

CHAPTER 489

BUILDING SOCIETIES ACT

SUBSIDIARY LEGISLATION

List of Subsidiary Legislation

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APPOINTMENTS UNDER SECTION 3

[G.N. 2165/1956, G.N. 3088/1956.]

The Registrar-General to be Registrar of Building Societies.

The Deputy Registrar-General to be Deputy Registrar of Building Societies and Assistant Registrars-General to be Assistant Registrars of Building Societies.

BUILDING SOCIETIES REGULATIONS

ARRANGEMENT OF REGULATIONS

Regulation

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SCHEDULES

- FIRST SCHEDULE — FORMS
SECOND SCHEDULE — FEES
-

[Subsidiary]

Regulations under section 77(3)

BUILDING SOCIETIES REGULATIONS

[L.N. 378/1956, L.N. 195/1974, L.N. 267/1977, L.N. 113/1979, L.N. 54/1980, L.N. 537/1991, Corr. No. 82/1991, L.N. 337/1995, L.N. 92/1997, L.N. 17/1998, L.N. 90/2003, Corr. No. 60/2003.]

1. Citation

These Regulations may be cited as the Building Societies Regulations.

2. Interpretation

In these Regulations, unless the context otherwise requires, “**society**” means a building society formed for the purpose of raising by the subscription of members a stock or fund from which to make advances to members.

3. Registration of societies

(1) An application for the registration of a society under section 6 or section 75 of the Act shall be in Form BS 1 in the First Schedule, and shall be accompanied by—

- (a) two printed or typed copies of the rules of the society;
- (b) a statement of the situation and postal address of the head office of the society;
- (c) a statement, where the head office is not situated in Kenya, of the situation and postal address of the principal office of the society in Kenya;
- (d) a copy of the latest statement and annual account of the society, if any;
- (e) the names and address of every director of the society; and
- (f) if the society is registered or incorporated whether within or outside Kenya, the particulars of the statute or other law under which registration or incorporation was effected, together with a certified copy of the certificate of registration or incorporation.

(2) On the Registrar being satisfied that the application and rules of the society comply with the provisions of the Act, he may register the society, and on registering a society he shall enter the following particulars in the register—

- (a) the name of the society;
- (b) the situation and postal address of the head office of the society;
- (c) where the head office of the society is not situated in Kenya, the situation and postal address of the principal office of the society in Kenya;
- (d) the date of registration of the society under the Act;
- (e) the section of the Act under which the society is registered;
- (f) whether the society is a new society, a foreign society or an existing society;
- (g) if the society is a foreign society or an existing society, the date upon which it was first registered or incorporated, and the country of registration or incorporation, together with details of the statute or other law under which registration or incorporation was effected.

(3) Upon the registration of a society, the Registrar shall issue a certificate of registration in Form BS 2 in the First Schedule.

4. Bonds for binding officers of societies

A bond executed for the purpose of binding an officer of a society with one sufficient surety, as required by section 16 of the Act, shall be in Form BS 3 in the First Schedule.

5. Limitation on advances

(1) For the purposes of section 24 of the Act, no society shall, without the consent in writing of the Registrar, make an advance in excess of three million, five hundred thousand

shillings, or a sum exceeding five per centum of the total amount of moneys subscribed to the society by members of the society, whichever is the less.

(2) An application for the written consent of the Registrar, as required under section 24 of the Act, shall be made in duplicate in Form BS 4 in the First Schedule.

(3) Where the Registrar consents to the application he shall endorse the application accordingly and return a copy thereof to the applicant society.

[L.N. 195/1974, L.N. 267/1977, L.N. 54/1980, L.N. 537/1991, s. 2, Corr. No. 82/1991, L.N. 337/1995, s. 2, L.N. 17/1998, s. 2.]

6. Security for advance taken from another person

(1) Where any society makes an advance to a member for the purpose of its being used in defraying the purchase price of land and takes any security from another person, the society shall give to the member notice stating—

- (a) the maximum amount which the society would consider proper to advance upon the security of that land if no other security were taken;
- (b) the amount to be advanced;
- (c) the amount by which the advance will exceed that amount which the society would consider proper if no other security were taken;
- (d) a description of the land;
- (e) particulars of any buildings or other development upon the land;
- (f) particulars of the security to be taken from the other person, including the amount to be secured and the type of security;
- (g) the name and address of the other person.

(2) A notice required to be given under this regulation shall be in Form BS 5 in the First Schedule.

7. Statements and accounts

(1) An account and statement of a society, prepared in accordance with section 33 of the Act, shall relate to and concern all the business of that society, whether the business has been transacted within or outside Kenya, and shall be in the form and shall contain the particulars as set out in Form BS 6 in the First Schedule.

(2) A society registered or incorporated outside Kenya and registered as a building society under section 75 of the Act shall, in addition to the account and statement rendered to the Registrar under subregulation (1), send to the Registrar an account and statement relating to and concerning the business of the society within Kenya only, and the additional account and statement shall be in the form and shall contain the particulars set out in Form BS 6 in the First Schedule.

8. Return of sales and transfers

A return of sales and transfers prepared in accordance with section 34 of the Act shall be in Form BS 7 in the First Schedule.

9. Notices as to warranty

A notice given to a member in compliance with section 42 of the Act shall be in Form BS 8 in the First Schedule.

10. Notices of completion of sale of land

A notice sent to a member in compliance with section 43 of the Act shall be in Form BS 9 in the First Schedule and shall state—

- (a) the particulars of the land sold;
- (b) the amount of money realised by the sale;

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- (c) the expenses and costs incidental to the sale;
- (d) the name of the purchaser of the land.

11. Change of name of society

(1) A special resolution by which a society changes its name, and of which in accordance with section 46 of the Act two copies are sent to the Registrar for registration, shall be certified by a statutory declaration declared by an officer of the society in accordance with the Oaths and Statutory Declarations Act (Cap. 15).

(2) Where the Registrar registers a copy of the resolution, he shall return the other copy to the society endorsed with a certificate of registration, which shall be in Form BS 10 in the First Schedule.

12. Change of office or address of society

(1) A society which changes the situation of its registered office, whether the office is a head office or a principal office within Kenya, or its registered postal address, shall send to the Registrar a notice thereof in duplicate in Form BS 11 in the First Schedule.

(2) Where the Registrar registers a change, he shall endorse the duplicate notice thereof and return it to the society concerned.

13. Change of directors of society

(1) Whenever a person is appointed director of a society or for any reason ceases to be a director of a society, the society shall send to the Registrar a notice thereof in duplicate in Form BS 12 in the First Schedule.

(2) Where the Registrar registers an appointment or cessation, he shall endorse the duplicate notice thereof and return it to the society concerned.

14. Change or alteration of rules of society

(1) A special resolution by which a society alters or rescinds any of its rules or makes any additional rule, and of which in accordance with section 49 of the Act two copies are sent to the Registrar for registration, shall be certified by a statutory declaration declared by an officer of the society in accordance with the Oaths and Statutory Declarations Act (Cap. 15).

(2) Where the Registrar registers a copy of the resolution, he shall return the other copy to the society endorsed with a certificate of registration which shall be in Form BS 13 in the First Schedule.

15. Applications to unite or transfer engagements

(1) An application made to the Registrar, in accordance with section 53 of the Act, by a society desiring to unite with one or more other societies or to transfer its engagements to another society or to undertake to fulfil the engagements of another society shall be in Form BS 14 in the First Schedule.

(2) A notice of an application made under section 53 of the Act and required to be published in the *Gazette* and in a newspaper shall be so published at least one month before the Registrar hears the application and shall be in Form BS 15 in the First Schedule.

(3) Every publication of a notice in the *Gazette* or in any newspaper shall be at the expense of the society concerned.

(4) Where—

- (a) two or more societies unite and become one society, the united society shall send to the Registrar a notice of union, which shall be in Form BS 16 in the First Schedule, together with the certificates of registration of the societies concerned in the union;
- (b) a society transfers its engagements to another or a society undertakes to fulfil the engagements of another, both societies shall send to the Registrar a notice of transfer, which shall be in Form BS 17 in the First Schedule.

16. Reference of disputes to Registrar

(1) Where the parties to a dispute agree to refer the dispute to the Registrar in accordance with section 56 of the Act, the parties shall—

- (a) send to the Registrar a notice of the reference in Form BS 18 in the First Schedule;
- (b) if the rules of the society direct that disputes be referred to the Registrar, a copy of the rules;
- (c) a statement of the dispute;
- (d) a statement setting out the submission of each party.

(2) The Registrar may, by notice in writing, require any party to the dispute to appear before him.

(3) The Registrar may, by notice in Form BS 19 in the First Schedule, require any party to the dispute to deposit for inspection, within a time and at a place specified in the notice, such documents, statements, accounts or other evidence as may be considered by him to be relevant to the determination of the dispute.

(4) An award made by the Registrar shall be in Form BS 20 in the First Schedule.

17. Application for inspection of books

(1) An application for the appointment of an accountant or actuary made under section 60 of the Act shall be in Form BS 21 in the First Schedule and shall be signed by at least ten members of the society, and shall state the names of the members of the society on whose behalf it is made.

(2) An application shall be certified, by a declaration declared by a member of the society in accordance with the Oaths and Statutory Declarations Act (Cap. 15), to the effect that it is the application of one-tenth of the whole number of members of the society or of fifty members thereof, whichever is the less.

18. Application to appoint an inspector or call a special meeting

(1) An application for the appointment of an inspector or to call a special meeting of a society made under subsection (1) of section 61 of the Act shall be in Form BS 22 in the First Schedule and shall be signed by at least ten members of the society, and shall state the names of the members of the society on whose behalf it is made.

(2) An application shall be certified by a declaration, declared by a member of the society in accordance with the Oaths and Statutory Declarations Act (Cap. 15), to the effect that it is the application of one-tenth of the whole number of the members of the society or of fifty members, whichever is the less.

19. Appointment of accountant, actuary or inspector

An appointment of accountants, actuaries or inspectors under sections 60 and 61 of the Act shall be in Form BS 23 in the First Schedule.

20. Forbidding invitations for subscriptions, etc.

(1) A notice served by the Registrar on a society stating his intention under section 62 of the Act to forbid invitations for subscriptions shall be in Form BS 24 in the First Schedule.

(2) An order to a society directing that no invitation to subscribe for, or to acquire or to offer to acquire, securities or to lend or deposit money shall be in Form BS 25 in the First Schedule.

21. Notice of commencement of dissolution of society

(1) A notice of the commencement of dissolution of a society under section 64 of the Act shall be in Form BS 26 in the First Schedule.

(2) Notice of the commencement of dissolution of a society shall be sent by the society to the Registrar within fourteen days from the date upon which—

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- (a) a court order ordering the winding up of the society was made;
- (b) an instrument of dissolution was signed in accordance with the provisions of the section;
- (c) the decision was made to dissolve the society.

(3) A notice of the commencement of dissolution shall be accompanied by a copy of the court order or a copy of the instrument of dissolution or a copy of the resolution or decision whereby it was decided to dissolve the society.

22. Notice of completion or termination of dissolution of society

(1) A notice of the completion or termination of dissolution of a society dissolved under section 64 of the Act shall be in Form BS 27 in the First Schedule.

(2) Notice of the completion or termination of dissolution shall be sent to the Registrar within twenty-eight days from the completion or termination of dissolution.

23. Application for Registrar to order dissolution of society

(1) An application for the dissolution of a society made under section 70 of the Act shall be in Form BS 28 in the First Schedule, and shall be signed by at least ten members of the society, and shall state the names of the members of the society on whose behalf it is made.

(2) An application shall—

- (a) be certified by a declaration declared by a member of the society in accordance with the Oaths and Statutory Declarations Act (Cap. 15), to the effect that it is the application of one-tenth of the whole number of members of the society or of fifty members, whichever is the less; and
- (b) be accompanied by a written statement setting out the reasons therefor.

24. Forms of documents

(1) All applications, notices, returns and other documents required to be sent to the Registrar shall be clearly and legibly printed or typewritten in the English language on paper of durable quality.

(2) The forms prescribed in the First Schedule shall be used in all matters for which they are prescribed, being adapted with such alterations or additions as may be necessary and as the Registrar may permit.

(3) Where a document is sent to the Registrar or tendered for registration which, in the opinion of the Registrar, substantially complies with the provisions of the Act and these Regulations, the Registrar may accept and, where requisite, register it; but nothing in this subregulation shall prevent the Registrar from refusing to accept or register a document not in the prescribed form, or in the prescribed form but unnecessarily long or containing unnecessary or irrelevant matter.

25. Registrar's authentication of documents

Every document bearing the signature and, where usual, the seal or other device of the Registrar shall be deemed, until the contrary is shown, to be duly authenticated for the purposes of the Act or these Regulations.

26. Fees

There shall be payable in the manner and for the several matters set out in the first column of the Second Schedule the appropriate fees as set out in the second column thereof.

FIRST SCHEDULE

FORMS

FORM BS 1

[Reg. 3(1).]

APPLICATION FOR REGISTRATION OF A BUILDING SOCIETY

APPLICATION is hereby made for the registration of a building society to be known as "..... Building Society

This application is accompanied by—

- (a) two printed or typed copies of the rules of the society;
(b) a statement of the situation and postal address of the head office of the society;
(c) a statement, where the head office is not situated in Kenya, of the situation and postal address of the principal office of the society in Kenya;
(d) a copy of the latest statement and annual account of the society, if any;
(e) the names and address of every director of the society; and
(f) if the society is registered or incorporate whether within or outside Kenya, the particulars of the statute or other law under which registration or incorporation was effected, together with a certified copy of any certificate of registration or incorporation.

The matters required to be set out in the rules are provided for in the manner shown in the Schedule to this application.

Dated this day of, 20

- 1. 6.
2. 7.
3. 8.
4. 9.
5. 10.

[Signatures of at least ten members of the society]

SCHEDULE

Matters Required to be set forth in the Rules of a Building Society by Section 10 of the Building Societies Act

Reference to the rules in which these matters are provided for

- (a) The name of the society and the situation and postal address of the chief office of the society (a)
(b) The principal objects of the society (b)
(c) The manner in which a person may become a member, and may cease to be a member, of the society (c)
(d) The manner in which the funds of the society are to be raised, the purposes to which they are to be applied and the manner in which surplus funds are to be invested (d)
(e) The classes of shares to be issued, the conditions of redemption or repayment of shares and the preferential and other special rights attaching to each class of shares (e)
(f) The terms upon which shares are to be issued and withdrawn and the manner in which contributions are to be paid to the society (f)
(g) The conditions upon which the society will accept and repay deposits (g)

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- (h) The manner in which and the conditions upon which advances upon the security of a mortgage or otherwise are to be made and repaid, and the conditions upon which a borrower can redeem the amount due from him before the expiration of the period for which the advance was made, with tables, where applicable in the opinion of the Registrar, showing the amounts due from the borrower after each stipulated payment (h)
- (i) The manner in which profits or losses are to be ascertained and dealt with or provided for (i)
- (j) Whether the society intends to borrow money and, if so, within what limits not exceeding those prescribed by the Act (j)
- (k) The limits of loans to or deposits by any one person (k)
- (l) The manner of altering and rescinding the rules of the society and of making additional rules (l)
- (m) The manner of appointing, remunerating and removing the board of directors, their qualifications, powers and duties, and the manner of appointing, remunerating and removing members of local boards or committees and of auditors and other officers of the society (m)
- (n) The manner of calling general and special meetings of the members, the quorum necessary for the transaction of business at such meetings and the right to and manner of voting thereat (n)
- (o) Provision for an annual or more frequent audit of the accounts and inspection by the auditors of the mortgages and other securities belonging to the society (o)
- (p) Whether disputes between the society and any of its members, or any person claiming by or through any member, or under the rules, shall be settled by reference to the High Court, to the Registrar or to arbitration (p)
- (q) Provision for the device, custody and use of the common seal of the society (q)
- (r) Provision for the custody of the instruments of mortgage and of other securities belonging to the society (r)
- (s) The charges, fees, fines and forfeitures which may be demanded from or imposed on members of the society and borrowers (s)
- (t) The manner in which the society shall be dissolved (t)
- (u) The financial year of the society (u)
- (v) Such other matters as may be prescribed from time to time (v)

FORM BS 2

[Reg. 3(3).]

CERTIFICATE OF REGISTRATION

I hereby certify that Building Society has this day been registered under the provisions of section of the Building Societies Act.

Dated this, 20

.....
Registrar of Building Societies

Building Societies

[Subsidiary]

FORM BS 3

[Reg. 4.]

BOND

I (hereinafter referred to as the officer) of an officer of the Building Society registered under the provisions of the Building Societies Act and (hereinafter referred to as the surety) of are jointly and severally held and firmly bound to the Building Society in the sum of to be paid to the Building Society for which payment we jointly and severally bind ourselves and each of us by himself our and each of our heirs, executors and administrators.

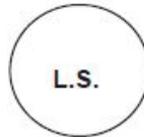
Sealed with our seals this day of, 20

Dated this day of 20

WHEREAS the officer has been duly appointed to the office of of the Building Society registered as aforesaid and he together with the surety have entered into the above-written bond subject to the condition hereinafter contained.

NOW THE CONDITION of the above-written bond is such that if the said officer shall and do render a just and true account of all moneys received and paid by him and shall and do pay over all the moneys remaining in his hands and assign and transfer or deliver all securities and effects, books, papers and property of or belonging to the said Building Society in his hands or custody to such person or persons as the said Building Society shall appoint according to the rules of the said society together with the proper or legal receipts or vouchers for such payment THEN the above-written bond shall be void and of no effect but otherwise shall be and remain in full force and effect.

SIGNED SEALED AND DELIVERED by the above-bound officer and surety in the presence of:



FORM BS 4

[Reg. 5(2).]

APPLICATION FOR REGISTRAR'S CONSENT TO ADVANCE

To: The Registrar of Building Societies, Nairobi.

The Building Society hereby makes application to the Registrar for his consent in writing to an advance proposed to be made and detailed in the First Schedule hereto.

The undersigned, being* of the society, hereby warrants that the particulars given in the First and Second Schedules hereto are true.

FIRST SCHEDULE

1. Name and address of proposed borrower
2. Amount of proposed advance
3. Proposed security [*describe situation and nature of building*]
4. Total number and gross amount of other advances to the same borrower
5. Period over which repayment is proposed

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- 6. Rate of interest to be charged
- 7. Whether the mortgage will contain any stipulation for a change of such rate of interest, and, if so, in what form
- * This form is to be signed in the case of a local society by a director or member of the committee of management or the secretary of the society, and in the case of a foreign society by the local territorial manager.

SECOND SCHEDULE †

- 1. Total amount of money available with the society for investment on mortgage and at present uninvested
- 2. Total number and gross amount of loans applied for but not yet granted at the date of this application, classified as follows—
 - (a) owner occupiers
 - (b) persons making an investment in a house or houses
 - (c) persons making an investment in blocks of flats
 - (d) other persons, specifying the class or classes of property on which security is offered
- 3. Total number and gross amount of loans granted by the society during the preceding twelve months; loans made by way of mortgage to—
 - (a) owner occupiers
 - (b) persons making an investment in a house or houses
 - (c) persons making an investment in blocks of flats
 - (d) other persons, specifying the class or classes of property on which security has been given

Dated this day of, 20

.....
[Signature of Director, Member of Committee of Management, Secretary or Territorial Manager]

- * This form is to be signed in the case of a local society by a director or member of the committee of management or the secretary of the society, and in the case of a foreign society by the local territorial manager.
- † The figures to be provided in the Second Schedule should relate only to business in Kenya.

*Endorsement
(For official use only)*

The Registrar of Building Societies ^{~~*does not consent~~} to the proposed loan as detailed in
hereby consents

the First Schedule hereto

This consent, if granted, shall remain valid for a period of from the date of this endorsement, and shall cease to be valid and shall be of no effect in the event of the loan not being advanced or a binding agreement therefor not being made on or before the expiration of the said period.

Dated this day of, 20

.....
Registrar of Building Societies

** Strike out whichever is inapplicable.*

Building Societies

[Subsidiary]

FORM BS 5

[Reg. 6(2).]

NOTICE OF INTENTION TO TAKE SECURITY FROM THIRD PARTY

To:

.....

[Name and address of prospective borrower]

With reference to your application for an advance upon mortgage from the Building Society to assist you in defraying the price of your proposed purchase of

[Description, particulars and address of property]

..... the maximum amount which the Society would consider proper to advance upon the security of the property if no other security were taken by the society is Sh

In view of the provision of additional security, the Society is prepared to consider making an advance to you of Sh. upon such property, which sum exceeds the amount which the Society would consider proper to advance upon the property alone by Sh.

The Society proposes to take other security from a third party as follows [particulars to be given of the security]—

(a) the type of security is

(b) the amount secured is

(c) the name and address of the person providing such security is

Dated this day of....., 20

..... [Signature of officer of the Building Society]

..... [Signature of Borrower]

FORM BS 6

[Reg. 7.]

ANNUAL STATEMENT AND ACCOUNT

For the twelve-month period ending 20

Name of Society

Registered office

Postal address

Names of the directors or members of the committee of management:

.....

.....

The Society carries on business outside Kenya in the following places:

.....

.....

The financial year of the Society is the twelve-month period beginning every year.

3. MORTGAGES ACCOUNT

Dr.	£	s.	cts.	Cr.
Advanced on Mortgage:				
On Mortgages where the advance agreed to will not exceed £ 2,000				Repayments of Advances and Interest
On Mortgages where the advance agreed will exceed £ 2,000				Losses on Realisation:
				Charged to Account No. 5
				Charges to Account No.
				Insurance Premiums
				*Survey Fees and Expenses:
				Other Credits (to be specified):
Interest				Due on Mortgages at end of year
Insurance Premiums				TOTAL
*Survey Fees and Expenses:				£
Other Debits (to be specified):				
Due on Mortgages at beginning of year				
TOTAL				
£				

*These headings do not apply if the items are shown in Account No. 5.

4. INVESTMENTS ACCOUNT

Dr.	£	s.	cts.	Cr.
Investments made:				
In the Kenya				Investments realised:
Outside the Kenya				In Kenya
				Outside Kenya

[Subsidiary]

SCHEDULE—continued

Dr.	£ s. cts.	£ s. cts.	Cr.
Profits on realisation of Investments (as per Account No.)		Losses on realisation of Investments (as per Account No.)	
Interest and Dividends (as per Account No. 5)		Depreciation of Investments (as per Account No.)	
TOTAL		Interest and Dividends received	
Balance at beginning of year		TOTAL	
TOTAL	£	Balance at end of year	
		TOTAL	£

5. PROFIT AND LOSS ACCOUNT

Dr.	£ s. cts.	£ s. cts.	Cr.
Management Expenses:		INCOME	
Directors' Fees		Interest from Borrowers	
Remuneration of Staff and Auditors		Interest and Dividends from Investments	
Rents, Rates, Insurance, Heat, Light, Water, Cleaning, Repairs, etc., (offices)		Bank Interest	
Printing, Stationery and Postages		Rents, etc., from letting of office premises	
Advertising, Commission and Agency Fees		*Survey Fees and Expenses	
Other Expenses (to be specified)		Other Fees, Fines, Rules and Pass Books	
Total Management Expenses:		Commission (Fire, Life, etc., Insurance)	
*Survey Fees and Expenses		Other Income (to be specified)	
Interest on Deposits and Loans (other than Loans from Bank)			

SCHEDULE—continued

Dr.	EXPENDITURE	£ s. ds.	INCOME	£ s. ds.	Cr.
	Interest on Loans and Overdrafts from Bank				
	† Income Tax				
	Losses on Mortgages as per Account No. 3				
	Depreciation:				
	Office Premises, Furniture, etc.				
	Other Assets				
	Other Expenditure (to be specified)				
	Balance carried to Appropriation Account		Balance (Loss) carried to Appropriation Account		
	TOTAL	£	TOTAL	£	

* These headings do not apply if the items are shown in Account No. 3.

† Excluding tax on Directors' Fees and Remuneration of Staff which must be included in the Fees and Remuneration above.

6. APPROPRIATION ACCOUNT

Dr.	EXPENDITURE	£ s. ds.	INCOME	£ s. ds.	Cr.
	Balance (Loss) brought forward from last year		Balance brought forward from last year		
	Balance (Loss) from Profit and Loss Account		Balance from Profit and Loss Account		
	Losses on realisation of Investments		Profits on realisation of Investments		
	Other capital losses (to be specified)		Other capital profits (to be specified)		
	Interest, Dividend and Bonus to Shareholders				
	Other appropriates (to be specified)				
	Balance carried forward	£	Balance (Loss) carried forward		
	TOTAL	£	TOTAL	£	

Building Societies

[Subsidiary]

SCHEDULE—continued
7. GENERAL RESERVE ACCOUNT

Dr.	£	s.	cts.	Cr.
Debits (to be specified)				Appropriation from Account No. 6
TOTAL				Other Credits (to be specified)
Balance at end of year				TOTAL
TOTAL				Balance at beginning of year
				TOTAL
				£

OTHER RESERVE ACCOUNTS

Dr.	Cr.
7 (a)	Account
TOTAL	TOTAL
Balance at end of year	Balance at beginning of year
TOTAL	TOTAL
	£

SCHEDULE—continued
8. BALANCE SHEET

LIABILITIES	£ s. ds.	ASSETS	£ s. ds.
Due to holders of various classes of Shares, viz.:		*Balance due or outstanding on Mortgages, not including prospective interests:	
		Mortgages from Members where the repayments are not upwards of 12 months in arrear and the property has not been upwards of 12 months in possession of the Society:	
		On Mortgages where the debt does not exceed £500	
		On Mortgages where the debt exceeds £500 and does not exceed £1,000	
		On Mortgages where the debt exceeds £1,000 and does not exceed £3,000	
		On Mortgages where the debt exceeds £3,000 and does not exceed £5,000	
		On Mortgages where the debt exceeds £5,000 and does not exceed £7,500	
		On Mortgages where the debt exceeds £7,500 as shown by Part I of the Schedule	
		TOTAL	£
TOTAL (as per Account No. 1)			
Due to Creditors for Deposits and Loans:			
Deposits and Loans (other than loans from Bank) (to be classified according to notice required):			
TOTAL (as per Account No. 2)			
Loans and Overdrafts from Bank (as per Account No. 2)			
TOTAL			
Other liabilities (to be specified)		On Mortgages where the repayments are upwards of 12 months in arrear, and the property has not been upwards of 12 months in possession of the Society, as shown by Part III of the Schedule (present debt)	
TOTAL		TOTAL (as per Account No. 3)	

Building Societies

[Subsidiary]

SCHEDULE—continued

LIABILITIES	£	s.	cts.	ASSETS	£	s.	cts.				
Provisions (to be specified):				Total number of Mortgages							
Income Tax				Investments							
Interest, Dividend and Bonus				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: center;">Market Value of Date of Balance Sheet</td> <td style="width: 50%; text-align: center;">Book value</td> </tr> <tr> <td style="text-align: center;">£ s. cts</td> <td style="text-align: center;">£ s. cts</td> </tr> </table>	Market Value of Date of Balance Sheet	Book value	£ s. cts	£ s. cts			
Market Value of Date of Balance Sheet	Book value										
£ s. cts	£ s. cts										
TOTAL				Investments in Kenya							
Reserves:				Investments outside Kenya							
General Reserve (as per Account No. 7)				Interest Accrued							
Reserve (as per Account No. 7 (a))				TOTAL (as per Account No. 4)							
TOTAL				Other Assets (to be specified):							
				Office Premises							
				Cash at Bank and in Hand							
Balance carried forward (as per Account No. 6)				Balance (Loss) carried forward (as per Account No. 6)							
TOTAL				TOTAL							

SCHEDULE—continued

PART I

Particulars to be set forth in the case of every Mortgage where the Repayments are not upwards of twelve months in arrear, and the property has not been upwards of twelve months in the possession of the society, and where the present debt exceeds £7,500.

1 Date of advance	2 Whether subject to any prior mortgage or charge. If so the amount thereof.	3 Whether freehold, leasehold or right of occupancy	4 Original valuation of property	5 Amount of advance	6 *Present debt	7 Amount of payments in advance	8 Amount of payments in arrear	9 Observations
			£	£	£	£	£	
TOTAL								

* When the mortgagor is not a member of the society, an asterisk is to be placed against the amount of present debt.

Building Societies

[Subsidiary]

PART II

Particulars to be set forth in the case of property of which the society has been upwards of twelve months in possession.

Roll numbers	Date of advance	Date when possession was taken	Whether subject to any prior mortgage or charge, if so, the amount thereof	Whether freehold leasehold or right of occupancy	Amount of advance	Original valuation of property	Debt when possession was taken	Present amount included in assets	Gross Income for the year	Outgoings for the year	Observations
1	2	3	4	5	6	7	8	9	10	11	12
					£	£	£	£	£	£	
TOTAL											

PART III

Particulars to be set forth in the case of every Mortgage where the repayments are upwards of twelve months in arrear and the property has not been upwards of twelve months in the possession of the society.

Date of advance	Whether subject to any prior mortgage or charge, if so the amount thereof	Whether freehold, leasehold or right of occupancy	Number of months in arrear	Original valuation of property	Amount of advance	Present debt	Amount of payments in arrear	Observations
1	2	3	4	5	6	7	8	9
				£	£	£	£	
TOTAL								

Building Societies

[Subsidiary]

NOTE.—The amount shown in the Balance Sheet against "Total (A)" includes £ : : outstanding on mortgages where the payments of interest but not the repayments of principal are upwards of twelve months in arrear. (If there is no amount included in "Total (A)" in respect of such mortgages, this note and the words "Total (A)" in the Balance Sheet should be struck out).

- Number of share investors at end of year
- Number of depositors and loanholders at end of year
- Number of borrowers at end of year
- Signatures of two Directors or two members of the committee of management
.....
.....

The undersigned, having examined the foregoing Annual Account and Statement, hereby certify that it is correct, duly vouched, and in accordance with law (subject to a Special Report dated the day of)*

We further certify that we have at this audit actually inspected the Mortgage Deeds in respect of each of the properties in mortgage to the society and the other securities belonging to the society, referred to in the foregoing Account and Statement.

Signature of Auditor *Signature of Auditor*

Address *Address*

I hereby certify that the foregoing is a true copy of the Account and Statement presented to a general meeting of the society on the day of 20 and adopted.

Signature of Chairman

* If no Special Report is made the words in brackets should be struck out. The Auditors must make a Special Report if in any respect the Annual Account and Statement is incorrect, unvouched or not in accordance with law. A copy of any such Special Report must be sent to the registrar with the Annual Account and Statement.

Building Societies

[Subsidiary]

(Reg. 8)

Form BS 7

BUILDING SOCIETIES ACT, 1956
 RETURN OF SALES OF PROPERTIES AND TRANSFERS OF MORTGAGES
 (For the twelve-month period ending 20.....)
 Name of Society

PART I. - PROPERTIES SOLD

Roll number	If leasehold or right of occupancy state term at date of advance	Valuation of property for purpose of advance	Date of advance	Amount of advance	Was the advance made under a continuing arrangement?	Date of completion of sale	Debt at date of completion of sale	Whether sale was by private treaty or by public auction	Sale price	Amount otherwise recovered	Source or recovery	Name and address of purchaser	Observations
1	2 Years	£	4	5 £	6	7	8 £	9	10 £	11 £	12	13	14

PART II. - MORTGAGES TRANSFERRED

Roll Number	If leasehold or occupancy state term at date of advance	Valuation of property for purpose of advance	Date of advance	Amount of advance	Was the advance made under a continuing arrangement?	Date of transfer	Debt at date of transfer	Consideration for transfer	Name and address of transferee	Observations
1	2 Years	£	4	5 £	6	7	8	9	10	11

Dated this day of 20.....

(Signature of Director, Member of the Committee of Management or Secretary)

Building Societies

[Subsidiary]

FORM BS 8

[Reg. 9.]

NOTICE AS TO ABSENCE OF WARRANTY

To:

.....

[Name and address of prospective borrower]

NOTICE is hereby given that, in the event of the Building Society making an advance to assist you in the purchase of

[Description and address of property]

..... the making of the advance will not imply any warranty by the Society that purchase price of the property is reasonable.

Dated this day of, 20

..... Signature of officer of the Building Society]

ACKNOWLEDGEMENT

I hereby acknowledge receipt of this notice.

Dated this day of, 20

..... Signature of Borrower]

(The Borrower's acknowledgement of receipt is to be endorsed on the duplicate hereof and returned to the Society.)

FORM BS 9

[Reg. 10.]

NOTICE TO MORTGAGOR OF SALE OF PROPERTY

To:

.....

NOTICE is hereby given that in the exercise of the power of sale by virtue of a mortgage dated the day of, 20, the Building Society on the day of, 20, agreed to sell the property described in the Schedule hereto to for the sum of and that the said sale was completed on the day of, 20, and the said sum of was paid to the Society. The expenses and costs incidental to the sale are

Dated this day of, 20

..... Signature of Director, Member of the Committee of Management or Secretary]

SCHEDULE OF PROPERTY

.....
.....

Building Societies

[Subsidiary]

FORM BS 10

[Reg. 11(2).]

CERTIFICATE OF REGISTRATION OF CHANGE OF NAME

I HEREBY CERTIFY that this resolution has been registered in accordance with the provisions of section 46 of the Building Societies Act, and that the Society formerly known as Building Society has now changed its name to Building Society.

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 11

[Reg. 12(1).]

NOTICE OF CHANGE OF OFFICE OR ADDRESS

NOTICE is hereby given that the situation of the registered office and postal address of the Building Society known as the Building Society was on the day of, 20, changed from to

Dated this day of, 20

.....
*Signature of Director, Member of the
Committee of Management or Secretary*

ENDORSEMENT

[For official use only]

The above-mentioned change of office or address has been noted in the register of Building Societies.

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 12

[Reg. 13(1).]

NOTICE OF CHANGE OF DIRECTORS

..... Building Society
[Name of Society]

1. The following persons have ceased to be directors or members of the committee of management:

<i>Full name</i>	<i>Postal and residential addresses</i>	<i>Date of vacating office</i>
.....
.....
.....

Building Societies

[Subsidiary]

2. The following persons have been appointed as directors or members of the committee of management:

<i>Full name</i>	<i>Postal and residential addresses</i>	<i>Date of appointment</i>
.....
.....
.....

3. The following persons are the present directors or members of the committee of management:

<i>Full name</i>	<i>Postal and residential addresses</i>	<i>Date of appointment</i>
.....
.....
.....

Dated this day of, 20

.....
*Signature of Director, Member of the
Committee of Management or Secretary*

ENDORSEMENT

[For official use only]

The above-mentioned cessations and appointments have this day been noted in the register of Building Societies.

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 13

[Reg. 14(1).]

CERTIFICATE OF REGISTRATION OF AMENDMENT OF RULES

I HEREBY CERTIFY that the resolution dated the day of, by which the Building Society amended its rules, has been this day registered in the register of Building Societies.

Dated this day of, 20

.....
Registrar of Building Societies

Building Societies

[Subsidiary]

FORM BS 14

[Reg. 15(1).]

APPLICATION UNDER SECTION 53(2) OF THE BUILDING SOCIETIES ACT FOR CONFIRMATION OF UNION OR TRANSFER OF ENGAGEMENTS

Name of Society: Building Society
Registration No.:

- 1. The above-named Society desires to unite with [or transfer its engagements to or accept a transfer of the engagements of] the Building Society.
2. The said Society hereby applies to the Registrar to confirm the union [or transfer] notwithstanding that the written concurrence of the holders of two-thirds of the whole number of shares of the said Society has not been obtained in the manner required by subsection (1) of section 53 of the Building Societies Act.

Dated this day of, 20

NOTE—Notice of this application must be advertised in the Official Gazette and, if the Registrar so requires, in one or more newspapers as he may direct at least one calendar month before this application can be heard.

FORM BS 15

[Reg. 15(2).]

ADVERTISEMENT OF APPLICATION UNDER SECTION 53(2) OF THE BUILDING SOCIETIES ACT

NOTICE is hereby given that the Building Society, No., whose registered office is at, desires to unite with [or transfer its engagements to or accept a transfer of the engagements of] the Building Society, No., and that the said Society has applied to the Registrar of Building Societies to confirm the union [or transfer] notwithstanding that the written concurrence of the holders of two-thirds of the whole number of shares of the said Society has not been obtained in the manner required by the Building Societies Act.

The application will be heard after an interval of one calendar month from the date of this notice.

Any person claiming to be heard on such application should apply by letter to the Registrar of Building Societies, P.O. Box 30031, Nairobi.

FORM BS 16

[Reg. 15(4).]

NOTICE OF UNION

NOTICE is hereby given that at a general meeting of the Building Society convened for the purposes and held pursuant to the Building Societies Act on the day of, 20, a special resolution was passed by the holders of not less than two-thirds of the whole number of shares of the Society that the said Society should unite with the Building Society in accordance with the instrument of union containing the whole of the terms and conditions of the said union, a copy of which, signed by the secretary of each Society, is annexed to this notice.

AND at a general meeting of the said Building Society convened by the purpose and held pursuant to the Building Societies Act on the day of, 20, a special resolution was passed by the holders of not less than two-thirds of the whole number of shares that that Society should unite with the said Building Society in accordance with the terms of the said instrument of union.

Building Societies

[Subsidiary]

*THE whole number of shares of the first-named Society is and of the second-named Society is, and the consent in writing of the holders of not less than two-thirds of such shares is testified by their signatures hereunder.

[Or]

NOTICE is hereby given that, in pursuance of the confirmation dated the day of, 20, given by the Registrar of Building Societies under section 53 of the Building Societies Act, the Building Society has united with the Building Society.

AND it is intended that the united society shall be called the Building Society.

Dated this day of, 20

[Seal of each Building Society]

Signatures of shareholders of the Building Society—

Name	Number of shares	Signature
.....
.....
.....

Signatures of shareholders of the Building Society—

Name	Number of shares	Signature
.....
.....
.....

* Only required where the union is effected under section 52 of the Ordinance

FORM BS 17

[Reg. 15(4)(b).]

NOTICE OF TRANSFER OF ENGAGEMENTS

NOTICE is hereby given that at a general meeting of the Building Society convened for the purposes and held pursuant to the Building Societies Act on the day of, 20, a special resolution was passed by the holders of not less than two thirds of the whole number of shares of the Society that the said Society should transfer its engagements to the Building Society in accordance with the instrument of transfer containing the whole of the terms and conditions of the said transfer, a copy of which, signed by the secretary of each Society, is annexed to this notice.

AND at a general meeting of the said Building Society convened for the purpose and held pursuant to the Building Societies Act on the day of, 20, a special resolution was passed by the holders of not less than two-thirds of the whole number of shares that that Society should undertake to fulfil the engagements of the said Building Society in accordance with the terms of the said instrument of transfer.

THE whole number of shares of the first-named Society is , and the consent in writing of the holders of not less than two-thirds of such shares is testified by their signatures hereunder.

[Or]

Building Societies

[Subsidiary]

NOTICE is hereby given that in pursuance of the confirmation dated the day of, 20, given by the Registrar of Building Societies under section 53 of the Building Societies Act, the Building Society has transferred [or undertaken] those engagements for which confirmation was given.

Dated this day of, 20

[Seal of the first-named Building Society]

Signatures of shareholders of the Building Society—

Table with 3 columns: Name, Number of shares, Signature. Includes three rows of dotted lines for entries.

Signatures of shareholders of the Building Society—

Table with 3 columns: Name, Number of shares, Signature. Includes three rows of dotted lines for entries.

FORM BS 18

[Reg. 16(1)(a).]

NOTICE OF REFERENCE OF DISPUTE TO THE REGISTRAR OF BUILDING SOCIETIES

IN THE MATTER OF A DISPUTE between:

....., *a member of the Building Society
AND....., *a member of the Building Society

AGREEMENT TO REFERENCE

We, the above-named parties, hereby agree to refer the aforementioned dispute to the Registrar of Building Societies and to abide by the award that he may give as if it were the award of an arbitrator.

Dated this day of, 20

Signed [one party]

Signed [the other party].....

This Notice is accompanied by—

- (a) the rules of the Society by which we are bound;
(b) a statement of the dispute;
(c) a statement from each party to this dispute setting forth his missions.

* If one party is a Building Society delete reference to member.

Building Societies

[Subsidiary]

FORM BS 19

[Reg. 16(3).]

ORDER FOR DISCOVERY

IN THE MATTER OF A DISPUTE between:

.....
AND
.....

The Registrar of Building Societies orders and directs as follows:

- 1. That within days from the service of this order the said (society or name of party) do deposit at [state where] for inspection by the parties the following documents [state the documents]:
.....
2. That, on the day of next, at o'clock (*an officer of the Society) do appear at the place above-named, and make discovery of all things within his knowledge (*as such officer) relative to the following matters (state the matters as to which discovery is granted):
.....

Dated this day of, 20

.....
Registrar of Building Societies

* These words will be omitted if the discovery is to be made by the other party to the dispute.

FORM BS 20

[Reg. 16(4).]

ORDER FOR DISCOVERY

IN THE MATTER OF A DISPUTE between:

.....
AND
.....

referred to the Registrar in accordance with section 56 of the Building Societies Act.

The Registrar of Building Societies awards as follows:

..... [State the terms of the award]

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 21

[Reg. 17(1).]

APPLICATION FOR INSPECTION OF BOOKS

APPLICATION IS HEREBY MADE by the under-mentioned for the Registrar to appoint an accountant or actuary to inspect the books of the Building Society and to report thereon, and is made on behalf of the members whose names are subscribed at the foot hereof, being members of the Society, each of whom has been a member for not less than 12 months immediately preceding the date of this application.

THE GROUNDS of the application are as follows:

Building Societies

[Subsidiary]

..... [Specify grounds]

Signatures of ten members
Residences of members

- 1.
2.
3.
4.
5.

Address to which communications for the applicants are to be sent

THIS APPLICATION is made on behalf of the ten members above-named and the following members:

..... [Specify names]

FORM BS 22

[Reg. 18.]

APPLICATION TO APPOINT AN INSPECTOR OR CALL A SPECIAL MEETING

..... Building Society.

Application made pursuant to section 61 of the Building Societies Act.

- 1. The above-mentioned Society has members.
2. The application is that the Registrar may appoint inspectors [or may call a special meeting] pursuant to the said section
3. The grounds of the application are as follows:

..... [State the grounds fully]

- 4. The applicants are prepared to support this application by the following evidence:

[State nature of evidence and if necessary attach hereto affidavits or other documents in support thereof].

Signatures of ten members—

- 1. 2.
3. 4.
5. 6.
7. 8.
9. 10.

Address to which communications for the applicants are to be sent

THIS APPLICATION is made on behalf of the ten members above-named and the following members:

..... [Specify names]

Building Societies

[Subsidiary]

FORM BS 23

[Reg. 19.]

APPOINTMENT OF ACCOUNTANT, ACTUARY OR INSPECTOR

IN EXERCISE of the powers conferred by section of the Building Societies Act, the Registrar of Building Societies hereby appoints—

.....
as an for the purposes of inspecting the books of [or examining the affairs of] the Building Society and reporting thereon.

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 24

[Reg. 20.]

NOTICE OF INTENTION TO FORBID INVITATIONS FOR SUBSCRIPTIONS, ETC.

To:
The Building Society.

TAKE NOTICE that in exercise of the powers conferred by section 62 of the Building Societies Act, the Registrar of Building Societies intends to make an order after thirty days from the date hereof, directing that—

..... [State prohibition]

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 25

[Reg. 20(2).]

ORDER FORBIDDING INVITATIONS FOR SUBSCRIPTIONS, ETC.

To:
The Building Society.

TAKE NOTICE that in exercise of the powers conferred by section 62 of the Building Societies Act, the Registrar of Building Societies hereby orders that, unless and until this order is revoked, no—

..... [State prohibition]

Dated this day of, 20

.....
Registrar of Building Societies

FORM BS 26

[Reg. 21(1).]

NOTICE OF COMMENCEMENT OF DISSOLUTION

TAKE NOTICE that the Building Society on the day of, 20, commenced to dissolve under the provisions of paragraph of subsection (1) of section 64 of the Building Societies Act.

Dated this day of, 20

.....
[Signature of officer of the Building Society]

Building Societies

[Subsidiary]

FORM BS 27

[Reg. 22.]

NOTICE OF COMPLETION OR TERMINATION OF DISSOLUTION

TAKE NOTICE that the dissolution of the Building Society was completed or terminated on the day of, 20

The books of account, records, vouchers and all other documents belonging to the society have been disposed of in the following manner:

.....

Dated this day of, 20

[Signature of person responsible for the dissolution]

If the dissolution was under the provisions of either paragraph (a) or paragraph (b) of subsection (1) of section 64 of the Building Societies Act, an account and balance sheet shall be forwarded to the Registrar, together with this notice.

FORM BS 28

[Reg. 23.]

APPLICATION FOR DISSOLUTION

THIS APPLICATION is made by us, the ten persons who have hereunto set our signatures, on behalf of ourselves and those persons named in the Schedule hereto, to the Registrar of Building Societies for the purposes of requesting—

- 1. an investigation into the affairs of the Building Society, under section 70 of the Building Societies Act, and
2. the dissolution thereof;

ON THE GROUNDS that—

- (a) the Building Society is unable to meet the claims of its members; and
(b) it would be for the benefit of the members of the society; and
(c) the grounds are set out in the statement attached hereto.

Dated this day of, 20

Signatures of ten members—

- 1. 6.
2. 7.
3. 8.
4. 9.
5. 10.

Address to which communications are to be sent—

.....

SCHEDULE

This application is made on behalf of the ten members above-named and the following members:

..... (Specify names)

Building Societies

[Subsidiary]

SECOND SCHEDULE

[Rule 26, L.N. 113/1979, L.N. 92/1997, s. 2, L.N. 90/2003, s. 2, Corr. No. 60/2003.]

FEES

<i>Subject matter and fee payable</i>	<i>Sh.</i>	<i>cts.</i>
(a) For the registration of a society, payable on application therefor	60,000	00
(b) For the filing of an annual statement and account, payable on the filing thereof	1,500	00
(c) For the filing of a return of sales and transfers, payable on the filing thereof	1,000	00
(d) For the filing of a notice of union or a notice of transfer of engagements, payable on the filing thereof	1,000	00
(e) For the filing of any copy of a resolution, payable on the filing thereof.....	1,000	00
(f) For the filing of a notice of change of office or address, or change of directors, payable on the filing thereof	1,000	00
(g) On application for confirmation of union, transfer or undertaking as required by section 53 of the Act, payable on application therefor	1,500	00
(h) For the appointment of an accountant, actuary or inspector under the provisions of section 60 or section 61 of the Act	1,500	00
(i) For the registration of the commencement or completion or termination of dissolution, payable on the registration thereof	1,000	00
(j) On application for the Registrar to order the dissolution of a society, payable on application therefor	3,000	00
(k) On application to refer dispute to the Registrar under the provisions of section 56—		
(i) payable on application therefor	1,000	00
(ii) payable thereafter such fee, not exceeding KSh. 2,000, as the Registrar may consider proper having regard to the complexity of the dispute, the time involved, and the expenses incurred.		
(l) For the registration of any document not specified in this Schedule	500	00
(m) For the inspection of documents in the custody of the Registrar, payable on inspection	300	00
(n) For the purchase of prescribed forms, per form, payable on the purchase thereof	50	00