



CHAPTER xii

An Act to provide for the control and management of the Clerical, Medical and General Life Assurance Society as a Mutual Society; for the substitution of Loan Stock for the Share Capital of the Society; and for other purposes. [9th May, 1961.]

WHEREAS—

(1) The Clerical, Medical and General Life Assurance Society (hereinafter called “the Society”) was formed by a Deed of Settlement dated the fourteenth day of February, eighteen hundred and twenty-seven, with a capital of five hundred thousand pounds divided into five thousand shares of one hundred pounds each, for the purpose of making or effecting assurances on lives and survivorships, and all such other assurances connected with life as might be effected according to law, including endowments for children and other persons, and of granting annuities either for lives or otherwise or on survivorships, and of receiving investments of money for accumulation:

(2) By the Clerical, Medical, and General Life Assurance Act, 1850, the Society was better enabled to sue and to be sued, certain provisions of the said Deed of Settlement were altered and further powers were conferred on the Society:

(3) By the Clerical Medical and General Life Assurance Act, 1887, certain provisions of the said Act of 1850 were repealed, and the Society was empowered (subject as in the said Act of 1887 mentioned) to repeal the whole of the said Deed of Settlement and to adopt new laws, regulations and provisions in lieu thereof and of the provisions of the said Act of 1850 repealed as aforesaid, and the then existing five thousand shares of one hundred pounds

each in the capital of the Society, upon each of which the sum of ten pounds had been paid up, were subdivided into twenty thousand shares of twenty-five pounds each, upon each of which the sum of two pounds ten shillings was to be deemed paid up:

(4) In pursuance of the power in this behalf conferred by the said Act of 1887 the whole of the said Deed of Settlement was repealed, and new Laws and Regulations for the government of the Society and the management of its business and other matters were duly adopted, and the same have since from time to time been altered in pursuance of the Society's powers of alteration therein contained:

(5) The Share Capital of the Society is still five hundred thousand pounds divided into twenty thousand shares of twenty-five pounds each, upon each of which the sum of two pounds ten shillings and no more has been paid up, and the whole of the said Share Capital is beneficially owned by The Employers' Liability Assurance Corporation Limited:

(6) Under the Laws and Regulations of the Society as now in force, and by which the Society is governed, the members of the Society are the holders or proprietors of the shares in its capital, and persons assured with the Society (not being proprietors) are not members of the Society or entitled to vote at General Meetings thereof, but are entitled to vote at any joint General Meeting of the proprietors and persons assured held for considering a proposal to dissolve the Society:

(7) It is expedient that the Share Capital of the Society should be cancelled, that Loan Stock should be created in substitution for such cancelled Share Capital, and that the persons assured should become members (but without personal liability) of the Society, and as such have the control and management thereof, subject to the Laws and Regulations of the Society from time to time in force:

(8) It is expedient that the other provisions contained in this Act should be enacted:

(9) The objects of this Act cannot be attained without the authority of Parliament:

May it therefore please Your Majesty that it may be enacted, and be it enacted, by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) This Act may be cited as the Clerical, Medical and General Life Assurance Act, 1961.

(2) The Clerical, Medical, and General Life Assurance Act, 1850, the Clerical Medical and General Life Assurance Act, 1887, and this Act may be cited together as the Clerical, Medical and General Life Assurance Acts, 1850 to 1961.

2.—(1) In this Act, unless the subject or context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them:— Interpretation.

“ the Act of 1850 ” means the Clerical, Medical, and General Life Assurance Act, 1850;

“ the Act of 1887 ” means the Clerical Medical and General Life Assurance Act, 1887;

“ the Assurance Fund ” means the Assurance Fund referred to in the Laws and Regulations;

“ the Directors ” means the Directors for the time being of the Society;

“ enactment ” includes any public general, local or private Act, and any order or other instrument having the force of an Act ;

“ existing ” means existing immediately before the passing of this Act;

“ the Laws and Regulations ” means the Laws and Regulations of the Society as set forth in the Second Schedule to this Act, or as from time to time altered in pursuance of the Society’s power to alter the same;

“ the Loan Stock ” means the Loan Stock by this Act created;

“ participating policy ” means a policy carrying a right to participate in the profits of the Society;

“ person assured ” means—

(a) the person by whom a policy is effected with the Society, and

(b) in the case of a person upon whose life a policy shall have been effected under the terms of a scheme for the provision of pensions and to whom such policy shall upon or subsequently to his withdrawal from such scheme have been assigned, that person, and

(c) in the case of a policy effected by trustees, the trustees for the time being of the policy, whether original, additional or substituted;

“ policy ” means the instrument evidencing a contract of assurance or insurance by the Society or in respect of which the Society has in consideration of a premium or premiums undertaken liability for the payment of any money on the happening of any one or more contingencies or events whether dependent on or connected with life or not;

“ the Proprietors Guarantee Fund ” means the fund representing the paid up Share Capital of the Society hitherto maintained by the Society;

“ the Society ” means the Clerical, Medical and General Life Assurance Society.

(2) Any reference in this Act to any enactment shall be construed as a reference to that enactment as applied, extended, amended or varied by or by virtue of any subsequent enactment including this Act.

Cancellation
of Share
Capital.

3. From the passing of this Act, all the shares in the Share Capital of the Society shall be deemed to be cancelled together with all claims and rights attaching thereto; and every holder of any such shares shall cease to be a member of the Society accordingly, unless he shall be a member thereof by virtue of this Act.

Membership.

4. From the passing of this Act, all persons assured in respect of existing policies, and all other persons who shall thereafter become members of the Society in accordance with the Laws and Regulations, shall, so long as they respectively fulfil and continue to fulfil the conditions of membership as prescribed by the Laws and Regulations, be the members of and constitute the Society.

Members
not to be
personally
liable.

5. No member of the Society shall be liable for any debts or sums of money due or to become due by the Society, whether by virtue of any policy granted by the Society or otherwise; and all creditors and other persons having claims against the Society shall be entitled to make such claims effectual only against the proper funds of the Society, and shall in no case or event whatever be entitled to make any demand or claim against any member of the Society for or on account of the debts or sums due by the Society.

Issue of Stock
in lieu of
Share Capital.

6. In lieu of the Share Capital of the Society cancelled in accordance with the foregoing provisions of this Act, there is hereby created fully paid Loan Stock of the Society of an aggregate amount of four million seven hundred thousand pounds, to which shall be applicable the provisions contained in the First Schedule to this Act; and the whole of the Loan Stock shall be issued to The Employers' Liability Assurance Corporation Limited, or as it may direct.

Payment up
of Loan Stock.

7. The Loan Stock shall be deemed to have been paid up by the appropriation and application of such fund or funds, or such part or parts of any fund or funds, including any fund or funds arising wholly or in part from a revaluation of all or any of the assets of the Society, as the Directors shall determine; and upon the issue of the Loan Stock the Proprietors Guarantee Fund, so far as not appropriated and applied as aforesaid, shall be wound up and its assets transferred to the Assurance Fund.

8. The Society shall be entitled, at any time and from time to time, to purchase by agreement the whole or any part of the Loan Stock, and any Loan Stock so purchased shall be cancelled. The Society may also, at any time and from time to time, procure or permit any company under the control of the Society to purchase and hold the whole or any part of the Loan Stock, and may advance moneys to any such company to enable it to purchase any of the Loan Stock.

Purchase and
cancellation of
Loan Stock.

9. Before any profits are allocated to or divided among the participating policies or any class of such policies as in this Act provided, the Directors may from time to time set aside such sums as they think fit for the maintenance or increase of existing reserve funds, or for the formation, maintenance or increase of additional reserve funds, for such purposes in all cases as the Directors think fit; and the Directors may as they think fit from time to time deal with and apply or discontinue any such reserve funds or any part thereof for any such purposes.

Reserve funds.

10. The Directors may determine from time to time what proportion of the whole expenses of the Society shall be charged against each of the separate classes or branches of the Society's business respectively, and their determination shall be final and conclusive.

Allocation of
expenses of
Society.

11. In ascertaining the amount of the divisible profits of the Society, the Directors may adopt such methods and bases of valuation of the assets and liabilities of the Society as they think fit; and, after setting aside any sums to reserve funds as provided in section 9 (Reserve funds) of this Act, the Directors shall declare the amount of the divisible profits of the Society and the rate or rates of bonus in respect of participating policies, allowing for such sums as they think fit to be carried forward; and the declaration of the Directors as to the amount of such divisible profits and such rate or rates of bonus shall be final and conclusive.

Valuation for
and declara-
tion of
divisible
profits.

12. The Directors may from time to time make such rules as they in their absolute discretion may think fit for the purpose of allocating the divisible profits of the Society among the participating policies, or any class of such policies, by way of bonus or otherwise, and either equally or otherwise, and for the purpose of allowing any policies or class of policies which have been or shall be effected with the Society to participate in such divisible profits, and also for the purpose of allowing in respect of any policies or class of policies whatsoever any right, privilege, advantage or benefit, to such extent and subject to such conditions as the Directors shall think fit, for encouraging the business of the Society.

Division of
profits.

13. The Directors may from time to time declare such sums to be payable by way of intermediate bonus as they may consider to be justified by the financial condition of the Society.

Declaration of
intermediate
bonuses.

Qualification
of Auditors.

14. The Auditor or Auditors for the time being of the Society shall be members of one or more of the following bodies:—

- (a) The Institute of Chartered Accountants in England and Wales;
- (b) The Institute of Chartered Accountants of Scotland;
- (c) The Association of Certified and Corporate Accountants;
- (d) The Institute of Chartered Accountants in Ireland;
- (e) any other body of accountants established in the United Kingdom and for the time being recognised by the Board of Trade for the purposes of paragraph (a) of subsection (1) of section 161 of the Companies Act, 1948.

Continuance
of Society.

15. Notwithstanding anything in this Act, the Society shall continue to exist by its present name of the Clerical, Medical and General Life Assurance Society, with such constitution, objects and powers, and subject to such Laws and Regulations for its government and the management of its business and other matters, as are contained or referred to in the Act of 1850, the Act of 1887 and this Act.

Laws and
Regulations.

16. On the passing of this Act, the Laws and Regulations set forth in the Second Schedule to this Act shall become and be the Laws and Regulations of the Society in lieu and to the exclusion of its Laws and Regulations as existing immediately before the passing of this Act; but nothing in this Act shall prejudice the power of the Society to alter the Laws and Regulations from time to time in the manner prescribed by the Laws and Regulations for the alteration thereof:

Provided that no such alteration shall be made which would be inconsistent with any enactment for the time being in force of the Act of 1850, the Act of 1887 or this Act.

Objects and
powers of
investment.

17. For the purpose of removing doubt, it is hereby declared that the Laws and Regulations may define the objects of the Society, and the manner in which they may be altered or extended, and may provide for the powers and manner of investment of the moneys of the Society.

Repeal.

18. The enactments mentioned in the first column of the Third Schedule to this Act are hereby repealed to the extent mentioned in the second column of that schedule.

Society not
exempt from
provisions of
general Acts.

19. Nothing in this Act shall be deemed to exempt the Society from the provisions of the Insurance Companies Act, 1958, or from the provisions of any general Act passed during the present or any future session of Parliament affecting insurance companies formed previously to the passing thereof.

Costs of Act.

20. All costs, charges and expenses preliminary to and of and incident to the preparation of, obtaining and passing of this Act, or otherwise in relation thereto, shall be paid by the Society.

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after all other claims against the Society, but the Society is at liberty at any time to purchase by agreement any of the Stock for cancellation.

Director.

[*Actuary.*]

[*Secretary.*]

NOTE.—This Certificate must be surrendered before any transfer of the whole or any part of the Stock comprised in it can be registered, and no fraction of £1 of Stock can be transferred.

4. The aggregate principal amount of the Stock is limited to £4,700,000.

5. In the event of and upon the Society being dissolved, the Stock shall become payable, and the Stockholders shall, in respect of the Stock and all interest thereon accrued and unpaid up to the date of actual payment thereof, rank as creditors in the dissolution *pari passu* on all the surplus funds and assets of the Society remaining after the claims of all other creditors due at the commencement of the dissolution shall have been discharged, and after all claims present or prospective in respect of all policies shall have been satisfied or provided for.

6. The Society shall at all times keep at its Principal Office an accurate Register showing the amount of the Stock for the time being issued, and the date of issue, and all subsequent transfers or changes of ownership thereof, and the names and addresses of the Stockholders and the persons deriving title under them. The Stockholders or any of them, the members of the Society or any of them, and any person authorised in writing by any of them respectively, without charge, and any other person on payment of a fee of one shilling or such less sum as may be prescribed by the Society, shall be at liberty at all reasonable times during office hours to inspect the Register and to take copies of and extracts from the same or any part thereof. The Register may be closed by the Society for such periods and at such times as it may think fit, provided it shall not be closed for more than thirty days in any one year.

7. The Society shall recognise the registered holder of any Stock as the absolute owner thereof, and shall not be bound to take notice or see to the execution of any trust, whether express, implied or constructive, to which any Stock may be subject; and the receipt of the registered holder for the time being of any Stock for the interest from time to time due in respect thereof, or for any other moneys payable in respect thereof, shall be a good discharge to the Society notwithstanding any notice it may have, whether express or otherwise, of the right, title, interest or claim of any other person to or in such Stock, interest or moneys.

8. The Stock is transferable in sums of £1 or multiples of £1 by instrument in writing in the usual common form, or in such other form as the Directors may accept.

9. Every instrument of transfer shall be signed both by the transferor and transferee, and the transferor shall be deemed to remain the owner of the Stock to be transferred until the name of the transferee is entered in the Register in respect thereof.

10. Every instrument of transfer shall be left at the Principal Office of the Society for registration, accompanied by the Certificate of the Stock to be transferred and such other evidence as the Directors or other officers of the Society authorized to deal with transfers may require to prove the title of the transferor or his right to transfer the Stock.

11. All instruments of transfer which shall be registered shall be retained by the Society.

12. The executors or administrators of a deceased registered holder of Stock (not being one of several joint holders), and, in the case of the decease of one or more of several joint registered holders, the survivor or survivors of such joint registered holders, shall be the only persons recognised by the Society as having any title to such Stock.

13. Any person becoming entitled to Stock in consequence of the death or bankruptcy of the holder of such Stock may, upon producing such evidence that he sustains the character in respect of which he proposes to act under this paragraph or of his title as the Directors shall think sufficient, be registered himself as the holder of such Stock, or, subject to the preceding paragraphs of this Schedule as to transfer, may transfer such Stock.

14. The interest upon the Stock may be paid by cheque sent through the post to the registered address of the holder, or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque shall be made payable to the order of the person to whom it is sent, and payment of the cheque shall be a satisfaction of the interest.

15. If several persons are entered in the Register as joint holders of any Stock, then, without prejudice to the last preceding paragraph, the receipt of any one of such persons for the interest from time to time payable in respect of such Stock shall be as effective a discharge to the Society as if the person signing such receipt were the sole registered holder of such Stock.

16. If any Stock Certificate is defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity as the Directors may require, but so that in the case of defacement the defaced Certificate shall be surrendered before the new Certificate is issued.

17. Any notice may be given to any Stockholder by sending the same by post in a prepaid letter addressed to such Stockholder at his registered address. In the case of joint registered holders of any Stock, a notice given to the Stockholder whose name stands first in the Register in respect of such Stock shall be sufficient notice to all the joint holders.

18. Any notice given by post shall be deemed to have been served at the time when the letter containing it would be delivered in ordinary course, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and stamped and posted.

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19. The Society may, and shall at the request in writing of persons holding not less than one-tenth of the outstanding Stock, at any time convene a meeting of the Stockholders.

20. Twenty-one days' notice at the least (exclusive of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every meeting shall be given to the Stockholders in manner above provided. The notice shall specify the place, day and hour of meeting and the general nature of the business to be transacted, but it shall not be necessary to specify in the notice the terms of the resolutions to be proposed. The accidental omission to give notice to, or the non-receipt of notice by, any of the Stockholders shall not invalidate the proceedings at any meeting.

21. At any meeting three Stockholders present in person shall form a quorum for the transaction of business, except for the purpose of passing an extraordinary resolution. The quorum for passing an extraordinary resolution shall be the holders present in person or by proxy of a clear majority in value of all the outstanding Stock. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

22. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Stockholders, shall be dissolved. In any other case it shall stand adjourned to such day and time, not being less than twenty-one days thereafter, and to such place, as may be appointed by the chairman, and at such adjourned meeting the Stockholders present shall be a quorum for the transaction of business, including the passing of extraordinary resolutions. Notice of any adjourned meeting of Stockholders at which an extraordinary resolution is to be submitted shall be given in the same manner as of an original meeting, and such notice shall state that the Stockholders present at the adjourned meeting, whatever their number and the amount of the Stock held by them, will form a quorum.

23. Some person nominated by the Society shall preside at every meeting, and if no such person is nominated, or if at any meeting the person nominated shall not be present within 15 minutes after the time appointed for holding the meeting, the Stockholders present shall choose one of their number to be chairman.

24. The chairman may with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

25. At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, or by one or more Stockholders present in person or by proxy and holding or representing one-twentieth of the nominal amount of the outstanding Stock. Unless a poll is so demanded, a

declaration by the chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

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26. If a poll is duly demanded, it shall be taken in such manner as the chairman may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

27. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to the votes (if any) to which he may be entitled as a Stockholder.

28. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the chairman directs.

29. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

30. On a show of hands every Stockholder who (being an individual) is present in person, or (being a corporation) is present by one of its officers as its proxy, shall have one vote. On a poll every Stockholder who is present in person or by proxy shall have one vote for every £1 of Stock of which he is the holder.

31. In the case of joint registered holders of Stock the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Stockholders.

32. On a poll votes may be given either personally or by proxy.

33. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing, or, if the appointor is a corporation, either under the common seal or under the hand of an officer or attorney so authorized.

34. A proxy need not be a Stockholder.

35. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at such place as the Society may in the notice convening the meeting direct, or, if no such place is so directed, then at the Principal Office of the Society, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy

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shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

36. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Society at its Principal Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

37. A meeting of the Stockholders shall, in addition to all other powers, have the following powers exercisable by extraordinary resolution only, viz.:—

- (a) power to sanction any scheme for the reconstruction of the Society or for the amalgamation of the Society with any other Company;
- (b) power to sanction the exchange of the Stock for, or the conversion of the Stock into, shares, stock, debentures, debenture stock or other obligations or securities of the Society or any other company formed or to be formed;
- (c) power to sanction the release of the Society from all or any part of the principal moneys and interest owing upon the Stock;
- (d) power to sanction any modification, compromise or abrogation of the rights of the Stockholders against the Society or against its property;
- (e) power to assent to any modification of these provisions proposed or agreed to by the Society.

38. An extraordinary resolution passed at a meeting of the Stockholders duly convened and held in accordance with these provisions shall be binding upon all the Stockholders, whether present or not present at the meeting, and each of the Stockholders shall be bound to give effect thereto accordingly.

39. The expression “extraordinary resolution” as herein used means a resolution passed at a meeting of the Stockholders duly convened and held in accordance with these provisions, and carried by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands, or, if a poll is duly demanded, by a majority consisting of not less than three-fourths in value of the votes given on such poll.

40. Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be kept by the Society for that purpose, and any such minute as aforesaid, if purporting to be signed by the chairman of the meeting, shall be evidence of the matters therein stated, and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened, and all resolutions passed thereat to have been duly passed.

SECOND SCHEDULE

LAWS AND REGULATIONS
OF THE
CLERICAL, MEDICAL AND GENERAL LIFE
ASSURANCE SOCIETY

Section 16.

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INTERPRETATION

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Interpretation.

1. In these Laws and Regulations, unless the subject or context otherwise requires—

“ the Auditors ” means the Auditor or Auditors for the time being of the Society;

“ the Directors ” means the Directors for the time being of the Society;

“ existing ” means existing at the time when the 1961 Laws and Regulations come into force;

“ holder of a participating policy ” means the person for the time being entitled at law to a participating policy;

“ the 1961 Laws and Regulations ” means the Laws and Regulations as enacted in 1961;

“ these Laws and Regulations ” means the 1961 Laws and Regulations as originally enacted, or as from time to time altered by Special Resolution;

“ member ” means member of the Society as defined by these Laws and Regulations;

“ participating policy ” means a policy carrying a right to participate in the profits of the Society;

“ person assured ” means—

(a) the person by whom a policy is effected with the Society, and

(b) in the case of a person upon whose life a policy shall have been effected under the terms of a scheme for the provision of pensions and to whom such policy shall upon or subsequently to his withdrawal from such scheme have been assigned, that person, and

(c) in the case of a policy effected by trustees, the trustees for the time being of the policy, whether original, additional or substituted;

“ policy ” means the instrument evidencing a contract of assurance or insurance by the Society or in respect of which the Society has in consideration of a premium or premiums undertaken liability for the payment of any money on the happening of any one or more contingencies or events whether dependent on or connected with life or not;

“ policyholder ” means the person for the time being entitled at law to a policy;

“ Secretary ” includes the General Manager, Actuary or Secretary of the Society, or any other person for the time being authorized by the Directors to perform any of their respective duties;

“ the Society ” means the Clerical, Medical and General Life Assurance Society;

“ Special Resolution ” means a resolution of the Society passed by a majority of not less than three-fourths of such members as vote in person or by proxy at a General Meeting of which not less than twenty-one days' notice specifying the intention to propose the resolution as a Special Resolution shall have been duly given.

2ND SCH.
—cont.

Objects.

OBJECTS

2. The objects of the Society are—

- (a) to carry on life assurance business in all its aspects and branches and, without prejudice to the generality of the foregoing, to grant or effect assurances on lives and survivorships or for terms certain and endowment assurances and assurances for infants and other persons; to undertake pension and group assurance business in all its aspects and branches; to grant, purchase and sell annuities and pensions, either for lives or otherwise, and whether immediate or deferred; and generally to transact all such life assurance, annuity and ancillary business as may be legally transacted;
- (b) to carry on sickness, disease and accident insurance business in all its aspects and branches;
- (c) to grant assurances for the payment of money on the happening of any one or more contingencies or events, whether dependent on or connected with life or survivorship or not;
- (d) to re-assure such part of all or any of the risks of the Society and undertake such authorized risks by way of re-assurance as may from time to time be considered expedient;
- (e) to carry on the business of executor, trustee, factor, manager or receiver or any other similar office or position of trust or confidence for remuneration, and to perform and discharge the duties and functions incident thereto, and to transact all kinds of trust and agency business;
- (f) to carry on any other business which in the opinion of the Directors can advantageously be carried on in conjunction with or in addition to any of the foregoing businesses, and to do all or any of the things authorized by these Laws and Regulations;
- (g) to do all or any of the things hereinbefore authorized in any part of the world, and either alone or in conjunction with others, and either directly or by or through agents, trustees, wholly or partially owned companies or others.

Alteration of
objects.

3. The objects of the Society may from time to time be altered or extended by Special Resolution.

MEMBERS

Members.

4. The members of the Society shall consist of all persons who are persons assured either on or after the date on which the 1961 Laws and Regulations come into force, and who have not ceased to be members by virtue of Articles 6 and 7 of these Laws and Regulations: Provided that where two or more persons are the persons assured in respect of any one policy, only one person shall be a member by virtue of that policy, and that person shall be such one of the persons assured in respect of that policy as shall have been nominated from time to time by notice in writing signed by all such persons assured and given to the Society at its Principal Office, or in the absence of any subsisting nomination the person or surviving person for the time being (if any) first named in the policy.

5. Membership of every person assured who effects a policy after the date on which the 1961 Laws and Regulations come into force shall commence from the date of formal acceptance of his proposal by the Directors or of payment of the first premium or other contribution due under the policy, whichever shall be the later date, and membership of every person upon whose life a policy shall have been effected under the terms of a scheme for the provision of pensions and to whom such policy shall upon or subsequently to his withdrawal from such scheme have been assigned shall commence from the date when the Society shall have received notice in writing at its Principal Office of such assignment.

2ND SCH.

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Commencement
of membership.

6. Membership by virtue of any policy shall subsist only so long as the conditions of the policy and of these Laws and Regulations are fulfilled.

Duration of
membership.

7. Membership by virtue of any policy shall cease upon (1) the occurrence of the event or contingency upon which the benefit or last of the benefits payable under the policy falls due, or (2) the occurrence of any event or contingency upon which the policy ceases to be in force for any sum assured, but so nevertheless that in the event of the policy being revived in accordance with the conditions thereof and of these Laws and Regulations membership shall likewise revive, or (3) the surrender of the policy, or (4) the assignment of the policy absolutely (other than an assignment by way of mortgage or an assignment of a policy effected under the terms of a scheme for the provision of pensions to the person upon whose life the policy was effected), or (5) the transmission or devolution of the policy by operation of law (other than transmission or devolution to the survivor or survivors of two or more persons assured): Provided that conditions (4) and (5) of this Article shall not apply to an assignment or transmission on a change of trustees in the case of a policy effected by trustees.

Termination of
membership.

GENERAL MEETINGS

8. General Meetings of the Society shall be held from time to time as may be necessary in the interests of the Society at such times and places as the Directors shall decide.

General
Meetings.

9. The Society shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the Meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Society and that of the next.

Annual
General
Meetings.

10. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Other General
Meetings.

11.—(1) The Directors may whenever they consider fit call an Extraordinary General Meeting, and may submit to such Meeting any business they consider to be in the interests of the Society.

Extraordinary
General
Meetings.

(2) Upon the requisition of not less than fifty members the Directors shall forthwith proceed to call an Extraordinary General Meeting to be held within twenty-eight days after the deposit of such requisition.

2ND SCH.
—cont.

Such requisition shall specify the particular business for which such Meeting is to be called, shall be in writing signed by the requisitionists, but may consist of one or more documents in like form each signed by one or more requisitionists, and shall be deposited at the Principal Office of the Society.

(3) In the event of the Directors refusing or neglecting to call an Extraordinary General Meeting when required to do so by requisition in manner hereinbefore provided, the requisitionists may call such Extraordinary General Meeting, but any Meeting so called shall not be held after three months from the date of the deposit of such requisition.

(4) Every Extraordinary General Meeting, whether called by the Directors or by requisition, shall be called by notice in manner prescribed by Article 12 of these Laws and Regulations.

NOTICE OF GENERAL MEETINGS

Notice of
General
Meetings.

12.—(1) Notice of the holding of any Annual or Extraordinary General Meeting specifying the place, day and hour of meeting, and in the case of special business the general nature of the business, shall be given by advertisement in one or more of the London morning newspapers not later than twenty-one days before such Meeting. The notice shall be exclusive of the day on which the advertisement appears and of the day of the Meeting. Not less than twenty-one days' notice of any General Meeting shall also be given to the Auditors, but the accidental omission so to give notice shall not invalidate the proceedings at such General Meeting.

(2) In every notice or advertisement calling a General Meeting there shall appear with reasonable prominence a statement that a member is entitled to appoint a proxy to attend and vote instead of him, and that a proxy need not also be a member.

(3) Where the Meeting is to be called to consider a Special Resolution there shall be included in the notice of the Meeting either the actual resolution proposed to be passed, or sufficient specification to show the effect of the proposed resolution and a statement that the actual resolution proposed can be inspected during normal business hours at the Principal Office and every Branch Office of the Society within the United Kingdom.

(4) Where a General Meeting is called by requisitionists notice of the holding of such Meeting shall also be served on the Society at its Principal Office and on the Auditors not less than twenty-one days before the Meeting.

PROCEEDINGS AT GENERAL MEETINGS

Business at
General
Meetings.

13.—(1) All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts and balance sheet and the reports of the Directors and Auditors, the election of Directors in place of those retiring, and the appointment or reappointment and fixing of the remuneration of the Auditors.

(2) The Annual General Meeting shall not proceed to any business unless the same shall arise immediately out of the routine business of the Meeting or shall have been regularly intimated in accordance with the provisions of these Laws and Regulations.

(3) An Extraordinary General Meeting shall not proceed to any business other than the business for which such Meeting shall have been called.

14.—(1) Three members personally present shall constitute the quorum of a General Meeting. Except as hereinafter provided business shall be transacted only while a quorum is present. Quorum.

(2) If within fifteen minutes after the time appointed for the holding of a General Meeting a quorum is not present, the Meeting if convened upon the requisition of members shall be dissolved; in any other case the Meeting shall without further notice be adjourned to the same day in the next week at the same hour and place, or to such other day and at such other time and place as the Chairman may determine, and if at such adjourned Meeting a quorum is not present at the time appointed for the Meeting those members present shall be deemed to be a quorum, and may transact the business for which the meeting was called.

15.—(1) The Chairman, if any, of the Directors shall preside as Chairman at every General Meeting of the Society, or if there is no such Chairman or if he shall not be present within fifteen minutes after the time appointed for holding the Meeting or is unwilling to act, a Deputy Chairman of the Directors shall preside, or if there is no Deputy Chairman or no Deputy Chairman is present within fifteen minutes after the time appointed for holding the Meeting or is willing to act, the Directors present shall elect one of their number to be Chairman of the Meeting, or if there is only one Director present such Director shall preside as Chairman of the Meeting. Chairman.

(2) If at any General Meeting no Director is willing to act as Chairman, or if no Director is present within fifteen minutes after the time appointed for holding the Meeting, the members present shall choose one of their number to be Chairman of the Meeting.

16.—(1) The Chairman may with the consent of any General Meeting at which a quorum is or is deemed to be present, and shall if so directed by the Meeting, adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting. Adjournment.

(2) At an adjourned General Meeting the Chairman of the Meeting from which such adjournment took place if present and willing to act shall continue in the chair, but if he is not present or is unwilling to act a new Chairman shall be appointed or elected in accordance with the provisions of Article 15 of these Laws and Regulations.

2ND SCH.
—cont.

Voting.

17.—(1) At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless (either before or on the declaration of the result of the show of hands) a poll is demanded by the Chairman or by at least three members present in person or by proxy.

(2) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is taken shall be entitled to a second or casting vote in addition to any other vote to which he may be entitled.

(3) Unless a poll be so demanded a declaration by the Chairman that a resolution has been carried, or carried unanimously or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Society, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

(4) The demand for a poll may be withdrawn.

Poll.

18.—(1) A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such place and time (not being more than thirty days after the day of the Meeting) and in such manner (including the use of ballot or voting papers) as the Chairman of the Meeting may direct.

(2) The result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.

(3) Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

(4) No notice need be given of a poll not taken immediately.

Validity of proceedings.

19. No resolution of or proceedings at any General Meeting shall be invalidated by reason of it being discovered subsequently thereto that one or more of the persons attending the same and voting thereat were not qualified to vote.

VOTES OF MEMBERS

Voting rights.

20. At a General Meeting every member present in person shall have one vote on a show of hands. On a poll every member present in person or by proxy shall have one vote.

Votes of corporations.

21. A corporation being a member may by resolution of its directors or other governing body authorize such person as it thinks fit to act as its representative at any General Meeting of the Society, and such person so authorized shall be entitled to exercise the same powers on behalf of such corporation as that corporation could exercise if it were an individual member.

Votes of lunatics.

22. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may attend, act and vote at any General Meeting of the Society, whether on a show

of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court.

2ND SCH.
—cont.

23. Any member shall be entitled to appoint another person (who need not be a member) to attend at any General Meeting of the Society, and vote instead of him. A proxy shall not be entitled to vote except on a poll, and shall not be entitled to speak at the Meeting except to demand or join in demanding a poll.

Power to
appoint
proxy.

24. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing, or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorized, and shall specify the policy in respect of which the appointee claims to vote.

Execution of
proxies.

25. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the Principal Office of the Society, or at such other place (if any) within the United Kingdom as is specified for that purpose in the notice convening the Meeting, not less than forty-eight hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be valid.

Deposit of
proxies.

26. An instrument appointing a proxy shall be in the following form, or a form as near thereto as circumstances admit:—

Form of
proxies.

CLERICAL, MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY.

I/We,
of
in the County of _____, being a
member/members of the above-named Society in respect of
the undernoted Policy/ies, hereby appoint

of _____, or failing him,

of _____
as my/our proxy to vote for me/us on my/our behalf at the
(Annual or Extraordinary, as the case may be) General
Meeting of the Society to be held on the _____ day of
_____ 19_____, and at any adjournment
thereof.

Policy/ies above referred to.

Policy/ies number(s).....
.....
.....

Signed this _____ day of _____ 19____.

This form is to be used * in favour of the resolution. Unless
against otherwise instructed, the proxy will vote as he thinks fit.

* Strike out whichever is not desired.

2ND SCH.

—cont.

Authority
conferred by
proxies.Validity of
proxies.

27. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, and shall be valid for any adjournment of the Meeting to which it relates.

28. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed or the termination of the principal's membership of the Society, provided that no intimation in writing of such death, insanity, revocation or event giving rise to the termination of membership as aforesaid shall have been received by the Society at its Principal Office before the commencement of the Meeting or adjourned Meeting, or in the case of a poll before the time appointed for the taking of the poll, at which the proxy is used.

Objections to
voting.

29. No objection shall be raised to the qualification of any voter except at the Meeting or poll at which the vote objected to is given or tendered, and every vote not disallowed at such Meeting or poll shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting, whose decision shall be final and conclusive.

DIRECTORS

Number of
Directors.

30.—(1) The number of the Directors shall be not more than sixteen nor less than eight, of whom not more than six nor less than three shall be members of the medical profession.

(2) The Society may from time to time by resolution in General Meeting increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.

(3) On the coming into force of the 1961 Laws and Regulations the existing Directors shall continue in office subject to the provisions herein contained.

Qualification
of Directors.

31.—(1) Except as hereinafter provided, no person shall take or continue in office as a Director unless he shall be a member: Provided that until the expiration of three months from the date when the 1961 Laws and Regulations come into force in the case of an existing Director, or until the expiration of three months from the date of election or appointment in the case of a new Director, such Director shall not be disqualified by virtue only of his not being a member.

(2) Except with the approval of the Directors, no person shall take or continue in office as a Director if he is a Director of, or holds any office whatever in, any other Life Assurance Company or Life Office (other than a Company or Office owned or controlled by the Society).

Rotation of
Directors.

32.—(1) At the Annual General Meeting every year three of the Directors, being those who have been longest in office, shall retire from office.

(2) If two or more Directors shall have been in office for the same time, then as between those Directors who shall have been in office for the same time, it shall in default of agreement be determined by lot which of them shall retire.

2ND SCH.
—cont.

(3) A retiring Director shall be eligible for re-election.

33.—(1) The Society at the Annual General Meeting at which a Director retires, whether by rotation or having been appointed to fill a casual vacancy under Article 37 of these Laws and Regulations, may fill the vacated office by electing a person thereto, and in default the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such Meeting it is expressly resolved not to fill such vacated office, or unless a resolution for the re-election of such Director shall have been put to the Meeting and lost.

Election of
Directors.

(2) The proposer of any candidate for the office of Director must be either a member or a Director of the Society.

(3) No person, other than a retiring Director or a person recommended by the Directors for election, shall be eligible for appointment as a Director at an Annual General Meeting unless not more than twenty-one nor less than seven clear days before the Annual General Meeting notice in writing signed by three members shall have been given to the Society at its Principal Office of the name of the person intended to be proposed for election, together with a declaration in writing signed by that person of his willingness to serve if elected.

(4) The Directors who retire from office at an Annual General Meeting are for all the purposes of that Meeting considered to continue in office until the conclusion of the Meeting or any adjournment of that Meeting.

34. A Director may resign his office on giving notice in writing to the Directors of his intention to do so addressed to the Principal Office of the Society, and his resignation shall take effect on the date (if any) named in the notice, or, if no date is named, then on receipt of the notice.

Resignation
of Directors.

35. The office of a Director shall be vacated by disqualification if he fails to comply with the provisions of Article 31 (1) of these Laws and Regulations, or commits an act of bankruptcy, or becomes of unsound mind, or without the approval of the Directors accepts a Directorship of or any office whatever in any other Life Assurance Company or Life Office (other than a Company or Office owned or controlled by the Society); and a resolution of the Directors declaring him disqualified as aforesaid shall be conclusive as to the fact and grounds of disqualification stated in the resolution.

Disqualifica-
tion of
Directors.

36.—(1) The Society may by Special Resolution remove a Director from office.

Removal of
Directors.

(2) Not less than twenty-one days' notice of a meeting at which a Special Resolution to remove a Director from office is to be proposed shall be given to the Director who shall be entitled to receive a copy of the Special Resolution, and the Director (whether or not he is a member of the Society) shall be entitled to be heard on the Resolution at the meeting.

2ND SCH.
—cont.Casual
vacancies
among
Directors.

37.—(1) The Directors shall have power at any time and from time to time, if they think fit, to appoint any person to be a temporary Director either to fill a casual vacancy (whether occasioned by death, resignation, disqualification or removal, or by a Director not offering himself for re-election or a vacancy not being filled by the Society in General Meeting) or as an addition to the number of Directors for the time being in office, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with Article 30 of these Laws and Regulations.

(2) The Director so appointed shall hold office only until the Annual General Meeting next succeeding his appointment, and shall be eligible for re-election at that Meeting in the same manner as a Director retiring by rotation under Article 32 of these Laws and Regulations, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such Meeting.

(3) A casual vacancy which remains unfilled at the date of holding an Annual General Meeting need not be filled at such Meeting.

Remuneration
of Directors.

38.—(1) The remuneration of each of the Directors for attendances at Board and Committee meetings shall be determined as amongst themselves by the Directors: Provided that the total amount of remuneration to be disbursed in any one year for attendances at Board and Committee meetings (other than meetings of Committees appointed by the Directors for which separate remuneration is payable) shall not without the approval of the Society in General Meeting exceed 10,000 guineas.

(2) In addition to such remuneration the Directors may also be paid all travelling, hotel and other expenses properly incurred by them in connection with the business of the Society other than those incurred in attending and returning from Board or Committee meetings or General Meetings of the Society.

Directors'
other interests

39.—(1) No Director or intending Director shall be disqualified by his office from contracting with the Society either as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Society in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Society for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relationship thereby established, provided that the nature of his interest shall be disclosed by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, if his interest then exists, or in any other case at the first meeting of the Directors after the acquisition of his interest. No Director shall vote as a Director or be counted towards a quorum in respect of any contract or arrangement in which he may be interested, and if he so votes his vote shall not be counted, but these prohibitions shall not apply to any contract or arrangement with any other company in which he is interested only as an officer or the holder of shares or other securities of such company, and they may at any time be

suspended or relaxed to any extent, and either generally or in respect of any particular contract or arrangement, by the Society in General Meeting.

2ND SCH.
—cont.

(2) A general notice that a Director is a member of any specified firm or company, and is to be regarded as interested in any contract which may after the date of the notice be made with that firm or company, shall be sufficient disclosure under these Laws and Regulations as regards any contract so made, and after such general notice it shall not be necessary for such Director to give a special notice relating to any particular transaction with that firm or company: Provided that no such notice shall be of effect unless either it is given at a meeting of the Directors, or the Director takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.

(3) Except as prohibited by Article 31 (2), a Director may be or become a director or other officer of, or otherwise interested in, any company or business promoted by the Society, or in which the Society may be interested as shareholder or otherwise, and no such Director shall be accountable to the Society for any remuneration or other benefits received by him as a director of, or from his interest in, such other company or business.

(4) A Director may hold any other office or place of profit under the Society (other than the office of Auditor) in conjunction with his office as Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine, and no Director or intending Director shall be disqualified by his office from contracting with the Society, either with regard to his tenure of any such other office or place of profit, or as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Society in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Society for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

(5) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Society, or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.

(6) Any Director may act by himself or his firm in a professional capacity for the Society, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director: Provided that nothing herein contained shall authorize a Director or his firm to act as Auditor to the Society.

PROCEEDINGS OF DIRECTORS

40.—(1) The Directors may elect a Chairman and determine the period for which he is to hold office.

Chairman and
Deputy
Chairmen.

2ND SCH.
—cont.

(2) The Chairman may from time to time appoint any one or two Directors to be Deputy Chairman or Deputy Chairmen, but so that not more than two Deputy Chairmen shall hold office at any one time; and may remove him or them at pleasure, or fill any casual vacancy in the office of Deputy Chairman.

(3) Any Deputy Chairman or Deputy Chairmen shall go out of office at the time when the Chairman appointing him or them goes out of office.

(4) The Chairman and Deputy Chairman or Deputy Chairmen shall be eligible for re-election or reappointment respectively.

(5) If at any meeting of the Directors the Chairman is not present at the time appointed for the meeting a Deputy Chairman shall take the chair; but if there is no Deputy Chairman, or if no Deputy Chairman is then present or willing to take the chair, the Directors then present may choose one of themselves to take the chair at that meeting.

Board
meetings.

41.—(1) Except as otherwise determined in accordance with Article 44 of these Laws and Regulations, the Directors shall ordinarily meet at the Principal Office of the Society once in every two weeks on a stated day or stated days.

(2) These stated meetings of Directors are styled Ordinary Boards; all other meetings of Directors (except Committee meetings) are Special Boards.

(3) The Chairman, or in his absence or incapacity to act any Deputy Chairman, or any three Directors, may by written notice to the Secretary require a Special Board to be called; and thereupon the Secretary shall call a Special Board by circular letter stating the day and hour of the meeting, and the purpose for which it is called.

Quorum.

42. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors, and unless and until otherwise fixed, shall be three.

Voting.

43.—(1) All questions arising at any Board shall be decided by a majority of votes of the Directors present.

(2) In case of equality of votes the Director in the chair shall have a second or casting vote.

Regulation of
proceedings.

44. The Directors may from time to time, if they think fit, make and rescind standing orders for fixing their stated meetings, and generally for regulating their proceedings; and subject thereto and to these Laws and Regulations, every Board may regulate its own proceedings as it thinks proper.

Committees.

45.—(1) The Directors may delegate any of their powers or duties to Committees consisting of two or more persons (whether Directors of the Society or not), as they may think fit, with power to sub-delegate, and with such remuneration (if any) as the Directors may determine, but any Committee so appointed shall, in the exercise of the powers delegated, conform to any regulations imposed on them by the Directors.

(2) A Committee may elect a Chairman of its meetings; if no such Chairman is elected, or if he is not present at the time appointed for holding the same, the members of the Committee present may choose one of their number to be Chairman of such meeting.

2ND SCH.
—cont.

(3) A Committee may meet and adjourn as it may think fit; questions arising at any meeting shall be determined by a majority of votes of the members of the Committee present; and in case of an equality of votes the Chairman of that meeting shall have a second or casting vote.

46. The Directors may act notwithstanding any vacancy among the Directors so long as there are at least eight Directors. If and so long as the number of Directors is reduced below eight, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Society, but for no other purpose.

Power to act
notwithstanding
vacancies.

47. Every act of the Directors, or of a Committee appointed by the Directors, or of any person acting as Director, shall, notwithstanding any defect in the appointment, or any disqualification of any person party to or doing the act, be as valid as if there had been no such defect or disqualification.

Validity of
proceedings.

POWERS AND DUTIES OF DIRECTORS

48. The Directors shall have the general control and management of the business of the Society; and they may in addition to the powers and authorities expressly conferred on them by these Laws and Regulations exercise all such powers and do all such acts and things as can lawfully be exercised or done by the Society, and as are not by any Act of Parliament or by these Laws and Regulations expressly directed or required to be exercised or done by a General Meeting, but so that no alteration to these Laws and Regulations shall invalidate any prior act of the Directors. The Society may by resolution in General Meeting ratify or confirm any act purported to be done by the Directors on behalf of the Society which they were not by these Laws and Regulations authorized to do, and any act so ratified or confirmed shall be as effective as if it had been authorized by these Laws and Regulations.

General
powers.

49. The Directors may from time to time make, alter and repeal rules for the management of the business of the Society in all its branches, and for regulating the duties and conduct of its officers and any other matters that require regulation: Provided that—

Power to
make rules.

(a) a rule inconsistent with any Act of Parliament, or the law of the place where it is to operate, or with any provision of these Laws and Regulations is ipso facto void;

(b) a rule may at any time be rescinded or varied by a Special Resolution.

50. (1) The Directors may from time to time appoint such persons or corporation as they think fit to be a Local Board or Committee in any place in the United Kingdom, or elsewhere in any part of the world,

Local Boards
or Committees.

2ND SCH.
—cont.

with such powers, duties and discretions (including power to sub-delegate), and at such remuneration, for such periods and subject to such regulations as the Directors may from time to time determine.

(2) No qualification shall be required for membership of a Local Board or Committee unless and until the Directors prescribe a qualification.

(3) Subject as aforesaid the meetings and proceedings of any such Local Board or Committee consisting of two or more persons shall be governed by the provisions of these Laws and Regulations regulating the meeting and proceedings of Committees appointed by the Directors.

(4) Any vacancy in a Local Board or Committee may be filled by the Directors.

(5) Any Local Board or Committee may be discontinued, and any member of a Local Board or Committee may be removed by the Directors.

Minutes of
proceedings.

51.—(1) The Directors shall cause minutes to be entered in proper books of all the proceedings of General Meetings, and of the names of the Directors present at each Board, and of all orders and proceedings of Boards and of Committees appointed by the Directors and of Local Boards and Committees.

(2) Those minutes, if appearing to be signed by the Chairman of the meeting, or of the next succeeding meeting, or in the case of a General Meeting by the Chairman of a subsequent Board, shall be evidence of the matters therein stated.

Accounts and
annual report.

52.—(1) The Directors shall before each Annual General Meeting cause to be prepared a revenue account of the Society for the year up to and including the 31st day of December immediately preceding, and a balance sheet showing the amount and particulars of the assets and liabilities of the Society on the same day; and such revenue account and balance sheet, together with a report on the state and progress of the business of the Society, shall be produced at such Annual General Meeting.

(2) Every such revenue account and balance sheet shall be signed by the Auditors, and the Auditors' report shall be read before the Society at such Annual General Meeting.

(3) Every member and policyholder shall be entitled to a copy of the latest revenue account and balance sheet and the Directors' and Auditors' reports on application.

Provision of
offices.

53. Unless and until the Directors otherwise determine the Principal Office of the Society shall be in London, and the Directors shall provide and maintain suitable buildings for the purpose of that Office, and of such other offices in London and elsewhere in any part of the world as they may from time to time think fit.

54.—(1) The Directors may from time to time appoint such officers, agents and servants of the Society as they may deem necessary, and may assign to them their duties, and fix their salaries and remuneration, which shall be paid out of the funds of the Society; and may require security from any of them; and may remove all or any of them as the Directors may think proper.

2ND SCH.
—cont.
Appointment
and
remuneration
of officers and
others.

(2) The Directors may pay out of the funds of the Society to any officer, agent or servant on his retirement such gratuity or retiring allowance as they think fit; and may make such contributions as they think fit to provide pensions for any officer, agent or servant of the Society, and may establish or contribute to any institution, pension fund or trust calculated to benefit any officer, agent or servant of the Society or his relatives or dependants; and may pay out of the funds of the Society such pension, gratuity or allowance to any widow or widower or other relative or dependant of any such officer, agent or servant as they may think fit.

55.—(1) All policies, contracts, cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, receipts and other documents requiring to be signed, drawn, accepted, endorsed or otherwise executed on behalf of the Society shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, by such persons and in such manner as the Directors shall from time to time determine.

Signature of
policies,
cheques and
other
documents.

(2) The Directors may, either generally or in any particular case, determine that the signature of a Director or of the Secretary or of any other person duly authorized by them to sign may be printed or affixed by some mechanical device to be specified by the Directors, and subject to such precautions as to the use and safe custody of such device as the Directors after consultation with the Auditors may from time to time prescribe.

INVESTMENT AND BORROWING POWERS

56. The moneys of the Society, so far as they are not required to satisfy the immediate claims on and expenses of the Society, may be laid out in such manner and to such advantage, either alone or in conjunction with others, as the Directors think fit (loans to individuals on personal security only excepted); and without prejudice to the generality of the foregoing the moneys of the Society may be applied or invested in the United Kingdom or elsewhere in any part of the world—

Investment.

- (i) in the acquisition (whether by subscription, tender, purchase, exchange or otherwise howsoever) or underwriting or on the security of any stocks, funds, shares or securities whatsoever;
- (ii) in the purchase, improvement or development, or on the security of lands, tenements, or hereditaments of any description or tenure (including leaseholds), or of any interest therein or right connected therewith;
- (iii) in the acquisition, promotion, formation or organisation of any company or business for any purpose;

2ND SCH.
—cont.

(iv) in the lending or deposit of money to or with such persons (other than individuals on personal security only) or companies and on such terms as the Directors may think fit:

Provided nevertheless that due care shall be taken so to regulate the investments from time to time that sufficient moneys may at all times be immediately raised without difficulty whenever required to satisfy the current claims on and expenses of the Society.

Power to deal
with property.

57. The Directors may from time to time deal with and dispose of any property or investments belonging to the Society on such terms as they may think proper in the interests of the Society.

Borrowing
powers.

58. The Directors may receive money on deposit or loan or for accumulation; and may borrow or raise money in such manner as they may think fit, and in particular by the issue of debentures or debenture stock or other securities (perpetual or otherwise), and may secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Society (both present and future); and may also by mortgage, charge or lien secure and guarantee the performance by the Society or any other person or company of any obligation undertaken by the Society or any other person or company as the case may be.

TRUSTEES AND NOMINEES

Trustees and
nominees.

59.—(1) There shall be one or more Trustees of the Society, and the Directors may at any time they think proper appoint a corporate Trustee or any fit person or persons to be a Trustee or Trustees of the Society; and the Directors may cause the property of the Society, whether real or personal, or any part thereof, to be purchased or invested, subject to the control and management of the Directors, in the names of the Trustee or Trustees of the Society, or any three or more of them, or in the sole name of the corporate Trustee, or in the names of one or more nominees, whether a person or persons or a corporation.

(2) The Trustees or nominees of the Society for the time being shall execute such declaration or declarations of trust of the real or personal property of the Society as may from time to time be required by the Directors; and shall also execute on behalf of the Society such documents as may from time to time be required by the Directors, and any such document duly executed as aforesaid shall bind the Society: Provided that nothing herein contained shall require a memorial of the name of any nominee to be enrolled as a trustee of the Society.

(3) The receipt or receipts in writing of the Trustees or nominees in whom any property of the Society shall for the time being be vested for any moneys arising from such property or any part thereof, or from the sale, conversion or other disposition of such property or any part thereof, or for any other moneys payable to such Trustees or nominees on account of the Society, shall effectually discharge any person paying the same from being concerned to see to the application thereof or answerable for the loss or misapplication thereof, and from being concerned to enquire whether any sale, conveyance, transfer, lease or

other disposition was or was not within the powers of or authorized by the Directors, or whether the persons giving such receipts were or were not duly appointed Trustees or nominees of the Society.

2ND SCH.
—cont.

60.—(1) A Trustee of the Society may resign from office by notice in writing served on the Directors, and may be removed from office by a resolution of the Directors or of a General Meeting.

Resignation of
Trustees and
nominees.

(2) A nominee of the Society may resign his or its position by notice in writing served on the Directors, and may be removed by a resolution of the Directors or of a General Meeting.

ASSURANCE AND OTHER FUNDS

61.—(1) The Assurance Fund shall consist of all sums at any time received by the Society for the benefit of policyholders, other than any sums which may be standing or carried to the credit of the Capital Redemption Fund or any other Fund for any special purpose formed under these Laws and Regulations.

Assurance and
other Funds.

(2) For the purpose of accounting, taxation or valuation the Assurance Fund may be notionally divided into a Life Assurance Fund and one or more Annuity Funds.

(3) The Capital Redemption Fund shall consist of all sums at any time received by the Society for the benefit of policyholders in respect of sinking fund or capital redemption or annuity certain policies with the Society.

(4) For the purpose of accounting, taxation or valuation the Capital Redemption Fund may be notionally divided into one or more Capital Redemption Funds and one or more Annuity Certain Funds.

(5) The Directors may from time to time, if they think it expedient in the interests of the Society, form a Fund for any special purpose (including a Special Reserve Fund), and may (subject to the provisions of the Insurance Companies Act, 1958, or any statutory modification or re-enactment thereof, or any orders or regulations made thereunder respectively) carry to any such Fund any reserve funds or surplus or profit arising from the Assurance Fund or the Capital Redemption Fund or any other Fund, and may discontinue any Fund so formed or any part thereof.

62. No specific proportion of the property of the Society shall be considered to belong exclusively either to the Assurance Fund, or to the Capital Redemption Fund, or to any other Fund formed under these Laws and Regulations; but as between the Assurance Fund, the Capital Redemption Fund and any other Fund so formed, each specific portion of the property of the Society shall be distributed by the Directors between the said Funds rateably and proportionately according to the respective amounts of the said Funds from time to time during the same year, provided that so long as the requisite total amount of income from the investments of the Society is distributed rateably and proportionately among the Funds in each year it shall not be necessary to apportion each individual item of income.

Distribution
between
Funds.

2ND SCH.
—cont.Reserve
funds.

63. Before any profits are allocated to or divided among the participating policies or any class of such policies as hereinafter provided, the Directors may from time to time set aside such sums as they think fit for the maintenance or increase of existing reserve funds, or for the formation, maintenance or increase of additional reserve funds, for such purposes in all cases as the Directors think fit; and the Directors may as they think fit from time to time deal with and apply or discontinue any such reserve funds or any part thereof for any such purposes.

Allocation of
expenses.

64. The Directors may determine from time to time what proportion of the whole expenses of the Society shall be charged against each of the separate classes or branches of the Society's business respectively, and their determination shall be final and conclusive.

DISTRIBUTION OF PROFITS

Periodical
investigation.

65.—(1) In the year 1966 and in every subsequent fifth year, or at such shorter intervals as the Directors shall decide, the Directors shall cause an actuarial investigation to be made into the financial condition of the Society as at the immediately preceding 31st December, and shall determine the amount (if any) of the divisible profits.

(2) In ascertaining the amount of the divisible profits of the Society the Directors may adopt such methods and bases of valuation of the assets and liabilities of the Society as they think fit; and, after setting aside any sums to reserve funds as provided in Article 63 of these Laws and Regulations, the Directors shall declare the amount of the divisible profits of the Society and the rate or rates of bonus in respect of participating policies, allowing for such sums as they think fit to be carried forward; and the declaration of the Directors as to the amount of such divisible profits and such rate or rates of bonus shall be final and conclusive.

(3) Subject to the provisions of the Insurance Companies Act, 1958, or any statutory modification or re-enactment thereof, or any orders or regulations made thereunder respectively, the Directors may from time to time in their absolute discretion as they think fit determine that profits to be distributed may be paid out of any one or more Funds to the exclusion of any other Fund or Funds.

(4) The profits from time to time determined to be divided shall be distributed among the holders of participating policies at such times, on such principles and by such methods as the Directors may from time to time determine.

(5) The results of every such investigation shall be declared by the Directors at an Extraordinary General Meeting to be held on such day after the completion of the investigation as the Directors may fix, not being later than a day in the month of June immediately following the date as at which such investigation is made.

Qualification
for bonus.

66. In order to entitle the holder of a participating policy to share in any distribution of profits resulting from such actuarial investigation as aforesaid the life or lives assured by the policy must have survived the 31st day of December immediately preceding such distribution:

Provided that nothing in this Article shall interfere with the power of the Directors to distribute intermediate bonuses whether by way of anticipation of the results of such investigation or otherwise.

2ND SCH.
—cont.

67. The Directors may from time to time declare such sums to be payable by way of intermediate bonus as they may consider to be justified by the financial condition of the Society.

Intermediate
bonus.

68. The Directors may from time to time make such rules as they in their absolute discretion may think fit for the purpose of allocating the divisible profits of the Society among the participating policies or any class of such policies, by way of bonus or otherwise and either equally or otherwise, and for the purpose of allowing any policies or class of policies which have been or shall be effected with the Society to participate in such divisible profits, and also for the purpose of allowing in respect of any policies or class of policies whatsoever any right, privilege, advantage or benefit, to such extent and subject to such conditions as the Directors shall think fit for encouraging the business of the Society.

Division of
profits.

ACCOUNTS

69. The Directors shall cause proper books of account to be kept of all sums of money received and expended by the Society, of the matters to which the receipts and expenditure relate, and of the property, assets and liabilities of the Society.

Books of
account.

70. No member shall have any right of inspecting any book, document or accounts of the Society except as authorized by any Act of Parliament, or by these Laws and Regulations, or by the Directors, or by a Special Resolution.

Inspection
of books.

71. If at any time a General Meeting by Special Resolution shall appoint a Committee of Inspection for the purpose of inspecting, examining and reporting on the books of account of the Society or any like purpose, such Committee shall have power to call for, inspect and examine all the books, documents and papers of the Society, and the Directors and Officers of the Society shall afford to the members of such Committee every information and facility for the performance of their duties.

Committee of
Inspection.

AUDITORS AND AUDIT

72.—(1) The Society shall at every Annual General Meeting appoint an Auditor or Auditors to hold office until the next ensuing Annual General Meeting.

Appointment
of Auditors.

(2) At each Annual General Meeting the retiring Auditors are for all the purposes of that Meeting considered to continue in office until the conclusion of the Meeting or any adjournment of that Meeting.

73.—(1) The Auditors shall be members of one or more of the following bodies:—

Qualification
of Auditors.

- (a) The Institute of Chartered Accountants in England and Wales;
- (b) The Institute of Chartered Accountants of Scotland;
- (c) The Association of Certified and Corporate Accountants;

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—cont.

- (d) The Institute of Chartered Accountants in Ireland;
- (e) any other body of accountants established in the United Kingdom and for the time being recognised by the Board of Trade for the purposes of paragraph (a) of subsection (1) of section 161 of the Companies Act, 1948, or any statutory modification or re-enactment thereof.

(2) No Director, officer or servant of the Society, nor any partner or person in the employment of a Director, officer or servant of the Society, shall be capable of being appointed an Auditor of the Society.

Reappointment
of Auditors.

74. At any Annual General Meeting a retiring Auditor however appointed shall be reappointed without any resolution being passed unless—

- (a) he is not qualified for reappointment, or
- (b) a resolution has been passed at that Meeting appointing somebody instead of him, or providing expressly that he shall not be reappointed, or
- (c) he has given the Society notice in writing of his unwillingness to be reappointed.

Resignation
of Auditors.

75. An Auditor may at any time vacate his office by sending in his resignation in writing to the Directors.

Removal of
Auditors.

76.—(1) The Society may at any time by Special Resolution remove any Auditor from Office.

(2) Not less than twenty-one days' notice of a meeting at which a Special Resolution to remove an Auditor from office is to be proposed shall be given to the Auditor, who shall be entitled to receive a copy of the Special Resolution, and the Auditor shall be entitled to be heard on the Resolution at the meeting.

Casual vacancy
of Auditors.

77. The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues the surviving or continuing Auditors (if any) may act.

Remuneration
of Auditors.

78. The remuneration of the Auditors shall be fixed by the Society in General Meeting, except that the remuneration of any Auditor appointed to fill a casual vacancy may be fixed by the Directors.

Nomination
of Auditors.

79.—(1) No person, other than a retiring Auditor or a person recommended by the Directors for election, shall be capable of being appointed an Auditor at an Annual General Meeting unless not more than twenty-one nor less than seven clear days before the Annual General Meeting notice in writing of an intention to nominate that person to the office of Auditor has been given in writing to the Society at its Principal Office by three members, together with the written consent of such person to act if elected.

(2) The Secretary shall send a copy of any such notice to the retiring Auditors.

Annual audit.

80.—(1) The revenue account and balance sheet directed by these Laws and Regulations to be prepared by the Directors before each Annual General Meeting shall be delivered to the Auditors in sufficient time to be audited by them before the day on which such Annual General Meeting is to be held.

(2) The Auditors shall either sign the revenue account and balance sheet in testimony of their approbation thereof, or make a special report thereon for the information of the members at such Annual General Meeting.

2ND SCH.
—cont.

(3) The Directors shall afford to the Auditors such assistance, information and facilities as they may require.

(4) The provisions of section 162 of and the Ninth Schedule to the Companies Act, 1948, or any statutory modification or re-enactment thereof, shall apply.

81. The Auditors' report to the members made pursuant to the above provisions as to the audit shall be read before the Society at the Annual General Meeting, and shall be open to inspection by any member.

Auditors' report.

POLICIES

82. It shall rest wholly with the Directors in their unfettered discretion to accept for such amounts, on such terms and subject to such conditions as they think fit, or to refuse, proposals for any policies authorized by these Laws and Regulations.

Power to impose conditions or refuse proposals.

83. A person effecting a policy with the Society shall be considered as assured by the Society as soon as his proposal has been formally accepted by the Directors and he has paid the first premium or other contribution due under the policy to be granted to him, or the Society has issued notification in writing that the risk under the policy has been assumed, although the policy itself has not been actually issued.

Assumption of risk.

84. If the premium on any policy shall be unpaid for thirty days next after it has become payable, or for such other period as the Directors may from time to time determine in respect of any class of business, the policy shall be void, and the policyholder shall forfeit all claim on the Society under the same and all premiums and other moneys paid in respect thereof: Provided that the Directors may from time to time make such regulations as they may think fit for extending the time for payment of premiums or reviving a forfeited policy, or for paying or otherwise using for the benefit of the respective policyholder any surrender value which may attach to such policy.

Forfeiture of policies.

85.—(1) In case at any time the funds for the time being in the hands of the Society prove insufficient for the payment of all the sums to be claimed under policies issued by the Society in respect of deaths happening during the prevalence of any plague, epidemic, famine, invasion, war or civil war, the Directors may defer the payment of the whole or part of each sum to be claimed in respect of any such death until the funds in the hands of the Society shall be sufficient for the payment of all the sums to be claimed under policies issued by the Society in respect of such deaths as aforesaid.

Power to defer payment.

(2) Every sum whereof payment is deferred under the powers of this Article shall bear interest at such rate, not being less than three per cent. per annum, as the Directors think fit, beginning from the time when the said sum ought to have been paid.

NOTICES

86. Any notice requiring to be served by the Society may be served on any person whose place of address appears by the books of the

Service on U.K. residents.

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—cont.

Society to be in the United Kingdom either personally or by sending it through the post in a prepaid letter addressed to him there, and notice so served shall be good and sufficient notice.

Service on
non-residents.

87.—(1) Any person whose place of address is not in the United Kingdom may from time to time notify in writing to the Society some place of address in the United Kingdom to be his address for service.

(2) A notice may be served on him by sending it through the post in a prepaid letter addressed to him there, and notice so served shall be good and sufficient notice.

(3) Any such person who for the time being has not notified an address for service as aforesaid is deemed to have waived service of notice.

Service care of
banks.

88. Where any person pays premiums through his bank (whether by banker's order or otherwise) a notice may be served by the Society on that person by addressing it to him care of such bank, whether or not that person shall have notified the Society that such bank or any other address is his address for service, and notice so served shall be good and sufficient notice.

Proof of
service.

89. A notice sent by post shall be deemed to have been served at the time when the letter containing it would be delivered in ordinary course, and in proving service it is sufficient to prove that the envelope containing the notice was properly addressed, stamped and posted.

Authentication.

90. Any notice on behalf of the Society or of its Trustees or of the Directors shall be sufficient if bearing the name of the Secretary.

Service on joint
policyholders.

91. When two or more persons are policyholders a notice shall be deemed to have been served on all such persons by sending it to the person or surviving person for the time being first named in the policy or (where the policy has been assigned) in the notice of assignment received by the Society, or (where a nomination has been received by the Society in pursuance of Article 4 of these Laws and Regulations) to the person so nominated.

PROTECTION OF DIRECTORS, OFFICERS, TRUSTEES AND OTHERS

Indemnity of
Directors and
others.

92. Every Director, officer, agent and servant and every Trustee or nominee for the time being of the Society is entitled to be indemnified out of the funds of the Society against all costs, charges, losses, damages and expenses which he incurs or is put to on account of any contract, act, deed, matter or thing made, done, entered into or executed by him on behalf of the Society, and to be reimbursed by the Society all reasonable expenses incurred by him in or about any legal proceedings or arbitration of the Society or otherwise in the execution of his office, except such costs, charges, losses, damages and expenses as happen through his own negligence, default, breach of duty or breach of trust: Provided that the Society may indemnify any such Director, officer, agent, servant, Trustee or nominee against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court.

93. A Director, officer, agent, servant, Trustee or nominee of the Society shall not be chargeable for any money not actually received by him, nor be answerable for the act, receipt, neglect or default of any other Director, officer, agent, servant, Trustee or nominee, or of any banker, solicitor, broker, collector, agent or other person appointed by the Directors, with whom or into whose hands any property or money of the Society is deposited or comes, or for any defect in the title to property from time to time purchased, leased or taken by order of the Directors on behalf of the Society, or for the insufficiency of any security on which any money of the Society is advanced or invested by order of the Directors, or for any loss or damage happening in the execution of his office, unless that loss or damage happens through his own negligence, default, breach of duty or breach of trust.

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—cont.

Limitation of
responsibility
of Directors
and others.

94. Any Director, officer, agent, servant, Trustee or nominee of the Society shall be entitled to the same right of exemption and indemnity in respect of anything done or omitted to be done by him prior to the 1961 Laws and Regulations coming into force as he would have been entitled to by virtue of the Laws and Regulations in force at the date of such act or omission.

Preservation of
existing
indemnity.

LIMITATION OF LIABILITY

95.—(1) The Funds referred to in these Laws and Regulations shall be respectively charged with and be the only funds for the payment of all sums of money due by virtue of any policy granted by the Society, and of all sums of money received by the Society on deposit or loan or for the purpose of accumulation and the interest thereon, and of all other debts and liabilities of the Society.

Limitation of
liability to
Society's Funds.

(2) No claim on any policy, contract, deed or other instrument shall be enforced against any Director or other person signing the same or against the Society's Trustees or nominees to a greater extent than the Funds, which by these Laws and Regulations are alone to be answerable for the payment of all sums of money due by virtue of such policy, contract, deed or other instrument, shall at the time of recovery on the same be competent to reimburse him.

96. No member shall be liable for any debts or sums of money due or to become due by the Society, whether by virtue of any policy granted by the Society or otherwise; and all creditors and other persons having claims against the Society shall be entitled to make such claims effectual only against the proper funds of the Society, and shall in no case or event whatever be entitled to make any demand or claim against any member for or on account of the debts or sums due by the Society.

Members not
to be personally
liable.

LAWS AND REGULATIONS

97.—(1) Subject to the proviso hereinafter contained, the Society may from time to time by Special Resolution repeal or alter all or any of these Laws and Regulations, or make new Laws and Regulations to the exclusion of or in addition to these Laws and Regulations.

Alteration of
Laws and
Regulations.

(2) Subject to the proviso hereinafter contained any Laws and Regulations or alterations so made by Special Resolution shall be of

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—cont.

the same validity as if originally contained in the 1961 Laws and Regulations, and shall be subject to be repealed or altered by any subsequent Special Resolution.

(3) Provided that no altered or new Laws and Regulations shall be inconsistent with any statutory provision for the time being in force.

Copies of
Laws and
Regulations.

98. Printed copies of the Clerical, Medical and General Life Assurance Acts, 1850 to 1961 (or of such provisions thereof as shall from time to time be in force), and of these Laws and Regulations, shall be kept on sale to policyholders at a price not exceeding 1s. 0d. for each copy.

DISSOLUTION

Dissolution.

99.—(1) If at any time it shall appear necessary or expedient to a majority of the whole number of the Directors for the time being to dissolve the Society, it shall be lawful for the Directors to call a Special Meeting of the Society for considering and deciding the question.

(2) Notice of such Special Meeting shall be given by advertisement in the London Gazette, three London morning newspapers, one London evening newspaper and one Edinburgh newspaper at least one month before the time for holding the same; and every such advertisement shall state the place, day and hour of the Meeting, and the purpose for which it is called.

(3) At such Special Meeting all policyholders who are not members shall have an equal right with members to attend, act and vote, and Articles 13 to 29 inclusive of these Laws and Regulations shall *mutatis mutandis* apply to such Special Meeting. A policyholder who is also a member shall only have one vote.

(4) If at such Special Meeting a resolution for the dissolution of the Society shall be passed by a majority of not less than three-fourths of the members and policyholders present in person or by proxy, thereupon the Directors, subject to any directions given by any resolution passed by such majority at the said Special Meeting or at any subsequent Special Meeting, shall with all reasonable speed discontinue and wind up the business and affairs of the Society, and dispose of and convert into money the property and assets of the Society, and apply the proceeds thereof in payment and discharge of all the debts and liabilities of the Society, and distribute any surplus among the holders of participating policies in proportion to their respective interests in the divisible profits of the Society.

(5) Immediately on the completion of the winding up and of such payment, discharge and distribution as aforesaid, the Society shall be dissolved, and notice of such dissolution shall thereupon be given by advertisement in the London Gazette and in those newspapers in which the notice of the Special Meeting shall have been advertised.

THIRD SCHEDULE
ENACTMENTS REPEALED

Section 18.

Act	Extent of repeal by this Act
Act of 1850	<p>In section V (No Set-off of Demands against the Society allowed to Members sued by the Society) the words "in respect of his Share of The Funds or Capital of the Society, or of any Dividends, Interest, Profits, or Bonus, or other Monies payable in respect of such Share, or".</p> <p>In section VII (Judgments, &c. to be enforced against the Society and the Members thereof) the words "and shall have the like Effect on" and the words from and including "and upon the Person," to the end of the section.</p> <p>Section VIII (Execution against former Members).</p> <p>Section IX (Reimbursement of individual Members).</p> <p>Section X (Individuals paying under Execution to recover against the Society).</p> <p>Section XI (Contribution to be recovered from other Members).</p> <p>Section XII (Further Remedy in case of Bankruptcy of Members).</p> <p>Section XIII (Remedy for Members who may be sued otherwise than under the Powers of the Act).</p> <p>Section XV (Proprietors and Policy Holders may inspect "The Share Register Book" at the Office of the Society).</p> <p>Section XX (Power to the Board of Directors to invest the Money of the Society on Various Purchases and Investments in addition to the Purchases and Investments authorized by the Deed of Constitution).</p> <p>Section XXI (Society to be deemed a Company formed for granting and purchasing Annuities).</p> <p>Section XXIII (Authorizing the making of Rules, &c. for regulating the making Investments of the Funds of the Society).</p> <p>In section XXX (Power to Directors to effect Assurances on Life in Cases in which the Parties may not desire to participate in the Profits) the words from and including "and, with the Exception" to the end of the section.</p> <p>Section XXXV (Nothing to diminish the Powers of altering Laws under Deed of Settlement).</p> <p>In section XXXVII (Nothing in this Act to extend to incorporate the Society) the words "or any of the Members thereof" and the words "or any of them".</p> <p>In section XXXIX (Construction of Terms) the words "The expression 'Member of the Society' shall mean Proprietor or other holder of Shares in the Clerical, Medical, and General Life Assurance Society."</p>
Act of 1887	<p>Section 4 (Continuance of Society subject to new laws, &c.).</p> <p>Section 5 (Saving for owners of existing policies).</p> <p>Section 7 (Saving as respects assurance fund).</p> <p>Section 8 (Amount and division of capital of Society).</p> <p>Section 9 (Vesting of shares in members of Society).</p> <p>Section 10 (Certificates of new shares).</p> <p>Section 11 (Liability of members).</p>

Table of Statutes referred to in this Act

Short title	Session and chapter
Clerical, Medical, and General Life Assurance Act, 1850	13 & 14 Vict. c. ix.
Clerical Medical and General Life Assurance Act, 1887.	50 & 51 Vict. c. x.
Companies Act, 1948	11 & 12 Geo. 6 c. 38.
Insurance Companies Act, 1958	6 & 7 Eliz. 2 c. 72.

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Clerical, Medical and General Life Assurance Act, 1961

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