



# Memorandum and Rules

**Issue Date:** 30 August 2019



# Board of Directors

Bob Andrews (Chief Executive)  
Gwenda Binks MBE (Vice-Chairwoman)  
Ian Blanchard  
Mike Bury  
Helen Chamberlain (Chief Financial Officer)  
Paula Clark  
Louise Fowler  
David Furniss (Chairman)  
Angela Hays  
Ken Hesketh  
Adrian Humphreys  
Deryck Lewis  
Les Philpott  
Andy Tucker

**Secretary:**

René Fraioli

**Deputy Secretary:**

Deryck Lewis

**Chief Executive:**

Bob Andrews

**Medical Advisers:**

Dr John Giles FRCP FRCR

**Registered Office:**

Holgate Park Drive, York, YO26 4GG

The Benenden Healthcare Society Limited is an incorporated friendly society registered under the Friendly Societies Act 1992, registered number 480F. The Society's contractual business (the provision of tuberculosis benefit) is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The remainder of the Society's business is undertaken on a discretionary basis. The Society is subject to Prudential Regulation Authority requirements for prudential management.

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**MEMORANDUM  
of  
THE BENENDEN HEALTHCARE SOCIETY LIMITED**

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Registered and Incorporated under  
The Friendly Societies Act 1992

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Register No: 480F

Registered Office:  
Holgate Park Drive  
York  
YO26 4GG

# Memorandum

## 1. NAME

The Society is an incorporated friendly society. It is called The Benenden Healthcare Society Limited (formerly The Post Office and Civil Service Sanatorium Society) and is hereinafter referred to as "the Society".

## 2. REGISTERED OFFICE

The registered office of the Society shall be situated in England and Wales at Holgate Park Drive, York YO26 4GG.

## 3. PURPOSES

The purposes of the Society are:

- 3.1 the relief or maintenance of Members and their nominees during sickness, infirmity, disability, or any medical condition, by the provision of benefits including surgical and medical treatment, nursing care and otherwise on a discretionary basis or by effecting and carrying out contracts, funded by voluntary contributions on a flat rate basis with or without donations, and subject at all times to the limitations set out in Heads C & D of Schedule 2 of the Act.
- 3.2 the carrying on of social or benevolent activities which are not inconsistent with the other purposes of the Society.
- 3.3 The formation of subsidiaries, taking part with others in forming bodies corporate to be jointly controlled by it, or otherwise acquiring, or keeping, control or joint control of bodies corporate as permitted by the Statutes.

## 4. POWERS

For the purpose of carrying out its purposes the Society shall have all the powers:

- 4.1 set out in its Rules and in the Statutes and, subject to the provisions of the Statutes, its memorandum and its rules, shall have any other power which is incidental or conducive to the carrying out of its purposes, including for the avoidance of doubt power:
  - 4.1.1 to make such grants, payments or donations as the Board may from time to time determine for research into any of the medical complaints or conditions covered by the Rules;
  - 4.1.2 to organise by such means as may from time to time be approved by the Board the raising of monies therefor;



- 4.1.3 to subscribe out of its funds to any hospital, infirmary, charitable or provident institution having as its main object relief of sickness, any annual or other sum necessary to secure to the members of the Society the benefits of such institution;
- 4.1.4 to establish or acquire hospitals or nursing homes, or to secure the reservation of beds or treatment at the same, for members entitled to benefit under the Rules;
- 4.1.5 to borrow money including by temporary bank overdraft.

## **5. LIMITATION OF LIABILITY**

- 5.1 The liability of any Member of the Society is limited to the amount of any subscription to the Society which is outstanding;
- 5.2 No subscription of a Member of the Society is recoverable at law except on the winding up of the Society.

## **6. INTERPRETATION**

In this Memorandum:

- 6.1 "the Act" means the Friendly Societies Act 1992 as amended from time to time;
- 6.2 "the Statutes" means the Act and any other acts or statutory provisions or provisions of statutory instruments from time to time in force relating to friendly societies or the activities of the Society;
- 6.3 "the Board" means the Board of Directors of the Society;
- 6.4 "the Members" means the Members of the Society;
- 6.5 "the Rules" means the rules of the Society registered pursuant to the Act as amended, varied or replaced from time to time;
- 6.6 Expressions defined in the Statutes, shall, where the context permits, have the same meaning in this Memorandum;
- 6.7 Any words importing the masculine include all other genders and any words importing the singular include the plural and vice versa;
- 6.8 Reference to any statute, statutory provision or statutory instrument shall include reference to any statutory modification or re-enactment thereof.

Form MSR/FS/MEM 3

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**Certificate of Registration of an  
Alteration of a Memorandum  
(Friendly Societies Act 1992 sch. 3 para. 6)**

Name of Society: **The Benenden Healthcare Society Limited**

Register No: **480 F**

The alteration of the society's memorandum set out in the attached record of alteration, was registered on **28 June 2017** to take effect on **5 July 2017**, the date specified in that record.

A copy of this certificate and the record of the alteration is kept on the public file of the society.

Date: **28 June 2017**



**RULES  
of  
THE BENENDEN HEALTHCARE SOCIETY LIMITED**

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Registered and Incorporated under  
The Friendly Societies Act 1992

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Register No: 480F

Registered Office:  
Holgate Park Drive  
York  
YO26 4GG

# RULES 2019

## All previous rules rescinded

### 1. INTERPRETATION

- 1.1 In these Rules, unless otherwise provided, words denoting the singular shall include the plural and words denoting the plural shall include the singular, and words denoting one gender shall be deemed to include the other.
- 1.2 In these Rules the expressions following in the left column shall, unless otherwise provided, bear the meanings appearing against them in the right column:
- |                                 |                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.2.1 <b>The Society</b>        | The Benenden Healthcare Society Limited.                                                                                                                                                                                                                                                                                              |
| 1.2.2 <b>The Act</b>            | The Friendly Societies Act 1992, as amended from time to time.                                                                                                                                                                                                                                                                        |
| 1.2.3 <b>The Statutes</b>       | The Act and any other acts or statutory provisions or provisions of statutory instruments from time to time in force relating to friendly societies or the activities of the Society.                                                                                                                                                 |
| 1.2.4 <b>Member</b>             | A Member of the Society.                                                                                                                                                                                                                                                                                                              |
| 1.2.5 <b>The Board</b>          | The Board of Directors.                                                                                                                                                                                                                                                                                                               |
| 1.2.6 <b>Civil Service</b>      | The Civil Service of the governments of Great Britain and Northern Ireland.                                                                                                                                                                                                                                                           |
| 1.2.7 <b>United Kingdom</b>     | The United Kingdom of Great Britain and Northern Ireland the Isle of Man and the Channel Islands.                                                                                                                                                                                                                                     |
| 1.2.8 <b>Treatment</b>          | Surgical or medical procedures recognised as suitable by the Board on the advice of the Society's Medical Advisers, the purpose of which is wholly and exclusively the cure or the active and significant mitigation of the effects of disease or injury.                                                                             |
| 1.2.9 <b>Approved Treatment</b> | Treatment in an establishment approved by the Board.                                                                                                                                                                                                                                                                                  |
| 1.2.10 <b>Consultation</b>      | An appointment for diagnostic purposes, arising from a referral by a General Practitioner, with a Consultant or other specialist approved by the Board; and, within discretionary financial limits laid down from time to time by the Board, necessary investigations and outpatient treatments related directly to the consultation. |
| 1.2.11 <b>The Secretary</b>     | The Secretary of the Society.                                                                                                                                                                                                                                                                                                         |

1.2.12 <b>The Officers</b>	The members of the Board and the Secretary.
1.2.13 <b>Nominee</b>	A person nominated by a member under Rule 4.1.
1.2.14 <b>Notice by Advertisement</b>	Notice to be given by way of advertisement in at least one newspaper circulating in the areas in which the Members live.
1.2.15 <b>Annual Conference</b>	The Conference held in every year under Rule 20.1.
1.2.16 <b>Election Conference</b>	The Annual Conference held in the year 2001 and each Annual Conference held in every second year then following.
1.2.17 <b>Proposition</b>	Any proposal submitted by Branches or the Board to an Annual or Special Conference for alteration to the Memorandum or any Rule, including deletion of existing clauses in the Memorandum or of any Rule and insertion of new clauses and Rules; or as a Motion for debate, which if adopted shall become a Resolution.
1.2.18 <b>Amendment</b>	Any proposal to amend a Proposition as defined in Rule 1.2.17.
1.2.19 <b>Card Vote</b>	A vote held at a Conference and at which each card represents 100 or part 100 members of a Branch as at 31 December prior to that Conference.
1.2.20 <b>Report of the Board</b>	The annual report by the Board on the activities of the Society prepared in accordance with the Statutes.
1.2.21 <b>Report of the Auditors</b>	The annual report by the auditors prepared in accordance with the Statutes.
1.2.22 <b>Financial Statements</b>	The classes of document (including the notes to them) that have been prepared in accordance with the Statutes for the last financial year of the Society before the date of the Annual Conference at which they are laid.
1.2.23 <b>FCA</b>	The Financial Conduct Authority or any successor body or bodies.
1.2.24 <b>Controlled Body</b>	A body corporate in respect of which the Society has control or joint control within the meaning of the Statutes.
1.2.25 <b>Corporate Scheme</b>	A scheme where an employer funds the membership contributions of a group of employees.

- 1.2.26 **Approved Person** An Approved Person for the Society as defined in Section 64 of the Financial Services and Markets Act 2000.
  - 1.2.27 **Non-Executive Officers** The Branch Nominated Board Members, the Independent Board Members and the Secretary
  - 1.2.28 **Branch Nominated Director** A member of the Board elected pursuant to Rule 26.1.1 or co-opted pursuant to Rule 27.1.1.
  - 1.2.29 **Independent Director** A member of the Board elected pursuant to Rule 26.1.2 or co-opted pursuant to Rule 27.1.2.
  - 1.2.30 **Executive Director** A member of the Board elected pursuant to Rule 26.1.3 or co-opted pursuant to Rule 27.1.3.
  - 1.2.31 **Elected Capacity** Elected by Conference to the office of member of the Board or, under the Society's Rules prior to incorporation, as a Trustee or Treasurer.
  - 1.2.32 **Nominations Committee** A sub-committee of the Board which includes in its terms of reference the task of identifying and recommending Independent Eligible Persons for election to the Board.
  - 1.2.33 **Eligible Member** A Member who is not under the age of 18 years.
  - 1.2.34 **Electronic Communication** As defined by the Electronic Communications Act 2000.
  - 1.2.35 **Regulators** The Prudential Regulation Authority and the Financial Conduct Authority or any successor body or bodies to either or both of them.
- 1.3 Reference to any statute, statutory provision or statutory instrument shall include reference to any statutory modification or re-enactment thereof.
- 1.4 Expressions defined in the Statutes shall, where the context permits, have the same meaning in these Rules.

## 2. MEMBERSHIP

- 2.1 Any person may apply for admission into membership of the Society if he or she is, at the time of such application, over the age of 16 and normally resident in the United Kingdom. The admission of such person into membership of the Society shall be at the discretion of the Board.
- 2.2 Any Nominee whose nomination was in force on the date of the cessation of membership (for whatever reason) of the nominating Member can apply to join as a nominating Member provided an application and contributions are received within one year thereof.

2.3 Any Nominee over the age of 16 may apply for admission into membership.

### **3. RETENTION OF MEMBERSHIP**

Membership may continue notwithstanding the fact that a Member shall be absent from the United Kingdom.

### **4. NOMINATIONS FOR BENEFIT**

4.1 Any Member may nominate for benefit any person provided that the appropriate contribution mandate as provided by Rule 7 is given to the Society in respect of each Nominee. Each nomination shall continue in force until either the Member gives to the Society notice in writing revoking the nomination or the appropriate contribution ceases to be paid.

### **5. EXPULSION**

Any Member shall be expelled from membership:

- 5.1 if he shall misapply the funds of the Society;
- 5.2 if he shall wilfully supply false information when applying for benefit; or
- 5.3 in the circumstances specified in Rule 10.4 or 10.5.

without prejudice to prosecution or to any liability to repay any sums due to the Society.

### **6. SCALE OF CONTRIBUTIONS**

- 6.1 The monthly contribution per head payable by a Member or by or on behalf of each Nominee shall be such sum as may be determined by each Annual Conference.
- 6.2 No amendment to a proposal for an increase of contribution shall be permitted after the conference agenda has been published.
- 6.3 Within 4 weeks of any change in the monthly contribution being determined the Secretary shall cause Notice by Advertisement of the details to be given to members.

### **7. PAYMENT OF CONTRIBUTIONS**

- 7.1 On applying for membership and subsequently when nominating a person for benefit, a Member (or, as the case may be, Nominee) shall give to the Society a mandate, in the form required by the Society, to direct the appropriate authority to deduct and pay to the Society annual contributions under Rule 6 by the agreed instalments.
- 7.2 In this Rule "the appropriate authority" shall mean the body responsible for paying on behalf of his or her employer the Member's or Nominee's wages, salary or pension. Or, if no arrangement is in force between the Society and such body for the payment of contributions, such bank, building society or other body as the Board shall approve.

- 7.3 In this Rule “the agreed instalments” shall mean such instalments as may from time to time be agreed between the Society and the appropriate authority. Or, if no such arrangement as is referred to in Rule 7.2 is in force, the phrase shall mean one year’s contributions in advance or by quarterly or monthly instalments from the due date.

## **8. NON-PAYMENT OF CONTRIBUTIONS**

- 8.1 If any mandate given by a Member or Nominee under Rule 7.1 shall be cancelled, withdrawn or become ineffective (unless replaced by another mandate) membership shall cease and benefits shall not be provided to such Member or for any Nominees of that Member as from the date to which contributions have been paid.
- 8.2 Payment of contributions for a Member or Nominee and any Nominees of that Member shall be waived for any period that such Member is absent without pay from employment on authorised sick leave from any cause.

## **9. BENEFITS**

- 9.1 The Society is a society whose benefits vary according to the resources available. Accordingly the benefits set out in Rule 9.2 shall be provided to the extent that there are sufficient resources available to cover such provision, the first call on the resources being the provision of non-discretionary benefits.
- 9.2 Subject to Rule 9.1 the benefits provided by the Society for its Members and their Nominees shall be:
- 9.2.1 At the discretion of the Board, the defraying of costs of Consultation for a medical condition.
  - 9.2.2 The defraying of costs of Approved Treatment for tuberculosis or any allied complaint.
  - 9.2.3 At the discretion of the Board, the defraying of costs of approved treatment for cancer.
  - 9.2.4 Financial assistance to Members or their Nominees suffering from tuberculosis or any allied complaint or cancer in cases where the Board in its discretion considers that such a need exists, such assistance to be of such amount as the Board may in its discretion determine.
  - 9.2.5 At the discretion of the Board, the provision of Approved Treatment to Members or their Nominees suffering from any complaint in any hospital accommodation maintained or selected by the Society for such provision.
  - 9.2.6 At the discretion of the Board, the provision of a range of information services to assist members and their Nominees in their understanding of their health needs and opportunities for health and social care.



- 9.3 If at any time it shall appear to the Board that the resources of the Society during the ensuing twelve months are likely at the end of that period to be insufficient to provide all of the benefits under Rule 9.2 at the levels then prevailing, the Board shall convene a Special Conference to consider the Board's proposals (including as the case may be proposals relating to the provision of benefits) for the future conduct of the Society's affairs.
- 9.4 In respect of all the benefits referred to in rules 9.2.1, 9.2.3, 9.2.4, 9.2.5 and 9.2.6 the Board shall have a complete discretion in terms of whether any sum should be paid and, if so, the amount of any such payment or, as appropriate whether any and, if so, what treatment should be provided.

## **10. DISQUALIFICATION FROM BENEFITS**

- 10.1 A Member shall not be entitled to any benefit for himself or herself or any Nominee:
- 10.1.1 if at the time of application for benefit the Member has been a Member for less than six calendar months (inclusive of any time spent as the Nominee of a Member), or, (as the case may be) the Nominee has been nominated for benefit for less than six calendar months, or
  - 10.1.2 to cover the cost of treatment or consultation not approved by the Board.
- 10.2 The qualifying period outlined in Rule 10.1.1 shall not apply to any information services provided under Rule 9.2.6 which shall be available to members immediately.
- 10.3 The six month qualifying period outlined in Rule 10.1.1 may be waived for Members and Nominees joining through Corporate Schemes at the discretion of the Board provided such Nominees are included at the date the Member joins the Corporate Scheme.
- 10.4 Should any person entitled to benefit under these rules who has been granted and admitted to treatment be discharged from the hospital or other establishment for breach of regulations or shall have left the same against medical advice, that person shall not be eligible for any further benefit and if the Member themselves was receiving the benefit they shall be expelled from the Society, unless the Board shall otherwise determine.
- 10.5 Any Member or Nominee whose behaviour is in breach of the requirements of the Regulators' Code of Conduct, contrary to the Benenden values or may bring the organisation into disrepute may be expelled from membership at the discretion of the Board and will not have the right to re-apply for admission. For the avoidance of doubt, such behaviour will include, but not be restricted to, verbal or physical abuse of, or threats to, an employee or representative of the Society, or of a provider contracted by the Society.
- 10.6 Where a Member or Nominee is not ordinarily resident in the UK the benefits to which they are entitled may be restricted by the Society at the discretion of the Board.

## **11. REGULATIONS FOR BENEFITS**

- 11.1 The Board shall make regulations for the manner in which benefits are to be claimed and setting limits on financial assistance and travelling expenses. Such regulations shall include information on eligibility for and rates of benefits, but shall not impose any penalties except as may be otherwise provided in these Rules.
- 11.2 The regulations shall take account of the wishes of Annual Conference, as decided by Resolution.
- 11.3 Copies of such regulations shall be available free of charge to Members at every office of the Society and shall be sent without charge upon request within seven days to any Member requesting the same.
- 11.4 Copies of such regulations shall specify the contribution rate from time to time determined under Rule 6.

## **12. ORGANISATION - BRANCHES**

Every Member shall be a member of a Branch of the Society.

## **13. ROLE OF BRANCHES**

The role of Branches is to consider, discuss and facilitate the work of the Society and to contribute to the governance of the Society by:

- 13.1 enabling all Branch members to participate in the strategic development of the Society by attending Branch meetings;
- 13.2 collecting and communicating the views of Branch members to the Society via the Board and Conference;
- 13.3 participating in the Society's Conferences as outlined in Rule 17;
- 13.4 providing information and supporting marketing initiatives with the agreement of the Society (Registered Office);
- 13.5 fundraising for Society charities if the Branch wishes.

## **14. COMPOSITION OF BRANCHES**

Branches shall consist of:

- 14.1 All Branches existing at the date of registration of these Rules excluding any Branches that have been dissolved after that date under Rule 19, and
- 14.2 Branches formed with the consent of the Board after such date and consisting of groups of Members who:
  - 14.2.1 live or work in geographic areas as specified from time to time by the Board (called Local Branches);

- 14.2.2 are or have been employed by the Civil Service (called National Branches).

## **15. ALTERNATIVE BRANCH MEMBERSHIP**

- 15.1 A Member shall not be a member of more than one Branch.
- 15.2 Members who are or have been employed by any Department of the Civil Service may become members of a Local Branch.
- 15.3 Members may elect to join a Branch, that is local and convenient to where they live or are employed.
- 15.4 Members leaving employment but remaining in membership may remain members of the last Branch to which they belonged or may elect to join a Branch in the locality where they live.
- 15.5 Members being formerly Nominees of a Member may join the Branch to which the Member last belonged or may elect to join a Branch in the locality where they live or are employed.

## **16. AUTONOMY OF BRANCHES**

- 16.1 Branches shall have autonomy over their own procedures for convening and conducting meetings and electing Branch officers and delegates, and shall hold at least two meetings in every year. In formulating their rules and procedures, Branches shall have regard to guidance published from time to time by the Board.
- 16.2 Branches shall conform to such regulations for the holding of funds and the production and audit of accounts as the Board may from time to time determine.

## **17. BRANCH MEETINGS**

- 17.1 Branches shall hold meetings for the following purposes:
- 17.1.1 To consider, discuss and facilitate the work of the Society as set out in Rule 13.
- 17.1.2 The election of a Branch secretary and such other Branch officers as the Branch shall determine.
- 17.1.3 The election of a member or members of the Branch as a delegate or delegates to represent the Branch at the Society's Conferences together with the election of substitute delegates. The number of delegates for any Branch shall not exceed 12 and representation shall be on the basis of the number of members in the Branch at 31 December prior to the Conference as follows:
- 1 – 3000 members: 2 delegates

plus one delegate for every additional 1500 members or part thereof. A Branch not formed on 31 December prior to the Conference shall be represented by one delegate only. The maximum number of substitute delegates for any Branch shall be 4.

A branch which is entitled to send not more than 2 delegates to Conference shall be entitled to send 2 additional, non-voting delegates; a branch which is entitled to send not more than 3 delegates to Conference shall be entitled to send 1 additional, non-voting delegate. Non-voting delegates shall have the right to speak, but not to vote, at Conference. The additional non-voting delegates shall be elected in the same way as defined in this rule.

In the event that a delegate is unable to attend any Conference the Branch may select a previously named substitute delegate to attend in their place.

17.1.4 The nomination of a member or members of the Branch as Officers of the Society (other than the Secretary) or members of the Standing Orders Committee.

17.1.5 The consideration of Propositions (including alterations of the Memorandum or any Rule) to be brought forward at the Society's Conferences.

17.1.6 Applications for Branch funds under Rule 39.4.1.

17.2 Expenses of Branch members in attending Branch meetings or on authorised Branch business may be met from Branch funds.

## **18. NOTIFICATION OF PROCEEDINGS**

18.1 As soon as practicable after the holding of any such meeting as is referred to in Rule 17, the Branch secretary shall deliver to the Secretary a certificate signed by the Chairman of the Meeting, the Branch secretary and one other member present at the meeting, certifying the names of Branch officers, representatives, substitute delegates and delegates so elected, candidates nominated, Propositions and Amendments to Propositions which the Branch wishes to be considered at Conference or applications for funds.

18.2 The Certificate so signed shall be delivered to the Secretary by such date as is the appropriate number of weeks before the Conference as follows below:

All Propositions not otherwise specified:-	13 weeks
Amendments to propositions:-	2 weeks
Nominations under Rule 17.1.4:-	13 weeks
Names of delegates and substitute delegates elected under Rule 17.1.3:-	13 weeks

- 18.3 If a substitute delegate is to attend any Conference, the Branch shall notify the Secretary in writing prior to the Conference stating the name of the substitute delegate, the name of the delegate being replaced, and the reasons for the substitution.
- 18.4 If the Board issues new information pertaining to Society business less than 13 weeks before the start of Conference but before the Branch mandating meeting, then the Branch can submit a late motion for Conference. The Branch shall provide evidence that the motion could not have been submitted to the Secretary prior to the 13 week period as stipulated in Rule 18.2.
- 18.5 If the Board issues new information pertaining to Society business after the Branch mandating meeting, then the Branch committee or the Branch Conference delegation can submit an emergency motion for Conference, providing it could not be submitted to the Secretary prior to the 13 week period as stipulated in Rule 18.2.

## **19. SUSPENSION AND DISSOLUTION OF BRANCHES**

- 19.1 If the membership of any Branch falls below 50, the Board may dissolve that Branch and direct that the remaining members and any funds of the Branch be accepted into and transferred to such Branch or Branches as the Board shall (after consultation with the appropriate Branch or Branches) determine.
- 19.2 If the Board have evidence to show that the affairs of any Branch are not being conducted in the interests of the Society as a whole then the Board may suspend the activities of that Branch Committee and investigate the affairs of that Branch. They shall report their findings to Conference with a Resolution either for dissolution or for restoration of full powers of the Branch Committee and its Officers.
- 19.3 During the time that any Branch is suspended the Board shall assume responsibility for the activities of that Branch and its members.

## **20. CONFERENCES**

- 20.1 Annual General Meetings (called Annual Conferences) of delegates representative of the Members and elected under Rule 17.1.3 shall be held in every year in the month of June at such time and place as may be determined by an Annual Conference four years earlier, or in default of such decision, by the Board.
- 20.2 All other general meetings of such delegates shall be called Special Conferences.
- 20.3 All Conferences shall be convened by the Board and previous notice thereof shall be given in writing by the Secretary to every Branch secretary and (if the Board deem it desirable in any case) by advertisement in which case the advertisement shall be inserted in at least one newspaper circulating in the areas in which Members live.
- 20.4 The period of such notice shall be at least twenty weeks in the case of Annual Conferences and eight weeks in the case of Special Conferences.

## **21. PROCEDURE**

- 21.1 Any member of the Board who would benefit from a motion or proposition by virtue of their membership of the Board shall not be charged with accepting or proposing the motion or proposition on behalf of the Board or be involved in the counting of votes.
- 21.2 At all conferences the Chairman of the Board or if absent the Vice Chairman of the Board or if absent a Branch Nominated Board Member or if none is available an Eligible Member appointed by the delegates present shall preside, and when votes by show of hands are equal the then presiding officer shall have a casting vote.
- 21.3 The presence of fifty delegates shall constitute a quorum.
- 21.4 Subject to the Statutes and these Rules, voting shall be by a show of hands of delegates present unless a Card Vote is demanded.
- 21.5 The election of Officers (other than the Secretary) and Members of the Standing Orders committee shall be by ballot of delegates present; each ballot shall be decided by Card Vote.
- 21.6 Where under these Rules voting at the Society's Conferences on Propositions is to be carried out either on a show of hands or on a poll, the voting procedure may be carried out on a poll using an electronic voting process. Where under these Rules voting at the Society's Conferences on Propositions is to be carried out by a Card Vote, the voting procedure may be carried out using an electronic voting process which incorporates the weighted voting representation specified in Rule 1.2.19.
- 21.7 A Card Vote may only be taken if the original proposition is passed or defeated by less than 5% of the total votes cast.

## **22. STANDING ORDERS COMMITTEE**

- 22.1 The delegates shall elect a Standing Orders committee of three Eligible Members to consider the business submitted for the agenda of any Conference and make recommendations for procedure for the efficient despatch of the same in a report thereon.
- 22.2 A member of the Standing Orders Committee elected under the provisions of Rule 22.1, who has served twelve years on the Standing Orders Committee (whether or not consecutive years) shall not be eligible for re-election.
- 22.3 The Standing Orders committee shall appoint one of their number to be chairman of their committee and shall attend Conference to advise (if requested) the Presiding officer but no member of their committee shall be entitled to speak or vote as a Branch delegate at that Conference.

- 22.4 The senior member of the Standing Orders committee shall retire at the conclusion of each Election Conference, the vacancy to be filled as a junior member by an Eligible Member of the Society (who may be the retiring member) elected at that Conference to serve on that committee for the term covered by the next three Election Conferences.
- 22.5 If a member of the Standing Orders Committee ceases to hold office for any reason during his or her term of office then the Board shall appoint an Eligible Member as his or her replacement, after first seeking nominations from branches
- The person so appointed shall hold office as a member of the Standing Orders Committee until the next Annual Conference, when an election shall be held to fill the vacancy. The member elected shall serve during the remaining time for which the member ceasing to hold office was elected.

### **23. AGENDA**

- 23.1 No Proposition shall be accepted for consideration at any Annual Conference unless it shall either emanate from the Board or be notified to the Secretary under Rule 18.1 or Rule 18.4 or Rule 18.5.
- 23.2 The Secretary shall send to every Branch secretary an agenda containing all Propositions and nominations, a copy of the audited Financial Statements, the Report of the Board and the Report of the Auditors four weeks prior to every Annual Conference.
- 23.3 The Board shall lay before the delegates at the Annual Conference a copy of the audited Financial Statements, the Report of the Board and the Report of the Auditors.

### **24. SPECIAL CONFERENCES**

- 24.1 A Special Conference shall be called by the Board at a time and place to be determined by the Board:
- 24.1.1 if the Board shall under Rule 9.3 or otherwise consider it necessary so to do,
- 24.1.2 or within two calendar months of receipt by the Secretary of a written requisition made by at least 500 of the Members of the Society and stating the business for which it is desired.
- 24.2 No Proposition shall be accepted for consideration at any Special Conference unless it shall either emanate from the Board or be notified to the Secretary under Rule 18 or Rule 24.1.2.
- 24.3 The Secretary shall communicate to every Branch secretary particulars of all Propositions constituting the proposed business at least eight weeks prior to every Special Conference.
- 24.4 The Secretary shall send to every Branch secretary an agenda containing all Propositions four weeks prior to every Special Conference.

## **25. SPECIAL RESOLUTIONS**

- 25.1 No Proposition at any Conference shall be passed as a Special Resolution unless it is required to be so passed by or under any provision of the Statutes or these Rules and at least four weeks notice expiring with the date of the meeting at which the Proposition is to be moved and which shall include a statement that the resolution will not be effective unless it is passed as a Special Resolution is given to Members by written notice to Branch secretaries and (if the Board deem it desirable in any case) by advertisement.
- 25.2 Such a Proposition shall not be effective as a Special Resolution unless it is passed by not less than three quarters of the number of delegates entitled to vote on the resolution and voting on a poll. No Card Vote shall be permitted.

## **26. ELECTION OF OFFICERS OTHER THAN THE SECRETARY**

- 26.1 Subject to Rule 26.6, with effect from the date of registration of these rules and at each subsequent Election Conference, elections to the Board shall be held to fill vacancies on the Board which shall consist of:
  - 26.1.1 not more than six Eligible Persons who are nominated by the respective Branches of which they are members; and
  - 26.1.2 not more than six Independent Eligible Persons who are recommended by the Nominations Committee and nominated by the Board; and
  - 26.1.3 not more than two executive officers of the Society, each of whom holds the position of Approved Person and who has been nominated by the Board and in the case of an executive officer who will be 70 or more years of age at the date on which the election would take effect, his age and the reasons for the Board's approval of his eligibility have been notified to every person entitled to vote at the election.
- 26.2 The Board shall consist of (i) not more than six Eligible Persons who were nominated by the respective Branches of which they are members; (ii) not more than six Independent Eligible Persons who were nominated by the Board for election or co-option to the Board; and (iii) not more than two executive officers of the Society, each of whom holds the position of Approved Person.
- 26.3 The persons so elected shall continue in office for a term which shall expire at the end of the next Election Conference or on failure of such election those last appointed shall continue in office, subject to the restrictions on the number of members of the Board set out in Rules 26.1 and 26.2 and to the maximum term of office permitted under Rule 26.4.
- 26.4 Save as provided in Rule 27.1, every Branch Nominated Director and every Independent Director shall vacate office at the end of the Election Conference which shall follow the date on which he has served eight years on the Board (whether or not consecutive years) and shall not be eligible for re-election.



- 26.5 Every member of the Board who is 70 or more years of age at the date on which he is elected to the Board shall cease to hold office at the end of the next Annual Conference but shall, subject to Rules 26.1, 26.2, 26.3, 29.1 and 29.2, be eligible for re-election.
- 26.6 A member of the Board attaining the age of 70 during his term of office shall retire from office at the next Annual Conference but shall, subject to Rules 26.1, 26.2, 26.3, 29.1 and 29.2, be eligible for re-election.
- 26.7 Each Independent Director and each Branch Nominated Director shall be entitled to be paid such reasonable fees as the Board may from time to time determine.

## **27. REPLACEMENT OF OFFICERS OTHER THAN THE SECRETARY**

- 27.1 If for any reason there is a vacancy in the office of a member of the Board, as determined by the maximum numbers referred to in Rule 26.1, then:
  - 27.1.1 if the vacancy arises in the office of a Branch Nominated Director, the Board may co-opt an Eligible Person or
  - 27.1.2 if the vacancy arises in the office of an Independent Director, the Board may co-opt an Independent Eligible Person; or
  - 27.1.3 if the vacancy arises in the office of an Executive Director, the Board may co-opt an executive officer of the Society who holds the Position of Approved Person;

in each case as a replacement until the next Annual Conference when such a replacement must retire but may, subject to these Rules, be eligible for election. Such a replacement shall not be a person who has attained the age of 70 years (unless otherwise permitted by the Act) or a candidate who has failed to be elected to the Board within the preceding 12 months. Such a replacement may not be a person who has previously served eight years on the Board (whether or not consecutive years) other than in the case of an Executive Director.
- 27.2 If the Annual Conference which follows a member of the Board ceasing to hold office for any reason during his or her term of office, shall not be an Election Conference, that Annual Conference shall elect an Eligible Person who is nominated for such office by the Branch of which he or she is a member to fill the vacancy until the end of the next Election Conference.
- 27.3 If an Executive Director ceases for any reason to be an employee of the Society or an Approved Person, he will forthwith automatically vacate the office of Board member.

## **28. REMOVAL OF OFFICERS OTHER THAN THE SECRETARY**

- 28.1 Any Officer other than the Secretary may be removed from the office of member of the Board at any time by a resolution passed by a majority of the delegates present and voting at a Special Conference called for that purpose.
- 28.2 The Board shall have the power to remove any Non-Executive Officer providing materially false or misleading information under Rule 29.3.
- 28.3 Any Non-Executive Officer whose behaviour is in breach of the requirements of the regulatory Code of Conduct, contrary to the Benenden values or likely to bring the organisation into disrepute may be asked to resign as a Director or Secretary.
- 28.4 Any Non-Executive Officer shall cease to hold office if he is requested in writing by a majority of Directors to resign and a resolution that he has vacated office is thereafter passed at a meeting of the Board of Directors in accordance with Rule 28.5.
- 28.5 A decision of the Board under Rule 28.2, 28.3 or 28.4 shall require a two-thirds majority of those present and entitled to vote. The decision shall be sent by post to the Non-Executive Officer as soon as practicable, and in any event within seven days.
- 28.6 Any Non-Executive Officer who ceases to be eligible under Rule 29.1 will immediately vacate office.

## **29. ELIGIBILITY OF CANDIDATES**

- 29.1 For the purpose of Rules 26 and 27 an "Eligible Person" means a Member who:
  - 29.1.1 is not under the age of 18 years and either (a) will not have attained the age of 70 years prior to the date on which either the election is held or, in the case of a co-option under Rule 27, the co-option would take effect; or (b) if he will be 70 or more years of age at the date on which the election would take effect, he has been approved by resolution of the Board as eligible for election, and his age and the reasons for the Board's approval of his eligibility have been notified to every person entitled to vote at the election, and
  - 29.1.2 where Rule 29.3 applies, has provided the information and evidence required by the Board, and
  - 29.1.3 will not be ineligible under Rule 26.3 to stand for election to the Board at the date on which the election is held.
- 29.2 For the purposes of Rules 1.2, 26 and 27 an "Independent Eligible Person" means a person who:
  - 29.2.1 is not a Member or a Nominee; and
  - 29.2.2 is not under the age of 18 years and either (a) will not have attained the age of 70 years prior to the date on which either the election is held or, in the case of a co-option under Rule 27, the co-option would take

effect; or (b) if he will be 70 or more years of age at the date on which the election would take effect, he has been approved by resolution of the Board as eligible for election, and his age and the reasons for the Board's approval of his eligibility have been notified to every person entitled to vote at the election; and

29.2.3 where Rule 29.3 applies, has provided the information and evidence required by the Board; and

29.2.4 will not be ineligible under Rule 26.3 to stand for election to the Board at the date on which the election is held.

29.3 The Board may require any individual nominated for election as a Board member to supply in writing such forms as the Board may specify, evidence as to his eligibility, qualifications, financial and managerial experience, creditworthiness, competence and character and to complete in draft any form or questionnaire that, if elected, he may be required to submit to any regulatory authority. Any individual providing materially false or misleading information under this Rule may be removed by the Board from those nominated for election.

29.4 Any change, whether before or after election to the Board, to the information supplied by a member of the Board or a prospective member of the Board under Rule 29.3 shall be notified immediately by him to the Chief Executive.

### **30. MANAGEMENT**

30.1 Subject to the Statutes, the Memorandum, these Rules and any resolution passed at an Annual or Special Conference, the business of the Society shall be directed by a Board of Directors which may exercise all the powers of the Society. The Board is the directing body of the Society and is the Society's committee of management for the purposes of the Act. The members of the committee of management shall be known as and shall be Directors of the Society (and references in these Rules to "Board" or "Director" shall be construed accordingly).

30.2 No alteration in these Rules and no such resolution shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that resolution had not been passed.

30.3 Without prejudice to the generality of Rules 30.1 and 30.2, the Board

30.3.1 shall ensure the direction and management of all affairs and business of the Society;

30.3.1.1 by a sufficient number of persons fit and proper to be Board members or other Officers, in their respective positions;

30.3.1.2 with prudence and integrity;

30.3.1.3 in the best interests of the Members and in accordance with best practice; and

30.3.1.4 in accordance with the Memorandum and these Rules and with the Statutes.

30.3.2 shall supervise the activities of any Controlled Body or Branch of the Society.

#### **30.4 CHIEF EXECUTIVE**

30.4.1 The Society must have a Chief Executive who shall be appointed by the Board and whose appointment may be terminated by the Board.

30.4.2 The terms of service of the Chief Executive shall be determined by the Board.

30.4.3 The Chief Executive is responsible under the immediate authority of the Board for the conduct of the business of the Society.

30.4.4 The Board may, at its discretion, resolve to give to the Chief Executive the responsibility for the carrying on by the Society of those activities which are regulated by the Regulators.

30.4.5 The Board shall take all reasonable steps to secure that the person appointed as Chief Executive has the requisite knowledge and experience to discharge the functions of his office.

#### **31. BOARD OF DIRECTORS**

31.1 A duly convened meeting of the Board at which a quorum of not less than half of the members of the Board for the time being is present, with at least half of the Branch Nominated Directors present and at least half of the Independent Directors present, may exercise all powers exercisable by the Board.

31.2 The Board shall have the power to act notwithstanding any vacancy or vacancies in their own body.

31.3 Every question before the Board shall be decided by consensus or by a majority of votes of the Board and if the votes be equal the member chairing the meeting shall have a casting vote. In the event of a vote being called, should the number of Branch Nominated and Independent Directors present not be equal, an appropriate number of either Branch Nominated or Independent Directors will withdraw from voting to enable decisions to be taken by an equal number of Independent and Branch Nominated Directors, with the Chairman retaining a casting vote.

31.4 All acts done by the Board, or any committee or sub-committee, or any person acting as a Board member shall, notwithstanding that it be afterwards discovered that there was some defect in the constitution of the Board or committee or sub-committee or in the election or re-election or appointment of any Board member or committee 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 Board or 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 Board member.

- 31.5 Subject to a Board member's complying with the provisions for the time being of the Act that:-
- (a) require him to declare to the Board any direct or indirect interest he might have, or be treated as having in any contract to which the Society is a party;
  - (b) prohibit particular contracts;
  - (c) require a contract to be approved by a resolution of the Society in Annual or Special Conference or
  - (d) require him to furnish to the Society particulars of any related business, he may enter into or be interested, whether directly or indirectly, in contracts with the Society and shall not be disqualified from office thereby, nor shall he be liable to account to the Society for any profit arising out of any such contract to which he is a party or in which he is interested by reason of his being at the same time a Board member.
- 31.6 No Board member may vote as a Board member in regard to any contract, or proposal therefor, in which he is interested, whether directly or indirectly, or upon any matter arising out of it. If he shall so vote, his vote shall not be counted nor shall he be reckoned in estimating a quorum when any such contract, or proposal therefor, is under consideration.
- 31.7 Notwithstanding anything contained in this Rule, the prohibition contained in the above Rule 31.6 may at any time or times be suspended or relaxed to any extent by resolution of the Society in Annual or Special Conference.
- 31.8 In this Rule the term "contract" includes any transaction or arrangement. For the avoidance of doubt, the word "interest" in this rule does not include any interest a Board member may have as a director of a controlled body of the Society.

## **32. CHAIRMAN, VICE-CHAIRMAN**

- 32.1 The Board shall elect from amongst the Independent Directors, a Chairman who shall preside at all their meetings and he shall cease to hold such office when the Board shall so determine.
- 32.2 The Board shall elect from amongst the Branch Nominated Directors a Vice-Chairman who shall preside in the absence of the Chairman, and he shall cease to hold office when the Board shall so determine.
- 32.3 If at any duly convened meeting of the Board the Chairman and the Vice-Chairman shall not be present, the members present shall elect one of either the Branch Nominated Directors or the Independent Directors to chair that meeting.

### **33. MEETINGS**

- 33.1 The Board shall meet no less than four times a year at such times as they shall determine.
- 33.2 The Chairman or any six members of the Board may require a special meeting by giving notice in writing to the Secretary. A special meeting shall be convened by the Secretary within 14 days of receipt of such notice at such a time and place as the Secretary may determine. The business shall be that specified in the notice and no other business shall be taken at that meeting.

### **34. ATTENDANCE OF OTHER OFFICERS**

The Chief Executive (if he is not a member of the Board) and the Secretary shall attend all meetings of the Board and be at liberty to take part in them.

### **35. SECRETARY**

- 35.1 The Society shall have a Secretary who is an Eligible Member and whose appointment and termination of appointment shall be governed by the Board.
- 35.2 The duties of the Secretary shall be such as the Board may from time to time determine.

### **36. DEPUTY SECRETARY**

- 36.1 The Deputy Secretary shall be appointed from amongst the Branch Nominated Directors by the Board to act during the absence of the Secretary and shall cease to hold such office when the Board shall so determine.
- 36.2 For his or her services the Deputy Secretary shall receive an amount determined by the Board.

### **37. SECRETARIES' SALARIES**

The salaries payable to the Secretary and Deputy Secretary shall be deemed to accrue from day to day and shall be paid at such times and by such instalments as the Board may from time to time decide.

### **38. FINANCE**

- 38.1 All monies received on account of contributions, levies, donations or otherwise shall be applied in carrying out the purposes of the Society in accordance with the Rules; both monies received and income from investments shall be credited to the appropriate funds.
- 38.2 All donations to the Society in the absence of an expressed desire by the donor that the gift shall be applied for any particular purpose shall be applied to the general funds of the Society.

- 38.3 Any transfer of assets between the Society and a Controlled Body should be at arms length and for a proper market value consideration and there shall be a proper apportionment of all items of money and expenses between the Society and its Controlled Bodies.

### **39. SOCIETY EXPENSES**

- 39.1 Society Expenses shall be determined by the Board. Society Expenses shall be all expenditure included in the accounts of the Society other than:
- 39.1.1 costs attributable to Members' and Nominees' benefits
  - 39.1.2 any exceptional items as determined by the Board
- 39.2 Society Expenses shall not exceed 24% of the total of:
- 39.2.1 member contributions
  - 39.2.2 dividends from subsidiaries
  - 39.2.3 other net income
- averaged over the sum of the current financial year and the previous two financial years
- 39.3 The Board shall report to the Annual Conference:
- 39.3.1 current year Society Expenses
  - 39.3.2 current year Society Expenses percentage
  - 39.3.3 Society Expenses percentage as in 39.2
  - 39.3.4 current year expenditure on any exceptional items
- 39.4 The Society Expenses shall include:
- 39.4.1 if a Branch applies therefor and the Board is satisfied as to the proposed expenditure thereof, a sum for the Branch's working and delegation expenses according to the following formula:  
  
Number of Branch members as declared at previous Annual Conference  
x contribution rate x 12 x 2.5% and rounded up to the nearest 1p, with a minimum payment to Branches as agreed by Annual Conference,  
  
such total sum to be held on behalf of the Society by such officers of the branch and to be subject to such provision for audit as the Board may direct.
  - 39.4.2 The expenses of travelling and all other expenses properly incurred by the officers in attending meetings and Conference where it is their duty to be present in accordance with a scale drawn up from time to time by the Board and approved by the delegates at Annual Conference.

39.4.3 The expense of insuring against accidental death or injury in such sum or sums as the Board may from time to time determine all Officers and Members of the Society when on Society business including travelling thereon.

39.4.4 Such sum or sums as the Board may, in accordance with actuarial advice, from time to time determine for establishing and maintaining a scheme granting superannuation benefits to employees of the Society in accordance with the rules of such a scheme.

#### **40. INVESTMENT**

Subject to the provisions of the Statutes and the rules of the Regulators, such of the funds of the Society as are not wanted for immediate use or to meet the usual accruing liabilities shall with the consent of the Board or of the majority of the delegates present and entitled to vote at any Conference be invested by the Society in such investments as the Society may think fit.

#### **41. ACCOUNTS AND AUDIT**

41.1 The Board shall cause proper accounting records of the Society (including a separate account of Society Expenses) to be kept, and systems of control of its business and records and of inspection and report to be established and maintained by the Chief Executive in accordance with the Statutes and the Rules of the Regulators.

41.2 Copies of the Financial Statements for the last financial year, the last Report of the Board and the last Report of the auditors shall be supplied free of charge to every Member on demand and shall be made available at every office of the Society.

41.3 The Board shall cause to be maintained separate accounts for, and which identify the separate assets of, any Controlled Bodies.

#### **42. AUDITORS**

42.1 At each Annual Conference the Society shall appoint or reappoint an auditor who is eligible for appointment as auditor. For the purpose of this rule, an individual or firm recognised in accordance with the Statutes as qualified to audit the Society and its Controlled Bodies is eligible for appointment as auditor.

42.2 The Society shall, within one week of the date of the Annual Conference, notify the FCA if no auditor has been appointed or reappointed.

42.3 The Board may appoint an auditor to fill any casual vacancy occurring between Conferences of the Society.

42.4 The remuneration, including any sums in respect of expenses, to be paid to the auditor shall be fixed by the Board.



- 42.5 The Society may by ordinary resolution in Annual or Special Conference 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 FCA. A resolution of an Annual or Special Conference of the Society removing an auditor before the expiration of his term of office or 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 Conference at which it is moved. On receipt of such notice the Secretary shall give notice of the resolution through the Branches to the Members and to the person proposed to be removed or, as the case may be, to the person to be appointed and to the retiring auditor. The Secretary shall, unless on application the Court directs otherwise, also through the Branches inform the Members of any representations made by the person proposed to be removed, or as the case may be, by the retiring auditor, and shall make copies of the representations available at the Conference at which the resolution is to be moved.
- 42.6 Where the Society receives from an auditor a written notice of his resignation from office, the Secretary shall, within 14 days, send a copy of that notice to the FCA.
- 42.7 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, through the Branches send a copy of such statement to the Members.
- 42.8 Where the auditor, with a notice referred to in Rule 42.6, requisitions the convening of a Special Conference for the purpose of considering an explanation of the circumstances connected with his resignation, the Board shall within 21 days convene such 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 with the requirements of the Statutes.

### **43. DISPUTES**

- 43.1 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 a person aggrieved and the Society, or any Officer but only in his capacity as an Officer of the Society, it shall be determined by arbitration in the manner directed by Rule. 43.2 unless the parties to the dispute agree that it shall be determined by the County Court or, in Scotland, the Sheriff, and it is so determined.
- 43.2 Any such dispute as is referred to in Rule 43.1 shall be referred to and finally resolved by an arbitrator agreed by the parties or failing agreement by an arbitrator appointed on the application of either party by the President or a Vice-President of the Chartered Institute of Arbitrators.

- 43.3 If a party to a dispute has applied to the Society under Rule 43.2 for determination of the dispute by arbitration and no such determination has been made within the period of 40 days beginning with the day on which the application was made and either party applies for determination of the dispute by the County Court or, in Scotland, the Sheriff, the dispute may be so determined.
- 43.4 In this rule the expression "dispute" includes any dispute arising on the question whether a Member or a 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:
- 43.4.1 any dispute other than a dispute on a question which arose while such person was a Member or arises out of such person's membership, nor:
- 43.4.2 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 such Member or person or under the Rules of the Society.

#### **44. VOLUNTARY DISSOLUTION**

The Society may at any time be dissolved by an instrument of dissolution approved by a Special Resolution of the Society as determined by Rule 25.

#### **45. DISTRIBUTION OF SURPLUS ASSETS**

Upon the winding up of the Society, or upon its being dissolved by consent, any surplus remaining after payment in full of the Society's creditors, shall be distributed to a registered Charity or Charities as the Board may determine provided such Charity or Charities shall have objects all or some of which are similar or substantially similar to the purposes of the Society or shall have as one of its main objects the provision of hospital or healthcare services.

#### **46. NOTICES**

Any notice which under these rules is to be in writing may be given by Electronic Communication. 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 the last known address of such Member or person and delivered at or sent by post to that address or, unless the law or these rules require service by some other means, if given by using Electronic Communication to an address for the time being notified to the Society by such Member or person.

#### **47. INSPECTION OF RECORDS**

Subject to the Statutes, the Board shall cause the records of the Society to be available for the inspection of any Member or person having an interest in the funds of the Society 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 Chief Executive to reproduce the same accordingly.

## **48. ALTERATION TO MEMORANDUM AND RULES**

- 48.1 No alteration to, amendment of or rescission of the Memorandum or Rules shall be valid unless passed by a majority of delegates present at an Annual or Special Conference, entitled to vote on the Proposition and voting by a show of hands. No Card Vote shall be permitted on such a Proposition.
- 48.2 Any alteration of the Memorandum of the Society to include among its purposes and powers the carrying on of any activity concerning the control of subsidiaries and other bodies corporate such as is mentioned in the Act must be adopted by Special Resolution by the Society at an Annual or Special Conference; and any amendment of a provision in its Memorandum which permits it to do so must also be so adopted.
- 48.3 No new Rule or amendment of the Memorandum or Rules is valid until registered or until such later date as is specified in the record of alteration.
- 48.4 One free copy of the Memorandum and these Rules shall be provided by the Society to every person on demand in accordance with the Statutes.

## **49. INSPECTION**

An application may be made by 100 Members or, if the number of Members of the Society shall be less than 1000, by one tenth in number of the Members of the Society, to the FCA for an inspection of the affairs of the Society or the calling of a Special Meeting or both in accordance with the Statutes.

## **50. COMPLAINTS**

- 50.1 If any complaint shall arise between the Society and any Member or any person claiming through a Member, such complaint shall be addressed through the Society's internal complaints procedure.
- 50.2 Copies of the Society's internal complaints procedure shall be supplied to Members on demand and shall be enclosed with letters acknowledging receipt of such complaint.
- 50.3 Where a relevant complaint cannot be resolved through the Society's internal complaints procedure, such complaint may be referred by the Member, or person claiming through a Member, to the Financial Ombudsman Scheme, details of which shall be displayed within the Society's internal complaints procedure.

## **51. INDEMNITY TO BOARD MEMBERS, OFFICERS AND EMPLOYEES**

Every Board member and 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 Act, 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.

## **52. APPLICABLE LAW**

Subject to the mandatory requirements of the law of a member state, or part thereof, the applicable law in respect of contracts of insurance entered into by virtue of these rules, and any other contracts entered into with the Society, shall be English Law.

## **53. VALIDITY OF PREVIOUS RULES**

No rules of The Benenden Healthcare Society registered under the Friendly Societies Act 1974 shall have effect on the incorporation of The Benenden Healthcare Society Limited under the Friendly Societies Act 1992.

**Friendly Societies Act 1992**

*Acknowledgement of registration of a rule alteration*

This document acknowledges the registration of the alteration of the attached rules under Friendly Societies Act 1992 to take effect on 30 Aug 2019 for:

Society: The Benenden Healthcare Society Limited

Registration number: 480 F



Date: **30 August 2019**









 0800 414 8100\*  
 [www.benenden.co.uk](http://www.benenden.co.uk)



\* Calls to 0800 numbers are free from all UK providers. Lines are open 9am – 8pm Monday to Friday (excluding Bank Holidays). Please note that your call may be recorded for our mutual security and also for training and quality purposes.