



BYE LAWS FOR THE MEDICAL AND HEALTH SERVICES CO-OPERATIVE CREDIT UNION



REVISED DECEMBER, 2024

Foreword

Every individual deserves access to healthy and affordable basic needs and financial inclusion. This access is hindered by deeper inequalities that arise from inadequate access to cheaper and sustainable financial service. Credit Unions has provided cheaper financial service for many low income earners. Over the past years, The Gambia has witnessed proliferation and expansion of Credit Unions across many sectors in the country.

The Medical and Health Services Cooperation Credit Union (MHSCCU) since its establishment in November 1999 has grown to become one of the biggest Credit Unions in the country. MHSCCU seeks to provide and serve as an institutional framework for the establishment of savings and loan opportunities for employees of the Health Services of The Gambia and other institutions at very low interest rates. It is one of the Credit Unions in the country that is open to health and allied staff. To facilitate and guide its operations in a smooth and efficient manner, MHSCCU has developed several policy documents. The development of these policy documents was spearheaded by the Board of Directors in collaboration with Management.

As the Chairperson of the Board of Directors, I am grateful to NACCUG for the stewardship and the Board of Directors of MHSCCU, management and every individual that supported the development of the numerous policy documents particularly this Bye Law.

It is my fervent belief that the utilization of this policy document will make our Credit Union viable, efficient and more credible to serve the desire of every member in an organised and accountable way.

Credit Union Happy Family.

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Horeja Saine

Chairperson, Board of Directors

Acknowledgement

The development and revision of this Bye-Law was through a concerted effort from both the Board of Directors, Management and Staff of the Medical and Health Services Cooperative Credit Union (MHSCCU) with minimal on no technical guidance from outsiders.

The commitment, dedication and contributions of all Board Members towards the successful development and revision of this Policy document is dully acknowledged. Specifically, I would like to thank the Board Chair and all the Board Members for their invaluable contribution and guidance throughout the development process of this very important policy framework.

To the Supervisory Committee of the MHSCCU, the Management of the MHSCCU is quite appreciative of your technical contribution during the development of this Policy document.

Mrs. Agnes Njie Gomez



**Chief Executive Officer
Medical and Health Services Cooperative Credit Union**

1. NAME, ADDRESS, AND PURPOSE

1.1 The Co-operative Society shall be called the **Medical and Health Services Cooperative Credit Union (MHSCCU)** and shall herein be referred to as “the Society”.

1.2 The registered address of the Society shall be Kanifing Industrial Area, Kanifing Municipality. **MHSCCU** is a cooperative society organized under the 1990 Cooperative Societies Act (Cap 50:02) of The Gambia as a non-profit organization to promote thrift among its members and create a source of credit for them at fair and reasonable rates of interest. **MHSCCU** is dedicated to the philosophy of “people helping people” and will strive to serve as many individuals as possible by providing superior financial products and services to the members.

2. VISION

We seek to become a leading cooperative financial institution in The Gambia providing various products and financial services to members with a view to creating financial inclusion and an enviable image in the country.

3. MISSION

Our mission is to promote financial inclusion among credit union members by affording them the opportunity to accumulate their savings, to create a source of credit at fair and reasonable interest rates, and to provide the opportunity for the members to use and control their money in order to improve their economic and social condition.

4. Principles

- Voluntary Membership
- Democratic Member Control
- Members’ Economic Participation
- Autonomy and Independence
- Education, Training and Information
- Cooperation Among Cooperatives
- Corporate Responsibility
- Member Commitment
- Non discrimination
- Building financial stability

5. CORE VALUES

- Professionalism
- Responsibility
- Accountability
- Transparency
- Integrity
- Excellence
- Passion
- Courtesy
- Commitment
- Honesty
- Persuasive

6. OBJECTIVES

- 6.1 To mobilize and manage the savings of members.
- 6.2 To access credit to members in the form of short/long-term loans.
- 6.3 To facilitate members' access to goods and services at reasonable prices and to generate reasonable income from such goods and services.
- 6.4 Promotion of Savings and Credit may be determined from time to time by the General Assembly.
- 6.5 Building resilience and capacities of members.
- 6.6 To contribute to the financial inclusion agenda.

7. QUALIFICATION FOR MEMBERSHIP

- 7.1 Membership is voluntary and open to all those working as Health Service Providers and related institutions in The Gambia; and any other persons as may be determined by the General Assembly from time to time.
- 7.2 For membership, the standard application form shall be completed and submitted to the Management for consideration.
- 7.3 The Board of Directors for the time being authorize the Credit Union Authorising Officer (Chief Executive Officer) to approve membership.

7.4 Upon registration approval, the applicant shall:

- 7.4.1 All applicants shall acquire a registration fee of **D100.00**
- 7.4.2 A member who is required to replace a lost or renew a passbook would pay a fee of D100.00
- 7.4.3 An annual subscription fee of **D200.00** shall be paid by each member.
- 7.4.4 Any member who wants to close his/her account shall fill out the account closure form and pay D200.00
- 7.4.5 Re-registration of members who close their account and want to join again shall pay a re-registration fee of **D500.00**
- 7.4.6 Members shall contribute **D300.00** annually towards the building fund
- 7.4.7 Every member shall appoint a nominee (next of kin) to whom all sums owing to the Member shall be paid upon her/his death/insanity/infirmity. The Loan Service Guaranty Scheme (LSGS) will service the loan.
- 7.4.8 If the next of kin appointed could not be found at the time of the death/insanity of the member, a close relative can receive all the benefits of the deceased/insane person on behalf of the family members upon confirmation by the Board of Directors.

8. SOURCES OF FUNDS

- 8.1 Members' Registration fees
- 8.2 Monies from the replacement of lost Pass Book
- 8.3 Members' shares
- 8.4 Members' savings
- 8.5 Members' annual subscription
- 8.6 Interest from savings and deposits
- 8.7 Interest on loans to members
- 8.8 Funds generated from the provision of goods and services
- 8.9 Grants and donations.
- 8.10 Members' contribution to Building fund
- 8.11 Fixed deposits.
- 8.12 Any other potential source including surplus. In the event of surplus at the end of the fiscal year, 25% of the total amount is reserved.

9. MEMBERS' SHARES

- 9.1 A Member shall buy minimum of (2) shares of **D300.00** per share per annum, there is no limit to the number of shares one can buy.
- 9.2 A dividend shall be paid on shares, as may be determined by the Board of Directors from time to time and in accordance with section 19 (3) of the Co-operative Societies Act cap 50.02.
- 9.3 The General Assembly shall have the right to increase the minimum share.
- 9.4 MHSCCU shall maintain a Shares Redemption Reserve (SRR) to finance the repurchase of shares from persons who cease to be members.
- 9.5 The Shares Redemption Reserve shall transfer at least 5% of its annual surplus to the account. The value of closed members' shares shall be refunded from this account by way of transfer equal to the value of the member's shares from the SRR to the ordinary share capital.
- 9.6 The member shares should always be updated and reflected in members' Pass Book
- 9.7 A dividend policy may be developed by the CU which states the proportion of surplus to be paid as dividend.
- 9.8 The dividend policy of a CU shall not exceed five percent of the paid-up capital of the CU
- 9.9 Dividends to members shall be paid after transfers to the statutory reserve and the shares redemption reserve have been made.
- 9.10 Unless otherwise authorized by the regulator, a CU shall not pay dividend to its members unless its statutory reserve fund is more than 10% of its total liabilities.

10. SAVINGS

- 10.1** Members shall make a minimum regular savings of **D600.00** (Six hundred dalasi) monthly.
- 10.2** A Member with Savings balance of **D2000.00** and below shall not be legible for withdrawal.
- 10.3** Members may make voluntary savings as and when they think fit.
- 10.4** No member shall be entitled to withdraw from his/her savings, if his/her savings is less or equal to **D2000.00** if he/she served as a guarantor and his/her liability and the liability(ies) of the person(s) guaranteed is (are) more than his/her savings.
- 10.5** The Board shall determine the annual interest on savings based on the surplus, pay to members and present the financial statements at the AGM.
- 10.6** The General Assembly shall have the right to increase the minimum savings balance and monthly savings.
- 10.7** For new members, withdrawal from savings shall be made only after regular savings for six consecutive months. Savings shall only be withdrawn within the normal working hours (8:00am to 16:00pm from Monday to Thursday and Friday 8:00am to 12:30pm).
- 10.8** Members can open offspring accounts for savings. Such account cannot be used to access loan. However, it can be used as a collateral and funds are withdrawable.
- Members can save for their retirement which can only be withdrawable after 10 years. Unless in extreme cases, the Board can provide approval for access to the funds.
- 10.9** Members can make fixed deposits that will yield interest as determined by the Board.

11. FINANCE:

- 11.1** The operations of MHSCCU shall be financed through the budget presented by management and approved by the Board of Directors.
- 11.2** The funds of MHSCCU shall be managed and maintained by the Management under the supervision of the Treasurer.
- 11.3** MHSCCU shall invest 10% of total member savings into the CFF at NACCUG.
- 11.4** A petty cash of not more than **D25,000.00** shall be maintained by the Accountant for petty transactions.
- 11.5** The petty cash shall be retired once **90%** of the fund is spent and the handler of the petty cash can request for replenishment and the request must be verified and confirmed or endorsed by the Finance and Administration Manager.
- 11.6** Any transaction more than **D2500.00**, should be paid through cheque or bank transfer

12. ABUSE OF OFFICE:

- 12.1** No Officer of the Credit Union in his/her capacity shall speak or publish any matter which in any way might hinder the Society in its efforts to attain its objectives.
- 12.2** If it comes to the attention of the Board of Directors that any officer of the Union has acted in breach of the bye-laws the matter will be dealt with by the Bye-Laws Section 22 Sub Section (i) or Co-operative Society Act Cap 50:02, (section 53 (1) and 53 (2)).

13. CAPITAL MANAGEMENT

The Board of Directors of MHSCCU shall fulfill its capital requirements subject to the provisions of **Section 5** of the Compliance Framework for Credit Unions in the Gambia, 2024

14. LIQUIDITY MANAGEMENT

The Board of Directors of MHSCCU shall manage its liquidity subject to the provisions of **Section 6** of the Compliance Framework for Credit Unions in The Gambia, 2024. It is important that liquidity is effectively managed at the CU as low liquidity may erode members' confidence in the CU. This may cause panic and a surge in members' withdrawal of savings and account closure leading to sector-wide repercussions.

15.1 External Borrowing

15.1 **MHSCCU** may borrow from approved financial institution in the Gambia to cover short-term liquidity needs.

15.2 Total external borrowing of a **CU** shall not exceed **5%** of the CU's total assets. In the event that, MHSCCU needs to secure external finance more than **5%**, it shall prepare and submit a business plan for approval by the NACCUG.

15.3 **MHSCCU** shall only contract external borrowings in local currency, preferably at a fixed interest rate.

15.4 **MHSCCU** shall not use members' savings as collateral for external borrowing.

15.5 The CFF administered by NACCUG shall serve as the main source of external borrowings of MHSCCU. The CFF administered by NACCUG is cheaper and has more favorable terms and conditions.

15.6 Short-term debts shall only be used for liquidity purposes and not for capital investments, payment of interest on members' savings or dividends.

15.2 LOAN LIABILITY SETTLEMENTS

- i. Liability of a deceased or permanently disable member of this Credit Union shall be handled by the Board of Directors through NACCUG's Loan Settlement Guaranty Scheme (LSGS).
- ii. Any member who passed away and the LSGS cannot cover the loan liability, the difference will be written off.

16. LODGEMENT OF FUNDS:

- i. Funds more than Two Million (D2,000,000.00) Dalasis of the Credit Union collected during the official hours should be banked that very day or latest the second Banking day by the office manager or whoever is delegated.
- ii. An amount of up to Two Million (D2,000,000.00) Dalasis can be kept in the vault at the end of every working day at the headquarters for daily transactions.
- iii. The regional branches can keep up to Five Hundred Thousand (D500,000.00) Dalasis in their vaults for daily transactions.

17. LOANS

Loans shall be made available to members for provident and productive purposes and shall conform to the MHSCCU Loan's Policy. In case of inconsistencies, the Bye-Law takes precedence over the Loan Policy. All loans of the MHSCCU shall be in adherence to the provisions of section 7 of the Compliance Framework for Credit Unions in the Gambia 2024.

- i. An application for a loan shall be submitted to the Teller for verification before sending it to the Loans Committee for approval. Any member of the Loans Committee/Regional Representatives can approve loans.
- ii. A Loan Form (promissory note) must be completed by the applicant.
- iii. A new member shall be entitled to a loan only after she/he has saved regularly for 6 months.
- iv. At least 70% to **80%** (eighty percent) of the total savings of the Credit Union shall be made available as loans to members at any point in time.
- v. Loans will be issued at an interest rate of **12 %** per annum (1% per month) on a reducing balance and may be revised from time to time by the Board of Directors.
- vi. A member can apply for refinancing after payment of 50% of the loan value.
- vii. All loans request above the total savings of any member shall require a guarantor who is a member of the Credit Union approved by the Loan's Committee/Regional/Hospital Representative.
- viii. A member can apply for loan up to three times of his/her savings upon verification.

18. COLLATERAL SECURITIES

- Pledges in the form of articles like land and property title deeds/certificate of occupancy may be accepted as collateral security to the loan. The credit union shall process such documents at the applicant's cost and shall deposit such articles with the Legal Counsel for safe custody; but must be handed back to the member immediately the loan balance equals the member non-withdraw-able deposits.
- Being a last resort action, upon which the credit union can fall back to, if the proposal materialises, the security shall have the following features:
 - I. The property's value must adequate to cover the loan (principal and interest) and leave a good margin.

- II. The property must be located at a strategically high value location preferably in Banjul, KMC and other towns and growth Centres.
- III. It should be the type whose market value appreciates with time.
- IV. The property must be personally owned by the member.

19. ANNUAL GENERAL MEETINGS (GENERAL ASSEMBLY)

- 19.1 The General Assembly includes all members of the Society. The General Assembly shall meet at least once every year in accordance with Rule 23 of the Cooperative Society Act (Cap 50.02).
- 19.2 The Society's annual membership meeting will be held no later than ninety (90) days after the close of the calendar year unless the Society's Board of Directors sets another date for the meeting and notifies members as provided in **(19.4)** below
- 19.3 The Society's Board of Directors will select the location of the Society's annual membership meeting and will notify members as provided in **(19.4 and 19.5)** below.
- 19.4 Notice of the Society's annual membership meeting will be announced, published, or mailed by the secretary at least 21 days before such a meeting. The notice of the Society's annual membership meeting will include both the time and place of the meeting.
- 19.5 A special membership meeting may be called by the majority of the Society's Board of Directors, a majority vote of the Society's Supervisory Committee, or upon written application of **(8) members**. The request for a special membership meeting must be submitted in writing to the Secretary of the Society's Board of Directors. No business other than that specified in the request will be transacted at a special membership meeting.
- 19.6 The Secretary will notify members of the Special General Meeting. Notification of the meeting will be announced, published or mailed not less than seven (7) days nor more than fifteen (15) days of receiving the valid request for the special general meeting. The affidavit of the secretary shall be prima facie evidence of the giving of such notice. The notice of the special membership meeting will include the purpose for which the special meeting is being called. If the special general meeting is being called for the removal of one or more Directors or the removal of one or more of the Supervisory Committee Members, the notice will also state the name of the Director(s) or Supervisory Committee Member(s) whose removal is sought.
- 19.7 For the Annual or Special General meeting, fifty (50) members will constitute a quorum at annual or special meetings of the members. Meetings adjourned for failure to reach a quorum will be reconvened by following those timing and notification requirements adopted for special general meetings in Sections v and vi of article 11, except that the notice of the adjourned meeting will state that the meeting could not be held as originally scheduled because of failure to obtain a quorum according to the Society's Bye-laws.
- 19.8 At all meetings, each member with two fully paid shares will have one vote. To be eligible to vote at a General Meeting, the member must be eighteen (18) years of age as of the day of the membership meeting. No votes may be cast by proxy.
- 19.9 Meetings held under this Article will be conducted in conformity with the Bye-laws and according to any rules of procedure approved by the Board of Directors. If issues related to the conduct of a meeting cannot be resolved by referring to the Bye-laws or rules approved by the Board, such issues may be resolved by referring to those rules of the Cooperative Societies act of 1990 edition or parliamentary procedures.

19.10 The meeting of the General assembly shall have the following functions:

- 19.10.1 Formulation of new bye-laws and amendments to any existing ones.
- 19.10.2 Review of the audited financial statements
- 19.10.3 Election of members of the various committees.
- 19.10.4 Expulsion of members.
- 19.10.5 Set limits to the funds to be made available for credit to members of the Society subject to the provisions of these bye-laws.
- 19.10.6 Decide on all matters regarding policy and the general operations of the Society.
- 19.10.7 Appoint an External Auditor for the Society in consultation with Registrar for approval.
- 19.10.8 Approval of the annual accounts of the Society at a duly convened Annual General Meeting.
- 19.10.9 And all other responsibilities as specified under the Co-operative Societies rules Cap 50.02.

20. BOARD OF DIRECTORS AND OTHER COMMITTEES.

The Board of Directors (BOD) shall consist of **(13)** directors who shall be members of the Society. The Board of Directors shall elect from amongst the Directors the **Chairperson, Vice-Chairperson, Treasurer, and Secretary within ten (10) days** following an AGM. The Board shall at the same time appoint a Loans Committee and other Committees as may be determined by the Board of Directors from time to time. Out of the total board members above, there shall be a provision for **at least one (1) person and not more than two (2)** with special skills to be co-opted by the Board of Directors and confirmed at the AGM

The Board shall be composed of **Thirteen (13)** members as follows:

- Five (5) open seats within the Greater Banjul Area who shall be selected by the Nomination Committee and approved by the Board and presented at the General Assembly.
- The CEO and Deputy CEO/Admin and Finance Manager shall be members of the Board.
- Six (6) Regional Hospital Representatives from West Coast Health Region 2, Lower River Region, Central River Region, Upper River Region, North Bank Region West, North Bank Region East to be selected by the members at Hospitals and Regional level and approved by the Board.
- The Board shall select the Chair, Vice Chair, Treasurer, Secretary and Assistant Secretary from among the members of the Board.
- The Board Chair shall issue appointment letters to members of the Board and other Committees including their ToR.

The Board may invite any other person to its meetings as and when necessary. The Chairperson, Treasurer and Secretary of the Credit Union should come from within the Greater Banjul Area.

21. ELEGIBILITY CRITERIA TO SERVE IN THE BOARD OR OTHER COMMITTEES

Pursuant to section 3, Sub-Section 3.2 through 3.1 of the Compliance Framework for Credit Unions in the Gambia, 2024, all member who intends to serve in a board or a committee of **MHSCCU** shall fulfil the following minimum requirements:

21.1 Board Member Qualifications:

- ✓ The person must be a member of the Credit Union for at least five years.
- ✓ Must possess at least a Diploma in management, public administration or related fields.
- ✓ Must have at least fifty thousand dalasis savings with the Credit Union.
- ✓ Must complete an application form for Board Membership.
- ✓ Must be a member in good standing with CU
- ✓ Must authorize a Criminal Background Check.
- ✓ Must not have a loan in default for than three consecutive months.
- ✓ Must not be a guarantor of a loan in default for three consecutive months.
- ✓ Must maintain regular savings with the CU for at least 6 months.
- ✓ Must not be a board member in another credit union.
- ✓ Ability to read and understand the CU's balance sheet and income statement.
- ✓ Undergo the training for board and committee members' offered at the NACCUG training academy before or immediately after selection.
- ✓ A Board Treasurer and the Chairperson of the Supervisory Committee shall have at least a diploma or an accounting technician qualification such as CAT, AAT, or similar qualification. He/ she shall be in an active role in accounting, finance, or auditing or similar role.
- ✓ Shall fulfil the fit and proper requirements and any other requirements prescribed by the regulators.
- ✓ A Must not be a board member in another credit union.

21.2 Educational Requirements:

- 21.2.1.1 Ability to read and understand the CU's balance sheet and income statement.
- 21.2.1.2 Undergo the training for board and committee members offered at the NACCUG training academy before or immediately after selection.
- 21.2.1.3 A board treasurer and the chairperson of the supervisory committee shall have at least a diploma or an accounting technician qualification such as CAT, AAT, or similar qualification. He/ she shall be in an active role in accounting, finance, or auditing or similar role.

21.3 Other Requirements:

- 21.3.1.1 MHSCCU may prescribe additional requirements for its board and committee based on need.
- 21.3.1.2 MHSCCU shall submit a list of the board and committee members elected in office to NACCUG and shall confirm that they have fulfilled the minimum requirements stated in **Section 13**
- 21.3.1.3 NACCUG shall submit a fit and proper clearance to the elected members and state any objections it may have on the list.
- 21.3.1.4 In the event that MHSCCU is unable to fulfil the above requirements may request a waiver from NACCUG.
- 21.3.1.5 In promoting inclusion and diversity, a MHSCCU shall have at least a **woman** and a **youth representative** in the board of directors. Youth in this context shall be interpreted as per the youth policy of The Gambia.
- 21.3.1.6 MHSCCU shall have a succession plan to address unexpected loss of key members in the board or a committee.
- 21.3.1.7 MHSCCU shall develop a code of conduct that defines the acceptable conduct and behavior of board and committee members and disciplinary actions for noncompliance. Such code of conduct shall conform to section 3.6 sub section 3.6.2 of the NACCUG Compliance Manual

21.3.2 Board and Committees Orientation and Training

- 21.3.2.1 All board members of MHSCCU board shall undergo an orientation once they assume office.
- 21.3.2.2 The orientation shall be conducted in liaison with the NACCUG training academy. The Orientation shall focus amongst other things on the code of conduct of the board and its procedures, the operations of the credit union and the role of the board as a body and individuals.
- 21.3.2.3 The Board of MHSCCU shall undergo training in governance, risk management and compliance and financial report as a minimum before or once they assume office. This will ensure that the board is aware of the applicable laws and regulations, the role in ensuring compliance and assessing the performance of the CU.
- 21.3.2.4 Existing board and committee members of MHSCCU may participate in refresher training organized by NACCUG's training academy.
- 21.3.2.5 The various committees of MHSCCU shall also undergo orientation and training like the board of directors but specific to their functions.

21.4 The Functions of the BOD

- 21.4.1 Presenting before the AGM audited financial statements of the Union at least 120 days after the closure of the financial year.
- 21.4.2 Approval of the annual work plan and budget
- 21.4.3 Reporting regularly to the General Assembly;
- 21.4.4 Implementing decisions of the General Assembly meeting;
- 21.4.5 Facilitating General Assembly meetings;
- 21.4.6 Approving all expenses of the Union;
- 21.4.7 Endorses the Annual Financial Report of the Credit Union
- 21.4.8 Contracting an audit firm to carryout annual audit of the Credit Union's accounts

- 21.4.9 Periodical review of the By Laws and policy documents of the Credit Union.
21.4.10 Monitoring the performance to plans, standards and legislative requirements.

22 Recruitment and disciplinary of certain category of staff.

- 22.1.1 Appointing a management team headed by the Chief Executive Officer. Subject to such limitations and control as may be imposed by the Board of Directors, the CEO shall:
14.2.5.1 Provide and maintain complete records of all assets, liabilities, income, and expenses of the Society; and
14.2.5.2 Not later than the last day of each month, prepare for submission to the Board of Directors at their regular meetings, a financial statement as of the end of the preceding month. Such financial statement to include the trial balance, income and expenditure account, balance sheet, and bank reconciliation report.
- 22.1.2 Facilitating training activities for the Board of Directors, Management, Staff and general members;
- 22.1.3 Planning and organizing sensitization and information activities for the benefit of the members;
- 22.1.4 Authorizing all expenses of MHSCCU;
- 22.1.5 Preparing the Annual Accounts of MHSCCU and submit a copy to the Registrar of Cooperative through NACCUG, for verification of the accounts.

23. BOARD AND COMMITTEE ALLOWANCE

Sitting allowance will be paid to all statutory and emergency Board and committee meetings at the rate determined by the Board. Regional and hospital representatives will be paid transport refunds based on their locations as approved by the Board.

24. EXECUTIVE COMMITTEE

- 24.1 The Board of Directors shall form an Executive Committee composed of the Chairperson, the Vice-Chairperson, the Treasurer, the Secretary, and one other member. The CEO shall serve as an ex-officio member of the Executive committee as well as any other co-opted member from management
- 24.2 The Chairperson of MHSCCU shall preside over all meetings of the Executive Committee and in the absence of the Chairperson, the Vice-Chairperson takes over.
- 24.3 The Executive Committee shall be authorized by the Board of Directors to meet and report back to them on any matter within the purview of the Board's responsibilities.

25 LOANS COMMITTEE

The Loans Committee shall comprise five (5) members appointed by the Board and shall select a Chairperson and a Secretary from among their members. They shall be responsible for the Appraisal and approval of all loans.

At the regional level, the Regional or Hospital Representatives will serve as Loan Committee members.

26 SUPERVISORY COMMITTEE

The Supervisory Committee shall be composed of 3 and not greater than 5 (3-5) members that are elected by the General Body. The chairperson of the supervisory committee shall have at least a diploma or an accounting technician qualification such as CAT, AAT, or similar qualification. He/she shall be in an active role in accounting, finance, or auditing or similar role. The Committee shall elect a Chairperson and a Secretary from among its members and shall be responsible for:

- 26.1 Supervising all committees to ensure compliance to the by-laws and other instruments of MHSCCU.
- 26.2 Reporting annually to the General Assembly on the financial situation of the Society and the activities of the Board and other committees;
- 26.3 Monitoring records of disbursement and repayment of loans;
- 26.4 Give feedback and recommendations of their findings to the Board.

27 Functions Of Regional / Hospital Representatives Include:

- Provide platform for members to review the annual report and the audited account before the annual general meeting.
- Conduct sensitisation to increase membership of the Credit Union.
- Create a database of members within their hospitals /regions by facility and devise means of reaching out to all.
- Facilitate the payment of festive loans.
- Participate in the monitoring and sensitisation of members within their regions.
- A maximum of two (2) Regional/Hospital Reps shall be members of the Board for a period of three years on a rotational basis.
- Hold quarterly meeting with members
- Visit health facilities/relevant institutions
- Serve as loan committee members to approve loan applications at the hospital/regional level.
- In order to ensure regional/hospital reps carry out their roles effectively, monthly allowance plus other logistical support as determined by the Board will be provided upon submission of an acceptable report to Management.
- Undertake any other tasks as directed by the Board.

28 Committees

- i. The Board, Supervisory and Loans Committees shall meet quarterly.
- ii. Meetings shall be convened by the Chairpersons of the Committees.
- iii. At least one week's notice shall be given for all meetings of the Committees.
- iv. The Quorum shall be at least three (3) committee members for the meeting to have the mandate.
- v. Each of these committees can meet anytime when the need arises.
- vi. Each Committee shall produce and keep minutes of all meetings and share them at least a week before the next meeting.

28.1 Nomination Committee: A Nomination Committee shall be established on an ad-hoc basis by the Board of Directors. This Committee shall comprised of 5 members selected from; one member from the Board, one from the Supervisory Committee, and three others from the general membership.

28.1.1 Functions of the Nomination Committee;
Review applications for vacant positions in the Board and other Committees
Prepare report and recommend potential candidate (s) to the Board for approval

29. APPRAISAL OF THE BOARD AND COMMITTEES

29.1 MHSCC shall constitute and implement an annual appraisal of the Board of Directors and its various committees to ascertain whether they have discharged their functions effectively.

29.2 Such appraisal shall be carried out by an external entity or consultant.

29.3 The outcomes of the appraisal with recommendations shall be documented and submitted to NACCUG's Compliance and audit department and the regulators upon request.

30. MANAGEMENT

Pursuant to section 3.10, sub section 3.10.3 of the Compliance Framework for Credit Unions in The Gambia, 2024, the Board of MHSCCU shall appoint the Chief Executive Officer that fulfills the following criteria:

30.1 Bachelor's degree or a professional qualification in the field of banking and finance, microfinance, accounting, business administration or similar area.

30.2 At least 5 years working experience in the microfinance sector or a related industry.

30.3 Must authorize a Criminal Background Check

30.4 Fulfilled any other requirements set by law or regulations.

31. Other Requirements

31.1.1.1 In the event that **MHSCCU** is unable to satisfy the minimum requirements set in 3.10.3 of the Compliance Framework for Credit Unions in The Gambia 2024, MHSCCU may request a waiver from NACCUG.

31.1.1.2 All senior management personnel of **MHSCCU** shall go through a fit and proper test to be administered by NACCUG before an offer of employment is issued to them.

31.1.1.3 The board of directors of **MHSCCU** shall set annual performance targets for senior management that shall form the basis for annual performance appraisal. The board shall appraise the senior management team based on these performance targets.

32. STRATEGIC PLANNING AND BUDGETING

32.1The board of **MHSCCU** shall develop a strategic plan with objectives and goals that are measurable, attainable and include appropriate time frames.

32.2**MHSCCU** shall prepare a strategic plan covering at least three years. The plan shall be reviewed by the board of directors and updated regularly.

32.3The Management of **MHSCCU** shall prepare an annual business plans and budgets, variance analysed, presented to the board and where appropriate, pre-emptive, or corrective actions taken to deliver the CU's objective.

32.4 Significant changes to a CU's business model must be communicated to NACCUG indicating the risks and benefits of the changes and accompanied with revised projections.

33. RISK MANAGEMENT AND RESILIENCE

Pursuant to section 4 of the Compliance Framework for Credit Unions in the Gambia 2024, the board of **MHSCCU** shall comply with all the provisions of section 4 of the said Framework related to section 18 of this bylaws.

34. INTERNAL AUDIT FUNCTION

34.1**MHSC CU** shall maintain an internal audit function relative to its size and complexity of its operations.

34.2 The internal auditor of **MHSCCU** shall report functionally to the Board of Directors and administratively to the General Manager of the CU.

34.3 In the absence of an internal auditor/ unit, the supervisory committee of **MHSCCU** shall carry out the internal audit functions of the CU.

34.4In the event the internal audit functions are carried out by the supervisory committee, at least one member of the committee should have experience in accounting or auditing.

34.5The board of **MHSCCU** shall comply with all the provisions of section 4.5 of the Compliance Framework for Credit Unions in the Gambia 2024 related section 19 of this by-laws.

35. TERM OF OFFICE

35.1A member elected to serve on the board, or a committee shall serve for a period of not more than three years per term.

35.2A member may stand for re-election after the initial term expires but shall not be eligible for re-election for a third term.

35.3A member who serves on the board for two consecutive terms shall observe a cooling period of at least two years before standing for election.

35.4 In the event the entire board is ineligible for re-election, at least two members shall be retained for a period of not more than one year to ensure smooth transition to the incoming board members. The members retained shall serve as an ordinary member and not hold key position

35.5 The Board shall have the right to co-opt members to temporarily fill vacancies within the board

36. MEETINGS

36.1 Board and Supervisory Committee Meetings

- 36.1.1 The Board and Supervisory Committee of **MHSCCU** shall meet 4 times in a year, i.e. one meeting per quarter
- 36.1.2 Minutes of Board and Supervisory Committee proceedings shall be well documented, showing matters discussed during the meetings and the action points or conclusions reached.
- 36.1.3 Minutes shall be signed by the chairperson and the secretary to the board and Supervisory Committee and available for review.
- 36.1.4 The board and Supervisory Committee of **MHSCCU** may meet more than 4 times in a year when the need arises.
- 36.1.5 During such meetings, the management of **MHSCCU** shall provide the board and committees with adequate management information which clearly indicates the CU's financial performance and positions including ratio analysis and its compliance status with respect to key regulatory requirements every quarter.

36.2 General Assembly

- 36.2.1 The General Assembly shall meet at least once a year and the quorum shall **be 100 members**. No business shall be transacted if a quorum is not present, in which case, the meeting shall stand adjourned until a later date.
- 36.2.2 All members shall have the right to attend.
- 36.2.3 Meetings shall be convened by the Board Secretary in consultation with the Chairperson.
- 36.2.4 At least a minimum of 8 days and a maximum of 21 days' notice shall be given for all General Assembly Meetings.
- 36.2.5 The Secretary shall be responsible for the recording of minutes of the meetings which must be signed by the Chairperson at the succeeding meeting after having been reviewed by members in attendance.

36.3 EXTRA-ORDINARY GENERAL ASSEMBLY MEETING

- 36.3.1 Extra-ordinary General Assembly Meeting may be called to discuss urgent matters relating to the affairs of the Credit Union which is beyond the decision of the Board of Directors
- 36.3.2 The Executive Committee by its own motion or upon receiving a written demand by one-third of the members of the credit union shall organise the meeting
- 36.3.3 One-third of the members in the event of the Executive Committee failing to respond to their demand within thirty working days upon receiving of the motion the matter can be reported to the Registrar of Cooperatives.

36.3.4 A written notice of not less than 21 (twenty-one) working days shall be circulated in advance in respect of the extra-ordinary General Meeting, specifying the agenda for the meeting and only that agenda item should be discussed during the meeting

36.3.5 Where possible, notices of the extra-ordinary General Meeting shall also be given through electronic media e.g. Radio, and Memo

37. FINANCIAL REPORTING AND PERFORMANCE

The board of **MHSCCU** shall prepare and present annual financial statements to its members in an Annual General Meeting (AGM) in accordance with the provisions of Section 8 Compliance Framework for Credit Unions in the Gambia 2024.

38. MEMBERSHIP MANAGEMENT AND GROWTH

MHSCCU shall ensure that it consistently maintains a healthy membership base. The management and growth of its membership shall comply with all the provisions outlined in Section 9 of Compliance Framework for Credit Unions in the Gambia 2024.

39. BOOKS AND RECORDS

MHSCCU shall keep such books of accounts as are sufficient to give a true and fair view of the state of the Society's affairs and explain its transactions. The following books of accounts and records shall be kept:

39.1 Master File: for members' transactions with the Society e.g. Shares, fees, savings, and loans.

39.2 General Ledger: summary of individual accounts.

39.3 Pass Book: kept by the member to record all that is in his/her account.

39.4 Minute Books: for General Assembly and Committee meetings.

39.5 Membership Registration Form

39.6 Membership Register.

39.7 Loan Application Form.

39.8 Guarantor's Register

39.9 Loans Register

39.10 Cashbook etc.

39.11 Fuel Register

40. SIGNATORIES

MHSCCU shall bank with a licensed banking operator authorized to operate in the Gambia by the Central Bank of the Gambia. Any trusted member of the Society authorized by the CEO can deposit fund of the Society to its bankers but for withdrawals of funds on behalf of the Society, any two (2) of the following five (5) signatories shall be authorized to sign to withdraw the Society's funds. However, the CEO is Mandatory to be a signatory to the CU account. The Board shall decide on the remaining three signatories.

For any withdrawal of funds from the Credit Union a member of each of the category, category A (Chief Executive Officer or Chairperson) and B (Finance and Administration Manager Secretary and Treasurer) must append their signatures.

41. Grievance Management

Management shall constitute and maintain a Grievance Redress Mechanism to address any potential issue that might surface during the execution of services. In the event that the grievance is lodged against a senior member of management, the Board under the directive of the Chairperson shall constitute a committee to look in to the grievance and make the necessary judgement.

42. REMOVAL OF OFFICERS

42.1 Members of MHSCCU Board of Directors may be suspended or removed from their position for a good cause. Causes will include but is not limited demonstrated financial irresponsibility, a breach of fiduciary duty to the union, or activities that threaten the safety and soundness of the union.

42.2 Any Director of the Board who wishes to resign shall give no less than one month notice. No Board member shall be allowed to resign while he/she is a subject of disciplinary proceedings.

42.3 A decision to dismiss a Director under this Section shall be at a properly constituted Board Meeting. The decision of the Board shall be communicated to him/her not less than one week (7 days). Such notice/communication shall be signed by the Chairperson on behalf of the Board of Directors.

42.4 Members of the Union's Board of Directors will automatically be removed from their position if the Director ceases to be a member of the credit union or if a Director unless reasonably excused by the Board, be absent from two (2) or more consecutive scheduled Board meetings during a twelve (12) month period in a term;

43. VACANCIES

The Board or Supervisory Committee shall have the right to co-opt members to temporarily fill any vacancy until the next AGM.

44. RESIGNATION/EXPULSION

44.1 A member has the right to resign from the Society after the closure of his/her account(s) upon giving two (2) working days' notice to the Manager.

44.2 A member may be expelled from MHSCCU for the following reasons:

44.2.1 Violation of any of the bye-laws;

44.2.2 Involvement in practices detrimental to the interest of MHSCCU. Such expulsion shall be in accordance with rule 14 of the Co-operative Societies Act (Cap 50.02) of the 1990 edition.

44.3 Upon expulsion or resignation, a member shall be reimbursed for all of his/her benefits less than the obligations owed to the credit union.

45. AFFILIATION TO SECONDARY APEX SOCIETY

After registration as a “**CO-OPERATIVE**”, MHSCCU may affiliate to any secondary/apex organization that has objectives similar to its own and can facilitate its operations.

46. DISSOLUTION OF THE SOCIETY

The Society shall be dissolved in accordance with the provision of part vii, Section 42 of the Co-operative Societies Act (Cap 50.02).

47. MISCELLANEOUS

47.1The Financial Year of the Union shall be from January 01 to December 31 of each year or any other date as may be determined by the General Assembly from time to time.

47.2The members present at the AGM shall elect an external auditor who shall be a registered audit professional acceptable to the Registrar of Co-operatives.

47.3Within one month of the election or appointment of the Board of Directors and officers of the Union, the Chairperson and Secretary shall jointly notify the Registrar of Co-operatives in writing of the election or appointment, stating full name and address of persons so elected or appointed.

47.4The bye-laws of MHSCCU shall be amended only by a resolution passed by two-thirds (2/3) majority of the members present at an Annual General Meeting of the Credit Union.

THE ABOVE BYE-LAWS 1 TO 45 WERE ADOPTED BY THE GENERAL ASSEMBLY OF THE MHSCCU COOPERATIVE CREDIT UNION LTD AT ITS MEETING OF Xth DAY OF 2025, HELD AT THE MEDICAL AND HEALTH SERVICES CREDIT UNION (MHSCCU), KANIFING

C E R T I F I C A T E

I certify that the foregoing Bye-laws Nos. 1 to 45 of the MHSCCU Co-operative Credit Union Limited registered as,

No on,

Do not contravene the Co-operative Societies Act or Rules and have been duly registered by me.

.....
Registrar of Co-operative Societies

Dated at Banjul this, 3rd Day of MARCH 2025