ANNO TRICESIMO SEPTIMO ET TRICESIMO OCTAVO

VICTORIÆ REGINÆ.

A.D. 1874.

Private Act.

An Act for conferring certain Powers on the Australian Mutual Provident Society.

[Assented to, 6th November, 1874.]

WHEREAS on or about the first day of January, in the year of our Lord one thousand eight hundred and forty-nine, a Society called "The Australian Mutual Provident Society" was established in the Colony of New South Wales for the purpose of raising funds by the mutual contributions of the members thereof, or otherwise for assurances on their own lives, or on the lives of other persons for the assurance of joint lives and survivorships, for the purchasing, granting, and sale of annuities certain, or on lives present, deferred, or reversionary, for the purchasing and granting of endowments, and for the transacting and carrying on of all business dependent on the contingencies of human life; and the said Society was afterwards incorporated by an Act of the Legislature of the Colony of New South Wales, passed in the twentieth year of the reign of Her present Majesty, intituled "An Act to Incorporate the Australian Mutual Provident Society," by which Act the said Society was amongst other things empowered to take and hold real estate in New South Wales for the carrying on of its business, and as security for investment of the funds of the said Society, and the mode of conducting the business of the said Society was generally provided for by the said Act: And whereas by an Act of the Legislature of the said Colony of New South Wales, passed in the thirty-seventh year of the reign of Her Majesty Queen Victoria, intituled "Australian Mutual Provident Society's Act Amendment Act," of one thousand eight hundred and seventy-three, the said first recited Act was amended, and
the powers of investment were extended, and the mode
of conducting the business of the said Society was altered
as by the now reciting Act is provided: And whereas a branch
of the said Society has been established in the Province of South
Australia: And whereas it is desirable to provide for the manner in
which the said Society's business shall be conducted in the said
Province of South Australia, and to enable it to sue and be sued in
its corporate name, and for the service of process on the said Society,
and to grant to the said Society, in the said Province of South
Australia, such powers as hereinafter appearing—Be it therefore
enacted by the Governor of the said Province of South Australia, by
and with the advice and consent of the Legislative Council and
House of Assembly of the said Province of South Australia, in this
present Parliament assembled, and by the authority of the same as
follows, that is to say:

1. The general business of the Society in South Australia shall
be under the immediate management and superintendence of a Local
Board of Directors, or other person or persons now or to be from
time to time empowered under the by-laws of the Society set forth
in the Schedule hereto to carry on such business.

2. Every deed executed, and every receipt signed, and everything
done heretofore or hereafter by the Local Board of Directors shall
be deemed to have been and shall be as valid and effectual, although
sealed with the seal of or signed or done by such Local Directors,
or Director, or Resident Secretary, or other persons or person, as if
such deed had been executed with, or receipt given, or thing done,
under the common seal of the said Society.

3. The said Society shall and may in its corporate name sue and
be sued, defend and be defended in all Courts and proceedings
whatsoever, and every summons or notice or writ or other proceed-
ing requiring to be served upon the Society in South Australia,
may be served by being left at the office of the Society in Adelaide,
or given personally to the Resident Secretary, or in case there be no
Resident Secretary, then to any Local Director of the Society or other
authorized officer in Adelaide; and the place where the said office and
the principal office of the Society in Sydney are situate, and the names of
the Resident Secretary and Local Directors or other such officer
or officers in Adelaide, verified by the statutory declaration of the
Resident Secretary of the Society in Adelaide, shall be registered in
the office of the Registrar of the Supreme Court of the said Pro-
vince of South Australia, and every change in such offices, and
every new appointment of Resident Secretary or Local Director or
other such officer or officers, shall forthwith be also registered in
like manner and notice thereof given in the Government Gazette.

4. It shall be lawful for the said Society to purchase, take, hold,
and enjoy by its corporate name to it and to its successors for any
estate, term of years, or interest, any houses, buildings, lands, and
other
other hereditaments in South Australia, necessary or expedient for the managing, conducting, and carrying on the concerns, affairs, and business of the said Society, and to sell, convey, assign, assure, and dispose of such houses, buildings, lands, and other hereditaments as occasion may require, and also to invest the funds and property of the said Society, or any portion thereof, in the security of mortgages on real or leasehold estates, and in any of the investments authorized by the said recited Acts, or either of them, and in purchasing or building of premises in whole or in part for the uses of the said Society, and to take and hold by its corporate name any real or personal estate upon the security of which the funds of the said Society shall be invested as aforesaid, and to sell, convey, grant, reconvey, release, demise, assign, assure, transfer, pledge, and dispose of, as occasion may require, any real or personal estate whatsoever, for the time being held by the said Society either absolutely or as security, or otherwise howsoever.

5. In all cases where the said Society shall take to the said Society any conveyance of any lands, tenements, or hereditaments within the said Province of South Australia, by way of mortgage, or upon trust for sale or otherwise bona fide by way of security for money advanced, it shall be lawful for the said Society to foreclose the equity of redemption of such lands, tenements, or hereditaments, and to contract or agree with the owner or owners of the equity of redemption, or other person or persons interested in the lands, tenements, or hereditaments mortgaged as aforesaid for the purchase thereof, or any part thereof, and to take and accept to the said Society absolute conveyances of all or any part of the said lands, tenements, or hereditaments, and hold the lands, tenements, or hereditaments foreclosed or purchased, and to sell and dispose of or otherwise deal with the same and every part thereof.

6. All the funds, investments, and property for the time being of the Society, and the estates and interests of the several members therein, and all the profits and advantages thereof, shall, as between the members thereof, be deemed personal estate, and be transmissible to their representatives accordingly.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

A. MUSGRAVE, Governor.

SCHEDULE
SCHEDULE REFERRED TO.

By-Laws of the Australian Mutual Provident Society.

1. Every person, on applying for admission as a member of the Society, shall make such declarations, and furnish such information and evidence in regard to the application as the Directors may require. And it shall be in the power of the Directors to accept or reject any such application as they may think fit.

2. A policy of assurance, containing the terms of the contract, and the obligations of the parties thereto subscribed by three of the Directors, or by three Directors of a Local Board, and countersigned by the Secretary or a Resident Secretary, shall be delivered to each member on admission, on payment of the first contribution; and by acceptance of such policy the member shall be bound by the By-laws, Rules, and Regulations of the Society, and be entitled to a copy of these By-laws, and to demand at any future time, while still a member, a copy of every new By-law.

3. The division of the Society's business into Branches shall be discontinued, and the Assurance, Annuity and Endowment Branches hitherto existing are hereby amalgamated.

4. The Board may, upon application to that effect, issue policies not to participate in profits on such tables or rates as the Board may determine. All Endowment and Annuity policies hereafter to be granted shall be issued as non-participating.

5. The General Management of the Society (subject to the provisions contained in the Act of Incorporation and in these by-laws) shall be vested in a Board of six Directors, each of whom shall be a member of more than thirty years of age; and no member shall be eligible for a Director unless he shall be the holder of a paid-up policy on his own life of a sum of not less than Five Hundred Pounds, or be and continue a contributor to the funds of the Society of not less than Fifteen Pounds per annum by virtue of some, any, or other policy or policies issued in his own name, not pledged or assigned to, or made security for advances from the Society, or in any other way assigned, parted with, or encumbered with notice of assignment duly given to the Society, nor if he shall be or become indebted to the Society for advances on mortgage of real or leasehold estate, or if he shall be or become surety or trustee for or of any officer of or employed by the Society or his creditor for money lent to an amount exceeding Five Pounds, nor if he shall be or become a Director, Auditor, or other officer of any other Life Assurance Society, Office, or Company. Should any Director be or become insolvent, or should he compromise or compound with his creditors, or assign his estate for their benefit, or should he resign and his resignation be accepted, or should he become unable to act, or remove his residence beyond the limits of the Colony, or fail to attend the meetings of the Board for three calendar months without leave of the Board, or should he become or be found to have been not qualified to take or retain office, or not to have been duly elected, then his seat shall as soon as convenient be declared vacant by the Board, and shall thereupon be vacant. All future vacancies in the Board of Directors, occasioned by death, resignation, annual retirement or otherwise, shall be filled up either at a special meeting of members of the Society, convened for this purpose, or at the Annual Meeting of members to be held as hereinafter mentioned. A Director elected to fill an extraordinary vacancy shall hold office only for the unexpired portion of the term of his predecessor, and for all purposes of retirement by rotation, shall be considered only as the substitute of the Director dying or ceasing to be a Director, and therefore shall retire when such last mentioned Director would have retired. At each Annual Meeting of the Society, the two Directors who shall have been longest in office shall retire. If three or more of those longest in office shall have been in office for the same period, it shall be determined by lot (unless mutually agreed upon) which two shall retire. Both of such retiring Directors may become candidates for re-election, but only one shall be capable of being then re-elected, and the retiring Director who shall of the two have the smaller number of votes shall be the disqualified candidate notwithstanding that he may have a majority of votes over any other candidate seeking election at the said Annual Meeting, and such disqualified candidate shall not be eligible for re-election until the next
next Annual Meeting. No member shall at any Annual or Special Meeting be put in nomination for the office of Director unless notice in writing of his being a candidate shall have been given to the Board or to the Secretary at least thirty clear days previous to such meeting; and notice shall be given to the members, by advertisement in New South Wales, not less than twice in two newspapers, of the names of all members to be thus proposed as Directors as soon as practicable after the time limited for giving notice of candidature. Any meeting of the Society called for that purpose may remove any Director from office, or may elect any new Director or Directors to supply any vacancy or vacancies that may arise.
The amount of remuneration to be paid to the Directors for their services shall be Nine Hundred Pounds annually.

6. A meeting of Directors shall be held at the principal office of the Society in Sydney, once a week or oftener, for the transaction of the general business of the Society; and any three Directors duly assembled at any such meeting shall form a quorum.

7. The Board shall from their number elect annually, or as occasion may require, a Chairman and Deputy-Chairman of the Society. Every question shall be decided by a majority of votes of such Director to have one vote, and in case the votes are equal the Chairman to have a casting vote besides his individual vote. No proceedings or transactions shall be valid or have force unless entered, together with the names of the Directors present, in a minute book kept for this purpose and signed by the Chairman of the meeting at which the minutes of such proceedings are read and confirmed.

In case three Directors shall not attend, the Secretary shall have power to adjourn the meeting to some convenient day, which adjournment being entered in the minute book and signed by the Secretary, shall be deemed a sufficient continuance of such meeting.

8. A Special Meeting of the Directors may be convened in pursuance of a resolution of a Board of Directors, or on any emergency by the Secretary, or by direction of any Director, signified in writing to the Secretary, and stating the purposes for which such Special Meeting is required, of which due notice shall be given to each Director of the time and place appointed for holding the said meeting, either by delivery of a written notice at the Post Office of Sydney, or at their respective residences; but no other business than such as shall have been specified in such notice shall then and there be transacted.

9. The Board shall have power to appoint such officers and clerks as the nature and extent of the affairs of the Society may require, and to fix the remuneration to be allowed to the same, and to remove or displace any such officers and clerks, and further to appoint or displace such agents as they may deem expedient. Every officer of the Society or other person who shall be appointed to any office touching or concerning receipt, management, or expenditure of any money of the Society, shall give such security as the Board may require. All receipts for final discharge of any mortgage or security shall be signed by the Secretary, or such other officer as the Board may direct. All cheques shall be signed by two Directors, and countersigned by the Secretary.

10. There shall be two Auditors of the Society, each a member thereof, by virtue of some, any, or other policy or policies issued in his own name, not pledged or assigned to, or made security for advances from the Society, or in any other way assigned, parted with, or encumbered with notice of assignment duly given to the Society. Neither of such Auditors shall be eligible for or retain office if he shall be or become indebted to the Society for advances on mortgage of real or leasehold estate, or if he shall be or become surety or trustee for or of any officer of or employed by the Society, or his creditor for money lent to an amount exceeding Five Pounds, or if he shall be or become insolvent, or shall compromise or compound with his creditors, or assign his estate for their benefit, or at any time shall for the space of seven days after the Secretary shall have intimated that any books, balance-sheet, or statement of accounts are prepared or ready for the inspection of the Auditors, neglect or shall at any time be unable or unwilling to act, or shall be or become a Director or Auditor of any other Life Assurance Office. At each Annual Meeting the Auditor then longest in office shall retire and not then be eligible for re-election, and another shall be elected in his place. If both Auditors shall have been in office the same period, it shall be determined by lot (unless mutually agreed upon) which shall be the retiring Auditor. Should no election take place, or should any vacancy occur by resignation, or by reason of any of the above-mentioned disqualifications, the Board may appoint an Auditor or Auditors to hold office for the unexpired portion
portion of the term of his predecessor. The Auditors shall audit the accounts, and shall give a progress certificate monthly, to be laid before the Board of Directors, that they have examined the books and accounts of the Society. They shall also examine the books, vouchers, accounts, deeds, and securities of the Society, and shall compare the same with the annual balance-sheet and statements prepared for their inspection, and should they find them to be correct, they shall certify the same with their signatures. The amount of remuneration to be paid to each of the Auditors shall be One Hundred Pounds annually. The Auditors in office on the twenty-eighth October, one thousand eight hundred and seventy-three, shall be entitled to retain office for their respective terms of office, notwithstanding that they may have pledged or assigned their policies, or be indebted to the said Society.

Local Boards.

11. The Board shall have power to appoint Local Boards of Directors and other necessary officers, in such places as to them shall seem expedient for the purpose of superintending and directing the local affairs of the Society. And no person shall be eligible for appointment, or shall retain office as a Local Director, unless he hold the qualification, and be free from the disqualification, set forth in the fifth by-law, so far as the same may be applicable. Local Boards shall be invested with such powers as the Board may deem expedient, and such powers, when given, shall only be exercised by Local Boards in reference to the affairs of the Society, in the place and within the area to which their powers and instructions have been extended by the Board. The Board may, from time to time, remove any Director of a Local Board, and whenever a vacancy shall occur by reason of such removal or any other cause, the same shall be filled up in such manner as the Board may, from time to time, appoint; and every Director of the Society, and the Secretary and Actuary, shall be entitled to sit at Local Boards.

Investments.

12. The Board shall lay out and invest the Society’s funds in all or any of the modes following, or may from time to time vary or transpare any investments made for or into others of any nature hereby authorized at their discretion; and such investments may be made either by the Board of Directors at Sydney, or by Local Boards having authority from it in that behalf, and subject to such limitations and control as the Sydney Board may impose—

i. In the purchase of or advance on public or Government Securities of any of the Australasian Colonies, including Tasmania and New Zealand.

ii. Upon the security of frehold or leasehold property.

iii. In the purchase of or at interest upon reversionary interests or life interests in funds or estates, and upon the security of policies of assurance.

iv. On deposit or current account with the ordinary bankers of the Society, and any Joint Stock Bank or Banks.

v. In the purchase of premises or of land on which to build premises, in whole or in part, for offices for the use of the Society in all or any of the Australasian Colonies, including Tasmania and New Zealand, and in building such premises.

vi. In the purchase of or advances on Government securities of Great Britain, or of any other stocks, funds, or securities guaranteed by the British Government.

Loans on Policies.

13. When and so often as any member of the Society shall be desirous of having an advance of money, it shall be lawful for the Directors to advance to such member on the security of his or her policy, upon such terms and conditions as the Directors shall from time to time think proper, such sum or sums of money as they may determine, provided such advance shall not exceed in the whole ninety per cent. of the value of the policy upon which the same shall be secured, such value to be determined by the Directors.

Settlement of benefits assured.

14. Every provision payable at death shall be paid within one month from the day on which notice in writing of the death of the assured shall have been given to the Society, according to such form and accompanied by such certificates as shall be prescribed by the Board; but in no case shall payment be claimable until the expiration of fourteen days from the time that all deeds and documents required by the regulations of the Board of Directors for proving the right or title of the claimant shall have been left at the office of the Society, together with the policy. Annuities shall, unless otherwise agreed on, be payable quarterly, on satisfactory proof being given of the existence and identity of the annuitant; and, except by special
special agreement, no portion of an annuity shall be paid for the time that may
clapse between the quarter day immediately preceding the death of the annuitant
and the day of such death.

15. The funds of the Society alone shall be liable in payment of the benefits
specified in the policies of assurance or other contracts; and it is expressly declared
that nothing in such policies or contracts shall be held to constitute any claim or
obligation, or to infer any liability against, the persons or property of the members,
Directors, or officers.

16. The policy shall be void, and the benefits assured shall be forfeited, and all
claims on or interest in the funds of the Society shall cease and determine, if the
proposal and declaration made at admission, as the basis of the contract, shall be
found to be fraudulently untrue in any particular; or if the assured shall, whether
sane or insane, die by his own hands within one year and thirty days from the date
of the policy; or if the assured shall reside in any part of the world between the
25th parallels of north and south latitude, without having obtained the consent or
licence of the Directors.

Where any person proposing to become a member of the Society, or on whose life
a proposal for assurance shall be made, shall at the time be resident beyond the
authorized limits, the Directors shall have power to make such special agreements or
stipulations relative to the limits of residence as they may think proper; and at any
time to grant such licence as the circumstances of the case may seem to them to
require. In all cases in which a policy is rendered void, those of fraud excepted,
the Directors shall have power to revive the same or to make such allowances to
those who would otherwise have had an interest therein, as to the Directors may
seem fit; and, in cases of innocent error as to age, to make such arrangements, with
a view to the correction of the error and its consequences as they may deem
 equitable.

17. Every policy now effected or hereafter to be effected with the Society (pro-
vided the age of the assured shall have been admitted) shall, upon the expiration of
five years from the date of the assurance, and upon the assured having attained thirty
years of age, be exempt from forfeiture in all cases except fraud, unless previously
to the expiration of such five years any misstatement, error, mistake, omission, or
suppression, shall be ascertained by the Society, and notified in writing to the person
in whose name such policy shall stand. This by-law shall take effect from the 1st
July, 1874, and shall apply to all conditions of forfeiture contained in all policies
heretofore issued.

18. It shall be in the power of any member to assign or transfer his Policy of
Assurance, and his interest in the Funds of the Society; but no assignee shall be
recognized by the Society until notice of the Deed of Assignment or Transfer shall
have been given to the Society, nor be allowed to vote unless such assignment be
absolute.

19. An Annual Meeting of the Society shall be held in Sydney, within four
months after the last day of December in each year, to receive and consider the
Report of the Directors on the business of the Society for the past year; to take such
measures and adopt such resolutions as may be thought proper in relation to the
matters so reported on; to elect Directors and Auditors; and to consider any other
business of the Society, of which due notice shall have been given.

Special Meetings for determining any matters relative to any extension or altera-
tion of the business, or amendment of the by-laws of the Society, or for any other
purpose compatible with the objects authorized in its Act of Incorporation, or in
connexion with its affairs, shall be called by the Secretary by order of the Board,
or on written requisition, addressed to him, of not less than twenty-five members;
and notice of such last-mentioned meeting shall be given within fourteen days from
the receipt by him of such requisition.

Notice of every meeting of the Society, signed by the Secretary, setting forth the
purposes for which it is convened, and the time and place at which it is to be held,
shall be given by public advertisement, in New South Wales, not less than twice in
two newspapers; the first of such advertisements to be at least forty days before such
meeting; and also in the other Australian Colonies, including Tasmania and New
Zealand, not less than once for as nearly as practicable the same period.

No
No special business shall be considered at any meeting of the Society, except that for which it was convened, unless the Board, whether at the instance of any members or otherwise, shall cause notices thereof as aforesaid to be published not less than thirty days before such meeting.

The Chairman of the Society, or in his absence the Deputy-Chairman, shall preside at all meetings; failing both of whom any Director or member present may be voted into the chair.

Any meeting may be adjourned from time to time, but such business only may be transacted at an adjourned meeting as might have been transacted at the original meeting. Eleven members qualified to vote, present personally, shall form a quorum.

At every meeting all questions shall be determined by a majority in number of members present voting in person, and no voting by proxy is to be allowed except for the purposes in respect of which the mode of voting is prescribed by the Act of Incorporation. Every member who contributes for an assurance or an endowment of £100 shall have one vote, and for every additional £100 an additional vote. Every member subscribing for or receiving an annuity of £5 shall have one vote, and for every additional £5 of annuity so subscribed for or received another vote; but no member shall have more than twenty votes in all. No minor shall have a vote, and no holder of a non-participating policy shall be entitled to vote in respect of such policy. When more than one member is present by virtue of any policy, the member whose name appears first in the policy if present, or, if not present, then the next in succession being present shall be the person entitled to vote in respect of such policy: Provided always that the scale of voting above mentioned shall apply only to ballots, and that upon all questions to be determined by show of hands each qualified member shall only have one vote. Provided, also, that all questions shall be determined by a show of hands, except where, after a show of hands has been taken, any seven or more members qualified to vote present in person shall immediately require that the question on which such show of hands has been taken shall be determined by ballot; in each of which excepted cases a ballot shall be held in such manner as the Board of Directors shall appoint, and the question at issue shall be determined thereby. Any person or persons holding the power of attorney of any member resident out of Sydney, but having business under the management of such attorney, shall, if voting at any meeting be within the scope of such power of attorney, be entitled to vote on behalf of such member; provided that such power of attorney shall have been previously produced to the Secretary for examination, and be determined by him to be sufficient. The Board of Directors shall have power, before admitting any member to vote, to require him to produce the policy or policies under which his assurance or assurances are held, or the last receipt for the premium paid in respect thereof. In case of any such ballot, before proceeding to ballot, three members present at such meeting and willing to act shall be chosen by show of hands of the members present to act as scrutineers; and such scrutineers, or a majority, shall report the result of the ballot to the Chairman, who shall then declare to the meeting how the question has been decided, and in the event of an equality of votes the Chairman shall have a casting-vote. All other details connected with such voting shall be determined by the Directors. The declaration of the Chairman at any meeting as to the result of any show of hands, voting, or ballot shall be final.

Division of Profits.

20. The affairs and profits of the Society shall be investigated every five years; and the next investigation will take place as at 31st December, 1873, and similar investigations shall take place at the end of every five years, computed from the 31st December, 1873. At such investigations a careful valuation shall be made of all the liabilities and assets of the Society; and if at those times respectively it shall appear that the aggregate of the assets is more than sufficient to discharge or provide for the aggregate of the liabilities of the Society, it shall then be lawful for the Directors to declare a dividend of the surplus, or of such part thereof as may by them be deemed fit and expedient, and to divide and distribute the same fairly and equitably among the participating members of the Society by making reversionary additions to their respective policies. Any additions so made may, at the option of any member, be appropriated by way of reduction of future premiums, or may be commuted for such cash bonus or such other options as may be sanctioned by the Directors.

Prior to each division of profits, such a sum as the Directors deem fit shall be reserved by way of guarantee; and no appropriation of profits shall be made until it shall
shall have been certified by one or more professional Actuaries appointed by the Board for that purpose, that, according to the most correct calculation of which the case will admit, the interests to all the contributors to this Society, and of persons having claims thereon, in possession or expectancy, are by the proposed scheme of division or distribution, fairly dealt with and secured.

At the investigation to be made as at 31st December, 1873, every participating policy effected previously to 1st March, 1873, and then in force, shall participate in the profits, according to the period such policies shall have existed previous to the investigation in question.

At each subsequent investigation the Directors shall have the power (after retaining a sufficient sum for a guarantee fund) to appropriate the surplus in additions to all the policies of participating members issued up to the date of such investigation and then in force; but in the case of each policy which at the date of any such investigation shall be of less than five years' standing, the addition to be thus appropriated as aforesaid shall not become vested until such policy shall have been in force and the life assured shall have survived for five complete years.

Besides the aforesaid additions, contingent prospective additions shall be made on all participating policies which may become claims between one period of investigation and another, and which shall, at the date of their so becoming claims, be of not less than five years' standing, at such fair and equitable rates as the Board may determine.

21. The Board shall have power to revise, remodel, adjust, or extend the Tables of the Society, and from time to time make such orders as may be deemed expedient for the framing of any calculation of rates for cases to meet which the Society may have no complete tables. No alteration or extension of the tables shall, however, be made, and no new tables shall be adopted without the approval of at least one professional Actuary.

22. In the construction of the By-Laws of the Society except where there is anything in the subject or context repugnant to such construction, the term "the Board," and the term "the Directors," shall be held to mean the Board of Directors in Sydney; words importing the singular number only shall include the plural number, and words importing the masculine gender only shall include females.