

LADY GROVER'S HOSPITAL FUND FOR OFFICERS' FAMILIES was founded at Simla by Lady Grover, who had been deeply impressed by the need for some sort of scheme to help officers, primarily of the Indian Army, with hospital and nursing expenses arising out of the illness of their dependants.

At Lady Grover's death, in 1912, the Committee of the Fund, most of whom had helped her to start the scheme, renamed the Fund as it is today, as a memorial to a very gracious lady. General Sir Malcolm Grover, on his retirement in 1919, made the Fund his main interest, and was responsible for building up the resources and benefits and for enlarging the scope of the Fund to include Officers of the three Services, serving anywhere in the world.

This altruistic task he performed admirably, and to the Fund's very great prestige, until his death in 1945.

Form R/FS/RA 13

Certificate of Registration of an Alteration of Rules of an Existing Friendly Society, submitted pursuant to s.93 (5) of the Friendly Societies Act 1992 for the purpose of ensuring its rules conform to the Friendly Societies Acts 1974 and 1992.

Name of Society: Lady Grover's Hospital Fund for Officers' Families

Register No. 474 F

A copy of the alteration of the Rules of the Society, submitted with the application dated 7 November 2002, was registered on 13 November 2002 to take effect on 1 January 2003.

A copy of this certificate and record of any alterations since are kept in the public file of the Society.

Registry of Friendly Societies

Official Seal

Date: 13th November, 2002

Central Office

ALL PREVIOUS RULES RESCINDED

RULES OF LADY GROVER'S HOSPITAL FUND FOR OFFICERS' FAMILIES

Registered under the Friendly Societies Acts 1974 and 1992

Register No. 474F

Registered Office: First Floor, Mountbarrow House, 6-20 Elizabeth Street, London, SW1W 9RB

INTERPRETATION OF RULES

In these Rules, unless the contrary intention appears:

- (1) Words denoting the masculine gender shall be deemed to include the feminine.
- (2) Words in the singular shall include the plural and words in the plural shall include the singular.
- (3) "The 1974 Act" means the Friendly Societies Act 1974.
- (4) "The 1992 Act" means the Friendly Societies Act 1992.
- (5) "Appropriate Actuary" has the meaning given by s.119 of the 1992 Act.
- (6) "The Central Office" means the Central Office of the Registry of Friendly Societies.
- (7) "The Commission" means the Friendly Societies Commission.
- (8) "Special Resolution" has the meaning given by paragraph 7 of Schedule 12 to the 1992 Act.
- (9) "The Registrar" means in relation to the central registration area - the Central Office.
- (10) "Year" means "Calendar Year".
- (11) "Age", except where otherwise expressly stated, means the age of the person concerned on his last birthday or the age attained on any relevant birthday as the context may require.

NAME AND CONSTITUTION

1. The Society is a registered Friendly Society. It is called the Lady Grover's Hospital Fund for Officers' Families, and is hereinafter referred to as "the Society".

REGISTERED OFFICE

2. The Address of the Registered Office shall be First Floor, Mountbarrow House, 6-20 Elizabeth Street, London, SW1W 9RB.

PURPOSES

3. The purposes of the Society shall be the carrying on of the following classes of business or other activity. Any business or activity referred to below -
 - (i) is to be carried on by the Society with a view to the provision for its members and such persons connected with its members as may be prescribed in the rules;and
 - (ii) is to be funded by voluntary subscriptions from members of the Society, supplemented as necessary by income from investments, donations and legacies.

Head B. General business of the following classes

Class 2, Sickness.

Effecting and carrying out contracts of insurance providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of the two) against risks of loss to the persons

insured attributable to sickness or infirmity, but exclusive of contracts falling within Class IV in Head A of Schedule 2 to the 1992 Act.

Head C.

Business not falling within the descriptions of insurance business in Head B above, consisting of the effecting and carrying out of contracts in accordance with which benefits are provided:

- (a) for the relief or maintenance of any persons during sickness or when in distressed circumstances.

In pursuit of the above purposes the Society shall provide financial assistance towards defraying any of the nursing or convalescent expenses mentioned in Rule 6(2)(c) and incurred by a member as a result of the illness of any of the persons mentioned in Rule 6(2)(a) and 6(2)(b).

MEMBERSHIP

4.

- (1) Application for membership shall be made in writing to the Secretary and will be placed before the Committee for approval. The Committee may refuse to admit to membership any person eligible under this rule without assigning any reason therefore.
- (2) Those eligible to apply for membership of the Society are:
 - (a) Any Officer who holds or has held a regular commission in the U.K. Armed Forces or associated Nursing Services for a minimum of five years, including any Officer who has a legally recognised civil partnership (but see Rule 6(2)(a) concerning the age limit for dependants).
 - (b) The widow/widower of any of the Officers mentioned above provided that at the date of application she/he had not attained the age of 55 or remarried.
 - (c) The widow/widower of any of the Officers mentioned above having at the date of application attained the age of 65 provided that her husband/his wife was a member of the Society at any time during the two years prior to application for membership and she/he has not remarried.
 - (d) The divorced wife/husband of any of the Officers mentioned above provided that at the date of application she/he has not attained the age of 55 or remarried.
 - (e) The unmarried daughter/son of any of the above- mentioned Officers, having at the date of application attained the age of 50, provided that the deceased parent on whom she/he had been dependent had been a member of the Society at any time during the two years prior to his/her application for membership.
- (3) A widow/widower, divorced wife/husband, or unmarried daughter/son who having become a member of the Society subsequently remarries or marries, must inform the Committee, and may only continue as a member at their discretion.
- (4) No person may be covered by more than one membership.
- (5) A member shall cease to be a member of the Society on notification to the Secretary and ceasing to pay subscriptions.

REGISTER OF NAMES AND ADDRESSES

5.

- (1) The Society shall maintain a register of the names and addresses of the members of the Society.
- (2) The register shall be kept at the Registered Office of the Society or at such other place or places as the Committee thinks fit.
- (3) Where it appears to the Society that the address shown in the register for a member is no longer current, the Society:
 - (a) may remove that address from the register; and
 - (b) need not enter in the register an address for that member while it has no address for him and his whereabouts are unknown.

SUBSCRIPTIONS AND BENEFITS

6. Every member of the Society shall pay subscriptions and receive benefits as provided in sub-paragraphs (2)(c) of this Rule, and such subscriptions shall be dealt with in accordance with Rule 27.

Any variation in subscriptions or rates of benefit shall require an amendment to the Rules of the Society.

(1) Subscriptions

- (a) There shall be three scales of subscription and benefit according to the date when a member first joined the Society, or subsequently elected to pay at a higher scale of subscription, as follows:
 - i. Scale 'A'- applicable to any person accepted as a member of the Society after 31st December, 1962 and before 1st July, 1977; and to any member who joined the Society before 31st December, 1962 and subsequently elected to subscribe at Scale 'A' rates.
 - ii. Scale 'B' is now obsolescent and only applies to those who became a life member before 1st January, 1963.
 - iii. Scale 'X' - applicable only to any person accepted as a member of the Society before 5th January, 1987.
 - iv. Scale 'Y'- the normal rate and applicable to any subscriber who elects to subscribe at Scale 'Y' rates in order to qualify for Scale 'Y' rates of benefit.
- (b) The following shall be the rates of subscription:
 - Scale 'A' - Annual subscription £8
 - Scale 'X'-Annual subscription £10
 - Scale 'Y' - Annual subscription £35
- (c) A member admitted to the Society, or an existing member who elects to Scale 'Y' rate of subscription, after 31st March in any year, shall, in respect of that year, pay only the balance of the full annual subscription, calculated from the beginning of the quarter in which she/he is admitted or so elects.
- (d) A member, being the widow or unmarried daughter of a member who had subscribed at Scale 'B' rates, may elect to subscribe and receive benefits at Scale 'Y' (normal rate).

- (e) Any Scale 'A' or 'X' subscriber may at any time elect to subscribe at Scale 'Y' rate (normal rate). However, any subscriber who elects to subscribe to Scale 'Y' shall not be eligible for the higher rates of benefit until she/he has subscribed at those rates for a period of six months.
- (f) All elections under this Rule shall be made in writing to the Secretary at the registered office of the Society.
- (g) Life Membership
 - i. No new life members of the Society have been accepted for some years, but any existing life member is permitted to continue as a life member and to be eligible for Scale 'B' rates of benefit without further payment.
 - ii. Any life member who has elected, or elects, to receive Scale 'A', Scale 'X' or Scale 'Y' rates of benefit shall pay annual subscription at the rates set out as follows:
 Scale 'A' - Annual subscription £4.43
 Scale 'X' - Annual subscription £6.43
 Scale 'Y' - Annual subscription £14.43
- (h) Payment of Subscriptions
 - i. Subject to ii below, subscriptions shall be due on admission to the Society, and thereafter on the 1st January in any year, and shall be paid by direct debit, banker's order or cheque, to be sent or delivered to the Secretary at the registered office of the Society.
 - ii. Those who join during the course of a year will pay either a quarter, or half or three quarters of the whole of the annual subscription depending on the date they join. The amount will be calculated from the date on which they join and will include the whole of that quarter.
 - iii. Default in Payment of Subscriptions. Any member, other than a life member who is not paying subscriptions under Rule 6(1)(g)(i), who has not paid his subscription or any instalment thereof three months after it has become due, if he was then residing in the United Kingdom or Eire, or six months after it has become due if he was then residing elsewhere, shall cease to be a member of the Society and shall cease to be entitled to any benefits under these Rules unless the Committee shall, upon such terms as it sees fit, determine otherwise.

(2) Benefits

- (a) Membership Rights. A member may receive financial assistance, (hereinafter called "nursing benefit") as set out in sub-paragraph (c) below, towards defraying nursing or convalescent expenses as a result of the illness of any of the following persons, being dependent upon the member, provided that no claim may be made on account of the illness of a dependant if at the date of the member's application to join the Society, that dependant had attained the age of 65 years:
 - i. her husband/his wife and children. (The word "children" is defined as being any daughters/sons including adopted children and step-children, under the age of 18; provided that the Committee shall have discretion in any individual case to extend the age limit to twenty-one where the child is undergoing a course of education,

study, or vocational training, or whose circumstances are such that the Committee at its discretion considers should be included in that definition).

- ii. A dependent mother/father or step-parents.
 - iii. Her/his unmarried daughter/son if over 18, providing that written proof can be obtained from the family doctor to the effect that she/he is resident with and, actively caring for, her/his parents. Dependency for the purposes of these Rules is interpreted as one who is normally supported financially by the member or makes her/his permanent home with the member. Benefit is NOT payable in respect of dependant common law partners.
- (b) The following may also receive nursing benefit as set out in Rule 6(2)(c) on account of her/his own illness:
- i. any widow/widower, or divorced wife/husband of an officer who is a member under Rule 4(2)(b), (c), or (d).
 - ii. any unmarried daughter/son who is a member under Rule 4(2)(e).

(c) Nursing Benefit

- i. Subject to this Rule, a member shall be entitled to nursing benefit towards any one or more of the following classes of expenses (hereinafter called 'nursing expenses') incurred by reason of the illness of any dependent person as defined in Rule 6(2)(a); or in the case of members as defined in Rule 6(2)(b) of such expenses incurred by reasons of her/his own illness:
 - a. the expense of temporary residence (including food and nursing care) in a hospital or nursing home;
 - b. the expense of temporary employment of a Registered General Nurse, Enrolled Nurse General, or trained Health Care Assistant or Nursing Auxiliary with appropriate experience;
 - c. the expense of convalescence (including travelling expenses) under medical advice in an accepted establishment, normally within the United Kingdom, unless the Committee in any case otherwise determines;
 - d. the expenses of the temporary employment of a home help.
- ii. For the purpose of this Rule, "illness" does NOT include:
 - a. any mental illness,
 - b. any confinement or illness arising from pregnancy,
 - c. any illness of a recurrent or chronic nature, unless the Committee in any case otherwise determines.
- iii. A member shall **NOT** be entitled to nursing benefit:
 - a. until she/he shall have been a member of the Society for a period of six months;
 - b. if the person in respect of whose illness nursing benefit is claimed is, in the opinion of the Committee, normally resident in a nursing home or other similar institution;
- iv. Benefits will not be payable in respect of surgeons' or physicians' fees or for any investigations or treatments carried out.

- v. Subject to the other provisions of these Rules, a member entitled to nursing benefit shall be entitled to receive the amount of the nursing expenses actually incurred in any week (which for the purpose of this Rule shall mean seven days), and pro-rata for any part of a week, subject to the appropriate maximum amounts set out for each class of expense in the Table below, and provided that the total for any week shall not exceed the maximum entitlement for a week, and pro-rata for part of a week:

Maximum Weekly Benefits

Class of Expense as set out in Rule 6(2)(c)	Scales			
	A	B	X	Y
Rule 6(2)(c)(i)(a)	£126	£16.38	£245	£1540
Rule 6(2)(c)(i)(b)	£126	£12.32	£175	£ 315
Rule 6(2)(c)(i)(c)	£126	£10.92	£140	£ 315
Rule 6(2)(c)(i)(d)	£ 84	£10.92	£ 84	£ 196
Maximum entitlement For any one week	£126	£16.38	£245	£1540

- vi. A member who has received nursing benefit in respect of eight weeks of illness (whether consecutive or otherwise) in a period of twelve months shall not be entitled to any further nursing benefit during that period of twelve months, except in the case of Rule 6(2)(c)(i)(d) when the maximum period in a period of twelve months will be fifteen weeks, but the overall total will be capped at £2,352, equivalent to twelve weeks at the maximum payable of £196 per week.
- vii. To protect the Society from excessive claims for Hospital benefit, a member should not be entitled to more than a maximum settlement of £6,300 per annum.
- viii. Compensation to which a member is entitled under any insurance effected by or on his behalf with any other society or company in respect of any nursing expense as defined in Rule 6(2)(c) for which a claim is submitted to the Society, shall be taken into account and shall be deducted from the total nursing expenses incurred before arriving at the sum to which the member is entitled under these Rules so that the total compensation received in respect of that nursing expense shall not exceed the actual expenditure incurred.
- ix. Ex-gratia payments The committee shall have the power at its sole discretion in special cases of hardship to make an ex-gratia payment to a member.

PROCEDURE FOR MAKING CLAIMS

7.

- (1) All claims for Nursing Benefit must be supported by receipted bills and medical certificates, and must be made in writing to the Society's Registered Office within twelve months from the expiration of the period to which each claim relates.
- (2) Claims shall be held to begin on the first day for which the expense for nursing benefit becomes payable.

COMMITTEE OF MANAGEMENT

8.

- (1) The business of the Society and any business that the Society proposes to carry on shall be under the direction of a Committee of Management (herein referred to as the "Committee") consisting of not more than twelve nor less than four elected members. They will normally be advised by one serving officer from each service appointed by the Ministry of Defence and by a serving medical officer.
- (2) Subject to the provision of the Act and these Rules and to any direction given by special resolution, the business of the Society shall be managed by the Committee who may exercise all the powers of the Society.
- (3) No amendment of the Rules and no direction as specified in (2) above shall invalidate any prior act of the Committee which would have been valid if that amendment had not been made or that direction had not been given.
- (4) Without prejudice to the generality of the foregoing paragraphs (1), (2) and (3), the Committee:
 - (a) shall ensure the direction and management of all affairs and business of the Society:
 - i. by a sufficient number of persons fit and proper to be Committee Members or other Officers in their respective positions;
 - ii. with prudence and integrity;
 - iii. in the best interest of the members and in accordance with best practice; and
 - iv. in accordance with these Rules, and with the 1992 Act;
 - (b) may make, vary, or revoke regulations for the conduct of business at its meetings, including, but not limited to:
 - i. voting rights, including casting votes;
 - ii. Special Meetings, and;
 - iii. Minutes of Meetings;
 - (c) may pay out of the funds of the Society the expenses of the Society and such sums as the Committee may deem necessary or expedient to be paid in the interests of the Society, but no Committee Member (other than a holder of an executive office) shall receive any payment save as is authorised by these Rules.
 - (d) may make, vary or revoke regulations for the conduct of all affairs and business of the Society, provided that the same are not inconsistent with these Rules and with the 1992 Act;
 - (e) may authorise the use of all forms, instruments and other documents that it may deem necessary for the proper conduct of the business of the Society.
- (5) The committee shall meet for business quarterly and half the number of the Committee shall form a quorum.
- (6) The validity of any proceedings or acts of the Committee shall not be affected by any vacancy among the Members or by any defect in the appointment of a Member.

ELIGIBILITY AND ELECTION OF THE COMMITTEE OF MANAGEMENT

9.

- (1) No individual shall be elected or appointed as a Committee Member unless either:
 - (a) he will be less than 70 years of age at the date on which the election, or in the case of an appointment under Rule 12, the appointment would take effect; or,
 - (b) if he will be more than 70 years of age at the date on which election would take effect, he has been approved by resolution of the Committee as eligible for election, and his age and the reasons for the Committee's approval of his eligibility have been notified to every person entitled to vote at the election.
 - (c) he is not a minor,

And,

 - (d) except in the case of appointment under Rule 15 or nomination under paragraph (4) below, or where a Committee Member resigns or retires under Rule 16, a form nominating him, signed by not less than two members who comply with the requirements of paragraph (3) below (and addressed to the Secretary), has been delivered at the Registered Office during the hours of public business of the Society between the first and fifteenth days of the last month of the financial year preceding the Annual General Meeting at which the vacancy in respect of which he is nominated to be filled. The nomination form shall contain the full name, address, age and occupation of the person nominated, his consent to be nominated, and the full names and addresses of the members proposing his nomination. The nomination form shall be dated with the date of its delivery at the Registered Office and that date shall be deemed to be the date of nomination for the purpose of paragraph (3) below.
- (2) In exercise of its duties pursuant to Rule 8(4)(a) the Committee may require any individual nominated for the election as a Committee Member to supply in writing such forms as the Committee may specify, evidence as to his qualifications, financial and managerial experience, creditworthiness, competence and character and to complete in draft any form or questionnaire that, if elected, he would be required to submit to any regulatory authority in accordance with the 1992 Act.
- (3) The requirements with which a member must comply in order to be eligible to nominate any individual as a Committee member are as follows:
 - (a) he must have been a member for not less than two years before the date of nomination; and
 - (b) he must not be in arrears with contributions; and
 - (c) he must not be a minor at the date.
- (4) If a vacancy arises on the Committee after the last day of the financial year and before the conclusion of the Annual General Meeting held in the succeeding financial year by reason of the death or disqualification of any retiring Committee Member who was seeking re-election, the Committee may nominate at the Annual General Meeting some other Member who is at the date of that meeting:
 - (a) less than 70 years of age, and

- (b) not a minor, to take the place of such retiring Committee Member as a candidate for election and such Member shall be deemed to be a retiring Committee Member, or reduce the number of vacancies to be filled at the Annual General Meeting by one in respect of each event, and any remaining vacancy on the Committee shall be and become a vacancy which the Committee has power to fill under Rule 15.
- (5) Where a person becomes or ceases to be a Member of the Committee, the Society shall within one month give notice of that fact to the Central Office. The notice shall state the person's full name and address and the date on which he became, or ceased to be a Member of the Committee and in the case of a person becoming a Member, the date of his birth.

APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN

10.

- (1) At its first Meeting, after every Annual General Meeting, the Committee shall elect from its number a Chairman and a Vice-Chairman who shall, subject to paragraph (3) below, hold office until the commencement of the first Meeting of the Committee held after the next Annual General Meeting, unless he either shall cease in the meantime to be a Committee Member or shall resign the office. The Chairman shall preside at all Meetings of the Committee at which he is present and, in the absence of the Chairman, the Vice-Chairman shall take his place.
- (2) If the Chairman and the Vice-Chairman so elected shall both be absent from a Meeting of the Committee or shall both decline to act as Chairman, the Committee Members present at the Meeting shall elect a Committee Member to be Chairman for the purposes of that Meeting.
- (3) The Committee may at any time remove the Chairman or the Vice-Chairman from office.
- (4) The Committee shall fill from its number any casual vacancy (whether or not arising from the exercise of its power under paragraph (3) above) in the office of Chairman or Vice-Chairman and Chairman or Vice-Chairman so elected shall subject to paragraph (3) above, hold office until the commencement of the first Meeting of the Committee held after the next Annual General Meeting unless he shall cease in the meantime to be a Committee Member or shall resign the office.

VALIDITY OF ACTS

- 11. All acts done by the Committee, or any sub-committee, or any person acting as a Committee Member shall, notwithstanding that it be afterwards discovered that there was some defect in the constitution of the Committee or sub-Committee or in the election or re-election or appointment of any Committee Member or sub-Committee member or person acting as aforesaid, or that any person was disqualified from holding office or was not entitled to vote, be as valid as if the Committee or sub-Committee had been properly constituted and as if every such person had been duly elected or re-elected or appointed or entitled to vote and, where appropriate, was qualified and had been a Committee Member.

APPOINTMENT OF OFFICERS, EMPLOYEES AND OTHERS

12.

- (1) President, Vice-President and Patron. The Society shall have the power to invite distinguished Officers of Her Majesty's Regular Forces and other distinguished person to be the President, Vice-President, and Patron of the Society, holding office during its pleasure. President, Vice-President and Patron shall be entitled to attend all General Meetings and all Meetings of the Committee and to vote thereat.
- (2) The Society must have a Chief Executive/Secretary who shall be appointed and whose appointment may be terminated by the Committee. The Chief Executive/Secretary may not hold the position of Chairman.
- (3) The Chief Executive/Secretary is responsible under the immediate authority of the Committee for the conduct of the business of the Society.
- (4) The Committee shall take all reasonable steps to secure that the person appointed as Chief Executive/Secretary has the requisite knowledge and experience to discharge the functions of his office. The Chief Executive/Secretary, or such person as may be deputed by the Committee to officiate in his absence, shall attend all Meetings of the Society and of the Committee; he shall record correctly the names of the Officers there present, and the Minutes of the proceedings, which he shall transcribe into a book to be authenticated by the signature of the Chairman as the proceedings of the meeting. He shall produce all books, documents, property and money of the Society in his possession and render a full and clear account at each audit and whenever required by the resolution of the Society, or of the Committee, or by the Trustees. He shall pay over all moneys, and give up all books, documents and property belonging to the Society when ordered to do so by a resolution thereof or of the Committee or by the Trustees. He shall summon and give due notice of all meetings of the Society and of the Committee and keep the accounts, documents and papers of the Society in such manner and for such purposes as the Committee may appoint, and shall prepare all returns and other documents required by the Act or the Treasury Regulations and duly forward them to the Registrar. The Chief Executive/Secretary shall on all occasions, in the execution of this office, act under the superintendence, control and direction of the Committee.
- (5) Where a person becomes or ceases to be the Chief Executive/Secretary, the Society shall within one month give notice of that fact to the Central Office, stating the persons full name and address and the date on which he became, or ceased to be, Chief Executive/Secretary.
- (6) The Committee may also:
 - (a) appoint and terminate the appointment of such employees, advisers and agents as the Committee may at any time determine.
 - (b) appoint under this rule more than one person to any office or place with the exception of Chief Executive/Secretary and may require from any person appointed under this rule such guarantees as in its judgement shall appear necessary.
- (7) The powers and duties of a person appointed under this Rule shall be those given them from time to time by the Committee which may pay them such salaries, wages, commissions and bonuses, compensation for loss of office or of employment, fees and other remuneration as

it may consider desirable.

- (8) The Society shall have three Trustees. The Trustees shall be appointed by a resolution of the Society in general meeting. The Society shall notify the Registrar of the appointment of any Trustee in the manner required by Section 24 of the 1974 Act.
- (9) The same person may not be Chief Executive/Secretary or Treasurer and also a Trustee of the Society.
- (10) The Society shall have a Treasurer, appointed by the Committee by resolution, who shall oversee the Society's accounts.
- (11) The Trustees shall hold office during the pleasure of the Society. In the event of any Trustee dying, resigning or being removed from office, another Trustee shall be appointed in accordance with this Rule.

INDEMNITY TO COMMITTEE MEMBERS, OFFICERS AND EMPLOYEES

13.

- (1) Every Committee Member, every other Officer and every employee of the Society shall be indemnified by the Society against any liability in respect of losses, costs, charges, damages and expenses which might arise from or in the course of his duties, but not against any such liability as, by virtue of any rule of law or of the Acts, would attach to him in respect of any negligence, default, breach of duty or breach of trust of which he might be guilty in relation to the Society. He shall, however, be indemnified against any liability incurred by him in defending any proceedings whatsoever, whether civil or criminal, arising out of his duties in relation to the Society in which judgement is given in his favour or in which he is acquitted.
- (2) The Society may take out a policy of insurance to cover any such indemnity or liability as is mentioned in sub-paragraph (1) above.

VACATION OF OFFICE AND DISQUALIFICATION

14.

- (1) A Committee Member shall cease to hold office:
 - (a) If he resigns his office by notice in writing to the Secretary;
 - (b) If he is requested in writing by all his co-Committee Members to resign and a resolution that he has vacated office is thereafter passed at a meeting of the Committee by at least half of the Members of the Committee.
 - (c) If for more than six consecutive months he absents himself without permission of the Committee from meetings of the Committee held during that period and the Committee passes resolution that he has vacated office.
 - (d) If he becomes bankrupt or is subject to sequestration
 - (e) If he is, or might be, suffering from mental disorder and either
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the provisions of the Mental Health Act 1983, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;

- (f) Upon a resolution of which notice has been given under Rule 20 that he shall cease to be a Committee Member passed by a majority of the votes cast on a poll at a general meeting
 - (g) Upon the conclusion of the Annual General Meeting next following the date at which he attains 70 years of age, unless he is re-elected at that Meeting, the requirements of Rule 9(1)(b) having been satisfied.
 - (h) If he becomes prohibited by law from being a Committee Member.
- (2) The Secretary shall give not less than 14 clear days' notice in writing to all Committee Members of a meeting of the Committee at which it is intended to move a resolution that a Committee Member has vacated office. The notice shall set out the proposed resolution and, if all the requirements of this paragraph are not complied with, the resolution, even if passed, shall be of no effect. The provisions of Rule 31 shall be deemed to apply to any such notice.

FILLING OF CASUAL VACANCIES

15.

- (1) In the case of any vacancy not occasioned by the retirement of any Committee Member by rotation the Committee may at any time, and from time to time, appoint an individual as a Committee Member to fill such a vacancy.
- (2) If the Committee resolves to increase the number of Members of the Committee within the limitations prescribed by Rule 8(1), the Committee may appoint an individual as an additional Member in order to fill any vacancy.
- (3) The Committee shall appoint under this Rule only an individual who:
 - (a) appears to be fit and proper to be a Member, and
 - (b) is qualified under Rule 9(1), and
 - (c) is not a person who, having been nominated for election as a Member at any election held within the preceding 12 months, was not elected as a Member.
- (4) A Committee Member appointed under this Rule shall hold office until the conclusion of the Annual General Meeting next following such appointment, or if earlier, the expiration of the period of 16 months beginning with the date of his appointment.
- (5) A Committee Member appointed under this Rule and retiring under paragraph (4) above shall be eligible for election without nomination provided that he is qualified under Rule 9(1) at the date of the Annual General Meeting at which he retires and is not ineligible by reason of his age at that date and he shall be a retiring Committee Member for the purposes of Rule 16(3).
- (6) Notwithstanding any vacancies on the Committee, the remaining Committee Members may continue to act. If at any time the number of Committee Members falls below the minimum of four prescribed by Rule 8, the Committee so constituted, although its members are insufficient to form a quorum, may act by a majority of its members for a maximum period of 16 months.

RETIREMENT BY ROTATION

16.

- (1) In addition to any Committee Member retiring under Rule 14(1)(g) and 15(4) at the Annual

General Meeting each year, one-third of the elected Committeemen (which expression shall in this Rule include the Chairman and Vice-Chairman) or if their number is not a multiple of three then the number nearest one-third shall retire from office and shall be eligible for re-election. The elected Committeemen to retire as aforesaid in every year shall be those who have been longest in office since their last election, but as between persons who were elected on the same day, those to retire shall, (unless they otherwise agree among themselves) be determined by lot.

- (2) Elections of Committee Members shall be held at Annual General Meetings. If at such a meeting there is a contest for the office of Committee Member in that the number of candidates for election or re-election to the Committee (including Committee Members retiring under this Rule and Rule 15(4)) exceeds the number of vacancies thereon, the vacancies shall be filled by those candidates obtaining the most votes. The vote shall be taken on a poll, which shall be deemed to have been demanded by the Chairman. The following provisions of the Rules shall apply to such poll:
- (i) the voting papers shall include the number of vacancies on the Committee and the full names of all the candidates;
 - (ii) subject to paragraph (i) above, the Committee may prescribe or approve the form of the voting paper and may include such other declarations and denoting of retiring Committee Members as it thinks fit;
 - (iii) the voting shall be effected by the placing of an X after the names of the candidates for whom the votes are to be cast;
 - (iv) the voting papers shall be void if a member votes for more candidates than there are vacancies to be filled;
 - (v) each member shall have one vote in respect of each vacancy to be filled, and
 - (vi) no member shall be required to cast all or any of the votes given him by (v) above.
- (3) If at an Annual General Meeting there is no contest for the office of Committee Member, then
- (a) any member both eligible for election and nominated under paragraph (I) or (4) of Rule 9 shall be deemed to have been elected, and
 - (b) any retiring Committee Member offering himself for election or re-election who is qualified under Rule 9(1) at the date of the meeting and is then not ineligible by reason of his age shall be deemed to have been elected or re-elected unless a resolution that he shall cease to be a Committee Member, of which notice has been given under Rule 20, shall be passed by a majority of the votes cast on a poll.

ANNUAL GENERAL MEETINGS

17.

- (1) The Society shall hold an Annual General Meeting in each financial year, at such hour, date and place as the Committee shall determine, but not later than 30 June in each year.
- (2) Not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next.
- (3) The Committee shall lay before the Members at the Annual General Meeting, the Annual

Accounts of the Society for the last financial year before the date of that Meeting, and shall also submit to them a Report by the Committee (called in these Rules "the Committee's Report") on the business of the Society, which Committee's Report shall include the information required by, or under the 1992 Act.

- (4) The details of the date, place and time of any General Meeting and other details as provided under Rule 20 shall be advertised in one national newspaper and in the case of the Annual General Meeting shall state that copies of the Annual Accounts are available to members from the Society's Registered Office.
- (5) In these Rules "Annual Accounts" means the classes of document (including the notes to them) which the Society is required (unless otherwise exempted) by or under the 1992 Act to prepare by way of accounts for itself.
- (6) The Report of the Auditors on:
 - (a) the Annual Accounts laid before the Annual General Meeting, and
 - (b) the Committee's Report shall be laid before the Meeting and shall be available for inspection by any member.
- (7) No business shall be transacted at an Annual General Meeting, and no resolution shall be brought forward at any such Meeting, except as may arise upon:
 - (a) the Annual Accounts laid before the Meeting;
 - (b) the Committee's Report submitted to the Meeting;
 - (c) the Report of the Auditors on the documents listed in (a) and (b) above;
 - (d) the election and re-election of Committee Members;
 - (e) the appointment or re-appointment of Auditors;
 - (f) a motion for a resolution contained in a Members' Notice received by the Society in accordance with the provisions of Rule 20; and
 - (g) business (including a motion for a resolution, whether special or ordinary, or a motion to add to, alter or rescind any of the rules) brought before the Meeting by the Committee.

ENTITLEMENT OF MEMBERS TO VOTE ON RESOLUTIONS

18.

- (1) Every member present or voting by post (and not disqualified by any means mentioned in these Rules) shall have one vote, and when the votes are equal the presiding officer shall have an additional or casting vote.
- (2) The Committee may from time to time, and in such circumstances as it may deem appropriate, make arrangements for enabling any member unable to be present at a General Meeting to exercise one vote by post. Such votes shall be added to those cast by the members actually present at such a Meeting.

SPECIAL GENERAL MEETINGS

19.

- (1) All general meetings other than Annual General Meetings shall be called Special General Meetings.
- (2) The Committee may, whenever it thinks fit, convene a Special General Meeting.
- (3) The Committee shall convene a Special General Meeting on the requisition of not less than fifty members. A member shall be qualified for the purposes of this paragraph if he
 - (a) has been a member of the Society for a continuous period of not less than two years prior to the date of the requisition, and
 - (b) is a person entitled to vote at a general meeting of the Society on the date of the requisition.
- (4) The requisition shall state the objects of the meeting (which must not however include the election of a Committee Member) and shall be signed by the requisitioners and deposited at the Registered Office.
- (5) No business shall be entertained at any Special General Meeting except as shall be stated in the notice convening the meeting.
- (6) At all general meetings the President shall preside but, if the President be not present, the Committee may appoint a Vice-President, or the Chairman, or Vice Chairman of the Committee, to take the chair.

NOTICE OF MEETINGS

20.

- (1) At least 14 days' notice of every general meeting (whether an Annual General Meeting or a Special General Meeting) specifying the hour, date and place of the Meeting shall be given to members as provided in Rule 17(4).
- (2) The notice shall specify:
 - (a) The nature of any resolution to be moved at the Meeting and of the other business to be transacted thereat, and
 - (b) The full name of each candidate for the office of member of the Committee, or Auditor, unless the nomination has been made or in the case of an Auditor his nomination has been received too late for his candidature to be included in, or to accompany, the notice.
- (3) When proxy voting is permitted (on special resolution) the notice shall state that:
 - (a) A Member entitled to attend and vote may appoint one proxy to attend and, on a poll, vote at the meeting instead of him, and
 - (b) The proxy need not be a member of the Society, and
 - (c) The member may direct the proxy how to vote at the meeting.
- (4) The Annual General Meeting shall be described as such in the notice of the Meeting.

QUORUM AT GENERAL MEETINGS

21.

- (1) No business shall be considered at any Annual General Meeting or Special General Meeting unless a quorum is present, and a quorum shall be constituted for all purposes by eight members present or represented and entitled to vote.
- (2) If no quorum shall be present within half an hour after the time appointed for the Annual General Meeting or Special General Meeting, or if during such meeting a quorum ceases to be present, the Chairman of the meeting shall adjourn it to such hour, date and place as he shall direct, unless it is a Special General Meeting requisitioned under Rule 19(3) and (4) whereupon the Chairman of the Meeting shall dissolve it.

PROCEDURES AT GENERAL MEETINGS

22.

- (1) At all General Meetings the President shall preside, but if the President be not present the Committee may appoint a Vice-President, or the Chairman or Vice Chairman of the Committee to take the chair.
- (2) The Chairman of the Meeting may, notwithstanding the presence of a quorum (and shall, if so directed by a resolution of the Meeting) adjourn the meeting 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 or not reached at the meeting from which the adjournment took place.
- (3) Every adjourned meeting shall be deemed a continuation of the original meeting and any resolution passed at an adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
- (4) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting, but otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (5) Subject to the Act and these Rules, every question submitted to an Annual General Meeting or Special General Meeting shall be decided by a simple majority and such votes shall be taken in the first instance by a show of hands.
- (6) A poll may (before or on the declaration of the result of the show of hands) be demanded by:
 - (a) the Chairman of the meeting, or
 - (b) half the members who are entitled to vote at the meeting and are present in person, by proxy, by attorney, by representative or by a person specified in Rule 18(2), and in the event of such a demand, a poll shall be taken in accordance with paragraph (10) of this rule, but no poll shall be permitted upon a resolution to appoint a chairman (or as to whether the meeting shall be adjourned).
- (7) Unless a poll be so demanded, a declaration by the Chairman that a resolution on a show of hands has been carried, or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting 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.

- (8) If a motion for a Special Resolution is to be put to the vote of the meeting or there is a contest for the office or appointment of a member of the Committee or auditor, a poll shall be deemed to have been demanded by the Chairman.
- (9) Except in the case of a motion for a Special Resolution or of a contest for the office or appointment of Committee member or auditor, the demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- (10) If a poll is duly demanded in accordance with paragraph (6), it shall be taken at the meeting at which it is demanded or, if the Chairman so decides, at an adjourned meeting and in either case in such manner, subject to paragraph (12) below, as the Chairman directs and the result of the poll, shall, notwithstanding paragraph (3) of this rule, be deemed to be the resolution of the meeting or adjourned meeting at which the poll was taken. The Chairman may, in the event of a poll, appoint the scrutineers (who need not be members of the Society) and may adjourn the meeting or adjourned meeting to some hour, date and place fixed by him for the purposes of declaring the result of the poll.
- (11) A poll demanded on a question of adjournment shall be taken forthwith and the result declared immediately upon the conclusion of the taking of the poll. A poll demanded on any other question shall not prevent the continuance of a meeting for the transaction of any business other than that upon which the poll has been demanded.
- (12) Voting papers to be used on a poll shall be valid only if they are issued by the Society.

ACCOUNTS, SYSTEMS OF CONTROL

23.

- (1) The Committee shall cause accounting records of the Society to be kept, and establish and maintain systems of control of its business and records and of inspection and report, in accordance with the 1992 Act.
- (2) The Committee shall, before 1st July in each financial year, send to the Commission a statement of their opinion whether the requirements of the 1992 Act have been complied with in respect of the last financial year by the Society.
- (3) The Committee shall in each financial year, not later than 30 June or 14 days before the Annual General Meeting, whichever ever is earlier, send two copies to the Commission and one copy to the Central Office of the Annual Accounts for the last financial year, the Committee's Report for that year and the Auditor's Report on those Accounts.
- (4) The Secretary shall supply free of charge to every member on demand copies of the Annual Accounts for the last financial year, the Committee's Report for that year and the Auditors' Report on those Accounts, and he shall ensure that copies of such documents are also made available at the office of the Fund.
- (5) The Committee shall in each financial year, not later than 1st October, also send to the Commission an additional report prepared by the Auditors, in accordance with the 1992 Act, on the conduct of the activities of the Society for the last financial year.

INSPECTION OF BOOKS

24. The Committee shall make the records of the Society available for inspection by any member or person having an interest in the funds at all reasonable hours, at the registered office of the Society, or at any place where the records are kept, and it shall be the duty of the Secretary to produce the same accordingly. But such member or person shall not, unless he is an officer of the Society, or is specially authorised by a resolution of the Society to do so, have access to personal information in respect of any other member (other than information contained in the register of members).

AUDITORS

25.

- (1) At each Annual General Meeting the Society shall appoint an Auditor to audit its annual accounts, who is a person eligible for appointment as auditor of a Friendly Society. An individual or a firm may be appointed as Auditor. The Fund shall, within one week of the date of the meeting, notify the Commission if no auditor has been appointed or re-appointed.
- (2) For the purpose of this Rule a person is eligible for appointment as auditor who is a member of any of the supervisory bodies recognised under the Companies Act 1989 and is not ineligible for appointment under the rules of that body. None of the following shall be appointed as Auditor of the Society:
 - (a) an officer or employee of the Society,
 - (b) a partner or an employee of such a person or a partnership of which such a person is a partner, or
 - (c) a person who has, or whose immediate associates have, connections with the Society.
- (3) The Committee may appoint an auditor to fill any casual vacancy occurring between general meetings of the Society.
- (4) The remuneration, including any sums in respect of expenses, to be paid to the auditor shall be fixed by the Committee or in such manner as the Society shall determine at a General Meeting.
- (5) The Society may by ordinary resolution in general meeting remove an auditor before expiration of his term of office, and notice of such resolution shall be sent, within 14 days, by the Secretary to the Central Office. A resolution at an Annual General Meeting or Special General Meeting of the Society:
 - (i) removing an auditor before the expiration of his term of office, or
 - (ii) appointing another person as auditor in place of a retiring auditor, shall not be effective unless notice of the intention to move it has been given to the Secretary not less than 28 days before the meeting at which it is moved. On receipt of notice of intention to move any such resolution the Secretary shall give notice of the resolution to the members and to the person proposed to be removed or, as the case may be, to the person to be appointed to the retiring Auditor. The Secretary shall, unless on application the Court directs otherwise, also inform the members of any representations made by the person proposed to be removed or, as the case may be, the retiring Auditor, and shall make

copies of the representations available at the meeting at which the resolution is moved.

- (6) Where the Society receives from an auditor a written notice of his resignation of office, the Secretary shall, within 14 days, send a copy of that notice to the Central Office.
- (7) Where the Society receives from an auditor, on cessation of his office, a statement of any circumstances which he considers should be brought to the attention of the members and creditors of the Society, the Secretary shall, unless on application the Court directs otherwise, send a copy of such statement to the members.
- (8) Where the Auditor, with a notice referred to in para (6) above, requisitions the convening of a Special General Meeting of the Society for the purpose of considering an explanation of the circumstances connected with his resignation, the Secretary shall, within 21 days, convene a meeting for a day not more than 28 days after the date on which notice of the meeting is given and the Society will, unless on application the Court directs otherwise, comply within the requirement set out in paragraph 13 of Schedule 14 to the 1992 Act.

ACTUARY

26.

- (1) The Society shall have an Actuary who shall be appointed and whose appointment may be terminated by the Committee. The committee shall notify the Commission of all appointments and changes.
- (2) The Committee shall arrange for the Actuary to conduct an investigation and report accordingly into the financial condition of the Society in respect of its long term business, in accordance with the 1992 Act.
- (3) The Society shall keep adequate records to enable the Actuary to conduct such an investigation.

APPLICATION OF FUNDS

27.

- (1) All monies received on account of contributions in accordance with para 6(1)(b) or 6(1)(g) of these Rules, or on account of donations, legacies or otherwise, shall be applied in carrying out the purposes of the Society in accordance with the Rules.
- (2) Both monies received and interest on investments, shall be credited to the appropriate funds.

INVESTMENT OF FUNDS

28. So much of the funds of the Society, as may not be wanted for immediate use, or to meet the usual accruing liabilities, shall with the consent of the Committee or a majority of the members of the Society present and entitled to vote in general meetings and, where appropriate, with the approval of the Actuary, be invested by the Trustees in any of the following ways, namely; in the purchase of land, or in the erection or alteration of offices or other buildings thereon, or in any investments in which the Trustees are for the time being by law authorised to invest trust funds.

TRUSTEES

29.

- (1) All deeds, documents of title and securities for money shall be held by the Trustees, who shall take such measures for the safe custody and preservation thereof at the expense of the Society as they may think fit, and they shall be responsible for the safe custody of all such deeds, documents and securities as are placed in their hands or under their control, and shall produce them for inspection by the Auditor when required by him, and whenever else required by a resolution at a General Meeting or of the Committee.
- (2) The Trustees shall be the persons to sue and be sued on behalf of the Society.
- (3) If any Trustee, being removed from his office, refuse or neglect to assign or transfer any property of the Society as a General Meeting may direct, such Trustee shall (if he be a member) be expelled, and cease to have any claim on the Society without prejudice to any liability to prosecution.

DISPUTES

30.

- (1) If any dispute shall arise between a member or person claiming through a member or under the Rules, or any person aggrieved who has ceased to be a member, or any person claiming through such person aggrieved, and the Society, or any officer of the Society, it shall be decided through reference to arbitration, under the conditions set out at subsection (2) of this Rule or, where both parties to the dispute so consent, by reference to the County Court.
- (2) Five arbitrators shall be elected at a general meeting, none of them being directly or indirectly interested in the funds of the Society, and any vacancy or vacancies shall be filled at a general meeting. The complaining party to a dispute, or some appointed by him, shall draw three names out of the five by lot and the three arbitrators whose names are first drawn shall decide the dispute.
- (3) In default of determination under subsection (2) above and upon the expiry of 40 days beginning with the day on which application was made for such determination, either party may apply for determination of the dispute by the County Court.
- (4) In this Rule the expression "dispute" includes any dispute arising on the question whether a member or person aggrieved is entitled to be or to continue to be a member or to be reinstated as a member but, save as aforesaid, in the case of a person who has ceased to be a member, does not include:
 - (a) any dispute other than a dispute on a question which arose whilst he was a member or arises out of his previous relation as a member to the Society, and
 - (b) a dispute which has arisen as a result of and incidentally to a dispute between a member, or person aggrieved who has ceased to be a member and a person claiming through him or under the Rules of the Society.

COMPLAINTS

31. Any member wishing to complain about any aspect of the functioning or work of the Society should set out the nature of his complaint in writing either to the Secretary or directly to the Chairman. Where the complaint cannot be settled by either of these persons, it shall be presented to the next full meeting of the Committee whose decision shall be notified to the member and shall be final.

VOLUNTARY DISSOLUTION

32. The Society may at any time be dissolved by an instrument of dissolution approved by a special resolution of the Society.

DISTRIBUTION OF SURPLUS ASSETS ON DISSOLUTION

33. Upon the dissolution of the Society by consent any surplus remaining, after payment in full of the Society's creditors, shall be divided among those members who were members at the date that the special resolution was approved, so that the amount of remaining surplus which each member received will be the same proportion thereof as that member's financial interest in the Society, as certified by the Actuary, bears to the Society's total assets.

NOTICES

34. All summonses and notices shall be deemed to have been duly served if addressed to the member or person for whom they are intended at his last known address and delivered at or sent by post to that address.

COPIES OF RULES

35. The Secretary shall on request give a copy of these Rules:
- (a) free of charge, to any member of the Society to whom a copy of these documents has not previously been given; and
 - (b) to any person on payment of a reasonable fee.

AMENDMENT OF RULES

- 36.
- (1) The majority of members at a general meeting of which notice has been given specifying the intention to propose an amendment of the Rules may amend them by adding, rescinding or varying any provision.
 - (2) Copies of any amendment to the Society's Rules shall be sent to the Registrar for registration.
 - (3) No amendment of the Society's Rules shall take effect until it is registered.
 - (4) The Society may change its name in accordance with the above provisions for the registration of an amendment of its Rules.
 - (5) The Society may change its registered office by resolution of the Committee. Notice of the change shall be sent to the Registrar in the directed form.

MANAGEMENT

37. The Committee shall have power to allocate annually from the income of the Society from all sources a sum sufficient to defray the expenses of the Management Fund. The balance standing to the credit of the General Fund, after defraying expense of management, shall be transferred to the Benefit Fund.