



NVK INVESTMENT CLUB (NVIC) - CONCEPT PAPER (III)

Executive Summary

The members of NVK South Sudan and beyond have decided to come together to form a club to encourage savings and investment. This initiative will ensure that

- Like-minded professionals and businessmen and women in South Sudan have a forum to meet and exchange ideas.
- Kenyans working here and elsewhere are able to save systematically to have money when they return home.
- The members can eventually own property within and without Kenya.
- In case of an emergency there is a fund where a member can borrow money to sort out their issue.
- Kenyans can contribute towards building their national economy and economies of jurisdictions of domicile.

The Concept

- A Club has been registered initially in Juba, South Sudan, called **NVK INVESTMENT COMPANY**
- Members will contribute on a monthly basis, starting APRIL 2011.
- Membership will be SSP 100 or equivalent in KShs (3,000), US\$ or other convertible currency; A Share will be 100 South Sudanese Pounds (SSP).
- The initial target is a minimum of 50 members.
- Members may buy as many shares as they wish, subject to any subsequent resolutions by shareholders.
- In the interim, a member shall buy at least one share per month.
- Membership shall be open initially to Kenyans who are members of NVK.
- The money will be banked in an account at Equity Bank, Juba Town, and later at credible banks elsewhere as shall be decided by the Shareholders or Directors on their behalf.
- The first thirty members will elect the initial (Founding) Directors
- The Directors will select among themselves a Chairman, Vice-Chairman, Secretary and Treasurer.
- The Directors will initially meet at Sacred Heart 'Sisters' Cafeteria, Juba Town, third Sunday of the month at 5.30p.m.
- The members will meet at Sacred Heart 'Sisters' Cafeteria, Juba Town, first Sunday of the month at 5.30p.m.

The Investment

- Initially, to build up funds, the cash shall be invested on the Nairobi Stock Exchange (NSE) or any other low-risk, high return investment as shall be decided by the members.
- The Shareholders shall, on the advice of the Directors, appoint a credible Stockbroker.
- The Directors shall decide on which shares to buy or sell to maximize the return.
- The Members will then decide at their general meeting how their money shall be invested.
- In the short term, members shall be encouraged to come up with plans for high return projects with a short period and low risk that the Club can invest in with consent of the members.
- It is intended that when the fund has accumulated to at least 3 million Kenya Shillings the Directors shall investigate the options for purchase and subdivision of Land within fifty Kilometers from Nairobi or any of the other Kenya's larger cities and towns.

The Directors will be responsible for

- Maintaining a register of Members and their details
- Calling regular monthly meetings for Directors and/or Members
- Preparing and keeping record of minutes of all meetings
- Circulating minutes by e-mail to members within seven (7) days of each meeting
- Preparing regular accounts of money received, money paid, bank balances, member's balances and investment balances.

- Tabling these accounts to members every quarter and any other time requested on notice at the member's meeting
- Deciding on the investment of the money in consultation with the members
- Updating the members on their investment at the member's meetings.

Leaving the Club

A Member shall reserve the right to leave at any time, with prior notice. He will be entitled to a refund of his shares and any income earned. The refund will be payable to his designated bank account. The membership fee of SSP 100 is, however, non-refundable.

Quorum at Meetings:

Quorum at meetings of members shall be one third (1/3) of *bona fide* members.

Membership Form

The forms will be filled by all paid up members and filed by the Secretary.

- MEMBER NUMBER
- Receipt Number
- Membership Fee Paid
- Number of Shares Purchased
- Shares Paid
- Total Amount Paid
- Full Name, Capital Letters
- Kenyan Passport No.
- Kenyan I.D. Number
- Date of Birth
- Residential Address in Juba
- Profession or Job
- Employer or Business Name
- Business Address in Juba (or Place of Domicile)
- Local Telephone No.
- Email Address
- Kenya Address (for Diaspora Members)
- Kenya Mobile Number
- Kenya Bank Account No., Bank and Branch
- Next of Kin in Kenya
- Relationship
- Mobile No. of Kenyan Contact

Start-up Summary

The Directors will use the membership fee paid to meet the initial costs including registration, opening the bank account, fliers, stationery, photocopies, communications, and other initial administrative work.

Start-up Requirements

- Legal SSP 3,000 (for registration)
- Stationery SSP 500
- Brochures and advertising SSP 500
- Total Start-up Expenses SSP 4,000

Expected membership – 50 Members x SSP 100/60 = SSP 4,000 (The rest from Shares – Previously registration was only SSP 60)

Emergency Loans:

There will be emergency loans to members in case they have a problem or require facilitation in a short-term extraordinary business opportunity, subject to float availability and collateral.

After a member has contributed at least one share per month every month for three months they are eligible to borrow two times their shares on getting two guarantors. The loan is repayable in three months with interest of ten percent, calculated at the inception.

Cooperative Spirit:

All members are equal, irrespective of their shares, save for decisions which require a vote. Any paid-up member shall have the same rights as another member. We will encourage friendship and cooperation between members.

A Person shall cease to be a Member of the Club if:

- He stops paying membership fees for four (4) successive months.
- He is convicted by any court of law of the land for committing a criminal offence, is of unsound mind, involved in fighting, using abusive language, or otherwise engaged in any action that brings the Club to disrepute.
- He is expelled from the Club at a General Meeting by a majority vote calling for such expulsion by Members present.