

AKILA AH NATIONAL COOPERATIVE SOCIETY LIMITED

- Empowering
- Collaborative
- Growth...



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CONFIDENTIAL DOCUMENT

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INTRODUCTION

Akilaah National Cooperative Society Limited (hereinafter referred to as "Akilaah Cooperative Society") is a hybrid cooperative society that combines both physical and digital operations to serve the economic, social, and cultural needs of its members. In accordance with the Nigerian Cooperative Societies Act, 2004, which regulates cooperative societies in Nigeria, Akilaah Cooperative Society is empowered to lend money to its members as part of its financial services.

This policy document outlines the governance structure, operational guidelines, financial regulations, membership criteria, and the rights and responsibilities of members. Akilaah Cooperative Society aims to ensure accessibility and inclusivity by providing services through both online platforms and physical branches.

1. VISION

At Akilaah Cooperative Society, we leverage technology to empower individuals and communities to access financial opportunities and welfare services.

2. MISSION

Leveraging technology to eliminate all barriers to financial and economic inclusion.

3. OBJECTIVES

The objectives of Akilaah Cooperative Society Limited are:

3.1. Expand Financial Inclusion:

- 3.1.1. Provide accessible, affordable, and user-friendly digital banking services to individuals in general and underserved or informal sectors in particular.
- 3.1.2. Develop tools to help users manage their finances more efficiently through collaborative banking models.

3.2. Enhance Access to Welfare Services:

- 3.2.1. Integrate welfare benefits, such as health, education, housing, transportation, food, retirement savings, and social services, into the digital cooperative platform.
- 3.2.2. Partner with local and international welfare organizations to offer a comprehensive suite of welfare-related services.

3.3. Empower Micro and Small Businesses:

- 3.3.1. Offer tailored financial products like loans, savings, and investment opportunities for small-scale entrepreneurs and businesses **only to the members** of Akilaah Cooperative Society.
- 3.3.2. Provide financial education and training to help users make informed decisions about managing their businesses and personal finances.

3.4. Create Collaborative Financial Networks:

- 3.4.1. Establish a community-driven approach where members can pool resources and receive mutual support, such as collective investments or cooperative loans.
- 3.4.2. Foster partnerships with other cooperatives, financial institutions, and social enterprises to strengthen the platform's network.

3.5. Digital Transformation of Cooperative Banking:

- 3.5.1. Develop a seamless digital interface that allows users to interact with their cooperative financial services anytime and anywhere.
- 3.5.2. Continue innovating the digital infrastructure to meet the evolving needs of users and remain competitive in the fintech industry.

3.6. Support Financial Literacy and Economic Empowerment:

- 3.6.1. Develop and deliver financial literacy programs through the platform, empowering individuals to make smarter financial decisions.
- 3.6.2. Provide tools and resources that enhance economic empowerment, particularly for women and youths in the informal sector.

3.7. Environmental and Social Responsibility:

- 3.7.1. Ensure that Akilaah's operations contribute to sustainable development by incorporating environmentally friendly practices and promoting financial sustainability.
- 3.7.2. Create social impact initiatives that foster community development and reduce poverty levels in target areas.

4. MEMBERSHIP

4.1. Eligibility Criteria

Membership is open to individuals, groups, and organizations that align with Akilaah Cooperative Society's objectives and subject to but not limited to the following:

- 4.1.1. Be 16 years or older.
- 4.1.2. Possess a verifiable means of livelihood, as defined in Akilaah Cooperative Society's Byelaws.
- 4.1.3. Provide a valid means of Identification and other relevant information as may be required.
- 4.1.4. Complete the membership registration process either online or in person.
- 4.1.5. Purchase a **minimum of 10 shares at N1,000 per share** (for individuals), and **500 shares** (for corporate members), which can be paid for via Akilaah Cooperative Society's online platforms or at the cooperative branches. (**not applicable to Associate Members**).
- 4.1.6. Agree to Akilaah Cooperative Society's code of conduct and operational policies, applicable in both online and offline environments.

4.2. Categories of Membership

4.2.1. **Ordinary Members:** Full members with voting rights and access to all services, both physical and online. They are also entitled to annual dividends based on profits, capital appreciation, equitable wealth distribution and long-term security.

4.2.2. **Associate Members:** These members do not have voting rights or a say in decision-making. They can use services like accessing their savings and loans at different conditions, but are not entitled to vote or receive dividends.

4.2.3. In addition to **Clause 4.1** above, *Associate Members must be nominated by an ordinary member of Akilaah Cooperative Society, subject to the approval of the Board of Directors.*

4.2.4. **Corporate Members:** Organizations that join Akilaah Cooperative Society and participate in governance through individual representatives.

4.2.4.1. Corporate Member Eligibility Criteria

- Corporate Members shall provide documentation evidencing their registration in accordance with the relevant laws governing their entity.
- Shall provide a resolution adopted at its appropriate meeting approving the membership subscription to become a member of Akilaah Cooperative Society.
- Shall pay a registration fee of **N 100,000 (One Hundred Thousand Naira)** as membership subscription fee.
- Shall nominate an individual, duly authorized by a resolution of the Corporate Member, to represent the Corporate Member in meetings, voting, and other activities associated with the rights of a member in Akilaah Cooperative Society.

4.3. Rights of Members

Subject to membership type, the rights of members of Akilaah Cooperative Society are outlined as follows:

- 4.3.1. Access all Akilaah Cooperative Society's services which includes but not limited to access to loans, dividends, capital appreciation, welfare services, equitable wealth distribution and long-term security. Non applicable to associate member
- 4.3.2. Participate in governance by attending Annual General Meetings (AGM) and Extraordinary General Meetings (EGM).
- 4.3.3. Vote on Cooperative matters.
- 4.3.4. Receive financial reports and Cooperative updates

4.4. Obligations of Members

The obligations of the Members of Akilaah Cooperative Society include but not limited to:

- 4.4.1. Actively engage in Akilaah Cooperative Society's activities, by attending meetings.
- 4.4.2. Fulfill financial obligations, including fees, share purchases, and monthly contribution as may be applicable.
- 4.4.3. Contributions (SHARES): Members are required to make a minimum purchase of ~~N~~10,000, representing 10 shares at ~~N~~1,000 per share. Holding 10

shares qualifies a member as a full member with access to all cooperative benefits.

4.4.4. Share purchases are crucial for the sustainability and growth of Akilaah Cooperative Society and are refundable only upon withdrawal of membership.

4.4.5. In addition to **Clause 4.4.4**, a withdrawal fee of 4% of a member's total share purchase will be applied upon termination of the service in Akilaah Cooperative Society.

4.4.6. Members failing to meet the minimum share purchase of 10 shares (N10,000) will not be eligible for any cooperative benefits, including loans, subscriptions, and other member privileges.

4.4.7. Comply with Akilaah Cooperative Society's code of conduct, which applies to both online interactions and physical engagements.

4.4.8. Maintain up-to-date contact information for communications.

4.4.9. Maintain the confidentiality of their login details and report any suspicious activities on their accounts.

4.5. Dormancy/ Non-Compliance Of Membership

4.5.1. Members with **no contribution** for a period of Six (6) consecutive months shall be considered as dormant members of Akilaah Cooperative Society.

4.5.2. In addition to Clause 4.5.1 above, a notice will be issued to dormant/noncompliant Members to comply after which such a Member's account will be suspended and may only be reactivated upon a payment of a reactivation fee of Five Thousand Naira (N5,000)

4.5.3. Dormant members shall be entitled to their total stake and accrued surplus/loss as guided by the approved surplus and loss sharing model.

4.5.4. Dormant members shall not enjoy/partake in any new project/investment opportunities as may be unveiled from time to time.

4.6. Termination of Membership

4.6.1. **Voluntary Termination:** Members may withdraw by submitting a written request.

4.6.2. **Involuntary Termination:** Membership may be revoked where a member fails to meet financial obligations, violates the Cooperative policies, or engages in behaviors that undermines Akilaah Cooperative Society's interests.

4.6.3. Termination Due to Death: In the event of a member's death, membership will be automatically terminated. The deceased member's savings, shares, and dividends will be distributed to such member's legal heirs or next of kin, as per Akilaah Cooperative Society's bye-laws and applicable legal procedures.

4.6.4. Termination due to Dissolution/Liquidation: In the event of a corporate member's dissolution/liquidation as the case may be, membership will be automatically terminated and shares or investment made shall be distributed in accordance with Akilaah Cooperative Society's bye-laws. Termination will result in deactivation of Member's account from both physical participation and online access.

5. DISCIPLINARY ACTIONS

Disciplinary action may be taken against any member who engages in any of the following:

- Failure to meet financial obligations, such as lateness or non-payment of contributions.
- Breach of cooperative bylaws, policies, or contractual agreements.
- Conduct that is detrimental to the reputation, integrity, or smooth functioning of Akilaah Cooperative Society.
- Misuse of cooperative assets or resources.
- Any form of fraud, dishonesty, or unethical behavior.
- Failure to comply with formal decisions made by the cooperative's leadership or relevant committees.
-

5.1. Types of Disciplinary Actions

Depending on the nature and severity of the violation, the following disciplinary actions may be imposed:

5.1.1. Verbal Warning: For minor infractions, a verbal warning may be issued, reminding the member of their obligations.

5.1.2. Written Warning: A formal written warning will be issued for more serious or repeated offenses.

5.1.3. Suspension: Temporary suspension of membership rights and benefits, including voting rights and access to cooperative services.

5.1.4. Termination: In cases of gross misconduct or repeated violations, the member's membership may be terminated.

5.1.5. Fines and Penalties: Financial penalties may be applied, including reactivation fees or other charges as deemed necessary.

5.2. Procedure for Disciplinary Action

5.2.1. Investigation: The relevant committee or designated officers will investigate the alleged misconduct, gathering all necessary information and evidence.

5.2.2. Notification: The member will be formally notified in writing of the alleged violation and the proposed disciplinary action.

5.2.3. Hearing: The member will be given the opportunity to present their case or defense in writing to the relevant committee within 14 days of receipt of the alleged violation. If the member involved does not make a defense within the stated period, it will be deemed as a waiver of right to fair hearing and the relevant committee will communicate this to the member involved and proceed with the decision.

5.2.4. Decision: In the event that the member involved responds to the allegation in writing, the hearing proceeds, the committee will make a decision and notify the member in writing within 7 days of the committee making its decision. The decision will include the reasons for the action and penalties imposed, if any.

5.3. Procedure for Appeal

Members who wish to challenge a disciplinary action have the right to appeal the decision. The appeals process is designed to ensure fairness and transparency.

5.3.1. Submission of Appeal

A member wishing to appeal must submit a formal appeal in writing to the Appeals Committee **within 14 days** of receiving the disciplinary decision.

The appeal must include:

- A clear statement of the reasons for the appeal.
- Any supporting documents or evidence that were not considered during the initial hearing.
- The desired outcome or relief being sought.

5.3.2. Acknowledgment of Appeal

Upon receiving the appeal, the Appeals Committee will acknowledge receipt in writing **within 5 business days**. The acknowledgment will include details of the appeals process and an estimated timeline for resolution.

5.3.3. Review of Appeal

The Appeals Committee will conduct a thorough review of the case. This review may include:

- Re-examining the evidence and documents submitted during the initial investigation.
- Reviewing any new evidence provided by the member.
- Conducting additional interviews or gathering further information, if necessary.

5.3.4. Appeals Hearing

If required, an appeals hearing will be scheduled **within 30 days** of receiving the appeal. The members will be invited to present their case, and the committee will have the opportunity to ask questions or request clarification.

Both the members and the Cooperative's representatives involved in the original decision will be present at the hearing. Legal or external representation may also be allowed if the member requests it.

5.3.5. Decision on Appeal

Following the hearing, the Appeals Committee will deliberate and issue a decision in writing **within 15 business days**. The decision will include:

- The outcome of the appeal.
- The rationale for the decision.
- Any modifications to the disciplinary action, if applicable.

5.3.6. Final Decision

The decision of the Appeals Committee is final and binding. No further internal appeals will be entertained. The outcome will be documented in the cooperative's official records.

6. GOVERNANCE STRUCTURE

Akilaah Cooperative Society will operate under a democratic structure where every member has a say. The governance structure includes:

6.1. The General Assembly (GA):

This is the supreme decision-making body. It is composed of all active members of Akilaah Cooperative Society and meets at least once annually to review financial reports, elect officers, and discuss key decisions. The decisions reached will be made by the majority vote of Members present at the meeting.

6.2. Board of Directors (BOD):

The executive body was elected by the GA to oversee the day-to-day operations of society. The board will consist of not less than 4 and not more than 10 members. The roles include the President, Vice President, Secretary, Treasurer, and other designated officers.

6.2.1. Tenure: The Directors shall serve for a period of 3 years and are eligible for re-election for re-appointment for one additional term. However, the tenure of each Directors seeking re-appointment/re-election shall not exceed 2 consecutive terms of 6 years in office.

6.2.2. Responsibilities: The responsibilities of the Board of Directors include but not limited to:

- Policy formulation
- Approval of budgets
- Setting loan policies
- General administration

6.3. Supervisory Committee:

This Committee is elected by the General Assembly to monitor and audit the activities of the Board of Directors.

6.3.1. Tenure: Every member of the Supervisory Committee shall serve for a term of 3 years and are eligible for re-appointment for an additional term. The tenure

of the members of the Supervisory Committee shall not exceed 2 consecutive terms of 6 years each.

6.3.2. Responsibilities

- Ensuring transparency, accountability, and compliance with internal controls.
- Provide regular reports to the General Assembly on the performance and financial health of Akilaah Cooperative Society.

6.4. Appeals Committee:

This Committee is responsible for ensuring that disciplinary actions are fair, transparent, and aligned with the cooperative's bylaws and policies. The committee serves as an independent body tasked with reviewing appeals from members who wish to challenge disciplinary decisions.

6.4.1. Tenure: Every member of the Appeals Committee shall serve a term of 3 years and are eligible for re-appointment for an additional term. The tenure of the members of the Appeals Committee shall not exceed 2 consecutive terms of 6 years each.

6.4.2. Responsibilities

- Receive and acknowledge appeals from members who have been subjected to disciplinary action.
- Conduct impartial reviews and avoid any conflicts of interest and maintain objectivity.
- Schedule and facilitate appeals hearings.
- Make fair, informed decisions and issue written decisions

6.5. Operations Committee:

This Committee is responsible for overseeing hybrid operations, ensuring seamless coordination between digital platforms and physical branches as well as ensuring that all cooperative policies are followed.

6.6. Finance Committee:

This Committee manages financial oversight of transactions, ensuring transparency and accountability.

6.7. Digital and Physical Grievance Committee:

This Committee addresses disputes and complaints arising from online interactions and in-person experiences, ensuring fair and timely resolution.

7. FINANCIAL POLICY

7.1. Sources of Funds

7.1.1. Member Contributions: These include but not limited to; Monthly savings, share capital, and other regular contributions from members, which can be made in person or online via Akilaah Cooperative Society's platform.

7.1.2. Loans and External Funding: Akilaah Cooperative Society may secure loans from financial institutions or external grants to support its projects and activities.

7.1.3. Service/ Processing Fees: A service/processing fee will be charged for processing certain services, such as loans to cover administrative costs

7.1.4. Investment: Akilaah Cooperative Society may invest in fixed deposits, government bonds, real estate, and other approved financial instruments to generate funds which shall require the General Assembly's approval, based on the Board's recommendations and due diligence. Income generated may be allocated to cooperative projects, reserve funds, or member benefits as approved by the General Assembly.

7.2. Capital Structure

Akilaah Cooperative Society's capital consists of:

- **Shares:** Purchased by members, which represents their contribution to Akilaah Cooperative Society's equity.
- **Retained Earnings:** Surplus reinvested into Akilaah Cooperative Society.
- **Reserves:** A portion of surplus reserved for future investments, applicable to Akilaah Cooperative Society's operations.

7.3. Membership Fees and Shares

- Individuals and Entities seeking membership in Akilaah Cooperative Society are required to pay a non-refundable one time registration fee as specified below:

- **ONE Thousand, five hundred Naira (₦1,500)** for Ordinary Members
- **Twenty-Five Thousand Naira (₦25,000)** for Associate Members
- **One Hundred Thousand Naira (₦100,000)** for Corporate Members.
- Members can pay their membership fees and purchase shares through the mobile application and web application.
- Payment of the registration fee signifies the member's acceptance of Akilaah Cooperative Society's terms and conditions.
- A Membership renewal fee of **Two Thousand Naira (₦2,000)** will be charged on member's account annually with digital reminders sent in advance. This fee shall become payable on 1st January each year.
- Members willing to take up shares in Akilaah Cooperative Society shall be required to make a minimum purchase of **10 shares (for Individuals) and 500 shares (Corporates)** respectively. However, each member's shareholding shall not be more than **one-fifth** of the total shares of Akilaah Cooperative Society.

7.4. Surplus Distribution (Dividends)

7.4.1. Surplus will be distributed based on the member's share purchase amount in the Cooperative activities.

7.4.2. Dividends will be calculated as: ***Surplus – Retained Earnings/ Total shares x Number of shares owned***. This will be transferred directly to members' accounts, providing flexibility in how members receive their returns.

7.5. Contribution Plan

Akilaah Cooperative Society offers its members five categories of contribution plans. Members can choose a plan and top-up their shares as needed.

Members are allowed to top up share purchases beyond their chosen plan.

CONTRIBUTION PLAN	AMOUNT/MONTH
Basic	₦5,000
Silver	₦25,000
Gold	₦50,000

Diamond	₦100,000
PLATINUM	₦250,000
CORPORATE	₦500,000

7.6. Delayed Payment

- 7.6.1.** Akilaah Cooperative Society will grant a grace period of **15 days** to allow members additional time to make Contribution without incurring penalties.
- 7.6.2.** Upon the lapse of the grace period, a penalty of **1%** of the outstanding amount shall apply per month until the outstanding contribution is paid.
- 7.6.3.** Members will receive reminders before and during the grace period, either via SMS or emails.

7.7. Loans and Borrowing

- Members may apply for loans via the online platform (web and mobile applications).
- To be eligible to request a loan, you must have been a member of Akilaah for a period **not less than three (3) months**.
- Loans shall be subject to an approval process that considers the member's total savings and savings history, credit history, and proposed collateral, where applicable.
- Akilaah Cooperative Society' loan disbursements and repayments will be processed online.
- Loan processing will adhere to the security and oversight standards to protect member interests.

7.7.1. Personal Loans: Akilaah Cooperative Society offers regular loans to its members, allowing members to borrow up to 300% of their total savings and shares.

7.7.1.1. Minimum Repayment Period:

Small to medium-sized loans (e.g., ₦5,000 - ₦1,000,000) must be repaid within a period of at least **6 months** to avoid financial strain on Members and ensure regular cash flow into Akilaah Cooperative Society.

7.7.1.2. **Maximum Repayment Period:**

Larger loans (e.g., ₦1,000,000- ₦10,000,000) can be repaid over a maximum of **12 months**. This extended period helps members manage their finances without defaulting, while ensuring Akilaah Cooperative Society recoups the loan within a reasonable time.

7.7.2. The loan terms are as follows:

Members can enjoy flexible repayment options within the specified loan limits and terms.

7.7.3. **Average Percentage Rate:**

7.7.3.1. **Minimum and Maximum APR: APR=**

$$\frac{\text{Total cost of Loan} \times 100}{\text{Loan amount} \times \text{Term of Loan}}$$

This APR includes:

- Interest rate: For example, a flat interest rate of **2% Monthly**
- Administrative fees: A one-time loan processing fee of **1%** of the loan amount to be disbursed.
- For example: if a loan amount is ₦500,000 with a monthly interest rate of

2% and an administrative fee of 1% of the loan amount. With a loan term of 6 months, the total cost would represent **12.8%** over a period of **6 months** and **22.6%** over a period of **12 months**.

7.7.4. Business/ Corporate Loans: This loan is designed to support members in growing their businesses and achieving financial success. Akilaah Cooperative Society offers business loans of up to ₦50 million with a duration of 6-24 months to its members subject to the production of relevant information and documents and Loans exceeding 50 million will be subject to a decision by the cooperative board. Approval processing of business loans will be **within 5-10 business days** following the loan request.

Request for business loans will be considered following the provision of certain specific information which is not limited to:

- Provision of evidence of registration of business
- Evidence of good financial standing (recent statement of account).
- Valid means of Identification of key officers of the business.
- Business Plan
- Guarantee by **2 (two) active members** of Akilaah Cooperative Society who must present evidence of good financial standing (i.e with total savings in excess of the total loan amount).
- Other details or information as the Finance Committee may deem fit to request.

The decision of the Finance Committee shall be considered final and binding, regardless of the fulfillment of the aforementioned conditions.

7.7.5. Salary Advance

Akilaah Cooperative Society's salary advance facility helps you manage everyday financial demands when funds are tight. It allows you to borrow a short-term advance to bridge the gap until your next salary is credited. This quick and easy option is perfect for addressing unexpected expenses, such as a family emergency just days before payday. With the Akilaah Cooperative Salary Advance, you can:

- Access additional funds immediately.
- Enjoy competitive interest rates.
- Experience peace of mind, knowing you can cover urgent financial needs when necessary.

7.7.6. Motor Vehicle Loan (Auto Scheme)

This scheme enables members to purchase the motor vehicle of their choice, including motorcycles, tricycles, and cars, with a flexible repayment plan.

7.7.7. Consumer Loan

This loan is available to full-time employees for home appliances (e.g., refrigerators, air conditioners). Guaranteed by the member's employer, with monthly repayment deducted from salary. This loan is also available to selfemployed members with

proof of consistent income. The acquisition model allows for instalment payment spanning not above 12months.

7.7.8. Housing/Rent Loan

This loan is designed to assist members looking to rent a new apartment, renewing rent, or purchasing building materials for construction. The loan amount will depend on the total rent or construction costs. The repayment period ranges from 6 to 12 months, with monthly payments starting after a 30-day grace period. Interest is calculated on a reducing balance basis.

7.7.9. Food Loan Purpose

To provide short-term financial support for essential food-related expenses, helping members manage basic needs without financial strain.

7.7.10. Business Loan Purpose

To assist members in establishing, expanding, or improving their businesses, thereby promoting economic growth and financial independence within the cooperative.

7.7.11. Emergency Loan Purpose

To offer rapid financial assistance to members facing unforeseen emergencies, such as medical expenses or urgent personal needs.

7.7.12. Project Loan Purpose

To support members in executing significant personal or professional projects, such as home improvement or educational ventures, which require long-term investment.

TYPE	INDIVIDUAL		CORPORATE	
	MAX Duration	Percentage PER Month	MAX Duration	Percentage PER Month
Salary Loan	1 MONTH	2.5%		N/A

Personal Loan	6 Months (\leq ₦1M) 12 Months ($>$ ₦1M)	2.5%		N/A
Housing Loan (Rent)	12 MONTHS	3%	12 MONTHS	3.5%
Property Loan	NEGOTIABLE	3%	NEGOTIABLE	3.5%
Business Loan (up to ₦50M)	6 MONTHS	2.5%	12 MONTHS	3.5%
Quick Loan (Emergency)	3 MONTHS	2.5%	3 MONTHS	3.5%
Other Loan	NEGOTIABLE	NEGOTIABLE	NEGOTIABLE	NEGOTIABLE

However, loans requiring a repayment period beyond 12 months must be communicated via the communication platforms provided to Akilaah Cooperative Society Management who shall give feedback within 48 working hours of the receipt of your request for the loan extension period.

7.8. Savings

Akilaah Cooperative Society offers two savings account types: Fixed Savings and Live Savings, both designed to meet the diverse financial needs of our members.

7.8.1. Fixed Savings Account

- Members may deposit a fixed amount into their Fixed Savings Account, choosing a lock-in period of 3, 6, or 12 months. Withdrawals are not permitted during this lock-in period.
- Interest Rates** are as follows:
 - ₦100 million and above:** 30% per annum for 12 months
 - ₦50 million to ₦99,999,999**
 - 25% per annum for 12 months

- 11% for 6 months
- 4% for 3 months
- **N25 million to N49,999,999:**
 - 20% per annum for 12 months
 - 9% for 6 months
 - 4% for 3 months
- **Below N25,000,000:**
 - 18% per annum for 12 months
 - 8% for 6 months
 - 4% for 3 months
- An early withdrawal penalty of 5% of the withdrawn amount will apply, along with a loss of all accrued interest up to the withdrawal date.
- All early withdrawal penalties are fixed and non-negotiable. Members agree to these terms upon opening a Fixed Savings Account.

7.8.2. Live Savings Account

- Members can deposit money into their live savings accounts and initiate withdrawal at any time without penalties and being tied to a fixed schedule.
- Members can access their savings whenever needed, providing more flexibility than a fixed savings account.
- A fixed interest rate of up to **5%** per annum applies to funds in the live savings account.
- This feature is more suitable for short-term goals such as school fees, home improvement and emergencies.
- Members with live savings accounts are more eligible for personal loans from Akilaah Cooperative Society.
- Members are allowed to transfer funds from their live savings account to their fixed savings account to earn a higher interest rate.

8. Welfare Subscription

Akilaah Cooperative is committed to enhancing the well-being of its members through access to a variety of welfare services. Members can subscribe to and benefit from discounted services including Health Maintenance Organization (HMO) coverage, food assistance, transportation

benefits, housing support, renewable energy solutions, and other wellbeing services.

8.1. Eligibility Criteria for Welfare Subscription

To qualify for welfare subscription benefits, members must meet the following criteria:

- a. Members must have actively contributed to the cooperative for at least 3 consecutive months before being eligible to subscribe to welfare services.
- b. Members must be at least 16 years of age.
- c. Members must maintain an active status in Akilaah Cooperative Society, with no violations of the cooperative policies.
- d. Members may be required to pay a nominal subscription fee, as determined by the cooperative, to cover administrative costs associated with providing welfare services.
- e. Certain welfare services, such as housing or renewable energy solutions, may attract additional requirements or prerequisites based on the nature of the service. These will be communicated to eligible members as may be applicable.
- f. Only full members who meet the criteria above may access these benefits.

Welfare services are provided in partnership with third-party organizations, and Akilaah Cooperative strives to negotiate the best possible terms for its members. However, service availability, terms, and fees are subject to change based on partnerships and the cooperative policies.

9. OPERATIONS

9.1. Digital Operations

- Akilaah Cooperative Society shall provide a robust online platform accessible via web and mobile application.
- Members can access their savings, apply for loans, participate in virtual meetings and engage in training programs online.
- Digital tools such as online savings systems and secure voting platforms will facilitate seamless member engagement and financial transactions.

- Regular digital training will be offered to members to improve their ability to use the platform.

9.2. Financial Records and Audit

- Akilaah Cooperative Society shall maintain digital and physical financial records, ensuring both accessibility and security.
- Financial statements of Akilaah Cooperative Society will be reviewed annually by an external auditor and presented at the General Assembly.
- Members will have access to financial reports, which will be available both at the branch office(s) and digitally.

9.3. Blended Services

- Akilaah Cooperative Society will offer services that can be accessed both physically and digitally, ensuring inclusivity for all members regardless of their preferences.
- Hybrid meetings will allow members to join physically or virtually, ensuring full participation in decision-making processes.

10. MEMBER TRAINING AND DEVELOPMENT

- 10.1 Akilaah Cooperative Society will organize regular physical and virtual workshops and seminars on topics such as financial literacy, business development, and cooperative management.
- 10.2 Members are encouraged to attend these programs to enhance their skills and contribute more effectively to the cooperative.
- 10.3 Provide members with education on the importance of personal security in the digital space. This includes guidance on password creation, recognizing phishing attempts, and safeguarding personal devices used to access cooperative systems.
- 10.4 Provision of a dedicated customer support unit for members to report security incidents such as unauthorized access or suspicious activity.

11. MEETING

11.1. General Meetings

- Annual General Meetings (AGM) will be held in a hybrid format, allowing members to participate either physically or virtually.

- Extra-Ordinary General Meetings (EGM) can be convened at the request of the Board of Directors.
- General meetings shall be deemed duly constituted with a presence of at least 25 members or one-third of the members (whichever is lesser) of Akilaah Cooperative Society, with participation options provided via the physical and virtual platforms.
- Agenda of meetings at AGMs shall include: Election of the Board of Directors and committees, Presentation of financial reports, major decision-making involving the general assembly.

11.2. Board of Directors' Meetings

- The Board of Directors will meet quarterly in person or virtually, depending on the availability and location of board members.
- Emergency meetings can be called by the President or two-thirds of the Board members.
- The quorum for the Board of Directors' Meeting shall be a simple majority of the Board Members.

12. GENERAL PROVISION

- 12.1 Only registered members are eligible to benefit from any of Akilaah Cooperative Society's services.
- 12.2 Members can access loans up to thrice (3x) of their total shares plus savings, subject to member's prompt repayment of outstanding loans, credit scores, and approval of the Board of Directors.
- 12.3 Akilaah Cooperative Society can manage their accounts through the Akilaah mobile and web platforms, ensuring transparency and ease of use.
- 12.4 Loan repayments can be made through payroll deductions, business income, direct debit from the member's account, or other methods as agreed with Akilaah Cooperative Society.
- 12.5 To qualify for a loan, a member must have been actively Saving to Akilaah Cooperative Society for at least 3 months and must have fully paid for at least the minimum share (10 shares) allotted/ set against his name.
- 12.6 Both personal and business loans offer a fair, fixed interest rates, ensuring members repay over a reasonable time frame.

- 12.7 Multiple approved loan application (maximum of 3 loan applications) schedules will be reflected on member's dashboard and will run simultaneously until full repayment of all outstanding loans.
- 12.8 Members have the flexibility to repay loans early, make full or partial repayments.
- 12.9 Additional lump sum repayments are permitted, provided that the full loan is repaid within the stipulated period.
- 12.10 The Finance Committee is authorized to deduct 4% of the total savings of any member who chooses to discontinue their membership in Akilaah Cooperative Society.

13. DATA PRIVACY AND SECURITY

- 13.1 All sensitive data, including members' personal details, financial records, and transactional data, shall be encrypted during transmission and storage using industry-standard encryption methods.
- 13.2 Access to the cooperative's information system is restricted based on user roles. A multi-tier authentication system will be implemented to ensure that only authorized personnel can access sensitive data. This include but not limited to Multi-Factor Authentication (MFA) - combining passwords with one-time passwords (OTPs) or biometric/facial authentication.
- 13.3 Regular automated backups of all critical data will be performed and stored securely, both in cloud-based systems and offline physical storage, ensuring data recovery in case of a cyberattack or system failure.
- 13.4 Install and regularly update antivirus software and firewalls on all devices used to access the cooperative's systems to protect against malware, viruses, and unauthorized access.
- 13.5 Ensure compliance with the Nigerian Data Protection Regulation (NDPR) in handling and processing personal data.
- 13.6 Implement secure payment gateways with encryption for all online financial transactions and employ secure digital wallets with proper authentication mechanisms for members to deposit and withdraw funds.
- 13.7 Regular financial audits shall be conducted by external auditors. Financial reconciliations should be performed frequently to ensure that all transactions match Akilaah Cooperative Society's records and to detect any irregularities.

13.8 Implement a real-time fraud detection system that monitors all financial activities and flags suspicious transactions for further investigation.

13.9 Ensure the availability and access to adequate insurance coverage to protect against financial losses due to cyber threats, fraud, or theft.

14. DISPUTE RESOLUTION MECHANISMS

Disputes between members or between members and Akilaah Cooperative Society will be resolved through the following process:

14.1 **Mediation:** The cooperative will first attempt to mediate disputes through its Digital and Physical Grievance Committee, which will consider both digital and in-person submissions **within 21 days** of receiving the submissions.

14.2 **Arbitration:** In the event that mediation fails, the dispute may be further referred to Arbitration **within 15 days** after which the mediation process fails. Arbitration can be conducted digitally or physically depending on the circumstances.

14.3 **Legal Action:** As a last resort, members can seek legal recourse in a court of competent jurisdiction in Nigeria.

15. AMENDMENT OF POLICY

15.1 This document can be amended by a two-thirds (2/3) majority vote during the General Assembly, with members participating either physically or digitally.

15.2 Proposals for amendments may be made by any active/participating member or by any member of the Board of Directors.

15.3 In the case of the proposal for amendment made by an active/participating member, such proposal must be submitted to the Board **at least 30 days before** the General Meeting.

16. DISSOLUTION

In accordance with the Provisions of the Nigerian Cooperatives Act, 2004, and based on the reasons of dissolution in the Cooperative Society's bylaws a Cooperative society may be dissolved by Voluntary dissolution (passed by members at a general meeting), dissolution by the Registrar of Cooperatives, dissolution via a court order.

The process of a Voluntary Dissolution by members at a general meeting are as follows:

- 16.1 A resolution for dissolution is passed by the members during a general meeting; a two-thirds (2/3) majority of members present is usually required for the resolution to pass.
- 16.2 Once the resolution is passed, the Registrar of Cooperative Societies is notified within **14 days** of passing the resolution.
- 16.3 A liquidator, who is responsible for winding up the affairs of the Cooperative Society is appointed within **7 days** after notification of dissolution has been made to the Registrar of Cooperative Societies.
- 16.4 The liquidator will assess the Cooperative's financial obligations and begin the process of settling any outstanding debts and liabilities. This may involve negotiating with creditors and utilizing available assets to pay off debts.
- 16.5 Upon the settlement of settling all liabilities, the liquidator will proceed to distribute any remaining assets among the members based on the provisions in the Cooperative Society's bylaws.
- 16.6 The liquidator prepares final accounts detailing the dissolution process, including the settlement of liabilities and distribution of assets and a final report is presented to the members for approval during a final general meeting.
- 16.7 Upon the conclusion of the final general meeting, the liquidator will submit the final report to the Registrar of Cooperatives along with an application for deregistration of the Cooperative Society for review and once satisfied, the Cooperative Society is deregistered thereby marking its dissolution.