CHAPTER cxii.

An Act to repeal the Acts relating to the Imperial Fire Insurance Company as from the date of its registration as a Limited Company and to re-enact parts of those Acts to change the name of the Company and for other purposes. [21st July 1891.]

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WHEREAS the Imperial Fire Insurance Company was constituted under the title of the Imperial Insurance Company by a deed of settlement dated the twelfth day of February one thousand eight hundred and three for the insurance of "ships and other vessels "in port or in dock building or repairing and goods on board thereof "also barges and other vessels on navigable rivers and canals and "goods on board thereof buildings goods stores merchandise and "effects in Great Britain and Ireland or in any other part of the "world against loss or damage by fire" with a capital of one million two hundred thousand pounds divided into two thousand four hundred shares of five hundred pounds each:

And whereas by the Act local and personal passed in the fifth year of the reign of Her present Majesty session two chapter sixty-six (in this Act referred to as the Act of 1842) various alterations were made in the said deed of settlement and further powers were conferred on the Company: 5 & 6 Vict. c. lxvi.

And whereas prior to the passing of the Act next herein-after mentioned the sum of fifty pounds had been paid up on each of the said two thousand four hundred shares and sums of money had been transferred or added at different periods since the formation of the Company to its paid-up capital which including the said payments of fifty pounds per share amounted to the sum of five hundred and three thousand nine hundred and thirty pounds one shilling and sevenpence:

And whereas by the Imperial Fire Insurance Act 1869 (in this Act referred to as the Act of 1869) the name of the Company was changed from the Imperial Insurance Company to the Imperial 32 & 33 Vict. c. xvi.

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Fire Insurance Company (herein-after called the Company) and further provisions were made with respect to the management of the Company:

And whereas by the said Act it was amongst other things enacted that from and after the passing of such Act each share of five hundred pounds of the Company should be divided into five shares of one hundred pounds each and that there should be carried to the credit of each share of one hundred pounds one-fifth part of the original payment of fifty pounds upon each original share and that the sums then standing to the credit of the capital stock of the Company amounting as aforesaid to five hundred and three thousand nine hundred and thirty pounds one shilling and seven pence together with the sums which should thereafter be transferred or added to the said capital stock should be retained by the Company in order to meet demands on the Company in the transaction of their business and should not be divisible among the proprietors but that nothing in the Act should prevent the division among the proprietors of the interest or dividend on the said capital stock in conformity with the provisions of the said deed of settlement and of the recited Acts:

And whereas shortly after the passing of the said last recited Act the sum of sixteen thousand and sixty-nine pounds eighteen shillings and five pence was out of the assets of the Company added to the said sum of five hundred and three thousand nine hundred and thirty pounds one shilling and seven pence thus making together the sum of five hundred and twenty thousand pounds:

52 & 53 Vict. c. cxliv.

And whereas by the Imperial Fire Insurance Act 1889 provisions were made for enrolling or registering memorials of the names of the trustees of the Company in the Supreme Courts of Judicature in England and Ireland respectively and in the books of Council and Session in Scotland and for the vesting of securities and property in the names of such trustees and further amendments were made in the said deed of settlement and in the recited Acts:

And whereas it is intended to register the Company as a limited company under the Companies Acts 1862 to 1890:

And whereas the memorandum and articles of association which are set forth in the schedule to this Act have been approved by the Company in general meeting:

And whereas since the passing of the Act of 1869 the sum of one hundred and eighty thousand pounds has been added to the said capital stock and the said twelve thousand shares are now paid up to the extent of twenty-five pounds per share:

And whereas the said twelve thousand shares are held by eight hundred and nine shareholders of whom seven hundred and seventy-

eight holding in all eleven thousand three hundred and nineteen shares have given their assent in writing to this Act and two shareholders only holding together thirty-four shares have expressed their dissent thereto and a special notice has been sent to such dissentients but neither of them has appeared to raise any further objections to the Bill:

And whereas it is expedient to repeal the recited Acts as from the date of such registration and to re-enact such of their provisions as are contained in this Act and to declare that the said memorandum and articles of association shall be the memorandum and articles of association of the Company:

And whereas the objects aforesaid 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):—

Short title.

1. This Act may be cited as the Imperial Insurance Company's Act 1891.

Repeal of recited Acts and deed of settlement.

2. On and from the date of registration of the Company under the Companies Acts 1862 to 1890 the Company shall continue incorporated by the name of the Imperial Insurance Company Limited and the Act of 1842 the Act of 1869 and the Act of 1889 and the recited deed of settlement and all resolutions amending the same shall be repealed without prejudice to anything done or suffered thereunder and in particular the trustees acting under the Act of 1889 shall hold the securities and property vested in them respectively at the date of the registration of the Company in trust for the Company and shall deal with the same in such manner as the Company acting by its directors shall direct.

Substitution of memorandum and articles of association in schedule for deed of settlement.

3. On and from the date of registration of the Company under the Companies Acts 1862 to 1890 the memorandum and articles of association of which a copy is set out in the schedule to this Act shall subject to the provisions of the said Companies Acts be the memorandum and articles of association of the Company in substitution for the recited deed of settlement and resolutions amending the same.

Vesting of shares in members of Company.

4.—(1) Every member of the Company shall receive in substitution for every share of one hundred pounds held by him in the capital of the Company immediately before its registration under

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the said Companies Acts five of the twenty pound shares into which the capital of the Company is divided by the memorandum of association scheduled to this Act.

(2) Five such twenty pound shares shall to and for all intents and purposes represent and be substituted for one share of one hundred pounds and the said twenty pound shares shall be subject and liable to the same trusts powers provisions declarations agreements charges liens and incumbrances as immediately before such registration as aforesaid affected the corresponding old shares respectively and every deed agreement or other instrument and every testamentary or other disposition shall take effect with reference to the whole or a proportionate part of the substituted shares as the case may be.

(3) The directors shall issue or cause to be issued certificates of the said twenty pound shares under such conditions as to evidence of title or otherwise in regard to the old shares as they may determine.

Transfer of property to Company.

5. All such property real and personal including all interests and rights in to and out of property real and personal and including obligations and things in action as may belong to or be vested in the Company at the date of its registration under the said Companies Acts shall on registration pass to and vest in the Company as incorporated under those Acts for all the estate and interest of the Company therein.

Registration not to affect obligations incurred previously to registration.

6. The registration of the Company in pursuance of the said Companies Acts and the change of the name of the Company shall not affect or prejudice the liability of the Company to have enforced against it or its right to enforce any debt or obligation incurred or any contract entered into by to with or on behalf of the Company previously to such registration.

Continuance of existing actions.

7. Notwithstanding such repeal as aforesaid and the change of name of the Company or any other provisions of this Act all such actions and other legal proceedings as may at the time of the registration of the Company have been commenced by or against the Company or the public officer or any member thereof may be continued in the same manner as if such registration had not taken place nevertheless execution shall not issue against the effects of any individual member of the Company upon any judgment decree or order obtained in any action or proceeding so commenced as aforesaid but in the event of the property and effects of the Company being insufficient to satisfy such judgment decree or order an order may be obtained for winding up the Company.

Retention of 400,000*l.* special reserve fund.

8. The sum of four hundred thousand pounds being the amount by which the sums now standing to the credit of the capital stock of the Company exceed the paid-up capital of the Company shall be regarded as a special reserve fund and shall be retained by the Company in order to meet demands on the Company in the transaction of their business and shall not be divisible among the members of the Company but nothing in this Act shall prevent the division among the members of the Company of the interest or dividends of the said special reserve fund in accordance with the regulations for the time being of the Company.

Act to be registered.

9. A printed copy of this Act shall be filed by the Company 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 Company shall incur a penalty not exceeding ten pounds for every day after the expiration of the said three months during which the Company shall omit to deliver the said copy and every director and manager of the Company 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.

Life Assurance Companies Acts 1870 and 1871 to apply to Company.

10. Nothing in this Act shall be deemed to prevent the application to the Company of the Life Assurance Companies Acts 1870 and 1871 and any other Act which may be passed amending the same so far as the Company shall carry on the business of life assurance.

Costs of Act.

11. All costs charges and expenses of and incident to the preparing for obtaining and passing of this Act or otherwise in relation thereto shall be paid by the Company.

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The SCHEDULE above referred to.

Memorandum of Association of the Imperial Insurance Company Limited.

1. The name of the Company is "The Imperial Insurance Company Limited."

2. The registered office of the Company is and will be situate in England.

3. The objects for which the Company is established are—

(1.) To carry on the business of fire insurance in all its branches;

(2.) To carry on the business of marine insurance in all its branches;

(3.) To carry on the business of accident insurance in all its branches;

(4.) To carry on the business of a guarantee company in all its branches;

(5.) To carry on in the event of amalgamation with any Company transacting the business of life assurance or purchase or absorption or taking over of the business of any such Company but only in that event and to that extent the business of life assurance;

(6.) Generally but with the exception aforesaid to carry on every kind of insurance business;

(7.) To re-insure or counter-insure all or any risks and to undertake all kinds of re-insurance or counter-insurance connected with any of the businesses aforesaid;

(8.) To grant and sell annuities of all kinds whether dependent on human life or otherwise and whether perpetual or terminable and whether contingent or otherwise;

(9.) To contract with leaseholders borrowers lenders annuitants and others for the establishment accumulation provision and payment of sinking funds redemption funds depreciation funds renewal funds endowment funds and any other special funds and that either in consideration of a lump sum or of an annual premium or otherwise and generally on such terms and conditions as may be arranged;

(10.) To purchase and deal in reversionary interests absolute or contingent and estates for life whether determinable or not in property of all kinds and to acquire or extinguish by purchase or surrender any policy security or grant issued by the Company;

(11.) To appropriate any of the assets of the Company as a special fund or special funds for the security of any policy-holders of the Company or for any other purposes and to give to any class or section of those who insure or have dealings with the Company any rights over or in relation to any fund or funds so appropriated or to give to any class or section aforesaid a right to participate in the profits of the Company or in the profits of any particular branch of its business or any other special privileges advantages or benefits;

(12.) To acquire and take over on such terms and conditions as may be arranged the whole or any part of the business property and liabilities of any Company carrying on or formed to carry on either in the United Kingdom or elsewhere any business which this Company is authorised to carry on or possessed of property or rights suitable for the purposes of the Company ;

(13.) Generally to purchase take on lease or in exchange hire or otherwise acquire any real or personal property in any part of the world and any rights or privileges which the Company may think necessary or convenient with reference to any of these objects and capable of being profitably dealt with in connection with any of the Company's property or rights for the time being;

(14.) To enter into partnership or into any arrangement for sharing profits union of interests reciprocal concession joint adventure or co-operation with any person or Company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to take or otherwise acquire and hold shares or stock in or securities of and to subsidise guarantee the policies or contracts of or otherwise assist any such Company and to sell hold re-issue with or without guarantee or otherwise deal with such shares or securities and to manage or control or take part in the management or control of the business of any such Company and to act as agents or trustees for any such Company ;

(15.) To sell the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares debentures or securities of any other Company having objects altogether or in part similar to those of this Company ;

(16.) To promote and establish any Company or Companies for any purpose which may seem directly or indirectly calculated to benefit this Company ;

(17.) To establish and support or to aid in the establishment and support of associations institutions or conveniences calculated to benefit persons employed by the Company or having dealings with the Company and to pay pensions and give gratuities to employés and ex-employés and others dependent on or connected with them and to subscribe or guarantee money for charitable or benevolent objects ;

(18.) To invest and deal with the moneys of the Company not immediately required in such property real or personal wherever situate and upon such securities and in such manner as may from time to time be determined ;

(19.) To lend deposit or advance moneys securities and property to or with such persons and on such terms as may seem expedient ;

(20.) 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 of the Company both present and future including its uncalled capital ;

(21.) To draw accept endorse execute and issue bills of exchange promissory notes debentures bills of lading and other negotiable or transferable instruments or securities ;

(22.) To pay satisfy or compromise any claims made against the Company which it may seem expedient to pay satisfy or compromise notwithstanding

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that the same may not be valid in law and to re-insure and effect counter-guarantees;

(23.) To do all or any of the above things in any part of the world and either as principals agents trustees or otherwise and either alone or in conjunction with others and either by or through agents sub-companies or otherwise;

(24.) To procure the company to be registered or recognised in any country state or place abroad and to make any investments or deposits and comply with any conditions necessary or expedient in order to carry on business there;

(25.) To sell improve manage develope lease mortgage dispose of turn to account or otherwise deal with all or any part of the property and rights of the Company;

(26.) To do all such other things as are incidental or conducive to the attainment of the above objects and so that the word "Company" in this clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere.

4. The liability of the members is limited.

5. The capital of the Company is one million two hundred thousand pounds divided into sixty thousand shares of twenty pounds each on each of which the sum of five pounds has been paid up with power to subdivide the shares in the capital for the time being and to attach to any one or more of the shares resulting from such subdivision any preferential or special rights and privileges over or as compared with the other shares so resulting and with power to increase the capital and to issue new shares created upon any increase with any preferential qualified special or deferred rights or privileges attached thereto.

6. The sum of four hundred thousand pounds being the amount by which the sums standing at the date of the registration of the Company exceed the paid-up capital shall be retained by the Company as a special reserve fund in order to meet demands on the Company in the transaction of their business and shall not be divisible among the members but nothing herein shall prevent the division among the members of the interest or dividends of such special reserve fund in accordance with the regulations for the time being of the Company.

ARTICLES OF ASSOCIATION OF THE IMPERIAL INSURANCE COMPANY LIMITED.

Preface.

Whereas the Imperial Insurance Company was originally constituted by deed of settlement dated the 12th day of February 1803:

And whereas the following Acts have been passed in relation to the said Company (that is to say):—

54 Geo. 3 cap. xii.:

5 & 6 Vic. cap. lxvi. (hereinafter referred to as the Act of 1842):

The Imperial Fire Insurance Act 1869 32 Vic. cap. xvi. (hereinafter referred to as the Act of 1869):

The Imperial Fire Insurance Act 1889 52 & 53 Vic. cap. cxliv. (hereinafter referred to as the Act of 1889):

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The Imperial Fire Insurance Act 1891 (hereinafter referred to as the Act of 1891):

And whereas divers resolutions modifying to some extent the provisions of the said deed of settlement had from time to time been passed prior to the Act of 1891.

And whereas by the Act of 1891 it was provided that on and after the date of registration of the Company under the Companies Acts 1862 to 1890 the Company should continue incorporated by the name of the Imperial Insurance Company Limited and the Act of 1842 the Act of 1869 and the Act of 1889 and the recited deed of settlement and all resolutions amending the same should be repealed without prejudice to anything done or suffered thereunder and it was also enacted that on and from the date of registration of the Company under the Companies Acts 1862 to 1890 the memorandum and articles of association of which a copy was set out in the Second Schedule to the Act of 1891 should subject to the provisions of the said Companies Acts be the memorandum and articles of association of the Company in substitution for the said deed of settlement and resolutions amending the same:

And whereas shortly after the passing of the Act of 1891 the said Company was duly registered under the Companies Acts 1862 to 1890 as a company limited by shares:

And whereas these articles are the articles of association referred to in the Act of 1891 now therefore it is agreed and declared as follows:—

Preliminary.

Interpretation.

1. The marginal notes hereto shall not affect the construction hereof and in these presents unless there be something in the subject or context inconsistent therewith—

"The Company" means the Imperial Insurance Company Limited;

Special and extraordinary resolutions.

"Special resolution" and "extraordinary resolution" have the meanings assigned thereto respectively by the Companies Act 1862 sections 51 and 129;

The office.

"The office" means the registered office for the time being of the Company;

The directors.

"The directors" means the directors for the time being of the Company;

The register.

"The register" means the register of members to be kept pursuant to section 25 of the Companies Act 1862;

Month.

"Month" means calendar month;

In writing.

"In writing" means written or printed or partly written and partly printed;

Words importing the singular number only include the plural number and vice versâ;

Words importing the masculine gender only include the feminine gender;

Words importing persons include corporations mutatis mutandis.

Table "A" not to apply.

2. The regulations contained in Table A in the First Schedule to the Companies Act 1862 shall not apply to the Company.

Company's shares not to be purchased.

3. None of the funds of the Company shall be employed in the purchase of or be lent on shares of the Company.

Shares may be issued subject to different conditions as to calls &c.

4. The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

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Instalments on shares to be duly paid. Liability of joint holders of share.

5. If by the conditions of allotment of any share the whole or part of the amount thereof shall be payable by instalments every such instalment shall when due be paid to the Company by the holder of the share The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.

Trusts not recognised.

6. The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable or other claim to or interest in such share on the part of any other person save as herein provided.

Limited holding.

7. Except with the sanction of a general meeting no member shall be entitled to hold shares in the capital of the Company of more than 10,000*l.* in nominal value.

Certificates.

Certificate.

8. The certificates of title to shares shall be issued under the seal of the Company and signed by two directors and countersigned by the secretary or some other person appointed by the directors Every member shall be entitled to one certificate for the shares registered in his name or to several certificates each for a part of such shares.

Certificate to specify number.

9. Every certificate of shares shall specify the number of the share in respect of which it is issued and the amount paid up thereon.

As to issue of new certificate in place of one defaced lost or destroyed.

10. If any certificate be worn out or defaced then upon production thereof to the directors they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the directors and on such indemnity as the directors deem adequate being given a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

Fee.

11. The sum of 2*s.* 6*d.* or such smaller sum as the directors may determine shall be paid to the Company for every certificate issued under the last preceding clause.

Calls.

Calls.

12. The directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the directors A call may be made payable by instalments.

Restrictive provisions.

13. A call shall be deemed to have been made at the time when the resolution of the directors authorising such call was passed No call shall exceed one fifth of the nominal amount of the share or be made payable within two months after the last preceding call was payable Fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

When interest on call or instalment payable.

14. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being of the share in respect of which the call shall have been made or the instalment

shall be due shall pay interest for the same at the rate of six per cent. per annum from the day appointed for the payment thereof to the time of the actual payment.

Payment of call in advance.

15. The directors may if they think fit receive from any member willing to advance the samo all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the directors agree upon.

Forfeiture and Lien.

If call or instalment not paid notice may be given.

16. If any member fail to pay any call or instalment on or before the day appointed for the payment of the same the directors may at any time thereafter during such time as the call or instalment remains unpaid serve a notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice.

17. The notice shall name a day (not being less than 14 days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

If notice not complied with shares may be forfeited.

18. If the requisitions of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may at any time thereafter before payment of al. calls or instalments interest and expenses due in respect thereof be forfeited by a resolution of the directors to that effect Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice after forfeiture.

19. When any share shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the register.

Forfeited share to become property of Company.

20. Any share so forfeited shall be deemed to be the property of the Company and the directors may soll reallot and otherwise dispose of the same in such manner as they think fit.

Power to annul forfeiture.

21. The directors may at any time before any share so forfeited shall have been sold reallotted or otherwise disposed of annul the forfeiture thereof upon such conditions as they think fit.

Arrears to be paid notwithstanding forfeiture.

22. Any member whose shares have been forfeited shall notwithstanding be liable to pay and shall forthwith pay to the Company all calls instalments interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment at six per centum per annum and the directors may enforce the payment thereof if they think fit.

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Company's lien on shares.

23. The Company shall have a first and paramount lien upon all the shares (not being fully paid-up shares) registered in the name of such member (whether solely or jointly with others) for his debts liabilities and engagements solely or jointly with any other person to or with the Company whether the period for the payment fulfilment or discharge thereof shall have actually arrived or not And such lien shall extend to all dividends from time to time declared in respect of such shares.

As to enforcing lien by sales.

24. For the purpose of enforcing such lien the directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member his executors or administrators and default shall have been made by him or them in the payment fulfilment or discharge of such debts liabilities or engagements for seven days after such notice.

Application of proceeds of sale.

25. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts liabilities or engagements and the residue (if any) paid to such member his executors administrators or assigns.

Validity of sales.

26. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given the directors may cause the purchaser's name to be entered in the register in respect of the shares or stock sold and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase-money and after his name has been entered in the register the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Transfer and Transmission of Shares.

Execution of transfer &c.

27. The instrument of transfer of any share shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof.

Form of transfer.

28. The instrument of transfer of any share shall be in writing in the usual common form or in the following form or as near thereto as circumstances will admit:—

I of

in consideration of the sum of paid to me by

of

hereinafter called the said transferee do hereby transfer to the said transferee the shares numbered to

inclusive in the undertaking called the Imperial Insurance Company Limited to hold unto the said transferee his executors administrators or assigns subject to the several conditions on which I held the same immediately before the execution hereof and I the said transferee do hereby agree to take the said shares subject to the conditions aforesaid.

As witness our hands the day of .

In what case directors may decline to register transfer.

29. The directors may in the case of shares not fully paid up refuse to register a transfer to a transferee of whom they do not approve.

30. Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Transfer to be left at office and evidence of title given.

31. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the directors may decline to register shall be returned to the person depositing the same.

When transfers to be returned.

32. A fee not exceeding 2*s.* 6*d.* may be charged for each transfer and shall if required by the directors be paid before the registration thereof.

Fee on transfer.

33. The transfer books and register of members may be closed during such time as the directors think fit not exceeding in the whole 30 days in each year.

When transfer books and register may be closed.

34. The executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to the shares or stock registered in the name of such member or in case of the death of any one or more of the joint holders of any registered shares or registered stock the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares or stock.

Transmission of registered shares.

As to survivorship.

35. Any person becoming entitled to shares in consequence of the death bankruptcy or liquidation of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause or of his title as the directors think sufficient may with the consent of the directors be registered as the holder of the shares or may subject to the regulations as to transfers hereinbefore contained transfer such shares to himself or any other person This clause is hereinafter referred to as "the transmission clause."

As to transfer of shares of deceased or bankrupt &c. members.

Conversion of Shares into Stock.

36. The Company in general meeting may convert any paid-up shares into stock When any shares have been converted into stock the several holders of such stock may thenceforth transfer their respective interests therein or any part of such interests in the same manner and subject to the same regulations as and subject to which shares in the Company's capital may be transferred or as near thereto as circumstances will admit But the directors may from time to time if they think fit fix the minimum amount of stock transferable and direct that fractions of a pound shall not be dealt with with power nevertheless at their discretion to waive such rules in any particular case The stock shall confer on the holders thereof respectively the same privileges and advantages as regards participation in profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company but so that none of such privileges or advantages except the participation in profits of the Company shall be conferred by any such aliquot part of consolidated stock as would not if existing in shares have conferred such privileges or advantages And save as aforesaid all the provisions herein contained shall so far as circumstances will admit apply to stock as well as to shares No such conversion shall affect or prejudice any preference or other special privilege.

Conversion of shares into stock.

Transfer of stock and rights of holders.

37. Any ordinary stock may by special resolution be subdivided into preferred or deferred sections and any preferential rights may be attached to the preferred section over the deferred section.

Preferred and deferred sections.

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Increase and Reduction of Capital.

Power to increase capital.

38. The Company in general meeting may from time to time increase the capital by the creation of new shares of such amount as may be deemed expedient.

On what conditions new shares may be issued. As to preferences &c.

39. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the directors shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.

Power to modify rights.

40. Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares all or any of the rights and privileges attached to each class may be modified by agreement between the Company and any person purporting to contract on behalf of that class provided such agreement is confirmed by an extraordinary resolution of the Company in favour of which the holders of two thirds in nominal value of the shares of the class vote.

When to be offered to existing members.

41. The Company in general meeting may before the issue of any new shares determine that the same or any of them shall be offered in the first instance to all the then members in proportion to the amount of the capital held by them or make any other provisions as to the issue and allotment of the new shares but in default of any such determination or so far as the same shall not extend the new shares may be dealt with as if they formed part of the shares in the original capital.

How far new shares to rank with shares in original capital.

42. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments transfer and transmission forfeiture lien surrender and otherwise.

Reduction of capital &c.

43. The Company may from time to time by special resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise and the Company may also subdivide or consolidate its shares or any of them.

Sub-division into preferred and ordinary shares.

44. The special resolution whereby any share is subdivided may determine that as between the holders of the shares resulting from such subdivision one of such shares shall have a preference over the other or others and that the profits applicable to the payment of dividends thereon shall be appropriated accordingly.

Borrowing Powers.

Power to borrow.

45. The directors may from time to time at their discretion raise or borrow any sum or sums of money for the purposes of the Company but so that the amount at any one time owing in respect of moneys so raised or borrowed shall not without the sanction of a general meeting exceed the nominal amount of the capital But no lender or other person dealing with the Company shall be concerned to see or inquire whether this limit is observed.

46. The directors may raise or secure the repayment of such moneys 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 Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Conditions on which money may be borrowed.

47. Debentures debenture stock and other securities created by the Company may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Securities may be assignable free from equities.

48. Any debentures bonds or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption surrender drawings allotment of shares attending and voting at general meetings of the Company appointment of directors and otherwise.

Terms of issue.

49. The directors shall cause a proper register to be kept in accordance with section 43 of the Companies Act 1862 of all mortgages and charges specifically affecting the property of the Company.

Register of mortgages to be kept.

50. If any uncalled capital of the Company is included in or charged by any mortgage or other security the directors may by deed under the seal authorise the person in whose favour such mortgage or security is executed or any other person as trustee for him to make calls on the members in respect of such uncalled capital and such authority may be made exerciseable either conditionally or unconditionally and either presently or contingently and either in exclusion of the directors' powers or otherwise and the provisions hereinbefore contained as to calls shall mutatis mutandis apply to calls made under such authority and such authority shall be assignable if expressed so to be.

Mortgage of uncalled capital.

General Meetings.

51. The first general meeting shall be held at such time (not being more than four months after the registration of the Company) and at such a place as the directors may determine.

When first general meeting to be held.

52. General meetings shall be held in the year 1892 and in every subsequent year at such time and place as may be prescribed by the Company in general meeting and if no other time or place is prescribed at such time and place as may be determined by the directors.

When subsequent general meetings to be held.

53. The above-mentioned general meetings shall be called ordinary general meetings all other meetings of the Company shall be called extraordinary general meetings.

Distinction between ordinary and extraordinary meetings.

54. The directors may whenever they think fit and they shall upon a requisition made in writing by members holding in the aggregate one tenth of the issued capital convene an extraordinary meeting.

When extraordinary meeting to be called.

55. Any such requisition shall specify the object of the meeting required and shall be signed by the members making the same and shall be deposited at the office It may consist of several documents in like form each signed by one or more of the requisitionists The meeting must be convened for the purposes specified in the requisition and if convened otherwise than by the directors for those purposes only.

Form of requisition for meeting.

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When requisitionists may call meetings.

56. In case the directors for fourteen days after such deposit fail to convene an extraordinary meeting to be held within twenty-one days after such deposit the requisitionists or any other members holding the like proportion of the capital may themselves convene a meeting to be held within six weeks after such deposit.

Notice of meeting.

57. Seven days' notice specifying the place day and hour of meeting and in case of special business the general nature of such business shall be given either by advertisement or by notice sent by post or otherwise save as hereinafter provided.

As to omission to give notice.

58. The accidental omission to give any such notice to any of the members shall not invalidate any resolution passed at any such meeting.

Proceedings at General Meetings.

Business of ordinary meeting.

59. The business of an ordinary meeting shall be to receive and consider the profit and loss account and the balance sheet the reports of the directors and of the auditors to elect directors and other officers in the place of those retiring by rotation to declare dividends and to transact any other business which under these presents ought to be transacted at an ordinary meeting.

Special business.

All other business transacted at an ordinary meeting and all business transacted at an extraordinary meeting shall be deemed special.

Quorum.

60. Fifteen members personally present shall be a quorum for a general meeting No business shall be transacted at any general meeting unless that quorum be present at the commencement of the business.

Chairman of general meeting.

61. The chairman of the directors shall be entitled to take the chair at every general meeting or in his absence the deputy chairman of the directors or if there be no chairman or deputy chairman or if at any meeting the chairman or deputy chairman shall not be present within fifteen minutes after the time appointed for holding such meeting the members present shall choose another director as chairman and if no director be present or if all the directors present decline to take the chair then the members present shall choose one of their number to be chairman.

When if quorum not present meeting to be dissolved and when to be adjourned.

62. If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon such requisition as aforesaid shall be dissolved but in any other case it 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 is not present those members who are present shall be a quorum and may transact the business for which this meeting was called.

How questions to be decided at meetings. Casting vote.

63. Every question submitted to a meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes the chairman of the meeting shall both on show of hands and at the poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.

What is to be evidence of the passing of resolution where poll not demanded.

64. At any general meeting unless a poll is demanded by at least three members or by a member or members holding or representing by proxy or entitled to vote in respect of at least one tenth part of the capital represented at the meeting a declaration by the chairman of the meeting that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book of proceedings of the

Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

Poll.

65. If a poll is demanded as aforesaid it shall be taken in such manner and at such time and place as the chairman of the meeting directs and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

Power to adjourn general meeting.

66. The chairman of a general meeting may with the consent of the meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Business may proceed notwithstanding demand of poll.

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

In what cases poll taken at the meeting.

68. Any poll duly demanded on the election of a chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.

Votes of Members.

Votes of members in respect of shares of deceased or bankrupt &c. members.

69. Every member shall have one vote for every share held by him Any person entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight hours at least before the time of holding the meeting at which he proposes to vote he shall satisfy the directors of his right to transfer such shares or unless the directors shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders.

70. Where there are joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy that one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof Several executors or administrators of a deceased member in whose name shares stand shall for the purposes of this clause be deemed joint holders of such shares.

Proxies permitted.

71. Votes may be given either personally or by proxy The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney or if such appointor is a corporation under its common seal No person shall be appointed a proxy who is not a member of the Company and qualified to vote.

Proxies to be deposited at. office.

72. The instrument appointing a proxy and the power of attorney (if any) under which it is signed shall be deposited at the registered office of the Company not less than forty-eight hours before the time of holding the meeting at which the person named in such instrument proposes to vote but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution and no proxy shall be used at an adjourned meeting which could not have been used at the original meeting.

When vote by proxy valid though

73. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the

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authority revoked.

proxy or transfer of the share in respect of which the vote is given provided no intimation in writing of the death revocation or transfer shall have been received at the registered office of the Company before the meeting.

Form of proxy.

74. Every instrument of proxy whether for a specified meeting or otherwise shall as near as circumstances will admit be in the form or to the effect following:—

THE IMPERIAL INSURANCE COMPANY LIMITED.

I of
in the county of being a member of the Imperial Insurance Company Limited hereby appoint of
or failing him of
or failing him of
as my proxy to vote for me and on my behalf at the ordinary [or extraordinary] general meeting of the Company to be held on the day of and at any adjournment thereof.
As witness my hand this day of

No member entitled to vote &c. while call due to Company.

75. No member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any general meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

Directors.

Number of directors.

76. The number of the directors shall not be less than eleven nor more than twenty-one but when one of the directors dies or vacates office under Clause 82 hereof the maximum number of the directors shall thenceforth be twenty.

Present directors.

77. The present directors are—

1. Horace Brand Townsend Farquhar Esq.
2. Sir George Henry Chambers.
3. Edward Huth Esq.
4. Percival Bosanquet Esq.
5. Thomas George Barclay Esq.
6. James Brand Esq.
7. The Right Honourable Lord Cheylesmore.
8. Martin Ridley Smith Esq.
9. Francis Augustus Bevan Esq.
10. Alexander Lawrie Esq.
11. Richard James Ashton Esq.
12. George Hanbury Field Esq.
13. John Saunders Gilliat Esq. M.P.
14. John Hampton Hale Esq.
15. James Dalison Alexander Esq.
16. Charles Townshend Murdoch Esq. M.P.
17. Thomas Holdsworth Newman Esq.
18. Richard Twining Esq.
19. John Sheriff Hill Esq.
20. Charles Barclay Esq.
21. Francis Frederick Lidderdale Esq.

78. The directors shall have power from time to time and at any time to fill up any casual vacancy in their body.

Power for directors to appoint additional directors.

79. The qualification of every director shall be the holding of shares or stock of the Company of the nominal value of one thousand pounds.

Qualification of directors.

80. The directors shall be paid out of the funds of the Company by way of remuneration for their services such annual sum as shall be equal to five hundred pounds for the chairman four hundred pounds for the deputy chairman and three hundred pounds for each of the other directors for the time being and such further sums as shall be determined by the Company in general meeting and such remuneration shall be divided among them in such proportions and manner as the directors may determine and in default five hundred pounds for the chairman four hundred pounds for the deputy chairman and as respects the other directors equally.

Remuneration of directors.

81. The continuing directors may act notwithstanding any vacancy in their body.

Directors may act notwithstanding vacancy.

82. The office of director shall be vacated—

When office of director to be vacated.

(1) If he accepts or holds any other office under the Company except that of managing director;

(2) If he become bankrupt or suspends payment or compounds with his creditors;

(3) If he be found lunatic or becomes of unsound mind;

(4) If he cease to hold the required amount of shares or stock to qualify him for office or do not acquire the same within one month after election or appointment;

(5) If he absent himself from the meetings of the directors during a period of six calendar months without special leave of absence from the directors;

(6) If by notice in writing to the Company he resign his office;

(7) If he is or becomes the governor deputy governor director trustee auditor manager or any other officer of any other Company other than a Marine Insurance Company insuring against loss or damage by fire.

83. No director or intending director shall be disqualified by his office from contracting with the Company either as vendor purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director shall be in any way interested be avoided nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relations thereby established but 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 nevertheless that no director shall as a director vote in respect of any contract or arrangement in which he is so interested as aforesaid and if he do so vote his vote shall not be counted.

Directors may contract with Company.

Rotation of Directors.

84. At the ordinary general meeting to be held in the year one thousand eight hundred and ninety-two and at the ordinary general meeting in every

Rotation of other directors.

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succeeding year the five directors who have been longest in office shall retire from office.

Directors re-eligible.

85. A retiring director shall if he retains his qualification be eligible for re-election.

Retiring director temporarily in office.

86. A retiring director shall retain office until the dissolution or adjournment of the meeting at which his successor is elected.

Computation of time in office.

87. The length of time a director has been in office shall be computed from his last election or appointment where he has previously vacated office and for the purpose of this clause the directors named in Clause 77 hereof shall be deemed to have been appointed in the order in which their names appear in that clause.

Question as to rotation decided by the directors.

88. If any doubt or question arises as to the order of retirement of any director who may have been for an equal time in office or as to any other matters affecting the rotation of directors such doubt or question shall be determined by the directors and their determination shall in every case be binding and conclusive to and for all intents and purposes.

Meeting to fill up vacancies.

89. The Company at any general meeting at which any directors retire as provided by Clause 84 hereof shall fill up the vacated offices by electing a like number of persons to be directors and subject to Clause 76 hereof may fill up any other vacancies.

Retiring directors to remain in office till successors appointed.

90. If at any general meeting at which an election of directors ought to take place the places of the retiring directors are not filled up the retiring directors or such of them as have not had their places filled up shall if willing continue in office until the ordinary meeting in the next year and so on from year to year until their places are filled up unless it shall be determined at such meeting to reduce the number of directors.

Power for general meeting to increase or reduce number of directors.

91. The Company in general meeting may from time to time by extraordinary resolution increase or reduce the number of directors and may alter their qualification and may also determine in what rotation such increased or reduced number is to go out of office.

Power to remove director by extra-ordinary resolution.

92. The Company may by extraordinary resolution remove any director before the expiration of his period of office and appoint another qualified person in his stead The person so appointed shall hold office during such time only as the director in whose place he is appointed would have held the same if he had not been removed.

When candidate for office of director must give notice.

93. No person not being a retiring director shall unless recommended by the directors for election be eligible for election to the office of director at any general meeting unless he or some other member intending to propose him has at least fourteen clear days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office or the intention of such member to propose him.

Managing Directors.

Power to appoint managing director.

94. The directors may from time to time appoint one or more of their body to be managing director or managing directors of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to

hold such office and may from time to time remove or dismiss him or them from office and appoint another or others in his or their place or places but this power shall not be exercised when and so long as a general manager has been appointed chief executive officer of the Company.

What provisions he will be subject to.

95. A managing director shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of directors but he shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other directors of the Company and if he cease to hold the office of director from any cause he shall ipso facto and immediately cease to be managing director.

Remuneration of managing director.

96. The remuneration of a managing director shall from time to time be fixed by the directors or by the Company in general meeting and may be by way of salary or commission or participation in profits or by all or any of those modes.

Powers and duties of managing director.

97. The directors may from time to time entrust to and confer upon a managing director for the time being such of the powers exerciseable under these presents by the directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and substitution for all or any of the powers of the directors in that behalf and may from time to time revoke withdraw alter or vary all or any of such powers.

Proceedings of Directors.

Meetings of directors quorum &c.

98. The directors may meet together for the dispatch of business adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business but until otherwise determined five directors shall be a quorum A director may at any time and the secretary upon the request of a director shall convene a meeting of the directors Questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote A director who is not in the United Kingdom shall not be entitled to notice of a meeting of directors.

Chairman and deputy.

99. The directors may elect a chairman and deputy chairman of their meetings and determine the period for which they are respectively to hold office and if no such officers are elected or if at any meeting neither is present at the time appointed for holding the same the directors present shall choose some one of their number to be chairman of such meeting.

Power of meeting.

100. A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities powers and discretions by or under the regulations of the Company for the time being vested in or exerciseable by the directors generally.

Power to appoint committee and to delegate.

101. (1.) 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 from time to time be imposed on it by the directors (2.) The

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meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made by the directors under the last preceding clause The directors may fix the quorum of any committee consisting of two or more members and if a quorum is not fixed the committee may fix the quorum otherwise a majority of the members of a committee of more than three shall be a quorum.

When acts of directors or committee valid notwithstanding defective appointment &c.

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

Remuneration for extra services.

103. If any director being willing shall be called upon to perform extra services or to make any special provisions in going or residing abroad or otherwise for any of the purposes of the Company the Company shall remunerate the director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by the directors and such remuneration may be either in addition to or in substitution for his share in the remuneration hereinbefore provided to be made.

Minutes.

Minutes to be made.

104. The directors shall cause minutes to be duly entered in books provided for the purpose—

(A.) Of all appointments of officers ;

(B.) Of the names of the directors present at each meeting of the directors and of any committee of directors ;

(C.) Of all orders made by the directors and committee of directors ;

(D.) Of all resolutions and proceedings of general meetings and of meetings of the directors and committees ;

and any such minutes of any meeting of the directors or of any committee or of the Company if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting shall be receivable as primâ facie evidence of the matters stated in such minutes.

Powers of Directors.

General powers of Company vested in directors.

105. The management of the business of the Company shall be vested in the directors and the directors in addition to the powers and authorities by these presents expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Companies Acts 1862 to 1890 and of these presents and to any regulations from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the directors which would have been valid if such regulation had not been made.

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Specific powers given to directors.

106. Without prejudice to the general powers conferred by the last preceding clause and so as not in any way to limit or restrict those powers and without prejudice to the other powers conferred by these presents it is hereby expressly declared that the directors shall have the following powers (that is to say) power—

To acquire property.

(1.) To purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit;

To secure contracts by mortgage.

(2.) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they may think fit;

To appoint officers &c.

(3.) To appoint or at their discretion remove or suspend such managers secretaries officers clerks agents and servants for permanent temporary or special services as they may from time to time think fit and to determine their duties and powers and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit;

To bring and defend actions &c.

(4.) To institute conduct defend compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company;

To give receipts.

(5.) To make and give receipts releases and other discharges for money payable to the Company and for the claims and demands of the Company;

To provide for safe custody of seal.

(6.) To provide for the safe custody of the common seal for the time being of the Company and to make such regulations as they think fit as to the affixing thereof to any documents but so that (except as regards policies and certificates of title to shares) every instrument to which the seal is affixed shall be countersigned by at least three of the directors of whom one must be the chairman or deputy chairman of the directors;

To accept or reject proposals &c.

(7.) To accept or reject proposals for insurance and other contracts as and when they think fit;

To grant policies.

(8.) To grant policies in such cases and for such considerations and generally on such terms and subject to such conditions as they think fit;

To fix rates of premiums.

(9.) To fix general rates of premiums for insurance and from time to time to vary such rates and to fix special rates whenever they think it expedient so to do;

To vary insurance and other contracts.

(10.) To vary from time to time with the consent of the persons entitled to the benefit thereof any contract of insurance or other contract in any manner but so that every such variation shall be evidenced by a memorandum indorsed on the policy unless a new policy is issued and signed by such person or persons as may be authorised so to do by the directors;

To revive or grant new policies.

(11.) To revive any policy that may have become void or lapsed on such terms and conditions and in such cases as may be deemed expedient or in lieu of reviving any such policy to grant any new policy or make any other concession in favour of the persons or any of the persons entitled to the lapsed or void policy;

To accept surrenders of policy.

(12.) To accept surrenders of any policy or part of any policy upon any terms or conditions as may seem expedient and in particular in consideration of a

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money payment or of the issue of a new policy or of some other contract privilege or benefit ;

To lend on policies.

(13.) To lend or advance money on any policy either with or without additional security and to such extent and on such terms and for such purposes as may seem expedient ;

To effect re-insurances &c.

(14.) To effect counter-insurances or re-insurances with any other office or Company or persons or person with a view to diminishing the Company's risk or liability on any contracts made on its behalf in respect of which it is liable ;

To make special concessions.

(15.) From time to time to make any special concessions to or in favour of or for the benefit of the policy-holders of the Company or any class thereof and either gratuitously or otherwise as may seem expedient;

To acquire business of other companies.

(16.) To acquire and take over on such terms and conditions as may be arranged the whole or any part of the business assets undertaking and liabilities of any other company carrying on any business which this Company is authorised to carry on and the terms and conditions aforesaid may include provision for payment by this Company of the expenses of and incident to the winding up and dissolution of the selling company and provision for satisfaction of any part of the price or consideration for the sale in shares in the capital of this Company credited as paid up or partly paid up and may provide for the concessions to the policy-holders if any annuitants if any creditors directors employés and members of the selling company of any special rights privileges and advantages and may include any other provisions which the directors may think expedient ;

If desired to keep distinct accounts and deal with profits.

(17.) From time to time with the consent of an extraordinary general meeting to determine what proportion if any of the profits of the Company in respect of each or any of the several funds if any which have been or may be established and kept distinct shall be divided amongst and between the holders of the policies secured upon such funds respectively and to determine in what manner such profits shall be distributed and whether any augmentation of the sums secured by the policy or any reduction of the future premium payable in respect thereof or of a sum to be paid in cash or in all or any such modes or any other mode and either with or without giving an option to the holders of such policies to select the particular manner in which they shall receive such profits ;

To give security by way of indemnity.

(18.) To execute in the name and on behalf of the Company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers covenants and provisions as shall be agreed on ;

To give percentages.

(19.) To give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction or share in the general profits of the Company and such commission or share of profits shall be treated as part of the working expenses of the Company ;

To make &c. bye-laws.

(20.) From time to time to make vary and repeal bye-laws for the regulation of the business of the Company or any department thereof and of its officers and servants or the members of the Company or any section thereof or of any local board or committee ;

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

Reserve.

Reserve fund.

107. The directors before recommending any dividend may set aside out of the profits of the Company such sums as they think proper as a reserve fund to meet contingencies or prospective liabilities for equalising dividends or paying bonuses or for repairing improving and maintaining any of the property of the Company and for the protection of the creditors of the Company and for such other purposes as the directors shall in their absolute discretion think conducive to the interests of the Company and subject to clause 3 hereof may invest the several sums so set aside upon such investments as they may think fit and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and divide the reserve fund into such special funds as they think fit with full power to employ the assets constituting or representing the reserve fund or any part thereof in the business of the Company or otherwise utilise the same as may seem expedient and that without being bound to keep the same separate from the other assets The reserve fund to be established pursuant to this clause is to be in addition to the special reserve fund referred to in section 8 of the Act of 1891.

Trustees.

Trustees.

108.—(1.) The directors may if in their discretion they think fit from time to time and at any time appoint any person to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and may execute and do all such deeds and things as may be requisite in relation to any such trusts Any of the directors may act as such trustees ;

(2.) Where the directors think it expedient any foreigner or other person out of the jurisdiction may be appointed a trustee for any such purpose ;

(3.) When the directors think it expedient any trustee for the Company may be authorised to delegate all or any of the trustee powers or discretions vested in him ;

(4.) The several persons who for the time being hold property in trust for the Company (including those acting under the Act of 1889 when these regulations come into operation) shall act in all respects under the directions of the Company.

Local Management.

Local management.

109. The directors may from time to time provide for the management and transaction of the affairs of the Company abroad or in any specified locality in the United Kingdom in such manner as they think fit and the provisions contained in the three next following clauses shall be without prejudice to the general powers conferred by this clause.

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Local boards.

110. The directors from time to time and at any time may establish any local board or agency for managing any of the affairs of the Company abroad and may appoint any persons to be members of such local board or managers or agents and may fix their remuneration And the directors from time to time and at any time may delegate to any person so appointed any of the powers authorities and discretions for the time being vested in the directors other than their power to make calls and may authorise the members for the time being of any such local board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the directors may think fit and the directors may at any time remove any persons so appointed and may annul or vary any such delegation.

Powers of attorney.

111. The directors may at any time and from time to time by power of attorney under the seal appoint any person or persons to be the attorney or attorneys of the Company for such purposes and with such powers authorities and discretions (not exceeding those vested in or exerciseable by the directors under these presents) and for such period and subject to such conditions as the directors may from time to time think fit and any such appointment may (if the directors think fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any company or of the members directors nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the directors may think fit.

Sub-delegation and Companies' Seals Act 1864.

112. Any such delegates or attorneys as aforesaid may be authorised by the directors to sub-delegate all or any of the powers authorities and discretions for the time being vested in them The Company may exercise the powers conferred by the Companies' Seals Act 1864 and such powers shall accordingly be vested in the directors.

Dividends.

Declaration of dividends.

113. The Company in general meeting may declare a dividend to be paid to the members in proportion to the capital paid up on the shares held by them respectively but so that where capital is paid up in advance of calls upon the footing that it is to carry interest such capital shall not whilst carrying interest confer a right to dividend under this clause.

Restriction on amount of dividend.

114. No larger dividend shall be declared than is recommended by the directors but the Company in general meeting may declare a smaller dividend.

Dividend to be paid out of profits only.

115. No dividend shall be payable except out of the profits of the Company.

What to be deemed net profits.

116. The declaration of the directors as to the amount of the net profits of the Company shall be conclusive.

Interim dividends.

117. The directors may from time to time pay to the members on account of the next forthcoming dividend such interim dividends as in their judgment the position of the Company justifies.

118. The directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

Debts may be deducted.

119. The directors may retain the dividends payable upon the shares or stock in respect of which any person is under the transmission clause entitled to become a member or which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or stock or shall duly transfer the same.

Power to retain dividends or shares of infant lunatic &c.

120. No dividend shall bear interest as against the Company.

No interest on dividends.

121. Any dividend may be paid by cheque sent through the post to the registered address of the person entitled or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding and every cheque so sent shall be made payable to the order of the person to whom it is sent.

Payment by cheque.

Accounts.

122. The directors shall cause true accounts to be kept of the sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure takes place and of the assets credits and liabilities of the Company The books of account shall be kept at the registered office of the Company or at such other place or places as the directors think fit.

Accounts to be kept.

123. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members and no member shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the directors or by a resolution of the Company in general meeting.

Inspection by members.

124. At each ordinary meeting the directors shall lay before the Company a profit and loss account and a balance-sheet containing a summary of the property and liabilities of the Company made up to a date not more than eight months before the meeting from the time when the last preceding account and balance-sheet were made.

Annual account and balance sheet.

125. Every such account and balance-sheet shall be accompanied by a report of the directors as to the state and condition of the Company and as to the amount which they recommend to be paid out of the profits by way of dividend to the members and the amount (if any) which they propose to carry to the reserve fund according to the provisions in that behalf hereinbefore contained and the account report and balance-sheet shall be signed by two directors and countersigned by the secretary.

Annual report of directors.

126. A printed copy of such account balance-sheet and report shall seven days previously to the meeting be served on the registered holders of shares in the manner in which notices are hereinafter directed to be served but a member who has no registered address shall not be entitled to have a copy sent to him.

Copy to be sent to members.

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Audit.

Accounts to be audited annually.

127. The accounts of the Company shall from time to time be examined and the correctness of the annual profit and loss account and balance-sheet ascertained by one or more auditor or auditors.

Auditors.

128. The number of auditors shall be four Charles Rugge Price Henry Warner Prescott and Robert Lydston Newman shall be three of the first auditors and subsequent auditors shall be appointed by the Company at the ordinary meeting in each year The remuneration of the auditors shall be fixed by the Company in general meeting Any auditor quitting office shall be eligible for re-election If one auditor only is appointed all the provisions herein contained relating to auditors shall apply to him The auditors may be members of the Company but no person shall be eligible as an auditor who is interested otherwise than as a member of the Company in any transaction thereof other than as a policy holder and no director or other officer shall be eligible during his continuance in office.

Casual vacancy.

129. If any casual vacancy occurs in the office of auditor the directors shall forthwith fill up the same.

Auditors to report on annual account and balance-sheet.

130. The auditors shall be supplied with copies of the profit and loss account and balance-sheet intended to be laid before the Company in general meeting fourteen days at least before the meeting to which the same are to be submitted and it shall be their duty to examine the same with the accounts and vouchers relating thereto and to report to the Company in general meeting thereon.

Inspection of books by auditors.

131. The auditors shall at all reasonable times have access to the books and accounts of the Company and they may in relation thereto examine the directors or other officers of the Company.

When accounts to be deemed finally settled.

132. Every account of the directors when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof Whenever any such error is discovered within that period the account shall forthwith be corrected and thenceforth shall be conclusive.

Notices.

How notices to be served on members.

133. A notice may be served by the Company upon any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered place of address.

Members resident abroad.

134. Each holder of registered shares whose registered place of address is not in the United Kingdom may from time to time notify in writing to the Company an address in the United Kingdom which shall be deemed his registered address within the meaning of the last preceding clause.

Notices where no address.

135. As regards those members who have no registered address in the United Kingdom a notice posted up in the office shall be deemed to be well served on them at the expiration of twenty-four hours after it is posted up.

When notice may be given by advertisement.

136. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents shall be sufficiently given if given by advertisement Any notice required to be or which may be given by advertisement shall be advertised once in two London daily newspapers.

Notice to joint holders.

137. All notices shall with respect to any registered shares to which persons are jointly entitled be given to whichever of such persons is named first in the register and notice so given shall be sufficient notice to all the holders of such shares.

When notice by post deemed to be served.

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

Transferees &c. bound by prior notices.

139. Every person who by operation of law transfer or other means whatsoever shall become entitled to any share or stock shall be bound by every notice in respect of such share or stock 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 share or stock.

Notice valid though member deceased.

140. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs executors or administrators and all persons if any jointly interested with him or her in any such share.

How time to be counted.

141. Where a given number of days' notice or notice extending over any other period is required to be given the day of service shall be counted in such number of days or other period.

Indemnity.

Indemnity.

142. Every director manager secretary and other officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of the directors out of the funds of the Company to pay all costs losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or any act or deed done by him as such officer or servant or in any way in the discharge of his duties.

Individual responsibility of directors.

143. No director or other officer of the Company shall be liable for the acts receipts neglects or defaults of any other director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company

A.D. 1891. shall be invested or for any loss or damage arising from the bankruptcy insolvency or tortious act of any person with whom any moneys securities or effects shall be deposited or for any other loss damage or misfortune whatsoever which shall happen in the execution of the duties of his respective office or in relation thereto unless the same happen through his own wilful act or default.

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