

**CHAPTER clxvii.**

An Act to incorporate the Wesleyan and General Assurance Society and to provide for the management of its affairs and to confer further powers upon the Society and for other purposes. A.D. 1914.
[7th August 1914.]

WHEREAS the Wesleyan and General Assurance Society (herein-after called "the Society") was established in the year one thousand eight hundred and forty-three under the laws then in force relating to friendly societies under the name "Wesleyan Provident Assurance Society" for providing by mutual assurance for the relief of members in cases of sickness accidents and infirmity for securing annuities and for ordinary life assurance:

And whereas the rules of the Society were on the twenty-seventh day of January one thousand eight hundred and forty-three certified by the barrister-at-law appointed to certify rules of savings banks as being in conformity to law:

And whereas by the tables annexed to the original rules of the Society the amount for which a policy of assurance might be granted by the Society was limited to two hundred pounds but some time previously to the passing of the Friendly Societies Discharge Act 1854 the Society resolved that there should be no limit to the amount which it might assure on one life and commenced to grant policies for sums exceeding two hundred pounds:

And whereas the Society considered that it came under the operation of the said Act and accordingly ceased upon the passing thereof to be affected by the provisions of the other Acts relating to friendly societies and the Society continued

A.D. 1914. after the passing of the said Act to grant policies for sums exceeding two hundred pounds:

And whereas by the Wesleyan and General Assurance Society's Act 1866 it was amongst other things enacted that as from the thirty-first day of July one thousand eight hundred and fifty-four being the date of the passing of the Friendly Societies Discharge Act 1854 the Society should be a society under the operation of that Act as if before and at the time of the passing of that Act the Society granted and effected policies of assurance payable at death exceeding the sum of one thousand pounds and the change of the Society's name to the name Wesleyan and General Assurance Society under which it was then known was confirmed and further powers were conferred upon the Society with regard to the investment of its funds and other matters:

And whereas the Society is governed by rules made pursuant to section 4 of the Friendly Societies Discharge Act 1854 which rules have from time to time been altered by resolution duly made and passed by the Society:

And whereas from the date of its formation the business of the Society consisted in part of ordinary life assurance and in part of assurance against sickness (including therein funeral and superannuation benefits) and such classes of business were from the commencement carried on in separate departments with separate funds:

And whereas in the year one thousand eight hundred and seventy-eight the number of the members of the Society insured in the sickness department amounted to upwards of eighteen thousand:

And whereas in that year it was discovered that the business of the sickness department was being carried on at a loss and thereafter fewer assurances were effected out of such department and such assurances conferred smaller benefits at higher premiums and ultimately in or about the year one thousand nine hundred and one all further proposals for assurances in the sickness department were refused and since that time no further assurances have been effected out of that department:

And whereas in the year one thousand nine hundred and eight the sum of seventy-eight thousand pounds was transferred from the funds of the ordinary life assurance department to

the sickness department in order to maintain the solvency of the sickness department: A.D. 1914.

And whereas the number of the members of the Society now insured in the sickness department is about two thousand four hundred only and the funds of that department (including the said sum of seventy-eight thousand pounds so transferred thereto as aforesaid) now amount to eighty-two thousand pounds or thereabouts which sum is not more than sufficient to meet the estimated liabilities of the said department under the assurances effected therein:

And whereas it is not advisable that any further assurances should be effected in the existing sickness department but it is desirable that the said department should be closed as soon as all the assurances effected therein and now outstanding have expired or been surrendered or otherwise ceased to be outstanding and all claims and liabilities thereunder have been met or discharged:

And whereas in the year one thousand eight hundred and seventy-eight or thereabouts the Society commenced to carry on as a separate department the business of industrial life assurance (meaning thereby the effecting of policies of assurance on the lives of persons of the industrial classes for small premiums paid at frequent intervals) and such business has ever since continued to be carried on with considerable success:

And whereas the said industrial life assurance business has ever since the institution of the said separate department for carrying on the same been carried on upon the terms that persons insuring in the industrial department are not members of the Society nor entitled to share in any surplus or profits of the said department but any profits of that department are under the provisions of the rules of the Society relating thereto distributable by the directors of the Society in their discretion amongst the other two departments of the Society or either of them:

And whereas in recent years part of the surplus determined by each annual investigation into the financial position of the Society has been applied upon the recommendation of the consulting actuary of the Society in paying bonuses or additions upon policies issued out of the industrial department complying with prescribed conditions and becoming payable during the year following such investigation:

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And whereas such application of part of the surplus in paying such bonuses and additions upon policies issued out of the industrial department has greatly benefited the Society and its members by rendering insurance in the said department attractive to persons likely to insure therein and thereby increasing the business and premium income of the Society and it is in the interests of the Society and of its members that the Society should when the surplus available admits pay similar bonuses or additions in the future on policies issued out of the said department :

And whereas doubts have recently been raised as to whether the rules of the Society authorise the application of any part of the surplus of the Society in payment of bonuses or additions upon policies issued out of the industrial department and it is expedient that such doubts should be set at rest and that the rules of the Society should expressly authorise the payment of such bonuses or additions in the future and that the payments heretofore made should be confirmed and that the officers and members of the Society should be freed from all liability in respect of such payments having been made :

And whereas the business of the Society has greatly increased and the Society has now a premium income exceeding nine hundred and twenty-eight thousand pounds per annum a total income exceeding nine hundred and ninety-three thousand pounds per annum and assets amounting to upwards of two million pounds :

And whereas many of the provisions of the Friendly Societies Acts relating to the Society are antiquated obsolete and not suitable for the regulation of a society of the magnitude of the Society and for this and other reasons it is expedient that the Society shall be incorporated and that the powers provisions and rules under which the affairs of the Society are managed and transacted shall be so amended as to simplify them and render them more suitable to the size and character of the business of the Society :

And whereas it is expedient to confer further powers upon the Society so as to place it in a position to take full advantage of the opportunities it has of extending its existing businesses and for undertaking other branches of assurance business :

And whereas 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 King'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 (that is to say):—

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1. This Act may be cited as the Wesleyan and General Assurance Society Act 1914. Short title.

2. In this Act and in the schedule hereto annexed the following words and expressions shall have the meanings hereby assigned to them respectively unless there be something in the subject or context repugnant to such construction (that is to say):— Interpreta-
tion.

“The Society” shall mean the Wesleyan and General Assurance Society as incorporated by this Act;

“The existing society” shall mean the Wesleyan and General Assurance Society as existing immediately prior to the passing of this Act;

“The directors” “the chairman” “the actuary” and “the general manager” shall mean respectively the directors the person for the time being presiding on the board of directors the actuary and the general manager or (in the absence of the general manager) his assistant or (in the event of more than one person holding the appointment of actuary or general manager) the actuaries or general managers or one of the actuaries or general managers of the Society all for the time being;

“The laws of the Society” shall mean the provisions of this Act;

“The rules” shall mean the rules of the Society for the time being in force;

“Policy” shall mean the instrument evidencing the contract by the Society for the payment of any money on the happening of any contingency or event whether dependent on or connected with life or not or for the payment of any annuity and the word “assurance” shall mean such contract;

“Member” or “member of the Society” shall mean a person (whether a minor or of full age) who is either

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insured in the existing sickness department or is an original grantee from the Society of a subsisting policy of insurance in the ordinary life assurance department of which he remains the beneficial owner whether such policy was granted before or after the passing of this Act and whether the same be incumbered or not or if the grantees of any such policy be more than one the grantee nominated for that purpose by notice in writing sent to the Society by all such grantees or failing such nomination the grantee whose name appears first in the policy but shall not include any person insured in the existing industrial life assurance department or in any other new department hereafter established by the Society;

“Lands” shall mean and include lands houses buildings tenements messuages and hereditaments of every description or tenure and wherever situated and every vested contingent reversionary or other estate right or interest therein or issuing thereout respectively;

“Existing” shall mean existing immediately before the passing of this Act;

“The Friendly Societies Acts” shall mean the following Acts (namely) 10 Geo. IV. c. 56 4 & 5 Will. IV. c. 40 3 & 4 Vict. c. 73 9 & 10 Vict. c. 27 13 & 14 Vict. c. 115 and 17 & 18 Vict. c. 56.

Repeal of
Act of 1866
and rules.

3. Subject to the provisions of this Act the Wesleyan and General Assurance Society's Act 1866 and the existing rules of the Society are hereby repealed without prejudice to anything done or suffered under the said Act or rules or any of them and the Society shall cease to be under or subject to the Friendly Societies Acts.

Incorporation of
Society.

4. The existing members of the existing society and all persons who shall hereafter become members of the Society shall be and are hereby incorporated by the name of “The Wesleyan and General Assurance Society” with perpetual succession and a common seal with such constitution objects and powers and subject to such rules for its government and the management of its business and affairs (including therein the management of its property) as are contained in this Act and

the schedule hereto or as the same may be from time to time lawfully altered. A.D. 1914.

5. The objects of the Society are —

Objects of
Society.

(1) To grant all such assurances with or without the right to participate in the surplus or profits of the Society for the payment of money on the happening of any contingencies or events whether dependent on or connected with life or not and to grant all such annuities as may by law be granted and as the directors may think fit to grant Provided only that no further assurances against sickness or otherwise shall hereafter be granted out of the existing sickness department of the Society :

(2) To re-assure such part of all or any of the risks of the Society and undertake such authorised risks by way of re-assurance as the directors may from time to time think fit.

6. The Society shall have power—

Powers of
Society.

(1) To grant all such assurances and annuities and to effect all such re-assurances and undertake all such risks as aforesaid and if and when thought fit so to do to take all necessary steps for becoming or enabling any branch or department of the Society to become an approved society under the National Insurance Act 1911 or any Act or Acts amending the same and to carry on the business of the Society or any branch or department thereof as an approved society under that Act or any Act or Acts amending the same :

(2) To sue and be sued by its corporate name :

(3) To acquire and hold lands for the purposes of this Act without any licence in mortmain :

(4) To sell exchange mortgage charge lease manage farm maintain build upon develop or otherwise improve dedicate to the public or otherwise deal with or dispose of the lands of the Society or any part thereof or any estate or interest therein or relating thereto as the directors think fit :

(5) Subject to any statutory provisions for the time being in force relating to the amalgamation of

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assurance companies or the transfer (whether on purchase or not) of the business of one such company to another to enter into and carry into effect any contract or agreement for purchasing acquiring or taking over all or any of the business property rights and liabilities of or amalgamating with any other society association or company carrying on any business within the objects of the Society or for undertaking paying and performing all or any of the assurances annuities and engagements of any such other society association or company or for selling or otherwise disposing of all or any of the business property rights and liabilities of the Society to any other society association or company:

- (6) To give to any persons or any class or section of persons who are insured or insure or have other dealings with the Society and notwithstanding that such persons or class or section of persons may not be members of the Society a right to participate in the profits of the Society or in the profits of any particular branch or department of its business either equally with other persons or classes or sections of persons or otherwise or any other right privilege advantage or benefit:
- (7) To establish and support or to aid in the establishment and support of associations institutions trusts funds or conveniences calculated to benefit employees or ex-employees of the Society or the existing society or the dependants or connexions of such persons and to grant pensions and allowances and to make payments towards insurance for the benefit of any such persons and to subscribe or guarantee money to or for charitable or benevolent objects or to or for any exhibition or to or for any public general or useful object:
- (8) To draw accept indorse discount execute and issue bills of exchange and promissory notes and other negotiable or transferable instruments:
- (9) To raise or borrow or secure the payment of money in such manner and on such terms as may seem expedient and in particular by the issue of debentures

or debenture stock whether perpetual or otherwise and charged or not charged upon the whole or any part of the property and rights of the Society both present and future and to redeem purchase or pay off such securities :

- (10) To enter into any arrangement for sharing profits union of interests joint adventure reciprocal concession or co-operation or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Society is authorised to carry on or engage in and to take or otherwise acquire and hold shares or stock in or securities of and to subsidise or otherwise assist any such person or company :
- (11) To procure the Society to be registered or recognised in any country state or place outside the United Kingdom and to make any investments or deposits in such names and manner as may be required and to comply with any conditions necessary or expedient in order to enable the Society to carry on business in any country state or place outside the United Kingdom and to establish or guarantee local societies or companies or branch offices constituted or regulated under or by local laws for the purpose of carrying on any business which the Society is authorised to carry on :
- (12) To form or assist in forming any society or company for the purpose of carrying on any business which the Society is authorised to carry on or for the purpose of acquiring the undertaking of the Society or any part thereof or for any other purpose whatsoever that may seem conducive to any of the interests of the Society and to hold shares stock debentures debenture stock or any other interest in any such society or company and to dispose of such shares stock debentures debenture stock or interest and to make and carry out arrangements for giving the Society the entire or partial control or management or benefit of the business of any such society or company and to guarantee dividends on shares stock debenture stock mortgages bonds or securities of any such society or company :

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- (13) To allow to remain in abeyance or to discontinue from time to time any department or branch of the business of the Society other than the business of the ordinary life assurance department:
- (14) To lend money to such persons and on such terms as may seem expedient and in particular to persons insuring or having other dealings with the Society:
- (15) To take make support or oppose any proceedings or application for obtaining Acts of Parliament or other legislative acts which in the opinion of the Society may beneficially or adversely affect the Society:
- (16) To do all such other things as may be considered incidental or conducive to the attainment of the objects of the Society or any of them.

As to busi-
nesses other
than ordinary
life assur-
ance.

7. No further assurances shall be effected by the Society out of the existing sickness department and so long as and whenever the Society carries on any class or classes of business other than the business of ordinary life assurance as carried on in the existing ordinary life assurance department such other class or classes of business shall be carried on in one or more separate departments and the existing industrial life assurance department and every new department hereafter established shall always remain and be a separate department both from the existing ordinary life assurance department and from the existing sickness department and no person for the time being assured in any department other than the existing ordinary life assurance department and the existing sickness department shall (whether or not he is entitled under the terms of his assurance to share or participate in the surplus or profits of the Society or of the department in which he is insured) be by virtue of such assurance a member of the Society or entitled as such to any voice in the management of its affairs.

Transfer of
surplus sick-
ness depart-
ment funds.

8. So soon as all the assurances effected in the existing sickness department and now outstanding shall have expired or been redeemed purchased or surrendered or shall otherwise have ceased to be outstanding and all claims thereunder shall have been paid or satisfied the balance (if any) of the funds of the sickness department then remaining shall be transferred to the

credit of the ordinary life assurance department towards recoupment to the funds of such department of the sum of seventy-eight thousand pounds transferred therefrom to the sickness department in the year one thousand nine hundred and eight.

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9. The Society or any trustee on its behalf shall (subject to the provisions of this Act) continue to hold and be entitled to enjoy and recover all property of every description (including things in action) which immediately before the date of the passing of this Act belonged to or was vested in the existing society or to or in a trustee on its behalf or to which the existing society or a trustee on its behalf was entitled and any person for the time being holding any property or investment as a trustee for the Society shall with regard thereto act in all respects under and in accordance with the directions of the directors of the Society.

Society to hold all property of existing society.

10. Notwithstanding such repeal as aforesaid and any other provisions of this Act all existing assurances of the existing society shall entitle the owners thereof to the same security rights benefits and remedies as against the Society and as to nomination and otherwise as they would have had against the existing society if this Act had not been passed and shall be held subject to the same terms and conditions (including in the case of assurances in the existing sickness and industrial assurance departments the provisions of the special rules of the existing society relating to assurances in such departments) as those upon which the same were held immediately before the passing of this Act and the Society shall have the same protection and security as the existing society would have had if this Act had not been passed and the said existing assurances shall after the passing of this Act be held in the same rights on the same trusts and subject to the same powers provisions charges and liabilities as those in on or to which they were held immediately before the passing of this Act and so as to give effect to and not to revoke any deed will or other instrument or testamentary or other disposition disposing of or affecting the said assurances and trustees and all other holders in any representative or fiduciary capacity of any existing assurances of the existing society may hold dispose of or otherwise deal with the said assurances after the passing of this Act in all respects as they might have held disposed of or otherwise dealt with the same assurances if this Act had not been passed.

Saving for owners of existing assurances.

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Saving for
contracts
actions &c.

11. Notwithstanding such repeal as aforesaid and any other provisions of this Act—

(1) All conveyances leases deeds mortgages bonds contracts agreements securities awards appointments notices and other acts and things made and entered into executed given or done by with or to the existing society or any person on its behalf and in force at the date of such repeal as aforesaid shall be valid and effectual to all intents in favour of against and with reference to the Society as if this Act had not been passed:

(2) Any action arbitration or other proceeding or cause of action arbitration or other proceeding pending or existing at the date of such repeal as aforesaid by with against or in favour of the existing society or any person on its behalf shall not abate or be prejudicially affected by the passing of this Act but on the contrary may be continued or commenced and carried on by with against or in favour of the Society as if this Act had not been passed:

(3) All books and documents of or concerning the existing society which if this Act had not been passed would have been admitted in evidence shall be admitted in evidence as if this Act had not been passed.

Vesting of
property in
Society.

12.—(1) On the passing of this Act all such property real and personal including interests and rights in to or out of property real and personal and including obligations securities and things in action as may belong to or be held in trust for the existing society shall without any conveyance transfer assurance or other document being made or required pass to and be vested in the Society for all the estate and interest of the existing society and of the trustees therein except that as to the following classes of property this subsection shall only apply to the equitable estate or interest therein (namely):—

(a) Copyhold lands;

(b) Property the legal estate or interest wherein is not transferable by deed; and

(c) Stocks shares and debentures transferable only by books kept by a company or other body or in manner directed by or under Act of Parliament.

(2) Any trustee in whose name any such property as last mentioned is standing shall as soon as may be by proper conveyance transfer assurance or other document transfer the same to the Society. A.D. 1914.

(3) In place of the stamp duties payable in respect of the vesting effected by subsection (1) of this section there shall be raised and levied for the use of His Majesty His heirs and successors a stamp duty of five pounds which shall be impressed upon a King's Printer's copy of this Act and the Society shall produce the stamped copy to the Commissioners of Inland Revenue within six months after the passing of this Act.

(4) This section shall not unless the Society shall by deed otherwise declare operate to vest in the Society any leasehold or freehold reversion or other estate or interest in any property if the vesting thereof in the Society would cause a release or merger of any right or estate or interest of the Society. But if the Society shall so as aforesaid otherwise declare the same shall vest in accordance with and under subsection (1) of this section except that such vesting shall take place on the execution of such declaration and subsection (2) of this section shall apply thereto accordingly.

(5) From and after the passing of this Act the power of appointment of a new trustee of any property which shall be vested in a trustee for the Society including or not a vesting declaration shall be exerciseable by the Society only.

(6) The registrar of the Land Registry shall upon the application of the Society and the production to him of a King's Printer's copy of this Act stamped as herein-before provided and upon payment of the appropriate fee substitute in the register the name of the Society for the name of any such trustee as aforesaid.

13. The government direction and administration of the business and affairs of the Society (including the management of its property) and the appointment and removal of the actuary general manager trustees officers agents and others (other than the auditors to be appointed by the members) connected with the Society or its affairs or property shall be vested in a board of directors who shall all be members of the Society and shall be of such number and have such qualifications and be continued appointed or elected in such manner and with such powers and duties as shall be prescribed by the rules. Government and administration of affairs vested in directors.

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Change of
name.

14. The Society may from time to time with the sanction of a general meeting of the members change its name but no such change of name shall be effective until it is advertised in the London Gazette and no such change of name shall affect any rights or obligations or render defective any legal proceedings instituted or to be instituted by or against the Society and any legal proceedings may be continued or commenced against the Society by its new name that might have been continued or commenced against the Society by its former name.

Principal
office.

15. The principal office of the Society shall be in the city of Birmingham unless and until it shall be otherwise determined at a special general meeting of the members.

Annual
general
meetings.

16. An annual general meeting of the members shall be held in every year at such place and upon such date as may be appointed by the rules or by the directors pursuant thereto when the directors shall present a report on the business and affairs of the Society and such other business shall be transacted as may be prescribed by the rules.

Special
general
meetings.

17. Special general meetings of the members shall be held at such places as the directors may from time to time think fit and such meetings may be called and held under such conditions as may be prescribed by the rules.

Premiums
for assur-
ances.

18. The rates of contributions or premiums for assurances to be charged by the Society shall be settled or regulated upon such terms or according to such tables as the directors may approve but in cases when the risk is in the opinion of the directors more than usually hazardous the contributions shall not be according to the usual rates but in each case shall be according to such increased rate or upon such special scale of payment and under such special conditions as the directors may determine.

Alterations
in tables of
premiums.

19. No alterations shall be made in the tables of contributions or premiums without the concurrence of the actuary Provided that when any alteration shall be made in the tables of contributions or premiums neither the Society on the one hand nor the members on the other shall be entitled to require that those altered contributions or premiums shall apply to assurances already in existence.

Members to
have a voice

20. Every member the contributions or premiums on whose policy are paid regularly in terms of the conditions expressed

in his policy and who acts in conformity with the laws of the Society and the rules shall have in accordance with and subject to such laws and rules a voice in the affairs of the Society.

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in affairs of
Society.

21. The books of the Society shall be open at all convenient times to the inspection of any of the directors who may choose to inspect the same but it shall not be in the power of any member other than a director to inspect the books without having first obtained an order to that effect from the directors or from an annual general meeting or a special general meeting of the members and his inspection shall extend only so far as such order may expressly authorise or direct.

Inspection
of books.

22. All deeds and formal instruments or documents of every description which require to be granted and executed by the Society shall be valid and sufficient when sealed with the common seal of the Society in the presence of and signed by two of the directors and countersigned by the managing director or the general manager or by such other officer as the directors from time to time appoint Provided that—

Authentica-
tion of docu-
ments.

- (1) All policies shall be valid and sufficient if signed by at least one director and by the general manager or such other officer as aforesaid or if the same have printed lithographed or otherwise mechanically reproduced thereon the signatures of at least one director and of the general manager and are also signed or initialled by some person purporting to act as a clerk or agent of the Society ;
- (2) All contracts for sale or purchase shall be valid and sufficient if signed by at least one director and countersigned by the general manager or by such other officer as aforesaid ;
- (3) All tenancy agreements shall be valid and sufficient if signed by the general manager or by such other person as may from time to time be duly authorised in that behalf by the directors ;
- (4) All cheques and orders on the Society's bankers and bills notes and other negotiable instruments drawn by the Society shall be valid and sufficient if signed by at least one director and countersigned by the general manager or by such other officer as the directors from time to time appoint ; and

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(5) All receipts for premiums and other annual or periodical payments in favour of the Society and for any other payment made to the Society in the ordinary course of business shall be valid and sufficient if signed by the general manager or by such other officer as last aforesaid or if made on a form issued by the Society with the name of such general manager printed or otherwise placed thereon as acknowledging the receipt of the premium or payment signed or initialled by some person purporting to act as a cashier clerk or agent of the Society.

Banking
accounts.

23. The directors may open banking accounts and subsidiary banking accounts in the name of the Society with such bank or banks as they may select. Each account shall be operated on by such of the directors officers or agents of the Society as the directors may authorise to that effect and under such regulations and conditions as may be made from time to time by the directors.

Investments.

24.—(1) The funds 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 and invested by the directors in the name or under the control of the Society in or upon any investments for the time being authorised by law for the investment of trust funds or in or upon any of the following investments (namely):—

(a) In the purchase or upon the security of—

(i) Any lands in the United Kingdom;

(ii) The stocks funds bonds debentures debenture stock mortgages annuities or other securities of the Government of the United Kingdom or India or any British colony dependency state or province or of any foreign country state or province;

(iii) The stocks funds bonds debentures debenture stock mortgages annuities or other securities of any county municipality city or town corporation public commissioners board or other public body or local authority in the United Kingdom or India or any British colony dependency state or province or in any foreign country state or province for the time being legally empowered to borrow or raise money;

(iv) The debentures or debenture stock mortgages or bonds or the guaranteed or preference stocks or shares of any railway water canal dock trust land mortgage gas electric or other lighting company trust or corporation in the United Kingdom or India or any British colony dependency state or province thereof or in any foreign country state or province ;

(v) The debentures or debenture stock mortgages or bonds or the guaranteed or preference stocks or shares of any company trust or corporation which has during each of the three years last preceding the date of the investment being made paid a dividend at the rate of not less than four per cent. per annum upon its ordinary or deferred shares ;

(vi) Any assurance of the Society or of any other life assurance office and whether or not to an amount in excess of the then present value thereof Provided that if the transaction be a loan the premiums on such assurance and the interest on the loan be collaterally secured by or upon some of the other securities in this section mentioned to such an amount as the directors may consider adequate ;

(vii) Any vested contingent reversionary or other estate or interest in securities or investments which the Society is herein-before authorised to hold or any such estate or interest in any sum or sums of money secured upon any such securities or investments :

(b) On the security of any rates duties or assessments of any person (which word includes a body politic corporate or collegiate) or county municipal or other corporation commissioners board or other public body or local authority or company in the United Kingdom or in India or any British colony dependency state or province :

(c) In loans upon the security of any real or personal property or upon personal security only to the

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trustees of Wesleyan Methodist chapels or other bodies or persons for the purpose of building funds or other purposes :

(d) On deposit on such terms as the directors may think proper and whether temporarily or for any length of time with any bank banker discount house firm or company authorised to take money on deposit.

(2) Provided always—

(a) That no investment of any of the Society's funds (other than upon an investment for the time being authorised by law for the investment by trustees of trust moneys in their hands) shall be made unless such investment is decided upon at a meeting of the directors at which at least three fourths of the whole number of the directors are present by a majority of at least three fourths of the directors present at such meeting but this provision shall not concern any person selling any property to the Society or obtaining any loan from the Society on the security of any property or upon personal security ;

(b) That nothing herein contained shall be held to empower the directors to invest any parts of the funds of the Society in the purchase of or on the security of any stocks shares or securities the ownership of which would involve the Society in any liability for calls or contributions except calls or contributions made or determined prior to such investment and payable at specified fixed dates ;

(c) That should any society association or company be purchased acquired or taken over by the Society the directors shall have power to retain and hold any stocks securities or properties in which the society association or company so purchased acquired or taken over has its funds invested at the time it is purchased acquired or taken over ; and

(d) That all or any of the investments upon which the funds of the existing society were invested at the date of the passing of this Act may be retained during such period as the directors think fit.

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(3) Any investment may be made or continued in the names of trustees in all cases in which the directors shall deem the interposition of trustees to be convenient or desirable for any reason and the directors may appoint and remove trustees from time to time for the purpose of holding any investments or properties of the Society.

(4) Any investment hereby authorised may be made either alone or jointly or by way of participation with other investors.

(5) The directors may from time to time vary any investments of the Society for the time being for any other investments hereby authorised.

25.—(1) Out of any surplus or profits of the Society or of any particular department thereof determined by any annual or other investigation into its financial position made pursuant to the provisions of any public Act relating to assurance companies for the time being in force or to the rules the directors may set aside and carry to any reserve or reserves whether general or special such sums as they think expedient. Reserve funds.

(2) All sums so set aside to any reserve and also all sums standing at the date of the passing of this Act to the credit of any reserve or special fund of the existing society shall at the discretion of the directors be applicable for meeting the expense of establishing making known or providing deposits or funds required in connexion with any new department hereafter established by the Society or of purchasing or taking over any business hereafter purchased or taken over by the Society or for meeting any other contingencies or for repairing or maintaining the buildings and offices of the Society or for providing pensions superannuation allowances or gratuities for the staff employees or ex-employees of the Society or the existing society or the wives families dependants or connexions of any such persons or for equalising bonuses or for any other purpose for which the directors consider that it is in the interests of the Society that the same or any part thereof should be applied and pending such application may at the discretion of the directors be invested upon any of the investments upon which the moneys of the Society not required to satisfy the immediate claims and expenses of the Society may be laid out and invested by the directors without its being necessary to keep the investments of the reserves separate from the investments of any

A.D. 1914. other funds of the Society Provided that the agents' pension reserve fund shall only be applied to the objects for which the same was established.

Validity of
bonuses.

26. All payments heretofore made out of the surplus or profits of the existing society as determined by any annual investigations into its financial position made before the passing of this Act by way of bonuses or additions upon policies issued out of the industrial department and which payments would have been lawfully and validly made if this Act had been passed and the rules set out in the schedule to this Act had been the rules of the Society at the time when such annual investigations and payments were made are by this Act declared and made valid and lawful and no director trustee or other officer nor any member of the Society who authorised or made or took part in authorising or making any such payment by this Act declared and made valid and lawful shall by reason or in respect thereof or of any act deed or thing done by him in connexion therewith be liable to any forfeiture damages disqualification pains or penalties whatsoever under any of the Friendly Societies Acts nor to any other personal or individual liability either to the Society or to the members thereof or otherwise howsoever.

Policy
holders to
become cre-
ditors of
Society.

27. Whenever the event shall happen upon which the benefit expressed in any policy issued by the Society arises the person entitled to such benefit shall upon proof satisfactory to the directors of such event having happened and of his title to such benefit become a creditor on the funds of the Society applicable to such policy for the sum of money payable under and by virtue thereof.

Members
not liable
for debts of
Society.

28. No member of the Society shall in his individual capacity incur or be liable to any personal responsibility for any debts due or to become due by the Society or for any sums that shall become due in virtue of any policy or assurance granted or issued by the existing society or which may at any time be granted or issued in the name of the Society and all creditors and other persons having claims against the Society shall only be entitled to make such claims effectual against the proper funds of the Society and shall in no case or event whatever be entitled to make any demand or claim for or on account of the sums due against any individual member of

the Society and it shall not be competent to nor in the power of the Society or the directors or other persons on any account or occasion whatsoever to make any call upon any individual member of the Society for any sum of money in addition to the contributions or premiums conditioned to be paid by such member in terms of the policy or assurance which formed the basis of his connexion with the Society without the consent of such member first had and obtained.

A.D. 1914.

29.—(1) No director shall be liable for any omission or otherwise than for his own acts and deeds.

As to liability of directors and officers.

(2) No director shall be liable for the sufficiency either in value or title of any investment or security taken by the directors on behalf of the Society nor for the acts receipts neglects or defaults of any managing director trustee general manager or other officer appointed by them but they and every managing director trustee general manager and other officer of the Society shall be exonerated upon accounting for paying over or conveying the funds in their hands or under their control in terms of the rules and shall be indemnified out of the funds of the Society against all expenses necessarily incurred by them in the execution of their respective offices.

30. Where any sum of money shall be payable by the Society under any policy of life assurance to the executors or administrators of any person by whom the policy was effected who shall have died domiciled elsewhere than in the United Kingdom it shall be lawful for the directors if they shall think proper to make payment of such sum to such executors or administrators on production to them of any probate of the will of such person deceased or letters of administration of his estate or other grant of representation obtained in any part of the United Kingdom and the receipt or discharge granted by such executors or administrators shall be valid and effectual in favour of the Society Provided that nothing in this section contained shall affect the operation of the provisions of section 19 of the Revenue Act 1889.

Policies may be paid on production of probate or letters of administration.

31. The Society shall not be bound to see to the execution of any trusts whether express implied or constructive to which any policy granted by the Society may be subject and a discharge of such policy by the person in whom the same may be legally vested shall in all cases be a sufficient discharge and exoneration

Society not bound by trusts.

A.D. 1914. — to the Society of and from all liability thereunder notwithstanding any trust to which such policy may then be subject and whether or not the Society has had notice of such trust.

Payment
under poli-
cies for less
than £100.

32. Whenever on the death of any member or other person entitled to any policy a sum not exceeding one hundred pounds shall become payable by the Society it shall be lawful for the directors if they shall be satisfied that no will was made and left by such deceased person and that no letters of administration or confirmation will be taken out of his or her funds goods and chattels to pay the same at any time after the decease of such person to any person claiming to be his or her widow or surviving husband or child or children or to pay or divide the same to or amongst the person or persons who in the opinion of the directors are entitled to the effects of the deceased intestate without requiring the taking out of letters of administration in England or Ireland and without confirmation in Scotland and a receipt signed by any person claiming as aforesaid shall be a full and effectual discharge to the Society in respect of all moneys payable by them upon the death of such person Provided always that—

- (1) Any moneys which may be paid or divided hereunder shall notwithstanding such payment or division be for the purposes of estate duty treated as passing under the will or intestacy of the deceased member or other person :
- (2) The Society before so paying or dividing any such moneys may require a statutory declaration by the claimant or one of the claimants that the principal value of the estate in respect of which estate duty is payable on the death of such deceased member or other person including the moneys in question does not after deduction of debts and funeral expenses exceed one hundred pounds :
- (3) If the amount of such moneys to be so paid or divided exceeds eighty pounds the Society shall before making any payment or division to or among any persons other than the legal personal representative of the deceased member or other person require production of a certificate from the Commissioners of Inland Revenue of the payment of the estate duty and

a duly stamped receipt for the legacy or succession duty payable in respect of such moneys or of a certificate stating that no estate legacy or succession duty is payable thereon. A.D. 1914.

33.—(1) The person in whom any policy is legally vested whether such person is beneficially entitled thereto or holds the same as mortgagee of or as a trustee for any other person may (unless being a mortgagee or trustee he is to the knowledge of the directors expressly prohibited from so doing by the terms of his mortgage or trust) surrender such policy in whole or in part to the Society either for a cash payment or in consideration of the policy being converted into a paid-up policy for a reduced amount or in exchange for any paid-up or other policy to be substituted for the original policy or for any other consideration or may otherwise deal with such policy as may be agreed between such person and the directors and if any policy is legally vested in the Society as mortgagee or is charged to it by way of deposit or otherwise the Society may surrender such policy to itself giving credit or otherwise accounting for its surrender value. Surrender or conversion of policies.

(2) Any surrender or agreement made or entered into under this section shall be valid and effectual in all respects.

34. The rules in the schedule shall be the rules of the Society and they or other the rules for the time being of the Society may be altered by any repeal or amendment thereof or of any of them or by any addition thereto in the following manner and subject to the following conditions:— Rules and alteration thereof.

(1) If such alterations be first recommended at a meeting of the directors specially convened for considering the same by a majority of three fourths of the directors present thereat and be afterwards approved at a special general meeting of the members of the Society specially convened for considering the same or on a poll duly demanded thereat and taken in accordance with the rules; or

(2) If such alterations be approved at a special general meeting of the Society specially convened for considering the same pursuant to a requisition signed by twenty-five or more members owning either alone or jointly with other persons life assurances (other

A.D. 1914.

than annuity assurances) in the ordinary life assurance department of the Society for an aggregate amount assured of not less than one hundred thousand pounds (excluding bonus additions) by a resolution passed by a majority of three fourths at least of the members present at such meeting and also if a poll be duly demanded in accordance with the rules by a majority of three fourths at least of the votes given on such poll Provided that every requisition for a meeting to consider any alteration of the rules must contain a copy of the proposed alterations and be deposited at the principal office of the Society during the month of January and the special general meeting to consider such proposed alterations shall be held immediately after the holding of the annual general meeting of the Society held next after the date of the requisition being so deposited:

- (3) A copy of the alterations recommended by the directors or as the case may be proposed by the persons making the requisition shall be open for inspection by any member at the principal office of the Society for at least two weeks before the meeting and the directors shall give notice that the proposed alterations are so open for inspection by advertisement in not less than two Birmingham daily newspapers two weeks at least before the day appointed for holding the meeting.

Service of
documents
on Society.

35. In all cases wherein it may be necessary for any person to serve any notice writ or other legal process on the Society in any action or proceeding which may be instituted or raised against the Society service thereof respectively on the general manager or other principal officer for the time being of the Society either personally or by leaving the same at the principal office of the Society shall be deemed good service of the same on the Society.

Affidavits
&c. on behalf
of Society.

36. Any affidavit statutory or other declaration or other similar document required from or by the Society may be made and verified by the general manager or by any director of the Society for and on behalf of the Society.

Saving of
general Acts.

37. Nothing in this Act shall be deemed to exempt the Society from the provisions of the Collecting Societies and

Industrial Assurance Companies Act 1896 affecting industrial assurance companies or the Assurance Companies Act 1909 so far as the same are applicable to the Society or from the provisions of any general Act passed during the present or any future session of Parliament affecting assurance companies formed previously to the passing thereof. A.D. 1914.

38. The Companies Clauses Consolidation Act 1845 and the Acts amending the same shall not apply to the Society or its undertaking. Companies Clauses Acts not to apply.

39. The costs charges and expenses preliminary to and of and incidental to preparing obtaining and passing this Act shall be paid by the Society. Costs of Act.

A.D. 1914.

The SCHEDULE referred to in the foregoing Act.

RULES OF THE WESLEYAN AND GENERAL ASSURANCE SOCIETY.**I.—DEFINITIONS.**Interpreta-
tion.

1. In these rules unless the contrary intention appears—

“The Society’s Act” shall mean the Wesleyan and General Assurance Society Act 1914;

“The statutes” shall mean the Assurance Companies Act 1909 and any other general public Act for the time being in force and affecting the Society;

Words in the singular shall include the plural and words in the plural shall include the singular;

Words importing the masculine gender shall include females; and

Words and expressions defined in the Society’s Act shall bear the same meaning in these presents:

And in the practical application of the rules the construction put upon them by the directors shall be final and conclusive.

II.—MEETINGS OF MEMBERS.Annual meet-
ing.

2. The annual general meeting of the members shall be held at the Central Hall Corporation Street Birmingham on the first Tuesday in the month of April in every year at twelve noon.

Notice of the precise place date and time of the meeting shall be given by advertisement in two of the Birmingham daily newspapers at least ten days before the date of meeting.

Special meet-
ing.

3.—(1) The directors may call a special meeting of members of the Society at any time and shall call such a meeting on a requisition in writing signed by twenty-five or more members owning amongst them either alone or jointly with other persons life assurances (other than annuity assurances) in the ordinary life assurance department of the Society for an aggregate amount assured of not less than £25,000 exclusive of bonuses.

Such requisition shall be deposited at the principal office of the Society and shall state the object or objects of the required meeting.

The directors shall fix the time and place of any special meeting and the general manager shall call the same accordingly by advertisement specifying shortly the purpose for which the meeting is called

in not less than two Birmingham daily newspapers at least ten days before the day fixed for the meeting. A.D. 1914.

(2) If the directors do not proceed to cause a meeting to be held within three calendar months from the date of the requisition being so deposited the requisitionists or a majority of them in value (regard being had to the amount secured by their policies) may themselves convene the meeting but any meeting so convened shall not be held after four calendar months from the date of such deposit.

(3) Any meeting convened under this clause by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the directors.

4. The ordinary business of each annual general meeting shall be to consider the accounts and balance sheet and the ordinary reports of the directors and auditors and any report of the actuary to elect directors and auditors in the place of those retiring at the meeting to determine the remuneration or extra remuneration to be paid to the directors and auditors for their services and to transact any other business which under these rules or the Society's Act ought to be transacted at the annual general meeting of the Society. Business at
annual meet-
ings.

No business other than ordinary business as above defined shall be transacted at any annual general meeting except with the approval of the directors and unless notice of the further business to be transacted thereat shall have been given in the notice convening the meeting.

5. No business shall be transacted at any general meeting unless a quorum be present when the meeting proceeds to business. Quorum.

Five members present in person shall be a quorum for an annual general meeting and fifty members present in person shall be a quorum for a special general meeting.

6. If within half an hour from the time appointed for any general meeting a quorum is not present the meeting if convened on the requisition of members shall be dissolved and no motion for adjournment shall be entertained and this provision shall apply as well to any adjournment of a meeting convened on such requisition as aforesaid as to the original meeting. In case no
quorum.

In the case of any other meeting the meeting shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting a quorum as above defined is not present within fifteen minutes from the time appointed for holding the meeting the members present shall be a quorum.

7. The chairman (if any) of the directors or failing him the deputy chairman or failing him the vice-chairman shall preside as chairman at every general meeting. Chairman
deputy chair-
man and vice-
chairman.

A.D. 1914.

If there be no such chairman or deputy chairman or vice-chairman or if none of them be present at the meeting within fifteen minutes after the time appointed for holding the meeting or be willing to act as chairman the directors present shall choose some director or if no director be present or if all the directors present decline to take the chair the members present shall choose some member to be chairman.

Adjournment
of meeting.

8. The chairman may with the consent of any 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.

It shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting.

Voting.

9. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is on or before the declaration of the result of the show of hands demanded by the chairman or by a majority of the directors present at the meeting or by twenty-five or more members of the Society present at the meeting and together owning either alone or jointly with other persons life assurances (other than annuity assurances) in the ordinary life assurance department for an aggregate amount assured of not less than £25,000 excluding bonuses.

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 and an entry to that effect in the book of proceedings of the Society shall be conclusive evidence of the fact without any further proof.

The demand of a poll shall not prevent the continuance of the general meeting for the transaction of any business other than the matter respecting which the poll is to be taken.

No poll shall be demanded on the election of a chairman.

Poll.

10. A poll duly demanded as aforesaid shall be taken in such manner and at such place and time (not being less than six or more than twenty-one days from the day of the meeting at which the same has been demanded) as the chairman of the meeting shall direct and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Notice of
poll.

11. The directors shall give notice of the place day and hour of taking the poll by advertisement in two newspapers published in the city of Birmingham.

Casting vote.

12. In 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 the poll is demanded shall have a casting vote.

III.—VOTES OF MEMBERS.

A.D. 1914.

13. On a show of hands every member present shall have one vote and one vote only.

Votes of
members.

On a poll every member present shall have one vote for each £25 of the sum (exclusive of bonuses) assured by the life assurances (other than annuity assurances) in the ordinary life assurance department of the Society owned by him (whether alone or jointly with others and whether incumbered or not) but so that every member entitled to be present and vote at the meeting at which the poll was demanded shall have one vote at least.

14. No member under the age of twenty-one years or holding an appointment as district manager superintendent agent canvasser or of any similar nature for the Society or for any society or company engaged in any business of a similar nature to any business of the Society shall be entitled to be present or take part in or vote at any meeting of the Society or on any poll of the members thereof.

Minors and
officers not to
vote.

15. No member shall be entitled to be present or vote at any general meeting unless all contributions and premiums presently payable upon or in respect of any policy issued by the Society of which he is the owner (whether alone or jointly with others and whether incumbered or not) shall have been paid.

Members
not entitled
to vote
unless pre-
mium paid.

IV.—DIRECTORS.

16. The board of directors of the Society (herein-after called "the board") shall consist of a chairman a deputy chairman and a vice-chairman and of not less than eight nor more than twelve other directors. The number of the directors (within the limits aforesaid) shall be in the discretion of the board and in the event of the board at any time resolving that the number of the directors shall be reduced or increased effect shall be given to such resolution at the next succeeding annual general meeting when the places of a sufficient number of the retiring directors shall be allowed to remain unfilled or (as the case may require) a sufficient number of additional directors shall be appointed to give effect to such resolution.

Directors.

Until otherwise resolved by the board the number of directors shall be the maximum number of fifteen.

Two thirds at least of the directors shall be duly accredited members of the Wesleyan Methodist Church.

17. The trustees of the existing society (namely) Benjamin Shirley Smith Harry Scott Richards and Arthur John Leeson shall be the first chairman deputy chairman and vice-chairman respectively and the remaining directors of the existing society at the date of the passing of the Society's Act shall be the other first directors of the Society.

First direc-
tors.

A.D. 1914.
Qualification
of directors.

18. No person shall be capable of being appointed or elected a director unless he be duly qualified at the time of his appointment or election.

The qualification of every director shall be that he has been for two years at least the owner (whether subject to incumbrances or not) of a policy or policies in the ordinary life assurance department of the Society on his own life (being either a whole life policy or an endowment assurance policy effected for a period of twenty-five years at least) for the sum of £1,000 at least exclusive of bonuses the annual premiums payable in respect of which amount to £50 at least but such period of two years shall not apply to a policy holder first appointed a director by a resolution of the board Provided that this qualification shall not be required of any of the first directors each of whom shall be qualified to continue in office or to be re-appointed or re-elected a director so long as he continues the owner (whether subject to incumbrances or not) of a policy or policies of the Society the annual premiums payable in respect of which amount to not less than £12.

Officers not
eligible as
directors.

19. No person holding an appointment as district manager superintendent agent canvasser medical officer or other similar office for this Society or for any society or company engaged in any business of a similar nature to any business of the Society shall be eligible for the office of a director of the Society.

First chair-
man deputy
chairman and
vice-chair-
man.

20. The said Benjamin Shirley Smith Harry Scott Richards and Arthur John Leeson shall respectively hold office as chairman deputy chairman and vice-chairman of the Society and every other director hereafter appointed to any of such offices shall hold such office until he either ceases to be a director or is removed therefrom by resolution of the board and no director for the time being holding office as chairman deputy chairman or vice-chairman shall be subject to retirement by rotation at any annual general meeting or be taken into account in determining the rotation of retirement of the directors.

Vacancies in
offices of
chairman
deputy
chairman and
vice-chair-
man.

21. Every vacancy occurring in the office of chairman deputy chairman or vice-chairman shall be filled up by the board by the appointment of a duly qualified member of their body thereto but every appointment so made shall be subject to the approval of the next following annual general meeting of the Society and unless such appointment be confirmed at such meeting the person appointed shall as from the date of the meeting cease to hold the office to which he was so appointed and shall not be capable of being again appointed to the office of chairman deputy chairman or vice-chairman without the previous approval of the Society in general meeting and the board shall forthwith appoint another duly qualified member of their body to such office in the place of the director so ceasing to hold such office.

22. The office of a director shall ipso facto be vacated—

A.D. 1914.

- (1) If he becomes bankrupt or compounds with his creditors:
- (2) If he is found lunatic or becomes of unsound mind:
- (3) If he ceases to hold his qualification herein-before mentioned:
- (4) If he is convicted of an indictable offence:
- (5) If by notice in writing left at the principal office of the Society he resigns office and his resignation is accepted by the board:
- (6) If having been elected or appointed as a duly accredited member of the Wesleyan Methodist Church he ceases to be a member of that church:
- (7) If he is absent from meetings of the board for six calendar months without leave of absence from the board and the board resolves that by reason thereof his office be vacated:
- (8) If he is called upon by a resolution of the board passed by a majority of two thirds of the directors present and voting to resign:
- (9) If he accepts or holds any such appointment as mentioned in rule 19.

Vacation of
office of
director.

23. A director shall not be disqualified by his office for 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 a director shall be in any way interested be avoided nor shall a 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 only of such director holding that office or of the fiduciary relation thereby established:

Certain acts
not to dis-
qualify.

Provided that the nature of his interest must be disclosed by him at the meeting of the directors at which the contract or arrangement is determined on if his interest then exists or in any other case at the first meeting of the directors after the acquisition of his interest:

Provided further that no director shall as a director vote in respect of any contract or arrangement in which he is so interested as aforesaid and that if he do so vote his vote shall not be counted but this prohibition may at any time or times be suspended or relaxed to any extent by the Society in general meeting.

24. A general notice that a director is a member of any specified firm or company and is to be regarded as interested in all transactions with that firm or company shall be a sufficient disclosure under the foregoing rule as regards such director and the said transactions and after such general notice it shall not be necessary for such director to

General
notice as to
director's
interest.

A.D. 1914. — give a special notice of his interest in any particular transaction with that firm or company.

Disclosure of interest to general manager.

25. Where a director is directly or indirectly interested in any assurance contract which shall in the ordinary course of business be effected by or through such director through the general manager or other proper officer of the Society disclosure to the general manager or such other officer that such director is so interested shall be deemed to be sufficient disclosure for the purposes of the foregoing regulations and the general manager or such other officer may deal with any such contract as regards terms premium commission or otherwise as freely as he could deal therewith if such director were not so interested.

Remuneration of directors.

26. The directors shall be entitled to remuneration for their services at such rate as shall from time to time be determined by resolution of the Society at the annual general meeting and the rate of remuneration fixed at any such meeting shall continue in force until altered at a subsequent annual general meeting.

Until a different rate is fixed as aforesaid the directors shall be entitled to receive remuneration at the same rate as that which they were entitled to receive as directors of the existing society at the date of the passing of the Society's Act.

The directors' remuneration shall be divided amongst the directors in such proportions and manner as the board shall by resolution determine or in default of such determination equally and unless otherwise resolved by the board a director holding office during part only of a year shall be entitled to a proportionate part of the remuneration to which he would have been entitled if he had held office during the whole year.

Extra remuneration.

27. Any director who by request performs special services or goes away from or resides elsewhere than at his ordinary place of residence for any purposes of the Society may be paid by the board such extra remuneration whether by way of salary percentage of profits or otherwise as the board may determine and such extra remuneration shall be charged as part of the Society's ordinary working expenses.

V.—RETIREMENT OF ORDINARY DIRECTORS.

Retirement of directors.

28. At the annual general meeting in the year 1915 and at the annual general meeting in every subsequent year one fourth of the directors (other than the chairman deputy chairman or vice-chairman) shall retire from office Provided that if the number of directors (other than as aforesaid) is not divisible by four the board shall determine what number of directors as nearly one fourth as may be shall retire from office so that the whole number (other than as aforesaid) shall retire from office in four years.

A director retiring at a meeting shall retain office until the close or adjournment of the meeting. A.D. 1914.

29. The directors to retire in every year shall be determined by the board or in default of such determination shall (unless the directors otherwise agree among themselves) be determined by lot. Mode of retirement.

30. A retiring director shall be eligible for re-election. Eligible for re-election.

31. The Society at the meeting at which a director retires in manner aforesaid shall (subject to the provisions of rule 16) fill up the vacated office by electing a duly qualified person thereto. Election.

32. No person other than a director retiring at the meeting shall unless recommended by the directors for election be eligible for the office of a director at any general meeting unless not later than the 15th day of March last preceding the day of the meeting there shall have been given to the Society notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected. Mode of election.

33. If at any meeting at which an election of directors ought to take place the place of any vacating director is not filled up such director shall be deemed to have been re-elected. If no election vacating director re-elected.

34. The directors shall have power at any time and from time to time to appoint any qualified person to be a director to fill a casual vacancy in the board howsoever arising. Casual vacancy to be filled up by board.

Any director so appointed shall hold office only until the next following annual general meeting of the Society and shall then be eligible for re-election.

VI.—PROCEEDINGS OF DIRECTORS.

35. The directors may meet together for the dispatch of business adjourn and otherwise regulate their meetings as they think fit The meetings of the board shall be commenced with prayer Questions arising at any meeting shall be determined by a majority of votes In case of an equality of votes the chairman shall have a second or casting vote Any two directors may and the general manager on the requisition of any two directors shall at any time summon a meeting of the directors It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from the United Kingdom. Proceedings of directors.

36. The quorum necessary for the transaction of the business of the directors may be fixed by the directors and unless and until otherwise so fixed shall be five. Quorum.

A.D. 1914.

Continuing
directors
may act in
case of
vacancy.

37. The continuing directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below eleven the continuing directors may act for the purpose of filling up vacancies in their body or of summoning general meetings of the Society but not for any other purpose and may act for either of the purposes aforesaid whether or not their number is reduced below the number fixed by or in accordance with these presents as the quorum of directors.

Chairman
deputy chair-
man and
vice-chair-
man of
directors.

38. The chairman or failing him the deputy chairman or failing him the vice-chairman shall preside at all meetings of the board at which they are present. If at any time there be no chairman or deputy chairman or vice-chairman or if at any meeting none of them be present within five minutes after the time appointed for holding the same the directors present may choose one of their number to be chairman of the meeting.

Directors
may exercise
all powers.

39. A meeting of the directors for the time being at which a quorum is present shall be competent to exercise by resolution of the meeting all powers and discretions for the time being exercisable by the directors under the rules or the Society's Act and not thereby expressly required to be exercised by any special majority of the directors.

Committees.

40. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the directors.

Chairman of
committees.

41. A committee may elect a chairman of their meetings. If no such chairman be elected or if at any meeting the chairman be not present within five minutes after the time appointed for holding the same the members present may choose one of their number to be chairman of the meeting.

Proceedings
of commit-
tees.

42. A committee may meet and adjourn as they think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present and in case of an equality of votes the chairman shall have a second or casting vote.

Acts of
directors and
committees
valid not-
withstanding
informalities.

43. All acts done by any meeting of directors or of a committee of directors or by any person acting as a director shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any such director or person acting as aforesaid or that they or any of them were disqualified or had vacated office be as valid as if every such person had been duly appointed and was qualified and had continued to be a director.

VII.—POWERS OF DIRECTORS.

A.D. 1914.

44. The management of the business and affairs of the Society (including therein the management of the property of the Society) shall be vested in the directors and the directors in addition to the powers and authorities by the laws of the Society and the rules expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Society and are not by the rules or the Society's Act or by statutes directed or required to be exercised or done by the members at a meeting of the members of the Society but subject nevertheless to the provisions of the Society's Act and of the statutes and of the rules Provided that no rule shall invalidate any act of the directors done before such rule was made which would have been valid if such rule had not been made.

Management
of affairs of
Society vested
in directors.

45. The directors shall without prejudice to the general powers herein-before conferred on them have power from time to time—

Powers of
directors.

- (1) To acquire and hold lands property and assets which the Society is authorised to acquire and to sell mortgage charge lease exchange or otherwise deal with the same as they shall think fit and to provide and maintain such buildings as they shall deem suitable for the purpose of business premises or in connexion therewith in any part of the world :
- (2) To direct and control the accumulation and investment of the funds of the Society upon any of the investments authorised by the Society's Act :
- (3) To grant and effect at such rates and on such terms and conditions as they think fit assurances and annuities or any other authorised business :
- (4) To regulate from time to time the terms and conditions that shall attach to policies or assurances issued by the Society and in particular the matters following (that is to say):—
 - (a) The conditions as to foreign travel and residence occupation and military and naval service upon which all or any policies or policy or assurances shall be granted by the Society and whether in all or any case or cases such conditions may be modified or dispensed with ;
 - (b) The events in which policies or assurances shall be forfeited or become void and of no effect ;
 - (c) The extent to which relief may be granted by the directors in case of any policy or assurance being forfeited or becoming void from any cause ;

A.D. 1914.

(d) The exemption of any policies or assurances from forfeiture and the circumstances in which and the extent to which such exemption shall apply ;

(e) The conditions upon which any policies or assurances which have or may become lapsed or forfeited or liable to become lapsed or forfeited by reason of non-payment of contributions or from any other cause may be revived or maintained in force :

- (5) To open and establish new departments of the Society for the carrying on of new or separate classes of business and to discontinue or close any department (other than the ordinary life assurance department) and transfer the policies or assurances issued thereout to any other department and to carry out provide for regulate and control the issue and continuance of policies or assurances in the different departments of the Society for the time being :
- (6) In all or any case or cases if they see fit to suspend waive or dispense with all or any of the conditions of forfeiture or other terms and conditions attaching to any policies or assurances :
- (7) At any time during the currency of a policy or assurance on the application of or by arrangement with the owner thereof to alter or vary the then subsisting method of making the contributions in respect of such policy or assurance to any other method of equivalent value approved of by the directors or to substitute an assurance payable on the occurrence of any other event or to convert an assurance of one class into an assurance of any other class on such terms and conditions as the directors may deem equitable and proper :
- (8) To redeem or purchase or receive the surrender in whole or in part of any policy or assurance issued or granted by the Society or of the bonus additions thereto and to allow such value therefor as they may see fit or to issue or grant in lieu thereof a paid-up policy or assurance for a reduced amount or to convert the original policy or assurance into such a paid-up policy or assurance or otherwise to deal with the same as may be arranged between them and the owner thereof :
- (9) To make ex gratia payments of such amount as they think fit in the case of any policy or assurance which has been forfeited or become void from any cause :
- (10) To call for such evidence as they may deem necessary of all claims against the funds of the Society and upon their

being satisfied of the justice of such claims to direct the payment thereof: A.D. 1914.

- (11) To make alter and repeal from time to time byelaws for conducting and regulating the affairs of the Society including any of the matters specified or referred to in the rules Provided always that any byelaw made or done in virtue hereof be not inconsistent with the laws of the Society or the rules:
- (12) To appoint and remove or suspend such general managers actuaries medical officers and clerks and to make all such other appointments of officers district representatives assistants agents and others as they may consider necessary for efficiently carrying on the business or affairs of the Society (including therein the management of the property of the Society) to fix assign and alter the duties and to fix and alter the salaries and emoluments of such officers and others and in their discretion to grant pensions or retiring allowances to employees or ex-employees of the Society or the existing society or to their wives families connexions and dependants or vote sums of money to be paid to the staff or employees of the Society by way of honorarium during their employment:
- (13) To raise or borrow or secure the payment of any sum or sums of money for the purposes of the Society in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures or debenture stock of the Society charged upon all or any part of the property of the Society (both present and future) Provided that the amount at any one time owing in respect of money so raised or borrowed or secured shall not without the sanction of the Society in general meeting exceed the sum of £250,000 but no lender or other person dealing with the Society shall be concerned to see or inquire whether this limit be observed:
- (14) To secure the fulfilment of any contracts or engagements entered into by the Society by mortgage or charge of all or any of the property of the Society or in such other manner as they think fit:
- (15) To give to any person employed by the Society a commission on the profits of any particular business or transaction or a share in the general profits of the Society or of any department thereof and so that such commission or share of profits shall be treated as part of the working expenses of the Society:

A.D. 1914.

(16) To enter into all such negotiations and contracts and to rescind or vary all such contracts and execute and do all such acts deeds and things in the name and on behalf of the Society as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Society.

VIII.—POLICIES.

Limitation
of policies
and annuities.

46. The directors shall have power to accept any proposal for assurance to such an amount as they shall think proper provided the surplus beyond £10,000 be re-assured so that the risk of the Society dependent on any single event or contingency shall not exceed £10,000 exclusive of bonus additions and also to grant any annuity to such an amount as they shall think proper provided the surplus beyond £1,000 per annum payable during the continuance of any one life or dependent on any single event or contingency be re-assured.

Declaration
to be signed
by appli-
cants.

47. Every person applying to effect a policy with the Society shall sign a declaration in such form as shall be approved by the directors and shall set forth such particulars as they may require.

Grant of
policy.

48. If it shall appear to the directors that any person making application as aforesaid is duly qualified and such application shall be accepted a policy shall be delivered to the applicant in such form as shall have been approved by the directors which policy shall be subject to the laws of the Society and the declaration signed as aforesaid.

IX.—SEAL.

Seal.

49. The directors shall provide for the safe custody of the seal and the seal shall never be used except by the authority of the directors or a committee of the directors and in the presence of two directors at least who shall sign every instrument to which the seal is affixed in their presence and every such instrument shall be countersigned by the managing director the general manager or such other officer as the directors from time to time appoint.

X.—GENERAL MANAGERS AND MANAGING DIRECTORS.

Manager.

50. The directors may from time to time appoint one or more persons to be general manager or general managers of the Society for such terms as they think fit and a director may be so appointed in which case he shall be known as managing director.

A managing director shall not whilst holding that office be subject to retirement at any annual general meeting but his appointment shall (subject to the terms of any contract between him and the Society) be subject to determination ipso facto if he cease for any reason to be a director of the Society.

51. A general manager or managing director shall receive such remuneration (whether by way of salary participation in profits commission or partly in one way and partly in another) as the directors may determine or as may be fixed by any contract between such general manager or managing director and the Society. A.D. 1914.
Remuneration of manager.

52. The directors may entrust to and confer upon a general manager or managing director any of the powers exercisable by them as directors (other than the power of determining upon the mode of investment of the funds of the Society) upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may also prescribe and fix the duties to be performed by any general manager or managing director. Delegation of powers to manager.

XI.—LOCAL BOARDS.

53. The directors may from time to time appoint any number of persons to be a local board in any place (whether in the United Kingdom or in any other part of the world) for the purpose of carrying on the business of the Society at any such place. Local boards.

54. The directors may by power of attorney or otherwise confer on a local board any powers vested in the directors to be exercised within the district for which such local board is appointed. Delegation of powers to local board.

55. The directors may pay to the members of a local board such remuneration as the directors think fit. Remuneration.

56. The directors may from time to time make regulations for the guidance and government of a local board. Regulations.

57. The directors may fill up any vacancy on a local board. Vacancy.

58. The directors may at any time remove any member of a local board and appoint another member in his stead and may at any time dissolve a local board for any cause whatsoever and appoint another board in its stead. Removal of members.

59. The directors may authorise a local board to delegate all or any of the powers vested in such board. Local board may delegate powers.

XII.—TRUSTEES.

60. The directors may from time to time appoint any directors or officers of the Society or any other person or corporation as trustees for the Society to accept and hold any property mortgage investment or security belonging to the Society or in which it is interested in trust for the Society or for any other purposes and may execute and do all such deeds and things as may be requisite in relation to any such trust and may provide for the remuneration of such trustees. Appointment of trustees.

A.D. 1914.

Trustees may
delegate
powers.Trustees to
act in accord-
ance with
directors' in-
structions.

61. The directors may authorise any trustees to delegate all or any of the powers vested in such trustees.

62. The several persons who for the time being hold property for the Society shall act in all respects under and in accordance with the instructions of the directors.

XIII.—PERIODICAL INVESTIGATION AND DISTRIBUTION OF PROFITS.

Actuarial in-
vestigation.

63. With all reasonable dispatch after each 31st day of December the directors shall cause an investigation to be made into the financial position of the Society as on that date by a duly qualified actuary (such investigation to include a valuation of the liabilities of the Society) and if it shall appear from the report of the actuary that the funds and assets of the Society or of any particular department of the Society have accumulated so as to be more than sufficient to discharge the whole of the claims made or liable to be made thereon then the surplus shall be dealt with as herein-after provided.

Profits.

64. The directors may set aside out of such surplus and carry to any reserve or reserves whether special or general pursuant to section 25 of the Society's Act such sums as they think fit and may also carry forward any part of the said surplus which they think fit without carrying the same to reserve and the balance of such surplus remaining after setting aside and carrying forward such sums as aforesaid shall be and is herein-after referred to as the divisible profits of the Society and the declaration of the directors as to the amount of the divisible profits of the Society shall be final and conclusive against the members and other persons if any entitled to participate in such profits.

Allocation of
profits.

65. The directors may allocate or apply any part of the divisible profits which they think fit (or which under the terms of any policies issued or any rules or regulations from time to time made by the directors ought to be allocated or applied for the purpose) towards or in providing for or making any payments or bonuses to or allowing or conferring any benefits privileges or advantages to or upon the persons insured in the industrial insurance department of the Society (or any other department of the Society insurance in which does not constitute the persons effecting such insurances members of the Society) or any class or classes of such persons as they think fit Provided always that the sum so allocated or applied towards or in making payments or bonuses to or allowing or conferring other benefits upon the persons or any class or classes of the persons insured in any such department as aforesaid shall not in any event exceed the profits earned by such department less a proportionate part of all sums carried to reserve or reserves or carried forward out of the total surplus or profits of the Society.

66. The balance of the divisible profits remaining after deducting any part thereof allocated or applied under the last preceding rule shall be divided by way of bonus amongst the members of the Society holding with profit policies in the Society more than two years in force by allotting to each such member his due share in respect of such policy. Provided that every such share so allotted to any holder shall be appropriated by the directors as an addition to the sum assured by his policy or at their option to reduce the amount of premium payable by such holder but no such division or distribution shall be made unless it shall have been duly recommended or certified as just and equitable by such actuary as aforesaid.

A.D. 1914.
Balance of profits allocated to members holding policies.

XIV.—ACCOUNTS.

67. The directors shall cause true accounts to be kept—

Accounts.

(1) Of the sums of money received and expended by the Society and the matters in respect of which such receipt and expenditure takes place; and

(2) Of the assets and liabilities of the Society:

And in keeping such accounts the directors shall have regard to any provisions of the statutes with regard to the accounts to be kept by assurance companies and as to keeping separate accounts of separate classes of insurance business which are applicable to the Society.

68. At the annual general meeting in every year the directors shall lay before the Society a revenue account and balance sheet in the forms required by the statutes to be prepared by assurance companies together with a report of the actuary as to the result of the investigation into the financial condition of the Society to be made each year as hereinbefore provided.

Accounts to be laid before annual meeting.

69. A printed copy of the last accounts balance sheet and statement shall on the application of any member or policy holder of the Society be forwarded to him by the Society by post or otherwise.

Accounts to be sent to members and policy holders.

XV.—AUDIT.

70. The Society shall at the annual general meeting in every year appoint an auditor who shall be a professional accountant to hold office until the next ensuing annual general meeting and may also appoint two other auditors (being members of the Society) to hold office until such last-mentioned meeting.

Appointment of auditors.

71. If an appointment of a professional accountant as auditor is not made at any meeting at which it ought to be made under the provisions of the preceding rule the Board of Trade may on the application of any member of the Society appoint an auditor of the Society for the current year and fix the remuneration to be paid to him by the Society for his services.

In default Board of Trade may appoint an auditor.

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Director or
officer cannot
be appointed.

72. A director or officer of the Society shall not be capable of being appointed auditor of the Society.

Continuance
of existing
auditors.

73. The auditors of the existing society at the date of the passing of the Society's Act shall be the first auditors of the Society and shall hold office until the annual general meeting in the year 1915.

Casual
vacancy.

74. The directors may fill any casual vacancy in the office of auditor filled by a professional accountant but while any such vacancy continues the surviving or continuing auditor or auditors (if any) may act.

Remunera-
tion.

75. The remuneration of the auditors shall be fixed by the Society in general meeting except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the directors.

Appointment
of new
auditor.

76. A person other than a retiring auditor shall not be capable of being appointed an auditor at an annual general meeting unless such person is recommended for appointment by the directors or notice of an intention to nominate that person to the office of auditor has been given by a member to the Society not less than fourteen days before the meeting.

Auditor to
have access
to books
accounts and
necessary
information.

77. Every auditor of the Society shall have a right of access at all reasonable times to the books and accounts and vouchers of the Society and shall be entitled to require from the directors and officers of the Society such information and explanation as may be necessary for the performance of the duties of the auditors.

Auditors'
report.

78. The auditors shall make a report to the members on the accounts examined by them and on every balance sheet laid before the Society in general meeting during their tenure of office and the report shall be read before the Society in general meeting and shall state—

- (1) Whether or not they have obtained all the information and explanation they have required :
- (2) Whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the Society's affairs according to the best of their information and the explanation given to them and as shown by the books of the Society.

XVI.—NOTICES.

Service of
notices on
members.

79. A notice requiring to be served by the Society upon any member otherwise than by advertisement may be served either personally or by sending it through the post in a prepaid letter envelope or wrapper addressed to such member at his registered address.

The registered address of a member shall be the latest address in the United Kingdom which has been notified to the Society and is registered in its record of addresses as the address of the member.

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80. Each member whose registered address is not in the United Kingdom shall from time to time notify in writing to the Society an address in the United Kingdom which shall be deemed his registered address within the meaning of the last preceding clause.

Address of
members
residing out-
side United
Kingdom.

81. Any notice required to be given by the Society to the members policy holders policy owners or any of them and not expressly provided for by these rules shall be sufficiently given if given by advertisement.

Notice by
advertise-
ment.

Any notice required to be or which may be given by advertisement shall if not otherwise expressly provided for by these rules be advertised at least once in two Birmingham daily newspapers.

82. Any notice sent by post shall be deemed to have been served on the day on which the letter envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the letter envelope or wrapper containing the notice was properly addressed and put into the post office.

Notice by
post.

83. Every person who by operation of law assignment purchase or other means whatsoever shall become the owner of any policy shall be bound by every notice in respect of such policy which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such policy.

Owners of
policies
bound by
notice to
previous
owner.

84. The signature to any notice to be given by the Society may be written or printed.

Authentica-
tion of
notices

XVII.—ARBITRATION.

85. Every matter in dispute between the Society or any person acting under or on behalf of the Society and any member thereof or person claiming through or under any such member shall be referred to and decided by arbitration pursuant to the Arbitration Act 1889 or any statutory modification thereof for the time being in force.

Arbitration.

Printed by EYRE and SPOTTISWOODE, Ltd.,

FOR

FREDERICK ATTERBURY, Esq., C.B., the King's Printer of Acts of Parliament.

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