CHAPTER xiv.

An Act to repeal the Acts relating to the London Life Association from the date of its registration as a limited company and to make provisions for the future government of the Association and the management of its affairs and for other purposes. [1st June 1894.] A.D. 1894.

WHEREAS the London Life Association (herein-after called "the Association") was established by a deed of settlement dated the first day of December one thousand eight hundred and six with the object (clause 11) of making assurances on lives and survivorships and for endowments and other legal assurances on events connected with life either to members or to non-members of the Association and of granting purchasing and selling annuities for lives or on survivorships:

And whereas by an Act passed in the year 1807 (herein-after called "the Act of 1807") the Association was enabled to sue in the name of its president and by an Act passed in the year 1854 (herein-after called "the Act of 1854") the Association was enabled to increase the amount authorised by its deed of settlement to be assured upon a single life: 47 Geo. III. c. xxxii. 17 Vict. c. ii.

And whereas parts of the said deed of settlement have been rescinded and other parts varied by resolutions of general courts of the Association in pursuance of the power in that behalf contained in the said deed (clause 23) and in the year 1892 by a resolution passed and confirmed at general courts held on the sixteenth day of November and the fourteenth day of December new regulations were adopted for the government of the Association and everything in the then existing regulations of the Association contrary to or inconsistent with any of the said new regulations was repealed:

And whereas as respects policies and annuities issued or granted by the Association before the date of the said new regulations the

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provisions of the said deed of settlement to the following effect are still in force namely :—

Clause 75 (as amended). That if the funds of the Association shall at any time be insufficient for the satisfaction of existing claims the deficiency shall be raised by contributions from the members to be computed (if ever requisite) upon the respective amounts of annual premium at which they shall have been severally assured :

Clauses 81, 82. That the respective proportions of each member in the said contributions shall be repaid to him with interest as soon as the affairs of the Association admit :

Clause 85. That the funds of the Association shall be answerable for the claims of persons assured with the Association and of their annuity creditors and that the trustees signing policies or instruments securing annuities shall be personally liable for the application of the said funds in discharge of the money secured but not further or otherwise :

Clause 88. That no member shall in any event be liable to any greater extent than the sum assured on his own life for the whole continuance thereof :

Clause 89. That in every policy and grant of annuity there shall be contained a proviso referring to the stipulations of the deed as to the liability of the trustees and of the members of the Association respectively :

And whereas as respects policies and annuities issued or granted since the date aforesaid the said new regulations provide—

Clause 5. That every policy of assurance and grant of annuity to be hereafter issued or executed by or on the part of the Association shall be granted on the terms that the Association is only liable thereunder to the extent of its assets and property from time to time existing and that no member shall be liable to any call or contribution in liquidation or otherwise for satisfying the demands of the assured or the grantee of the annuity :

And whereas the business of the Association is large and increasing and the Association possesses invested funds to an amount exceeding four million pounds but has no share capital :

And whereas on the thirty-first day of December one thousand eight hundred and ninety-two the number of non-members' policies was eighty-nine and the sum assured thereby was one hundred and sixteen thousand nine hundred and eighty pounds while the number of members' policies was eight thousand one hundred and seven and the sum assured thereby was nine million five hundred and forty thousand nine hundred and forty pounds and at the same date the

net liability on non-members' policies was fifty-four thousand four hundred and twelve pounds:

And whereas it is intended to register the Association under the Companies Acts 1862 to 1890 as a company limited by guarantee and the memorandum of association set forth in the schedule to this Act has been approved by the Association in general meeting:

And whereas the Association in general meeting has also resolved that the said new regulations of 1892 as set forth in the schedule to this Act shall be the articles of association:

And whereas it is expedient to repeal the recited Acts of 1807 and 1854 and the recited deed of settlement and all resolutions amending the same and all the said regulations of 1892 as from the date of such registration and to declare that the said memorandum and articles of association shall be the memorandum and articles of association of the Association:

And whereas it is expedient to provide for vesting in the Association as incorporated all property now vested in any trustees or trustee on behalf of the Association and for the release of the said trustees or trustee:

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):—

Short title.

1. This Act may be cited as the London Life Association Act 1894.

Repeal of recited Acts and deed of settlement.

2. Within six months after the passing of this Act the Association shall be registered under the Companies Acts 1862 to 1890 as a company limited by guarantee and on and from the date of registration of the Association under those Acts the Association shall continue incorporated by the name of the London Life Association Limited and the recited Acts of 1807 and 1854 and the recited deed of settlement and all resolutions amending the same and all the said regulations of 1892 shall be repealed without prejudice to anything done or suffered thereunder.

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

3. On and from the date of registration of the Association under the Companies Acts 1862 to 1890 the memorandum and articles of association of which copies are set out in the schedule to this Act shall (notwithstanding anything contained in section one hundred and ninety-six of the Companies Act 1862) be the memorandum and articles of association of the Association in

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substitution for the recited deed of settlement and resolutions amending the same and regulations of 1892 but subject as regards future alteration to the Companies (Memorandum of Association) Act 1890 and to the provisions generally of the said Companies Acts.

Transfer of property to Association.

4.—(1.) 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 Association or in any trustees or trustee for or on behalf of the Association immediately before the date of its registration (other than copyhold tenements and any property the legal estate or interest wherein is not transferable by deed and any securities or property transferable only by a deed or instrument of a prescribed form or transferable only in the books of any corporation or company which is then vested in any such trustees or trustee and for the transfer to and vesting of which in the Association provision is herein-after in this section expressly made) shall on and from the date of such registration pass to and vest in the Association as incorporated under the said Companies Acts for all the estate and interest of the Association or of such trustees or trustee therein.

(2.) Any trustees or trustee in whom any copyhold tenements or any property the legal estate or interest wherein is not transferable by deed or any securities or property transferable only by a deed or instrument of a prescribed form or transferable only in the books of a corporation or company or interests and rights in to and out of the same is immediately before the date of such registration vested for or on behalf of the Association shall at the expense of the Association on or as soon as conveniently may be after the date of such registration convey assure and transfer to the Association as incorporated all such tenements property and securities interests and rights and shall do and concur in doing at the expense of the Association all acts and things necessary or proper for effectually vesting such tenements property and securities interests and rights in the Association as incorporated and until such conveyance and transfer shall hold such tenements property and securities interests and rights upon trust for the Association as incorporated.

(3.) The said trustees and each of them from the date of such registration shall be released and discharged from and indemnified against all claims demands liabilities and obligations arising out of or attached to the office of trustee of the Association save those arising out of or imposed by sub-section (2) of this section and such (if any)

as shall or may arise out of any breach of trust on their or his part respectively.

Registration not to affect obligations incurred previously to registration.

5. The registration of the Association in pursuance of the said Companies Acts shall not affect or prejudice the liability of the Association 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 Association previously to such registration And it is hereby expressly declared that all policies and other contracts executed previously to such registration by any trustees or trustee on behalf of the Association shall be enforceable and enforced by and against the Association instead of by or against any such trustees or trustee as aforesaid.

Continuance of existing actions.

6. All such actions and other legal proceedings as may at the time of the registration of the Association have been commenced by or against the Association or the president 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 Association 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 Association being insufficient to satisfy such judgment decree or order an order may be obtained for winding up the Association.

Effect o assignment to the Association of its own policies.

7. No assignment to the Association or to any trustees or trustee for or on behalf of the Association whether dated before or after the passing of this Act by way of security for money borrowed of any policy granted by the Association shall be deemed to extinguish any obligation of the Association for payment of the sums assured under such policy but the said policy and any such assignment thereof shall during the periods for which they are respectively granted have according to their respective terms full force and effect.

Saving for existing policy-holders and annuitants.

8. Notwithstanding the repeal of the said deed of settlement or any other provision of this Act the holders of policies and grantees of annuities issued and granted before the date of registration of the Association under the said Companies Acts shall have in respect of those policies and annuities the same rights and remedies against the members of the Association at the date of such registration and against the Association as they would have had if this Act had not been passed.

Copy ol Act to be filed.

9. A printed copy of this Act shall be filed by the Association 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

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within three months from the passing of this Act the Association shall incur a penalty not exceeding ten pounds for every day after the expiration of the said three months during which the Association shall omit to deliver the said copy and every director and manager of the Association 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.

Association not exempt from provisions of future general Acts.

10. Nothing in this Act contained shall exempt the Association from the provisions of the Life Assurance Companies Acts 1870 to 1872 or of any general Act passed during the present or any future session of Parliament and affecting life assurance companies formed previously to the passing thereof.

Costs of Act.

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

SCHEDULE.

Memorandum of Association of the London Life Association Limited.

1. The name of the Association is "The London Life Association Limited."

2. The registered office of the Association is and will be situated in England.

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

To make assurances on lives and survivorships and for endowments and to make other legal assurances on events connected with life either to persons who are or to persons who are not members of the Association and to grant purchase and sell annuities for lives or on survivorships and generally to transact all such like descriptions of business as are usually transacted by life assurance companies.

4. Every member of the Association undertakes to contribute to the assets of the Association in the event of the same being wound up during the time he is a member or within one year afterwards for payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a member and the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding ten pounds.

Articles of Association of the London Life Association Limited.

I.—*Interpretation.*

Interpretation

1. In these Articles unless excluded by the subject or context "the Association" means the London Life Association Limited Words importing the singular number include the plural number Words importing the plural number include the singular number Words importing the masculine gender include the feminine gender "Person" includes a corporation "Writing" includes printing lithography and other usual substitutes for writing "Month" means a calendar month And "office" means the registered office of the Association.

II.—*Members.*

Membership of Association.

2. Every person who has effected or shall hereafter effect any assurance with the Association on his own single life alone for the whole continuance thereof subject to an equable premium payable throughout life but with right to participation in reduction thereof under Article 58 shall so long as such assurance shall be in force be a member of the Association The Association for

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the purpose of registration is declared to consist of an unlimited number of members.

Series of members.

3. The first series the second series the third series and the fourth series of members shall be deemed to be closed and members shall be admitted only to the fifth series or to some subsequent series if constituted. The directors may at any time by resolution at a special board meeting close the fifth series or any subsequent series if constituted and may constitute a sixth or other subsequent series of members who (unless otherwise declared by the resolution constituting the series) shall be entitled to the same rights except as regards rate of reduction of premium and no sixth or other subsequent series shall be entitled to reduction of premium on more favourable terms than the terms on which the preceding series of members are for the time being entitled.

Right of membership personal.

4. The right of membership is and shall be personal and shall cease on death or on the surrender avoidance or lapsing of or other failure to keep in force (unless subsequently revived) the policy on the life of the member.

III.—*Policies and Annuities.*

Policies to be granted on the terms that members are not liable for calls or contribution.

5. Every policy of assurance and grant of annuity to be hereafter issued or executed by or on the part of the Association shall be granted on the terms that the Association is only liable thereunder to the extent of its assets and property from time to time existing and that no member shall be liable to any call or contribution in liquidation or otherwise for satisfying the demands of the assured or the grantee of the annuity.

Directors may commute premiums.

6. The directors may if they think fit accept the payment of a sum of money by way of prepayment or commutation of future premiums and fix the amount thereof in their discretion.

Directors may grant policies to non-members with right of participation.

7. The directors may if they think fit grant policies other than can be effected as members' assurances under Article 2 to persons not being assured as members of the Association with such right to participation in reduction of premium as they shall consider expedient.

IV.—*General Meetings.*

Ordinary general meetings.

8. General meetings shall be held once in every year at such place in the county of London and such time other than on a Sunday or public holiday as may be prescribed by the directors and if no other place or time be so prescribed at the office on the last Wednesday in April at noon.

Ordinary and special general meetings.

9. General meetings mentioned in Article 8 shall be called ordinary general meetings and all other meetings of the Association shall be called special general meetings.

Special general meetings.

10. The directors may whenever they think fit call a special general meeting of the Association provided that two-thirds of the directors shall concur in so doing and the directors shall upon a requisition in writing signed by fifty or more members qualified to vote or by twenty or more members qualified to vote who were members of the London Life Association on the 14th December 1892 within one month convene a special general meeting for purposes stated in the requisition.

Requisition for special general meeting.

11. Any such requisition shall specify the object of the meeting and the terms of any resolution by which it is proposed to exercise the powers of the Association in general meeting and shall be signed by the members making the same and shall be given to the actuary at the office.

Notice of general meeting and poll.

12. Not less than one week's nor more than two months' notice specifying the place day and hour of meeting and the general nature of the special business (if any) of every general meeting shall be given by advertisement to be inserted at least once in two of the daily newspapers circulated in the county of London or by notice sent by post or otherwise served according to the Articles on the members qualified to vote at the general meeting Whenever a meeting is adjourned for one week or more or a poll is to be taken at least three days' notice of the place day and hour of such adjourned meeting or poll shall be given in like manner.

Special business.

13. All business shall be deemed special that is transacted at a special general meeting and all business shall be deemed special that is transacted at an ordinary general meeting except the directors ordinary reports and statements of affairs the consideration of the accounts of the Association the election of directors and auditors and the usual formal business in connection therewith.

Notice of special business.

14. No business (other than business which is not special as defined by these Articles) shall be transacted at any general meeting unless one month's previous notice in writing duly signed of the terms of the resolution to be proposed shall have been given to the actuary at the office or unless the notice convening the meeting shall state the terms of such resolution Notice of a resolution to invalidate under Article 40 the appointment of a director shall be signed by at least ten members qualified to vote This Article shall not prevent any reasonable alteration in the terms of a resolution which shall appear to the chairman of the meeting to be fairly within the intention of the resolution of which notice has been given or the proposing and passing of any amendment to the resolution which shall appear to the chairman proper to be entertained as an amendment and it shall be competent to the chairman at any meeting to propose without previous notice any resolution which in his judgment is ancillary to or necessary for rendering effectual and complete any resolution previously passed at such meeting.

Quorum for general meeting.

15. The quorum for any general meeting (save as specified in Article 17) shall be twenty members personally present and qualified to vote unless the chairman otherwise decide under Article 20.

Adjournment of meeting when no quorum.

16. If within half an hour from the time fixed for the meeting a quorum be not present the meeting shall stand adjourned to such time and place as the members present whatever their number shall determine so that such adjournment be not for less than seven nor more than fourteen days from the time of the meeting.

Quorum at adjourned meeting.

17. At any such adjourned meeting if within half an hour from the time fixed for the meeting the prescribed quorum be not present the members present whatever their number shall form a quorum and may transact the business for which the meeting was called.

Adjournment of meeting by resolution.

18. Any meeting at which a quorum is present may be adjourned by resolution of the meeting but no business shall be transacted at any adjourned

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meeting other than such business as might have been transacted at the original meeting.

Chairman at general meeting.

19. The president of the Association the vice-president or such member as the directors shall appoint shall be chairman at any general meeting but if such chairman shall not be present and able and willing to serve when the meeting is ready to proceed to business the members present and entitled to vote (whether themselves forming a quorum or not) may by resolution appoint one of their number to take the chair at such meeting.

Proceedings voting &c. at general meeting.

20. The chairman shall regulate the proceedings at every meeting and every question properly submitted to a meeting shall be decided in the first instance by a majority of the votes of the members personally present and duly qualified to vote The chairman shall have an absolute discretion as to permitting or refusing to permit any members not qualified to vote to be present at or to take part in the proceedings of a meeting otherwise than by voting and members not qualified to vote may if the chairman so decide (having regard to the nature of the business) be counted for the purpose of a quorum.

Qualification for votes.

21. Every member whose existing assurance as specified in Article 2 shall be to the amount of 1000*l.* or upwards not including additions thereto (if any) under Article 58 on which the premium for seven years (or such other period as may have been fixed during which no participation in reduction of premium is to be allowed under Article 58) shall have been paid or commuted shall be entitled to one vote and in case of a poll he shall have one additional vote in respect of each full such sum of 1000*l.* of further assurance as aforesaid but no member shall have more than ten votes except that in case of an equality of votes the chairman shall both on a show of hands at a meeting and on a poll have a casting vote in addition to his votes as a member.

Lunatic may vote by committee.

22. Any member who is a lunatic or of unsound mind may vote by his committee or other legal curator provided that such committee or curator shall have delivered at the office at least three clear days (no one of which is a Sunday or public holiday) previously such evidence as the directors may require of his due appointment to his office.

Closure.

23. At any general meeting it shall be competent to the chairman to take a show of hands whether any member addressing the meeting be longer heard and also to put to the meeting any question which he considers to have been sufficiently discussed.

Power to demand a poll.

24. Upon any difference of opinion (save as to the election of a chairman or as to adjournment) at a general meeting the chairman on behalf of the directors may or any twelve members present and entitled to vote may by writing duly signed and delivered to the chairman within half an hour after he shall have announced the decision of the meeting demand a poll and the poll shall be thereupon granted but unless a poll be so demanded a declaration by the chairman that a resolution has been carried and an entry to that effect in the minute book shall be sufficient evidence of the fact without proof of the number or proportion of votes recorded in favour of or against such resolution The demand of a poll shall not prevent the continuance of a general meeting for the transaction of business other than the matter on which the poll has been demanded.

Poll.

25. If a poll be demanded it shall be taken in such manner and at such place in the county of London and such time other than on a Sunday or public holiday (after an interval of at least seven days) as the chairman of the general meeting shall direct and the directors shall give the notice prescribed in Article 12 The result of a poll shall be deemed to be a resolution of a general meeting.

Votes at a poll.

26. Votes at a poll may be given either personally or by proxy.

Proxy papers.

27. A proxy shall be appointed by a written instrument (in these Articles called a proxy paper) under the hand of the appointor in the following form or in such other form as shall be from time to time sanctioned by the directors :—

I of

being a member of the London Life Association Limited and entitled to vote in respect of Policy No. do hereby appoint of

or failing him of

or failing him of

(all of them being members of the Association qualified to vote) as my proxy to vote for me and on my behalf at the poll of the Association to be held on the day of 18 .

As witness my hand this day of 18 .

(Signed)

Forms for proxy papers.

28. The directors may at their discretion provide forms for proxy papers stamped or unstamped to be obtained by members qualified to vote at such times before a poll as the directors may determine and the directors may in their discretion also send such forms to such members either in blank or provisionally filled in with the names of proposed proxies but they shall not be under any obligation so to do.

If the names of proposed proxies be provisionally filled in a note shall state that the written and signed directions thereon (if any) of the member signing the proxy paper as to the voting of such proxy on any question will be followed.

Proxies.

29. A person cannot be appointed a proxy who is not a member qualified to vote at the time of the poll nor shall any instrument appoint a proxy to vote at more than one poll.

Proxy papers must be delivered in advance.

30. The proxy paper must be delivered at the office at least three clear days (no one of which is a Sunday or public holiday) before the time appointed for the poll at which it is to be used.

Vote by proxy not invalidated by death &c.

31. A vote given in accordance with the terms of a proxy paper shall be valid notwithstanding the previous death of the principal or the revocation of the proxy paper provided that no intimation in writing of such death or revocation authenticated to the satisfaction of the directors shall have been previously received at the office.

Objections to validity of votes.

32. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or at a poll by proxy not disallowed at such meeting or poll shall be deemed valid for all purposes whatsoever of such meeting or poll The directors may in their discretion waive any irregularity in the appointment of a proxy.

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Minutes of general meetings and polls.

33. The directors shall keep proper minutes of every general meeting and poll and the same when duly signed by the chairman of the next subsequent general meeting shall be evidence of all such proceedings.

V.—*Directors.*

Number of directors.

34. The number of directors shall (until otherwise determined by the Association in general meeting) be not less than twelve nor more than eighteen.

Qualification for director.

35. The directors of the London Life Association who are such at the date of registration of the Association shall be directors of the Association and as such qualified for re-election and the qualification for a director to be hereafter for the first time elected shall be the holding as a male member of an assurance as specified in Article 2 to the amount of 2000*l.* or upwards not including additions thereto (if any) under Article 58 on which the premium for seven years shall have been paid or commuted and which is not the subject of any assignment mortgage or charge other than a settlement for the benefit of his wife or issue No person shall be qualified to become or continue such director who having had a receiving order made against him or having been a bankrupt or having compounded with his creditors has not subsequently paid them twenty shillings in the pound or who is indebted to the Association or who or whose partner in any private trade or profession holds any office of profit under or is interested otherwise than as a member in any transaction (not being an assurance or annuity contract) of the Association or who is a director trustee auditor or officer of any other life assurance society or company or whose father son brother uncle or nephew by consanguinity or marriage or whose partner as aforesaid is at the time of his election a director or auditor of the Association but the foregoing restrictions shall not be applicable to the case of any person who was a president vice-president trustee or director of the London Life Association on the 14th December 1892 either before or after re-election.

Disqualification of director.

36. The office of a director shall be vacated—

if he cease to be qualified under Article 35;

if he be lunatic or of unsound mind;

if the directors shall have passed a resolution that he has vacated office by reason of his having in writing resigned office;

if the directors shall have passed at a special board meeting a resolution that he has vacated office by reason of his having been requested in writing duly signed by not less than two-thirds of his co-directors to resign office or his having been absent without the sanction of a resolution of the directors from meetings of the directors for six consecutive months;

if he be removed by resolution of the Association in general meeting.

Retirement of directors.

37. At each ordinary general meeting three directors shall retire from office The directors to retire shall in default of agreement between them be those who have been longest in office or shall if necessary be selected by ballot from among those who have been longest in office For the purposes of this Article the time a director has been in office shall be computed from the date of his last preceding election or appointment.

38. A director retiring under Article 37 shall be immediately eligible for re-election and shall for all the purposes of the meeting at which he retires be considered to continue in office until the conclusion of the meeting. Retiring directors.

39. The Association in general meeting may fill up the vacated offices of any directors retiring under Article 37 by electing a like number of qualified persons to be directors and any such retiring director whose place is not filled up shall continue in office until the next following ordinary general meeting provided that for purposes of retiring by rotation he shall not be deemed to have been re-elected or re-appointed by such continuance in office. Vacancies by retirement of directors.

40. Any vacancy occurring among the directors otherwise than by removal of a director by resolution of the Association under Article 36 or by retirement under Article 37 may be filled up by the appointment of some qualified member by the directors at a special board meeting and the name address and quality of the director who shall have been so elected shall be within one month advertised at least once in two of the daily newspapers circulated in the county of London but any such appointment may be invalidated by resolution of the Association in general meeting at the next general meeting held after an interval of at least three months after such advertisement. Vacancies otherwise than by removal or retirement of directors.

41. Any vacancy among the directors which they shall have failed to fill up (though entitled so to do) within six months of its occurrence having been duly proved to them and any vacancy caused by removal of a director by resolution of the Association under Article 36 or by the invalidation under Article 40 of an appointment made by the directors may be filled up by the Association in general meeting. Vacancies not filled up or by removal or invalidation.

42. No person (not being a director retiring under Article 37) shall be eligible for election as a director unless he shall have at least one month previously given to the actuary at the office notice in writing in a form to be from time to time sanctioned by the directors of his candidature such form being also signed by two members qualified to vote at general meetings recommending the election of the candidate No member shall recommend more than one candidate for any vacancy. Candidates for office of director to give notice to the actuary.

43. The directors may act notwithstanding any casual vacancy in their body. Casual vacancy.

44. The subsequent invalidation under Article 40 of any appointment of a director shall not render invalid any acts of such director while he was a director and all acts done by a director 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 director or person so acting or that he was disqualified be as valid as if every such person had been duly appointed and was qualified as a director. Non-invalidation of acts done at a board meeting.

45. Any three directors or the actuary may at any time call a special board meeting to be held at the office so that written notice of the day and hour and business of such meeting be sent to every director at least ten days previously and no business other than that specified in such notice shall be transacted at such special board meeting Eight directors shall be a quorum for a special board meeting. Special board meetings.

46. The directors may at a special board meeting elect a president and a vice-president from among their number for such term as they may determine or they President and vice-president.

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shall otherwise constitute as they may think proper one of their number for a chairman of board meetings The president or failing a president the vice-president shall in the ordinary course preside at all board meetings but if neither shall have been elected or if neither nor any chairman otherwise constituted shall be present and able and willing to serve when the meeting is ready to proceed to business the directors present shall appoint one of their number to take the chair at such meeting.

Deposition of president or vice-president.

47. A president or vice-president shall cease to be such on ceasing to be a director and may by written notice addressed to the board resign such office The directors may at a special board meeting remove a president or vice-president from such office for negligence misconduct or other reasonable cause.

Actuary.

48. Whenever by death resignation or otherwise a vacancy shall happen in the office of actuary the directors shall at a special board meeting elect an actuary to supply such vacancy and the actuary may by written notice addressed to the board resign such office or may at a special board meeting be removed therefrom by the directors at their discretion The directors may from time to time appoint some other person in the absence of the actuary to discharge any duty or to exercise any function which by these Articles is imposed upon or entrusted to the actuary.

Ordinary board meetings.

49. The directors may meet together for despatch of business adjourn and otherwise regulate their meetings as they think fit and (save in the case of a special board meeting under Article 45) may determine the quorum necessary for the transaction of business but until otherwise determined four directors shall be a quorum Provided that for the purpose of the completion of assurances in cases where delay until the next board meeting might be inconvenient any two or more directors (whether a board meeting shall have been duly summoned or not) may on the application of the actuary accept proposals and issue policies proper minutes being made thereof.

If quorum present board meeting may act.

50. A board meeting at which a quorum is present shall be competent to exercise all or any of the authorities powers and discretions by or under these Articles vested in or exercisable by the directors generally save those for which a special board meeting is prescribed.

Decisions of questions at board meetings.

51. Questions arising at any board meeting shall be decided by a majority of the votes of the directors personally present and in case of equality of votes the chairman shall have a second or casting vote Any director may require that the majority shall be ascertained by a ballot to be taken at once in such manner as the chairman shall direct.

Minutes of board meetings.

52. The directors shall keep proper minutes of their meetings and the same when duly signed by the chairman of the next subsequent board meeting shall be evidence of all such proceedings All things done in pursuance of any resolution recorded in such minutes shall be deemed acts of the directors within the meaning of these Articles.

Common seal.

53. The directors shall provide a common seal for the Association which shall not be used except by the authority of the directors and every sealing shall be verified by the signatures of two directors and the actuary.

Powers of directors.

54. The business of the Association shall be managed by the directors who save as in these Articles otherwise expressly provided shall have and exercise as they shall from time to time consider expedient all the powers of the Association and in addition to all other powers expressed or implied in these Articles power to do all things which they shall deem necessary proper or expedient for carrying on the business or for the furtherance of the objects of the Association including power to make and vary all such bye-laws and rules as to the amount premium (or other consideration) terms and conditions of assurances and re-assurances whether to members or persons not being assured as members and whether with or without right to participation in reduction of premium and whether with or without conditions for the advance of premiums or portions thereof by the Association and of annuities and as to surrender of policies revival of policies which have become void or voluntary payments in respect thereof payment of claims proof and evidence of title borrowing and lending money and all other matters of the like or any other description which may arise in the general management of the business of the Association with power to employ and remunerate by salary or otherwise (including pension or compensation on retirement or partial retirement from office) the actuary and other officers clerks and servants of the Association No member except the directors (acting as the board or a committee) and auditors in the execution of their trusts and duties shall have any right of interference with or control over the business or property of the Association.

Committees of directors.

55. The directors may appoint and dissolve committees from their body and delegate to them such powers and discretions for any special purpose and subject them to such rules as the directors shall think fit.

Remuneration of directors.

56. The remuneration of the directors shall be 4200*l.* per annum (free of income tax) or such other sum as the Association in general meeting shall determine and shall be divided among the directors in such manner and proportions as the directors shall think fit.

VI.—*Accounts Valuation and Reduction of Premium.*

Revenue account and balance sheet.

57. A revenue account and balance sheet of the affairs of the Association shall be made out for every year up to the night of the 31st December and the directors shall take account of the assets at such value as they may consider expedient without being obliged to adhere to the full market value or price thereof and they shall make any special or other reserve they may think fit Such revenue account and balance sheet shall be made out in accordance with the provisions of any Acts of Parliament in force relating to life assurance companies and shall be produced at and laid before the next ensuing ordinary general meeting of the Association and when passed at a general meeting shall be deemed and taken to be accurate and correct and shall (notwithstanding any subsequent discovery of any error therein) be binding and conclusive on all the members.

Valuation.

58. The directors shall yearly as on the night of the 31st December cause a valuation to be made by the actuary on such bases as they shall from time to time think fit of the liability of the Association in respect of assurances annuities and other contracts and the directors shall at a special board meeting declare by what proportion or rate (if any) the premiums payable by or in respect of each

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series of members or policies entitled to participate shall be reduced during one year beginning on the 1st July next ensuing due regard being had to the differences in such proportion or rate as between series and series as were fixed on the establishment or each series and such provision as the directors may think sufficient for the liability aforesaid and (if any) the future expenses of the Association being fully made Provided that no policy shall be entitled to participate in reduction of premium as aforesaid until the premium for seven years (or such other period as may have been fixed on the establishment of any series) shall have been paid or commuted thereon Provided also that such proportion or rate of reduction and the amount to which any policyholder shall be entitled shall be determined by the directors whose decision thereon shall be final and conclusive and no policyholder shall have any claim to participate in any other form save that when and so often as such proportion or rate shall exceed 100 per centum the excess in lieu of further reduction of premium shall be added to the sum assured by the policy and be accumulated at compound interest at such rate of interest and subject to such rules as the directors may from time to time determine and a similar process shall be adopted in respect of a policy the premiums on which have been commuted if the terms of commutation are to that effect.

Valuation account.

59. A valuation account setting forth in such manner as the directors shall from time to time sanction the results of the valuation prescribed by Article 58 shall be produced at and laid before the next ordinary general meeting of the Association.

VII.—*Property and Investments.*

Investments.

60. The funds of the Association shall from time to time be invested in purchase or on security of real or leasehold property or in such stocks funds shares securities properties or other investments as a majority of at least three-fourths of the whole number of directors shall from time to time determine Provided that no investment shall be made in any security not fully called up or which involves any liability beyond the amount intended to be paid or advanced.

May be in names of trustees.

61. An investment may be made or continued in the names of trustees in all cases in which the directors shall deem the interposition of trustees to be convenient and the directors may appoint and remove trustees from time to time.

Under orders of directors.

62. Trustees on behalf of the Association shall act under the orders of the directors at the expense of the Association.

VIII.—*Indemnity.*

Indemnity.

63. The directors actuary and officers of the Association shall be indemnified out of the funds of the Association from and against all charges damages and expenses which they shall or may incur or sustain in the execution of their respective offices unless the same shall happen by their own wilful neglect or default and none of them shall be answerable for any act or default of any other of them or for any banker or other person with whom any moneys or property of the Association may be deposited for safe custody or otherwise or for the

insufficiency of any security or for any other loss which may happen except the same shall happen by or through their own wilful default respectively.

Non-responsibility for consequences of acts done under instructions of the directors.

64. The actuary officers and any trustee of the Association and every person employed by the Association shall be absolutely exonerated from all responsibility in respect of the consequences of anything done under or in accordance with any resolution or instruction of the directors.

IX.—*Auditors.*

Number of auditors.

65. The number of auditors shall (until otherwise determined by the Association in general meeting) be not less than two nor more than four.

Qualification for auditor

66. The auditors of the London Life Association who are such at the date of registration of the Association shall be auditors of the Association and as such qualified for re-election and the qualification for an auditor to be hereafter for the first time elected shall be the holding as a male member of an assurance as specified in Article 2 to the amount of 1000*l.* or upwards not including additions thereto (if any) under Article 58 on which the premium for seven years shall have been paid or commuted and which is not the subject of any assignment mortgage or charge other than a settlement for the benefit of his wife or issue No person shall be qualified to become or continue such auditor who having had a receiving order made against him or having been a bankrupt or having compounded with his creditors has not subsequently paid them twenty shillings in the pound or who is indebted to the Association or who or whose partner in any private trade or profession holds any office of profit under or is interested otherwise than as a member in any transaction (not being an assurance or annuity contract) of the Association or who is or has been within one year of his appointment as auditor a director of the Association or who is a director trustee auditor or officer of any other life assurance society or company or whose father son brother uncle or nephew by consanguinity or marriage or whose partner as aforesaid is at the time of his election a director or auditor of the Association but the foregoing restrictions shall not be applicable to the case of any person who was an auditor of the London Life Association on the 14th December 1892 either before or after re-election The not holding of an assurance as aforesaid or the fact of being a trustee or auditor of any other life assurance society or company shall not disqualify a professional accountant from being an auditor of the Association.

Disqualification of auditor.

67. The office of an auditor shall be vacated—

if he cease to be qualified under Article 66;

if he be lunatic or of unsound mind;

if by notice in writing to the actuary at the office he resign office;

if he be removed by resolution of the Association in general meeting.

Retirement of auditors.

68. At each ordinary general meeting one auditor shall retire from office The auditor to retire shall in default of agreement between them be the one who has been longest in office or shall if necessary be selected by ballot from among those who have been longest in office For the purposes of this Article

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the time an auditor has been in office shall be computed from the date of his last preceding election or appointment.

Retiring auditors.

69. An auditor retiring under Article 68 shall be immediately eligible for re-election and shall for all the purposes of the meeting at which he retires be considered to continue in office until the conclusion of the meeting.

Vacancies in office of auditor.

70. The Association in general meeting may fill up the vacated office of any auditor by electing a qualified person to be auditor and any retiring auditor whose place is not filled up shall continue in office until the next following ordinary general meeting provided that for purposes of retiring by rotation he shall not be deemed to have been re-elected or re-appointed by such continuance in office.

Candidates for office of auditor to give notice to the actuary.

71. No person (not being an auditor retiring under Article 68) shall be eligible for election as an auditor unless he shall have at least one month previously given to the actuary at the office notice in writing in a form to be from time to time sanctioned by the directors of his candidature such form being also signed by two members qualified to vote at general meetings recommending the election of the candidate No member shall recommend more than one candidate for any vacancy.

Casual vacancy.

72. The auditors may act notwithstanding any casual vacancy in their body.

Non-invalidation of acts done at an audit.

73. All acts done by an auditor or by any person acting as an auditor shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such auditor or person so acting or that he was disqualified be as valid as if every such person had been duly appointed and was qualified as an auditor.

Business of auditors.

74. The business of the auditors shall be to examine and check the receipts payments and vouchers and to verify as far as is possible the securities of the Association and to sign the revenue account and balance sheet made out as on the night of the 31st December preceding each ordinary general meeting The auditors shall be independent of the directors.

Remuneration of auditors.

75. The remuneration of the auditors shall be 300*l.* per annum (free of income tax) or such other sum as the Association in general meeting shall determine but (until otherwise determined by the Association in general meeting) the right to such remuneration shall be conditional on at least two auditors attending and auditing the accounts The only auditors entitled to receive remuneration shall be those who actually attend and audit the accounts and the receipt of the auditors (not being less than two) who sign the accounts shall be a good discharge for the whole remuneration.

X.—*Notices.*

Notice by advertisement.

76. Any notice required to be given by the Association to the members shall be sufficient if given by advertisement inserted at least once in two of the daily newspapers circulated in the county of London and notices advertised shall be deemed to be given on the day on which the advertisement shall appear or first appear in the newspapers.

77. A notice in writing addressed to a member at his last known address and left there or sent there through the post as a prepaid letter shall be deemed to be duly served on such member at the time of the same being left or (if posted) at the time at which in the usual course it would have been delivered. Service of notice.

78. Any member whose place of residence is not within the United Kingdom may from time to time notify in writing to the actuary at the office some place of address within the United Kingdom to be his address for service and a notice served at such address shall be good and sufficient notice. Members out of United Kingdom.

79. All general meetings board meetings and committee meetings for the holding whereof any notice may be requisite shall until the contrary is shown be deemed to have been duly notified to all persons entitled to notice thereof and the proceedings thereat shall not be invalidated by reason of the non-receipt of any notice required by the Articles whether the notice of meeting shall have been advertised or not. Non-receipt of notice.

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