

CHAPTER 227.

DEMERARA MUTUAL LIFE ASSURANCE
SOCIETY.

[No. XXVII of 1919.]

[27th September, 1919.]

PRELIMINARY.

Short title.

1. This Ordinance may be cited as the Demerara Mutual Life Assurance Society Ordinance.

Interpreta-
tion.

2. In this Ordinance—

“the Society” means the Demerara Mutual Life Assurance Society, Limited.

“the chairman” means the chairman of the directors of the Society;

“director” or “directors” means a director or the directors of the Society;

“secretary” includes assistant secretary and any person appointed by the directors to act as secretary for the time being;

“special resolution” means a resolution which has been first passed at an extraordinary general meeting by a majority of not less than three-fourths of the members present at that meeting, and has afterwards been confirmed at a subsequent extraordinary general meeting by a majority of the members present at the subsequent meeting, which shall be held after an interval of not less than fourteen and not more than thirty days from the date when the resolution was first passed;

“person” includes any number of individuals, whether trading together as partners, or owning property, movable or immovable, jointly or in individual shares;

“actuary” means an actuary possessing the qualifications prescribed by rules made by the Board of Trade for actuaries in any part of the United Kingdom.

CONSTITUTION AND POWERS.

Constitution of the Society.

3. The present members of the Society and any other persons who from time to time become members of the Society hereby incorporated, shall be and shall continue hereafter to be members of one body politic and corporate by the name and style of "The Demerara Mutual Life Assurance Society, Limited," and by that name shall have perpetual succession, and may have and use a common seal, (which may be changed or varied at pleasure), and be capable of suing and being sued in all courts of justice and before all magistrates and justices.

Incorporation of Society.

4. Everyone holding a policy of life assurance, either effected by him or held by virtue of the assignment hereinafter provided for, and of which notice has been given in accordance with the provisions of this Ordinance, on his own life, or on his own life and on the life or lives of any other person or persons, or on the life or lives of any other person or persons, and entitled thereunder to participate, as hereafter in this Ordinance provided, in the periodical division by way of bonus of the profits made by the Society, shall, so long as that policy is valid and in force, be a member of the Society.

Members of the Society :

Provided that any assignment to the Colonial Treasurer under the Public Officers' (Insurance) Ordinance, or to the Town Clerk of Georgetown under the Georgetown Town Council Ordinance, or any assignment which the directors are satisfied is an assignment of custody under the terms of the policyholder's employment, or for the benefit of wife, widow, or children, shall not deprive the assignor of any right of membership.

Proviso.
Chapter 201.
Chapter 86.

5. The Society shall be a mutual society, and its members shall, as regards the participation hereafter referred to in this section, be deemed joint proprietors in the funds, real estate, and effects of the Society in the ratio of their interests, and be entitled to participation in the like ratio in any benefits resulting on the operations of the Society.

The Society to be a mutual one.

6. The funds, as well as the real estate and effects of the Society, shall be alone subject and liable to any charge and demand against it, and no member of it shall be liable for,

The funds of the Society alone liable to charges against it.

or charged with the payment of any debt or demand due from or by it beyond the extent of its funds, property, and effects aforesaid.

Legal proceedings.

7.—(1) In any legal proceeding by the Society the power ad litem, or the authority to a solicitor to act for the Society in an action, may be signed by the secretary.

(2) In any legal proceeding against the Society, service of process on the secretary shall be deemed sufficient service.

Execution of documents :

8.—(1) All policies, transports, mortgages, cancellations of mortgages, transfers, and other documents, requiring to be formally executed by or on behalf of the Society shall be deemed sufficiently executed if signed by the chairman of the board of directors and the secretary, or, in the absence or inability of the chairman to attend, by any director and the secretary and the seal of the Society is affixed thereto.

(2) In addition to the powers of execution of documents hereinbefore contained, every policy, transport, mortgage, cancellation of mortgage, transfer, or other document, requiring to be formally executed by or on behalf of the Society shall be deemed sufficiently executed if signed by the Secretary, or, if executed outside of the colony, by an agent, and the seal of the Society is affixed thereto, whenever duly authorised so to do at a meeting of the Directors :

Proviso.

Provided that an extract from the minutes of that meeting, signed by the chairman presiding thereat and by two directors giving that authority, shall be attached to and form part of the document.

(3) Everyone signing as chairman, director, or secretary shall be taken to be that officer until the contrary is proved.

Power of the Society to effect policies of assurance.

9.—(1) The Society is hereby empowered to effect policies of life assurance with the right to participate, as hereafter in this Ordinance provided, in the periodical division by way of bonus of the profits made by the Society, or without that right upon the terms and conditions from time to time agreed upon between the Society and the assured, which terms and conditions shall be printed, or written in and upon each and every policy issued by the Society, and shall

not be inconsistent with this Ordinance or any regulation made under it in force at the time of the issuing of the policy.

(2) For the purpose of this Ordinance the words "policies of life assurance" mean, unless the context otherwise requires, any instruments by which the payment of moneys by and out of the funds of the Society, on the happening of any contingency depending on the duration of human life, is assured or secured, with the right to participate in profits as hereafter in this Ordinance provided or without that right, and include contracts of assurance by way of endowment and annuities.

10. No assurance on any one life shall be accepted, and no policy shall be issued, for a less sum than five hundred dollars.

Limitation of policies.

11. The Society is also hereby empowered to re-assure or counter-assure all or any risks, and to undertake all kinds of re-assurance and counter-assurance connected with any of the business of the Society, and to enter into any contracts and execute any instruments, necessary for those purposes or any of them.

Power of the Society to re-assure.

12. The directors shall have power to hire, lease, or purchase a suitable building or buildings, or to lease or purchase land, and to erect thereon a suitable building or buildings, in any part of the colony for the purpose of carrying on the business of the Society, and may sell any portion of the land, or lease or rent out any portion of the building or buildings, not required for that purpose.

Power to acquire land and buildings.

13.—(1) The directors, in addition to the power to purchase hereinbefore contained, shall have power to invest all funds whatsoever belonging to the Society, in any manner to them seeming best for furthering the interests of the Society, and in particular, but without in any way limiting the general power of investment.

Power of investments :

(2) They may lend money on the security of mortgage on immovable or real property in the colony or elsewhere, and for that purpose may, on behalf of the Society, accept all mortgages passed in its favour, and may also, on its behalf, accept any transfer or assignment of any mortgage on immovable or real property in the colony or elsewhere transferred or assigned to it as security for the repayment of money lent by it.

(3) They may also accept and hold, as and by way of additional security for money lent under the provisions of the preceding sub-section, movable property of any description, and in particular policies of life assurance, and the charge on that movable property may be effected by inclusion in the mortgage mentioned in that sub-section or by separate instrument, or in any other manner of which the directors approve.

(4) They shall also have power to sell any mortgage or other security held by the Society, and to transfer or assign it to the purchaser, and, on payment and satisfaction of any mortgage debt, to cancel, release, re-transfer, and assign the mortgage or other instrument or property held as security.

(5) They may make loans to any member of the Society on the security of any policy of life assurance in respect of which he is a member of the Society :

Proviso.

Provided that no loan shall be made by the Society on the security of any policy of life assurance until after the payment of two annual premiums thereon, and that the amount of money at any time due or owing to the Society in repayment of any loan or loans aforesaid shall not exceed in the aggregate the cash surrender value of the policy of life assurance on the security of which the loan or loans was or were made, calculated according to the actuarial tables of the Society.

Power of Society to acquire property on which a mortgage is held :

14.—(1) If, in the colony or elsewhere, any mortgage held by the Society is foreclosed and the property mortgaged thereby brought to sale at execution, or if the mortgaged property is otherwise brought to sale at execution or is sold by the Official Receiver or any competent authority or any assignee in insolvency, the directors shall be at liberty, if the highest bid by any other person at the sale is insufficient to satisfy in full the mortgage debt and the cost of the foreclosure and sale at execution, to purchase the property and obtain title therefor in the name of the Society.

(2) They shall also be at liberty to take over, by transport or otherwise, in satisfaction of a mortgage, any property mortgaged to the Society or on which it holds a mortgage by transfer or otherwise :

Proviso.

Provided that whenever any property is so taken over or is purchased as herein authorised, or is acquired absolutely by the Society in the exercise of rights as a mortgagee or secured creditor under any law, the directors shall

be bound, within three years from the date of purchase or other acquisition aforesaid, to resell and thereafter to transport or convey the property to the purchaser thereof, and may accept from the purchaser a mortgage thereon for securing payment of the whole or any portion of the purchase money, but any general meeting of members shall be empowered to sanction an extension from year to year of the period of three years for holding the property.

15. The Society and its directors may exercise any of the powers conferred on it or them respectively by this Ordinance in any part of the world, and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees, or otherwise.

Exercise of powers by Society.

BORROWING POWERS.

16. The directors may, in the name of the Society, borrow money on any terms and conditions, and in any manner, and for any purposes, they think fit.

Power of the Society to borrow money.

MANAGEMENT.

17. The head office of the Society shall be in Georgetown, where all meetings of the Society or of the directors shall be held, unless otherwise provided by regulation.

Head office of the Society.

18. The business of the Society shall be conducted by a board of directors, as in this Ordinance constituted, in accordance with this Ordinance and regulations of the Society for the time being in force.

Conduct of business of the Society.

19. The Directors shall have power to appoint the necessary officers and servants for transacting the business of the Society, and to allow them reasonable remuneration for their services.

Appointment of officers and servants.

20.—(1) The directors shall have power from time to time to make, and when made, to alter, amend, or annul, regulations for the proper management of the Society's business, and generally for the carrying out of the objects for which it is incorporated; but those regulations shall not be repugnant to the provisions of this Ordinance or to the laws of the colony.

Power to make regulations.

(2) The powers of alteration, amendment, and annulment herein conferred shall extend to and include alteration, amendment, and annulment of any existing regulations.

THE CAPITAL.

Capital.

21. The capital of the Society shall consist of all its existing and future funds.

PROFITS.

Periodical
division of
profits.

22.—(1) As soon as possible after the thirty-first day of December, nineteen hundred and twenty-one, and at the expiration of every period of five years thereafter, or any other shorter periods determined by regulation, the profits of the Society shall be ascertained by a competent actuary, the valuation of the actuary being based on an interest earning rate not exceeding four per centum per annum, and, after providing a reserve for future charges and contingencies, or towards profits for succeeding divisions, which the directors think proper, the remainder of the profits shall be equally apportioned amongst the members of the Society as and by way of bonus in the manner from time to time fixed by regulation.

(2) The profits allotted to any policy by way of bonus shall not vest until five annual premiums have been paid or secured thereon.

THE DIRECTORS.

Number.

23.—(1) The directors of the Society shall not exceed nine in number.

Qualification.

(2) No one shall be qualified to be elected or to act as a director of the Society, or to sit or vote at any meeting of directors, unless he is a member of the Society as defined by section four of this Ordinance, and holds a policy of life assurance effected with the Society for not less than two thousand five hundred dollars.

Retirement.

(3) Three directors shall retire annually at the general meeting held next after the thirty-first day of December in each year, and their places shall be filled by election at that meeting.

Election of
chairman.

24. The directors for the time being shall, at their first meeting after the ordinary general meeting held next after the thirty-first day of December in each year, choose from

amongst their own number a chairman for the ensuing year, by ballot or otherwise as the meeting decides, and in case of the death, resignation, removal, or other disqualification of the chairman, the directors at their next meeting shall, in the same manner, choose from amongst their own number a chairman to fill his place for the remainder of the term for which he was elected.

25.—(a) Any director may be granted leave of absence by the directors for not more than four months, but not more than three directors shall be absent on leave at any one time. Leave and disqualification of directors.

(b) In the event of the chairman being absent on leave the directors shall at their first meeting thereafter, or so soon as conveniently may be, choose from amongst their own number an acting chairman who shall, during the absence on leave of the chairman, have all the powers of the chairman under this Ordinance.

(c) The office of a director shall ipso facto become vacant :—

- (i) if he becomes insolvent or suspends payment or compounds with his creditors;
- (ii) if he is found lunatic or becomes of unsound mind;
- (iii) if he ceases to be qualified to act as a director of the Company;
- (iv) if by notice in writing to the Company he resigns his office;
- (v) if without leave of the directors he absents himself from the colony or, having obtained leave, he overstays the leave;
- (vi) if without reasonable excuse to the satisfaction of the directors he is absent from six consecutive meetings of the Board.

26. A director may be removed from office before the expiration of his term by a special resolution of the Society. Removal from office.

27. The directors may act notwithstanding any vacancy in their number. Directors may act notwithstanding vacancy.

28. In case of the death, resignation, removal, or other disqualification, of any director during his term of office, the remaining directors shall choose some other Filling of vacancy :

qualified person to fill the vacant place, and the seniority of any director so chosen shall be the same as that of the director whose place he fills :

Proviso.

Provided that, in the event of a vacancy occurring within one month before the date fixed for the next general meeting, the directors may, if they think fit, abstain from filling the vacancy and leave it to be filled at that general meeting.

Order of retirement.

29. Directors shall retire in order of seniority, and retiring directors shall, except where otherwise provided, be eligible for re-election.

Disqualification of women.

30. No woman shall be eligible for election as a director.

Quorum.

31. Five directors, or any other number (not less than three) fixed from time to time by a resolution duly passed at a general meeting, present at any meeting of directors shall form a quorum competent to transact any business relating to the affairs of the Society; and all questions coming before any meeting of directors shall, in case of difference of opinion, be decided by a majority of votes.

Remuneration.

32. The members of the ordinary general meeting held next after the thirty-first day of December in each and every year may, by formal resolution, determine what remuneration, if any, shall be paid to the chairman and directors, respectively, for their services during the year in which the meeting is held.

MEETINGS.

Ordinary general meeting.

33. One ordinary general meeting shall be held in each and every year on a date to be fixed by the directors from time to time. All other meetings of the Society shall be called extraordinary general meetings.

Extraordinary general meeting.

34.—(1) Four directors, or any number of members of the Society not less than twenty, or any other number fixed by regulation, may at any time request the chairman of the board of directors to convene an extraordinary general meeting.

(2) If the chairman refuses or neglects for more than forty-eight hours to do so, the persons who have so

requested him may themselves convene the meeting by advertisement, in the manner fixed by regulation for advertising any general meeting.

35. Every general meeting shall be convened by a notice signed by the secretary, and advertised in the manner fixed by regulation. Mode of convening meeting.

36. At every general meeting twenty members, or any other number fixed by regulation, shall constitute a quorum. Quorum at general meeting.

37. The directors shall have power to fix any day or days in each month for their ordinary meetings for the transaction of business, and the chairman shall have the power to call extraordinary meetings of the directors, whenever he deems it advisable. Directors meeting.

38. The chairman of the board of directors shall preside at every meeting of directors, or of members, at which he is present; and in case of his absence, any director present may be appointed by the meeting to act as chairman. President at meetings.

39. The chairman shall be entitled to vote as director at any meeting of directors and as a member at any meeting of members, and in each case he shall have a casting vote. Chairman's vote.

40.—(1) At every general meeting every member of the Society shall be entitled to vote. Right of voting.

(2) The number of votes to which he shall be entitled shall depend on the total amount of profit-sharing life assurance held by him, and shall be in accordance with the following scale, namely:—

- one vote if that assurance does not amount to \$2,500;
- two votes if it amounts to or exceeds \$2,500, but does not amount to \$5,000;
- three votes if it amounts to or exceeds \$5,000.

(3) At any general meeting a director shall be entitled to vote as a member and not otherwise.

(4) All votes shall be given personally, except that all members residing beyond the municipal limits of Georgetown, and female members wherever resident, shall be entitled to be represented by proxy votes, but the proxy votes must be entrusted to and used by a member.

Conditions
of voting
by proxy ;
first
schedule.

41.—(1) Whenever any member or other person wishes to vote by proxy at any general meeting, he shall, not less than twenty-four hours before the time at which the meeting is to take place, deliver or cause to be delivered at the office of the Society, a document, signed by him, in the form contained in the first schedule hereto, appointing some other member of the Society as his proxy.

(2) No vote or votes by proxy shall be received or allowed at the meeting, or at any adjournment thereof, unless the provisions of the preceding sub-section have been complied with.

ASSIGNMENT OF POLICIES.

Right of
assignment
of policy ;
second
schedule.

42.—(1) Any policy of assurance effected with the Society may be assigned.

(2) The assignment may be made either by indorsement on the policy or by a separate instrument, in the words or to the effect set forth in the form contained in the second schedule hereto.

Notice of
assignment.

43.—(1) An assignment shall not confer on the assignee therein named, his heirs, executors, administrators, or assigns, any right to sue for the amount of the policy, or the moneys assured or secured thereby, until a written notice of the date and purport of the assignment has been given to the Society at its place of business in Georgetown, and the date on which that notice is received shall regulate the priority of all claims under any assignment.

(2) A payment made in good faith by the Society in respect of any policy before the receipt of the notice shall be valid against the assignee giving the notice.

Giving of
acknowledg-
ment of
notice of
assignment.

44. On receiving a notice of assignment, the Society shall, on the request in writing of any person by whom it was given or assigned, or of his heirs, executors, administrators, or assigns, deliver an acknowledgment in writing under the hand of the secretary, or some other principal officer of the Society, of the receipt of it; and that written acknowledgment, if signed by the secretary, or other principal officer whose acknowledgment it purports to be, shall be conclusive evidence against the Society of the Society having duly received the notice to which it relates.

AUDITOR.

45.—(1) At the ordinary general meeting held next after the thirty-first day of December in each year, the members present shall, by ballot or otherwise, as they think fit, elect an auditor, to hold office until the next election of an auditor under the provisions of this section and may at the same or at any subsequent meeting fix the amount of the remuneration. Election and remuneration.

(2) The retiring auditor shall be eligible for re-election. Eligibility for re-election.

(3) The auditor may be removed from office before the expiration of his term of office by a special resolution. Removal.

(4) If the auditor holds any other office in the Society, or makes any contract with the Society, or is in any manner pecuniarily interested in its concerns, save as the holder of any policy, his place as auditor shall become and be ipso facto vacant. Prohibition from holding other office.

(5) In the event of the death, resignation, absence from the colony without leave from the directors, removal, or other failing from whatever cause of the auditor, the directors shall appoint some duly qualified person in his stead to hold office for the time being or until the next election of an auditor under the provisions of sub-section (1) of this section. Filling vacancy of office.

PERIODICAL STATEMENTS.

46. The Society shall, at the expiration of each period of twelve months, at the end of which the balance of the accounts of the Society is struck, forthwith after the thirty-first day of December in each and every year, prepare a statement of its revenue account for that year and of its balance sheet at the close of that year. Annual statement of revenue account and balance sheet.

47.—(1) The Society shall once in every five years, or at any shorter intervals prescribed by regulation, cause an investigation to be made into its financial condition by an actuary, and an abstract of the report of the actuary to be made. Report of actuary.

(2) The Society shall, within three months after the date of each investigation prepare a statement of its business made up as at the date of that investigation. Statement of business of the Society.

(3) The statement shall be signed by the chairman and two directors, and by the secretary of the Society, and Statement to be laid before the Governor and Legislative Council.

be forthwith laid before the Governor and Legislative Council and thereafter be published in the Gazette.

Policies existing at commencement of Ordinance, and regulations made under repealed Ordinances to be valid and remain in force.

48. All policies of assurance effected with the Society under The Demerara Mutual Life Assurance Society's Ordinances, 1891, 1914, and 1915, and in force at the commencement of this Ordinance shall be and continue to be in full force and effect; and all regulations made under and in virtue of the provisions of those Ordinances, and in force at the commencement of this Ordinance shall, until annulment thereof by the making of new regulations by the directors, and except in so far as they are repugnant to or inconsistent with the provisions of this Ordinance, continue or remain in force.

Saving.

49. Nothing in this Ordinance shall prejudice or affect the rights of his Majesty the King, his heirs and successors, or of any body politic or corporate, or of any person or persons except the persons mentioned in this Ordinance and those claiming by or through or under them.

SCHEDULES.

FIRST SCHEDULE.

(Section 41.)

PROXY FORM.

THE DEMERARA MUTUAL LIFE ASSURANCE SOCIETY, LIMITED.

Whereas I, _____ am a member of The Demerara Mutual Life Assurance Society, Limited, and am entitled to vote (but reside beyond the municipal limits of Georgetown, or am a female, as the case may be) at the _____ general meeting of members of the Society, appointed to be held on the _____ day of _____ do hereby appoint _____ of _____ who is also a member of the said Society, as my proxy to vote on my behalf at the said meeting and at any adjournment thereof.

This done _____ in the county of _____ in the colony of British Guiana, this _____ day of _____, 19 _____

SECOND SCHEDULE.

(Section 42.)

I, A.B., of _____ (in consideration of) _____ do hereby assign unto C.D., of _____ his heirs, executors, administrators, and assigns, the policy of assurance granted [here describe policy].

In witness, etc.