtained a loan and is yet to liquidate such loan.

ii. That all loans shall be issued subject to right or discretion of the society to call for immediate repayment if any misappropriation is proved or if the borrower gives an indication of resignation from the employment of National Hospital as well as persistent defaults in repayment of the loan for a period of over two (2) months; and

iii. That subject to the prior approval of the Registrar of Cooperatives, a loan may be granted to another registered society.

iv. **<u>No member</u>** shall stand as a surety to a borrower if he/she is already standing as surety in a loan that is **<u>yet to be liquidated</u>** up to 90%.

26.2.9 Application for loan

i) Application for loans shall be on forms prepared by credit and loans Committee as approved by the Executive Council and shall set out the purpose for which the loan is desired, the security (if any) and such other data or information as the credit & loan committee may require

ii) Applications for loan shall be made through the secretary and disposed of by the credit & loans committee

iii) Application form for loan shall be available to applicants on the payment of ₦2,000.00 processing fee and this is subject to review by the Council.

26.2.10 Meetings

i. Shall meet once monthly to discuss and approves loan

ii. Shall have extra meetings where necessary

iii. Secretary shall call meetings at the instance of committee Chairman or request by 3 members of the committee

iv. Quorum shall be form by 1/3 of member provided the Chairman and the secretary are in attendance.

26.2.11 Bonds and sureties

i. Every borrower shall execute a bond and shall furnish two sureties who must be members of the society

ii. Each surety shall be educated as to the responsibilities attached to his/her suretyship.

26.2.12 Recall of loan: All loans shall be issued subject to the right of the society to call for immediate repayment:

a. If any misappropriation is proved;

b. If the borrower gives an indication of resignation from employment;

c. Or news of his/her expulsion reaches the Society or loss of business premises;

d. Persistent defaults in repayment of the loan for a period of 2 months.

26.2.13 **Loans to another society:** Subject to the prior approval of the Registrar, a loan may be granted to another registered society.

26.2.14 **Special/Compassionate Loan:** These loans shall be granted only by the Executive Council in line with the criteria set by the Council

26.3 EDUCATION AND TRAINING DEVELOPMENT COMMITTEE

26.3.1 **Composition:** The committee shall consist of 9 members and shall be appointed to serve for a period of three years renewable for another three years as follows:

i) A Chairman

ii) One Person representing NHA Muslim Ummah

iii) One Person representing FCTA Education Resource Centre

iv) 6 Other members as nominated by the EMCS Council.

26.3.2 **Duties:** The duties of the Committee shall include among others:

i. Shall plan and execute all training and educational activities of the Society

ii. Shall identify training need of the Executive Members, other members and organize such training from time to time

iii. Shall serve as Governing Board of EMCS Nursery and Primary School

iv. Shall liaise with appropriate authorities in training and educational research

v. Shall submit quarterly and annual report to the Council of EMCS

vi. Shall carry any other assignment that may be assigned by the Council through the President.

26.3.3 **Constitution of the Committee:** The Committee shall be constituted by the President-in-Council of the EMCS and it shall be responsible to the Council

26.3.4 **Powers of the Committee:** The Committee will have power to plan and executive all training and educational activities after due consultations with the Council of EMCS

26.4 SUPERVISORY/AUDIT COMMITTEE

26.4.1 **Composition:**

i. The supervisory committee shall consist of 3 members elected by the shura council

ii. Shall hold office for three years and notwithstanding any other provisions in the regulations

iii. No member of the Executive Council or ex-officio member shall be a member of the Supervisory /Audit Committee

iv. The chairman of the committee must be a person experienced in financial matters.

26.4.2 **Duties:** In addition to any other duties that may be assigned by the Registrar, the Audit Committee shall:

i. Meet at least once every 3 months to make or cause to be made an examination of the affairs of the society which examination shall include an audit of its books and an inspection of the securities, cash accounts and loans;

ii. Ascertain that all actions by the Executive Council and other committees are in conformity with the stipulations of the bye-laws of the society;

iii. Make a written report to the Executive Council of its findings following each examination;

iv. Make an annual audit and a written report and submit same to the annual general meeting;

v. Verify the passbooks of the members with the accounts of the Treasurer annually.

26.4.3 **Audit Checklist:** The committee shall pay attention to the following:

i. Is there a receipt issued for every item of cash received?

ii. Is there a payment voucher issued for every amount paid out?

iii. Is too much cash kept at hand?

iv. Are there any unused cheques on hand signed in blank?

v. Is the cash book balanced regularly (daily, weekly, monthly)?

vi. Are all expenses approved by the Executive Council and vouchers signed by the President?

vii. Are all members' balances agreed with the general control account?

viii. Are accounting records updated, reconciled and balanced monthly?

ix. Are the bank reconciliation and the bank deposits performed by two different people?

x. Are all disbursement made by cheque?

xi. Are pre-numbered cheque used?

xii. Are there written policies that cover limitations on the amount of disbursement, approval requirements and other restrictions?

xiii. Are vouchers and supporting documents checked by a responsible employee at the time of the reimbursement?

xiv. Are periodic physical inventories taken?

26.4.4 **Power of Sanction:** The audit committee shall have the power to recommend the suspension of any officer, any or all members of the Executive Council/Committee Members or to call a special investigation.

26.5 SHARIAH ADVISORY COMMITTEE (SAC)/ADVISORY COMMITTEE OF EXPERTS (ACE)

As mandated by law and as required for an efficient shariah compliance business environment, a Shariah Advisory Committee (SAC)/Advisory Committee of Experts (ACE) shall be established for el-Ansar Multipurpose Cooperative Society.

26.5.1 Composition: The Society shall have a Shariah Advisory Committee/Advisory Committee Experts which:

i. Shall consist of three (3) members who are aware of Islamic Finance rulings

ii. Shall hold office for two years but may be re-elected without limit.

26.5.2 Duties: The duties of the Committee shall include among others:

i. Shall ensure all el-Ansar Multipurpose Cooperative Society activities are Islamic Finance compliance

ii. Shall ensure that the Investment Committee complies with Islamic Finance regulations in all dealings

iii. Shall issue Shariah audit report annually for the Annual General Meeting

iv. Shall advice Executive Council as at when needed on Islamic Finance compliance issues.

26.6 APPROPRIATION COMMITTEE

26.6.1 Composition: The Society shall have Appropriation Committee which shall consist of 6 members.

i. President in Council
ii. Chairman Investment Committee
iii. Chairman Credit & Loan Committee
iv. Treasurer
v. Financial Secretary
vi. Secretary General

26.6.2 Duties: The duties of the Committee shall include among others:

i. To appropriate the fund of the society

ii. To approve any expenditure that it above the President approving limits

iii. Any approval on loans above ₦3m shall be presented to the committee for appropriation

iv. Any expenditure by the investment committee over and above ₦10m shall be referred to the committee for appropriation

v. The President shall have the power to approve up to ₦3m outside (iii) and (iv) above approval or endorsement

vi. The committee shall hold meeting once in a month

vii. In case of emergency the committee shall convene emergency meeting to address such an issue.

27.0 FINANCES

27.1 Sources of funds: The source of fund of the society may be derived from:

i. Application form fee

ii. Savings and deposits from members

iii. Surplus arising out of business/Investment of the society

iv. Borrowing interest-free

v. Donations

vi. Gifts

vii. Grants in aid

viii. Miscellaneous sources including fines, special levies and annual levy approved by the Executive Council.

27.2 Use of funds: The funds of the society shall be applied only as above to the furtherance of its stated objectives in accordance with these bye-laws.

27.3 Retirement Saving Account: Every member shall at the end of every month contribute whatever amount is convenient to him and such contribution shall be known as ordinary savings and in this regard every member shall sign an authority to the effect that deduction of the ordinary savings be made from his/her salary and this authority shall be valid for a period of 12 months and shall be renewable annually except otherwise. If a member is not a staff of National Hospital he/she can give a standing order on how to contribute.

Notwithstanding the above provision, no contribution or ordinary savings shall be less than N2,000.00/monthly.

27.4 Special Investment: Members may make special deposits with the society for a period of not less than 3 months and such deposits may earn bonuses/trade surplus generated at a rate to be communicated to him/her by the Executive Council provided that such benefits have accrued.

27.5 Deposit and Loans from Non-Members: The society shall not incur any liability towards non-members and shall not begin to accept any deposit or loans from non-members without the written permission of the Registrar provided that the society may borrow from a Cooperative Central Financing Organization of which it is a member to the extent of laid down rules in the bye-laws of such organisation.

27.6 Borrowings: The society shall not borrow money or accept deposits from any external source, except in accordance with the bye-laws of any union of which it is a member without the written permission of the Registrar. But will not be averse to any such funds being provided as intervention by the Government or Internationally collaborative agency's etc.

28.0 CAPITAL EXPENDITURE

Share segments of members' savings and fixed deposits, excess of current revenue over current expenditure shall be available for use as capital expenditure or for making loans to members.

28.1 Limit of cash in office: The cash retained with the society shall at no time exceed N50,000.00 or such limit as shall be fixed from time to time by the general meeting or by the Registrar.

28.2 Operation of Bank Account

i. With the exception of the immediate working capital, the liquid funds of the society shall be deposited with a credit union or kept in current or savings bank accounts operated in a manner to be mutually agreed upon by the society, the bank and the Registrar

ii. The society's bank accounts shall be Trustee Account and before money is withdrawn from the bank, the cheque or the withdrawal slips shall be signed by the President and either the Treasurer or the Secretary General

iii. Separate Accounts shall be open for both the Credit & Loans and Investment Committee for ease of monitoring.

28.3 Investment: Such funds of the society that is not required for immediate use may be invested in any manner permitted by Members, the law and Regulations and approved by the Council.

28.4 Reserve Fund: Reserve fund of the society shall be invested or deposited as provided and shall not be utilized in the business of the society except with the permission of the Council. The reserve fund shall be indivisible and no member shall be entitled to claim a specified share in it.

On the dissolution of a society, the reserve fund shall be applied to discharging the liabilities of the society and to the repayment of the share capital.

29.0 MISCELLANEOUS PROVISIONS

29.1 Affiliation: Unless there are reasons to the contrary accepted by the Registrar, the Society shall affiliate itself at the earliest possible moment to any Credit Union formed in its area of operations.

29.2 Bye-laws Implementation: All the provision of the bye-laws shall be fully implemented except where they run contrary to Islamic tenets and principles. Discretion of the President-in-council shall be applied in exigencies and extreme cases.

29.3 Notices: All notices and correspondence to the society shall be addressed to the President through the Secretary General.

29.4 Seal: The Secretary shall hold in safe custody the seal of the Society on behalf of the trustees. The seal shall be of a pattern approved by the Registrar. Documents shall be sealed by at least two of the trustees one of whom shall be the Secretary.

29.5 Fines: Any member or officer who absents himself/herself from a general meeting or committee meeting without reasonable excuse or otherwise acts in a manner considered to be against the best interest of the society may be fined an amount not exceeding N500.00.

30.0 DISPUTES AND LIQUIDATION

30.1 Disputes: Any dispute arising or concerning the society, its members past or present, or person claiming through them shall be referred to the Shura Council/Registrar for settlement by arbitration as provided for in the law.

30.2 Liquidation: The society shall not be liquidated except by orders of the Registrar in accordance with the provision of the Nigerian Cooperative Societies Act No 98 of 2004. In case there is any surplus after meeting all liabilities of the society and repaying all sums to the credit of members such surplus shall be disposed of as decided by the general meeting with the approval in writing of the Registrar.

31.0 MICRO FINANCE ACTIVITIES

The society shall offer Micro-finance Services to its registered members as soon as the Society is financially strong to do so.

32.0 AMENDMENT OF BYE-LAW

Any amendment of or addition of these Bye-Laws shall be made by a Committee to be appointed by the Executive Council subject to the approval by the General Meeting of the society in accordance with the Regulation and shall not be valid until is registered by the Registrar.

I hereby certify that the foregoing Bye-Law of the
el-Ansar Multi-Purpose Cooperative Society Limited {EMCS}

No……………………………………… of………………………………
Have been registered under Section 7(1) of the
Cooperative Societies Act Cap 98 of 2004

Bisimillahir Rahmanir Rahim

eL-ANSAR MULTI-PURPOSE CO-OPERATIVE SOCIETY LIMITED

(ESTABLISHED 2007)

NATIONAL HOSPITAL ABUJA

Motto:

''TOWARDS WEALTH CREATION FOR THE UMMAH''

BYE-LAWS

AS AMENDED 2018

Bye –Law Review Committee Members:

S/N	Name	Designation	Signatures
1.	Dr Liman, Idris Muhammad	Chairman	
2.	Dr Alimi Saheed A.	Member	
3.	Mal. Habib Muhammad	Member	
4.	Mal. Alhasan Legbo	Member	
5.	Mal. Abdullahi Salau	Member	
6.	Hajiya Halima S. Salihu	Member	
7.	Mal. Ghazali Abdulhammed T.	Secretary	

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