



CHAPTER xliii.

An Act to define the objects and members of the Mutual Life Assurance Society and to enlarge the powers of the Society and for other purposes. [9th June 1893.]

A.D. 1893.

WHEREAS the Mutual Life Assurance Society was established by deed of settlement in the year 1834 for effecting assurances on lives and for the purposes usually connected with life assurances on the basis that the members should be persons effecting assurances on or for the whole duration of any human life and that the profits made by the Society should be divided among such of its members as should effect assurances on the profit scale of premiums :

And whereas in the year 1837 certain preliminary declarations and eighty-one laws rules and regulations were agreed on and adopted for the management of the Society and enrolled in the Court of Chancery and divers new laws rules and regulations and amendments were subsequently made from time to time :

And whereas in the year 1871 pursuant to powers contained in the said laws rules and regulations the whole of the then existing laws rules and regulations of the Society were repealed and new laws rules and regulations (herein-after called "the existing deed of settlement") were agreed on and adopted in lieu thereof by two successive general meetings of the Society :

And whereas at and by such meetings it was specially resolved and ordered that the Society should be registered under the Companies Act 1862 and the Companies Act 1867 :

And whereas the Society was accordingly registered without limited liability under the said Acts on the tenth day of August one thousand eight hundred and seventy-one :

And whereas under the existing deed of settlement (section 3) the Society consists exclusively of all the living persons who for the time being shall have either solely or jointly with any other person

A.D. 1893. effected assurances for life with the Society and whose assurances shall have been kept up and be in force and the executors or administrators of every deceased person who solely and of the survivor of every two or more deceased persons who jointly shall have effected any assurance for life with the Society which shall continue in existence and shall have been kept up and be in force and (section 11) all profits are distributable among the members entitled to policies effected on the profit scale of premiums :

And whereas by section 4 of the said deed it is declared that the chief object of the Society shall be to make assurances for lives to and between and for the benefit of its members upon the principle of mutual assurance so as to proceed without a fixed or permanent capital and as subordinate thereto the further object of the Society shall be to make general assurances on lives and survivorships and other legal assurances on events connected with life to the public at large including the members and to grant and purchase annuities for lives or on survivorships :

And whereas the Society are by section 5 of the said deed prohibited from assuring a greater sum than five thousand pounds on any one life or on any one contingency :

And whereas the provision lastly herein-before recited and other provisions of the existing deed of settlement have been found in practice insufficient or prejudicial to the development of the Society's business :

And whereas by virtue of section 196 of the Companies Act 1862 all the provisions contained in the existing deed of settlement are to be deemed to be conditions and regulations of the Society in the same manner and with the same incidents as if they were contained in a registered memorandum of association and articles of association and the same section further provides (among other things) to the effect that nothing therein contained shall authorise any company to alter any such provisions contained in any deed of settlement or other instrument constituting or regulating the company as would if such company had originally been formed under the said Act of 1862 have been contained in the memorandum of association and are not authorised to be altered by the said Act :

And whereas doubts have arisen as to the construction of the above enactment as applied to the Society and in what particulars and to what extent the existing deed of settlement is alterable by special resolution of the Society :

And whereas in these circumstances it is expedient to define and extend by a memorandum of association scheduled to this Act

the objects and conditions of the Society and to make further provisions respecting the conditions of membership and to empower the Society to make new regulations for its government and the management of its affairs and to enact that on and from the making of such new regulations such scheduled memorandum shall be the memorandum of association of the Society and that the existing deed of settlement shall be repealed :

And whereas it is expedient to provide for the continuance and government of the Society in accordance with such new regulations as aforesaid and to define the persons who are and shall be members of the Society :

And whereas it is expedient to constitute a special fund for the purpose of safeguarding the existing policies of the Society and to make such other provisions as this Act contains :

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 Queen's most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal and Commons in this present Parliament assembled and by the authority of the same as follows (that is to say) :—

1. This Act may be cited as the Mutual Life Assurance Society's Act 1893. Short title.

2. From and after the passing of a special resolution of the Society sanctioning new regulations for the government of the Society and the management of its business the memorandum of association of which a copy is set out in the schedule to this Act shall be the memorandum of association of the Society and shall be dated on the day of the passing of the said special resolution and shall take effect as if all the members of the Society at the date of such memorandum had subscribed and sealed the same. Memorandum of association of Society.

3. The members of the Society shall be the persons who are members of the Society at the date of the memorandum of association and all persons who shall after such date either solely or jointly with any other person effect assurances with the Society upon the profit scale of premiums (and the executors and administrators of every deceased person who solely and of the survivor of any two or more deceased persons who jointly have effected any such assurance) Provided always that upon the termination of any assurance by death lapse avoidance or surrender the person who for the time being was a member in respect of such assurance shall (subject to the provisions contained in section 38 subsections 1 2 3 and 6 of Members of Society.

A.D. 1893. — the Companies Act 1862 which sub-sections are hereby incorporated with this Act) cease to be a member of the Society in respect of such assurance. Provided also that in the case of the death of a person who shall be a member of the Society in respect of an assurance upon the life of another the personal representatives of such member shall have the option of exchanging such assurance for a policy of assurance upon the non-profit scale of premiums for such a sum as the actuary of the Society shall certify to be the value of the policy for which it is to be exchanged such option to be exercised within the period of three months from the date of the death of the member (which period the directors of the Society may if they think fit enlarge) and to be signified in writing to the Society and if such representatives in the exercise of such option shall take in exchange a policy of assurance on the non-profit scale they shall not in respect of such policy or of the policy for which the same is substituted be or be deemed to have been members of the Society.

Power to
make new
regulations.

4. It shall be lawful for the directors with the sanction of a special resolution to adopt new regulations for the government of the Society and the management of its business. Provided always that the new regulations to be made as aforesaid shall not be inconsistent with the memorandum of association or the provisions of this Act and shall be subject to repeal alteration and addition by special resolution of the Society.

Repeal of
existing
deed of
settlement
as from
adoption of
new regula-
tions.

5.—(1) As from the passing of such special resolution as aforesaid the existing deed of settlement and all byelaws and resolutions of the Society shall be repealed without prejudice to anything done or suffered thereunder.

(2) Until the passing of such special resolution as aforesaid the existing deed of settlement byelaws and resolutions respectively shall continue in force and operation save so far as they may be superseded by or inconsistent with any of the provisions of this Act.

Continuance
of Society
subject to
this Act and
new regula-
tions.

6. After and notwithstanding such repeal as aforesaid the Society shall continue to exist by its present name of the Mutual Life Assurance Society with the said memorandum of association and subject to such regulations for its government and the management of its business and other matters as are contained in this Act or shall be contained in the new regulations to be made as aforesaid or as the same may be from time to time lawfully altered and the members of the Society at the date of the memorandum of association shall continue to be members of the Society and the existing directors in office at that date shall continue to be directors of the Society.

7. After and notwithstanding such repeal as aforesaid or any other provision of this Act—

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Saving for
assurances
and actions.

(a) All agreements assurances awards bonds contracts deeds mortgages securities and other acts and things made entered into executed or done by or with the Society or any person or persons on its behalf and in force at the date of such repeal shall be as valid and effectual to all intents in favour of against and with reference to the Society as if this Act had not been passed and such repeal had not taken effect ;

(b) Any action arbitration or other proceeding or cause of proceeding pending or existing at the date of such repeal by with against or in favour of the Society or any person or persons on its behalf shall not abate or be prejudicially affected by such repeal but on the contrary may be continued or enforced and carried on by with or against or in favour of the Society as if this Act had not been passed and such repeal had not taken effect ;

(c) All books and documents of or concerning the Society which are now admissible in evidence shall be admitted in evidence as if this Act had not been passed and such repeal had not taken place.

8.—(1) As soon as practicable after the repeal of the existing deed of settlement the directors shall establish a fund to be called "the Series A Fund" and shall place to the credit of that fund in the books of the Company a sum equal to the sum certified by the actuary of the Society to be the value of the liabilities on the policies in force on the thirty-first day of December 1892 of members insured for the whole of life on the with profit scale of premiums (herein-after called "Series A Policies").

Establish-
ment of
Series A
Fund for
benefit of
existing
members.

(2) There shall be from time to time carried to the credit of the said fund all premiums received on the Series A Policies and also interest on the sum from time to time standing to the credit of the said fund at the average rate of interest obtained on the investments of the Society in such manner as the directors shall from time to time determine.

(3) Out of the said fund or the income thereof shall be paid such proportion of the general expenses of the Society as shall be determined by the directors and all claims and demands arising by death or otherwise on or in respect of the Series A Policies but in the event of the said fund proving inadequate to meet any such claims and demands nothing herein contained shall be taken to prevent or restrict resort to other funds or assets of the Society for the purpose of meeting any such claims or demands as aforesaid.

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(4) The said fund shall be maintained and shall be applicable exclusively as aforesaid so long as any of the Series A Policies are in existence and on the determination of the last of such policies the said fund shall be wound up and discontinued by the directors.

Act to be
registered.

9. A printed copy of this Act shall be deposited by the Society with the Registrar of Joint Stock Companies who shall receive and file the same and if such copy shall not be delivered to the registrar within three months from the passing of this Act the Society shall incur a penalty not exceeding ten pounds for every day after the expiration of the said three months during which the Society shall omit to deliver the said copy and every director of the Society who shall knowingly and wilfully authorise or permit such default shall incur the like penalty and every penalty under this section shall be recoverable at the suit of the Crown and not otherwise.

Affidavits
&c. on
behalf of
the Society.

10. Any affidavit statutory or other declaration and any answer or other similar document required from or by the Society may be made and verified by the actuary or secretary or by any director of the Society for and on behalf of the Society.

Saving for
general
Acts.

11. Nothing in this Act shall be deemed to exempt the Society from the provisions of the Life Assurance Companies Acts 1870 to 1872 or of any other public general Act already passed or which may be hereafter passed affecting life assurance companies formed before the passing thereof.

Costs of Act.

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

The SCHEDULE.

A.D. 1893.

MEMORANDUM OF ASSOCIATION OF THE MUTUAL LIFE ASSURANCE SOCIETY.

1. The name of the Company is the Mutual Life Assurance Society.
2. The registered office of the Society is and will be situate in England.

3. The objects of the Society are to make assurances for lives to and between and for the benefits of its members upon the principle of mutual assurance so as to proceed without a fixed or permanent capital and to make general assurances on lives and survivorships and other legal assurances on events connected with life to the public at large including the members and to grant and purchase annuities for lives or on survivorships and generally to transact all descriptions of business ordinarily transacted by life assurance companies or known as life assurance business :

With power for the Society to carry on business beyond the limits of the United Kingdom and for that purpose so far as necessary to acquire and hold land and securities abroad and to appoint remove and empower local agents abroad and also with power for the Society by special resolution but not otherwise to amalgamate with or acquire and take over all or any of the assets liabilities and business of any insurance company transacting business similar to that of the Society for such consideration and on such terms as may be agreed and to continue fulfil or renew any contracts or engagements and satisfy any liabilities of such company :

Provided always that no greater sum than ten thousand pounds (exclusive of bonus additions) shall at any one time stand at the Society's own risk on any one life and in every case in which the directors issue a policy by which the aggregate sum assured on one life shall be more than ten thousand pounds (exclusive as aforesaid) they shall at the time of issuing such policy take out one or more guarantee or reinsurance policy or policies to the amount of the excess from such other life assurance company or association or companies or associations as they may think fit and they shall maintain every such guarantee or reinsurance policy so long as is necessary to limit their own risk to ten thousand pounds on such one life Provided also that no annuity shall be charged on the funds of the Society on any contingency whatsoever of greater amount than one thousand pounds per annum.

Printed by EYRE and SPOTTISWOODE,

FOR

T. DIGBY PIGOTT, Esq., C.B., the Queen's Printer of Acts of Parliament.

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