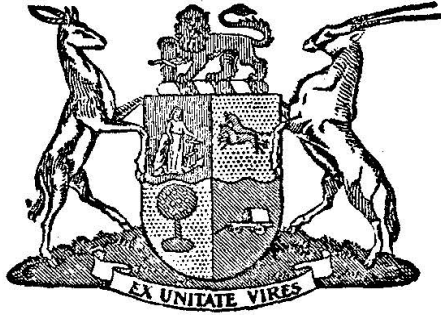


EXTRAORDINARY



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CAPE TOWN, 26TH OCTOBER, 1966.
KAAPSTAD, 26 OKTOBER 1966.

[No. 1576.

DEPARTMENT OF THE PRIME MINISTER.

No. 1688.]

[26th October, 1966.

It is hereby notified that the State President has assented to the following Acts which are hereby published for general information:—

PAGE

No. 52 of 1966: South African Mutual Life Assurance
Society (Private) Act, 1966 .. 115

No. 52, 1966.]

PRIVATE ACT

To consolidate the laws relating to the Society incorporated under the name of the South African Mutual Life Assurance Society.

(Afrikaans text signed by the State President.)
(Assented to 18th October, 1966.)

WHEREAS the South African Mutual Life Assurance Society was incorporated in the first instance by the South African Mutual Life Assurance Society Incorporation Act, 1888 (Act No. 6 of 1888 (Cape)), and is at present incorporated by the South African Mutual Life Assurance Society Private Act, 1915 (Act No. 16 of 1915) (hereinafter referred to as the principal Act);

AND WHEREAS the principal Act was amended by the South African Mutual Life Assurance Society Amendment (Private) Act, 1937 (Act No. 23 of 1937), and by the South African Mutual Life Assurance Society Amendment (Private) Act, 1950 (Act No. 7 of 1950);

AND WHEREAS the principal Act has since been further amended by virtue of section 76*bis* thereof which was inserted in the principal Act by section 2 of the South African Mutual Life Assurance Society Amendment (Private) Act, 1950, which amendments were confirmed by the Cape Provincial Division of the Supreme Court by orders granted on 1st December, 1950, 4th December, 1952, 1st March, 1962, and 5th March, 1965;

AND WHEREAS it is desirable to consolidate the laws relating to the said Society;

BE IT THEREFORE ENACTED by the State President, the Senate and the House of Assembly of the Republic of South Africa as follows:—

1. (1) In this Act, unless the context otherwise indicates— *Interpretation of terms.*
- (i) "accident assurance business" means the issue of, or the undertaking of liability under policies of insurance upon the happening of personal accidents, whether fatal or not, disease, or sickness, or any class of personal accidents, disease or sickness; (iv)
 - (ii) "auditor" means a person who is registered as an accountant and auditor in terms of the Public Accountants' and Auditors' Act, 1951 (Act No. 51 of 1951), and is a member of one of the four societies referred to in section 1 of that Act and who has been duly elected or appointed for the time being as an auditor of the Society; (v)
 - (iii) "director" means a director of the Society but does not include a regional director; (i)
 - (iv) "general manager" means the general manager of the Society or the person for the time being performing his duties; (iii)
 - (v) "mortgage" in relation to a transaction entered into in a territory the law whereof recognizes an "equitable mortgage" shall be deemed to include such mortgage; (viii)
 - (vi) "regional director" means a member of a regional board constituted in terms of section 23; (vii)
 - (vii) "secretary" means the secretary of the Society or the person for the time being performing his duties; (vi)
 - (viii) "Society" means the South African Mutual Life Assurance Society. (ii)

(2) For the purposes of sections 9 and 27, amounts expressed in South African currency shall be deemed to include amounts of equivalent value expressed in any other currency in which the Society issues policies.

I. INCORPORATION OF THE SOCIETY.

2. The Society originally established and incorporated by the South African Mutual Life Assurance Society Incorporation Act, 1888 (Act No. 6 of 1888), of the Cape of Good Hope and presently incorporated by the South African Mutual Life Assurance Society Private Act, 1915 (Act No. 16 of 1915), shall, notwithstanding the repeal of the latter Act by this Act, continue to exist as a body corporate known by the name of the South African Mutual Life Assurance Society until dissolved by its members or by legal process, and shall by such name institute and be subject to legal proceedings, acquire and alienate property, enter into agreements and generally transact all its business. Continued
existence of
Society.

3. The head office of the Society shall be at such place in the Cape Division as the directors shall determine. Head office.

4. All assets held by trustees or the directors on behalf of the Society or to which the Society had any right or claim immediately before the commencement of this Act shall continue to be so held or be subject to such right or claim as heretofore. Assets to
continue vested.

II. BUSINESS OF THE SOCIETY.

5. The Society is empowered to do the following things, that is to say— Objects of
Society.

- (a) to carry on generally the business of mutual life assurance including the grant of endowments, and without derogating from the generality of this object to grant assurance with or without the right to participate in the surplus or profits of the Society for the payment of money on the happening of any contingency or event depending on death, survivance, marriage, issue or any other contingency of human life;
- (b) to carry on accident assurance business in all its branches;
- (c) to grant, sell and purchase annuities of all kinds, whether dependent upon human life or otherwise, perpetual or terminable, immediate or deferred, contingent or otherwise;
- (d) to realise any assets belonging to the Society when it may be necessary or advisable so to do;
- (e) to re-assure any risk accepted by the Society and to undertake the re-assurance of risks accepted by any other person or body of persons: Provided that the risk so re-assured be one of those which the Society itself could have undertaken under the powers conferred by this Act;
- (f) to lay out and invest the funds of the Society in any of the modes following—
 - (i) in the purchase of or advance on the public stocks, funds or debentures of the Government of the United Kingdom of Great Britain and Northern Ireland, of Northern Ireland, of the Republic of South Africa or of any British Dominion, Colony or Dependency or any mandated territory of which Her Britannic Majesty or the Government of the Republic of South Africa holds mandate;
 - (ii) upon stocks, funds, debentures or mortgages of any body incorporated by special Statute, of any divisional council, municipality or other local authority incorporated by law within the United Kingdom of Great Britain and Northern Ireland, the Republic of South Africa or any British Dominion, Colony or Dependency or any mandated territory of which Her Britannic Majesty or the Government of the Republic of South Africa holds mandate or upon debentures of or mortgages of or in the purchase of or advance upon the shares of any company

- or other body corporate, duly incorporated as such either therein or in any place where the Society carries on assurance business;
- (iii) upon mortgage of immovable property situated in the Republic of South Africa, the United Kingdom of Great Britain and Northern Ireland or any British Dominion, Colony or Dependency or any mandated territory of which Her Britannic Majesty or the Government of the Republic of South Africa holds mandate, or in any country, state or place where the Society carries on business;
 - (iv) on deposit or current account with or without interest with any bank, joint stock company, building society or trust company;
 - (v) in the purchase of or advance on shares of the South African Reserve Bank;
 - (vi) in the subscription for, purchase of or advance on the stock of the National Finance Corporation;
 - (vii) in life, reversionary or other interests whether absolute, contingent or expectant in movable or immovable property in which or on the security of which the Society is authorized to invest its funds;
 - (viii) in the purchase of or advance on the shares of any company having power to carry on any kind of insurance business, whether such shares be fully paid up or not, or in the promotion or formation of any such company: Provided that in the event of the purchase of any partly paid up shares of any such company a reserve fund shall be created by the Society equal to and as provision for the amount remaining unpaid on such partly paid up shares;
 - (ix) in loans secured by the cession of policies of life assurance or of first mortgage bonds on immovable property with or without other security;
 - (x) in the purchase or lease of immovable property situated in the Republic of South Africa, the United Kingdom of Great Britain and Northern Ireland or in any British Dominion, Colony or Dependency or any mandated territory of which Her Britannic Majesty or the Government of the Republic of South Africa holds mandate, or in any country, state or place where the Society is carrying on business and the erection of buildings thereon: Provided that such purchase or lease or erection of buildings be sanctioned by not less than two-thirds in number of the directors present at the meeting at which the matter is considered;
 - (xi) in the purchase of policies granted by the Society at a sum not exceeding the surrender value thereof;
- (g) to purchase or otherwise acquire all or any part of the business and to undertake the liabilities attendant thereon of any company incorporated or unincorporated carrying on any business which the Society is authorized to carry on, and to sell or otherwise dispose of any part thereof which cannot be conveniently carried on by the Society: Provided that the directors may, if they deem it advisable—
- (i) carry on any of the business that had been carried on by the business acquired; and
 - (ii) retain and hold any stocks, securities or properties in which the business acquired has its funds invested at the time it is so acquired:
- Provided further that such purchase or acquisition be sanctioned by not less than two-thirds in number of the directors present at the meeting at which the matter is considered;
- (h) to underwrite or guarantee the subscription of any of the stocks, funds, shares, debentures, debenture stocks, mortgages, bonds or securities the purchase of which is authorized by any of the paragraphs of this section and, either under a contract of underwriting or guarantee, or quite independently thereof, to subscribe for the same conditionally or unconditionally;

- (i) to undertake the business of accepting money on deposit, and to raise money by the issue of any instrument of debt, with or without security, and generally, to borrow money;
- (j) to transact generally all kinds of guarantee and fidelity guarantee business;
- (k) to accept either itself or through any authorized director or official, either alone or jointly with any other person or persons, and to administer any settlement *inter vivos* outside the Republic of South Africa, or the office of a trustee under a debenture deed in any territory in which the Society may be carrying on business;
- (l) to promote, form, establish, finance, manage and control companies, syndicates and associations of all kinds: Provided that no such company, syndicate or association shall be endowed with power, either itself or through any nominated person, to accept any office of trust and confidence or to transact any kind of trust and agency business other than such as is within the terms of some other empowering provision in this Act;
- (m) to exercise any one or more of the powers vested in the Society by forming and establishing in any territory, in which the Society may be carrying on business, any company or companies or other legal association or associations, and endowing any such company or association with any such power or powers and thereafter financing, managing or controlling the same;
- (n) to procure the Society to be registered or recognized in any other country, state or place, and to make any investments or deposits and to comply with any conditions which may be necessary or expedient to enable the Society to carry on business in any country, state or place;
- (o) to make such donations in the furtherance of education or research as the directors may, in their discretion, consider beneficial to the Society or conducive to the attainment by the Society of any of its objects;
- (p) to do all such other things as the Society may think incidental or conducive to the attainment of any of the above objects.

III. OF MEMBERS.

6. (1) Every person who is at the commencement of this Act a member of the Society and every person who shall thereafter effect an assurance with the Society, other than a temporary or short term assurance without participation in profits, shall be a member. What persons to be members.

(2) Subject to any bye-laws made or deemed to have been made under this Act, every person registered in the books of the Society as the owner of a policy or contract of assurance, as aforesaid, acquired by purchase, cession, or otherwise (not being a person by whom any such policy or contract is held in trust for the purposes of family or other settlement) shall also be a member so long as he shall have an interest in the assurance.

7. Every such member shall be entitled to the rights and privileges of membership until his death, unless all claims against the Society in respect of the policy constituting membership are previously satisfied, or such policy shall lapse, be forfeited, or assigned, or unless the right to such policy passes by operation of law, and the person entitled thereto procures himself to be registered as the owner thereof, in the books of the Society. Duration of membership.

8. The liability of the members is limited to the amount of contribution actually made by them to the funds of the Society. Liability of members limited.

RIGHTS AND PRIVILEGES OF MEMBERS.

9. (1) In case of a poll being taken, every member shall be entitled to vote according to the following scale— Title to vote at poll.

- (i) if the holder of an annuity policy for which has been paid not less than two hundred rand but under one thousand rand, one vote; for which has been paid one thousand rand or more but under two thousand rand, two votes; or for which has been paid two thousand rand or more, three votes;

(ii) if the holder of any other policy for a sum assured, exclusive of bonus additions, of not less than two hundred rand but under one thousand rand, one vote; of one thousand rand or more but under three thousand rand, two votes; of three thousand rand or more, three votes.

(2) No member shall be entitled to more than three votes in all.

(3) Where two or more persons are jointly members by virtue of any policy, only one of them shall be entitled to vote in respect of such policy; such one to be authorized by the other in writing, and failing such authority the member whose name stands first in the register of members shall be so entitled.

10. (1) An insane member may not vote except by his curator. **Votes of insane members.**

(2) Such curator may not vote on behalf of the member on any question other than the election of directors unless he has been duly registered as such in the Society's records at least seven days before the commencement of any meeting at which it is sought to vote.

(3) Any other member may vote without legal assistance.

11. (1) Members shall be entitled to vote by proxy upon all questions other than the election of directors. **Votes by proxy.**

(2) No such proxy will be of any validity unless it has been dated at the time of execution and has been so dated within sixty days of any meeting at which it is sought to be used and in addition has been lodged with the general manager not less than seven days before the commencement of any meeting at which it is sought to be used.

(3) No person other than a member of the Society shall be appointed a proxy.

12. (1) The holder of a general power of attorney for transacting the business of any member absent from the Republic of South Africa may, if a member, vote for his principal, and if not a member, he may grant a proxy to a member to vote on his principal's behalf upon all questions other than the election of directors. **Votes by holders of general power.**

(2) The right to vote at a meeting or grant a proxy under any such general power of attorney shall be dependent upon its having been produced to and noted by the general manager not less than seven days before the commencement of any meeting at which such voting right is sought to be exercised.

13. Every proxy shall be as nearly as is material in the following form— **Form of proxy.**

I, A. B., of....., a member of the South African Mutual Life Assurance Society, hereby appoint C. D., also a member thereof, my proxy, to appear and vote for me upon all matters in my absence, at the next meeting of the Society to be held on the.....day of.....19....., and at any adjournment thereof.
Dated at.....this.....day of....., 19.....

IV. OF THE DIRECTORS.

14. (1) The business of the Society shall be conducted and managed by a board of nine directors: Provided that it shall be competent for such board by a resolution agreed to by at least two-thirds in number of the directors to increase the number of the directors to such number not exceeding fifteen as the board shall determine, in which event the board may appoint the requisite additional director or directors. **Board of directors.**

(2) In the event of the death, resignation or disqualification of any director, the remaining directors may instead of causing the vacancy in the board to be filled by a resolution agreed to by at least two-thirds in number of such directors, determine that the vacancy be not filled and decrease the number of directors accordingly: Provided that the number of directors shall not at any time be less than nine.

15. The continuing directors may act notwithstanding a vacancy in their body. **Directors may act notwithstanding vacancy.**

16. Any four of the directors shall constitute a quorum for the transaction of business. **Quorum.**

17. Save as otherwise in this Act expressly provided, questions arising at any meeting of the board of directors or regional board, or any committee, shall be decided by a majority of votes, and in case of an equality of votes the chairman of the meeting shall have a second or casting vote. **Voting.**

18. No director shall be entitled to vote on any question in which he has an interest, other than his interest as a member, at any meeting of the directors. **Interest to disqualify director for voting.**

19. No proceedings of the board of directors or of any regional board shall be invalid by reason of any defect in the appointment of any director or regional director, or because any director or regional director was disqualified. **Defects in appointment, etc., not to invalidate proceedings.**

POWER AND DUTIES OF THE BOARD.

20. Subject to the provisions of this Act, and any bye-laws made or deemed to have been made under its authority, the board of directors shall have power generally to manage and transact all the business of the Society. **Management of Society's business.**

21. (1) The directors shall at their first meeting after each annual general meeting, and thereafter whenever necessity requires, elect from their number a chairman and a deputy-chairman and determine the period for which they are to hold office. **Chairman and deputy-chairman.**

(2) Such chairman, and in his absence the deputy-chairman, shall preside at every meeting of directors or members if present. If neither the chairman nor the deputy-chairman be present the directors present shall elect one of their number to preside at any such meeting.

22. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. **Committees.**

23. The board of directors may from time to time appoint any number of persons to be a regional board in any place where the Society is carrying on business, and may delegate so much of their powers as they deem expedient to be exercised within the district for which such regional board is appointed, and may at any time remove any member of a regional board and fill up any vacancy therein, and may dissolve any regional board, and may pay to the members of a regional board such remuneration as they think fit. **Regional boards.**

24. Every committee and every regional board shall be subject to this Act, to the bye-laws of the Society, and to any regulations framed by the board of directors for the guidance of committees and regional boards. **Committees and regional boards subject to Act, bye-laws, etc.**

25. (1) A committee, or regional board, may elect a chairman of their meetings. **Chairman of committees and regional boards.**

(2) If no such chairman be elected, or if he be not present at a meeting, the members present may elect one of their number to be chairman of such meeting.

26. All documents of whatsoever kind or nature required to be executed in writing by the Society either within or without the Republic of South Africa, shall be signed or otherwise executed in such manner and by such person or persons conformable with law, as the directors shall by resolution direct. **Signing of documents.**

QUALIFICATION OF DIRECTORS.

27. (1) Subject to subsection (2) no person shall be eligible for nomination or election as a director or for appointment as a regional director unless he shall be both a member of the Society and also, if the election be for a director at the date of first publication of the notice in the *Gazette* calling for nominations, and if for a regional director at the date of his appointment, the owner of one or more participating full premium whole life or endowment assurance policies in the Society on his own life for a total sum of not less than one thousand rand, exclusive of bonus; and no member so elected or appointed shall continue to be a director or regional director unless he shall continue to be so qualified. **Qualification of directors.**

(2) Notwithstanding anything in this Act contained, any person who was on the 30th April, 1937, a director or local director as defined in the South African Mutual Life Assurance Society Private Act, 1915 (Act No. 16 of 1915), shall remain qualified and be eligible for future election or appointment as a director or regional director as the case may be so long as he shall retain the qualification set forth in the said South African Mutual Life Assurance Society Private Act, 1915, prior to the amendment thereof by the South African Mutual Life Assurance Society Amendment (Private) Act, 1937 (Act No. 23 of 1937).

DISQUALIFICATION.

28. No person who is related within the second degree of consanguinity or affinity, or who by his own act becomes so related within the second degree of affinity, to any director of the Society, or who is a co-partner or in the employ of any director of the Society shall be eligible either to be elected or to continue to be a director; nor shall any person who is, or who becomes a director, manager, agent or auditor of any other society or association incorporated or unincorporated, carrying on life assurance business anywhere, be eligible to be elected or to continue to be a director, unless the Society itself holds an interest in such other society or association.

Disqualification for office of director.

29. If any director or regional director shall resign, die, become insolvent, assign his estate for the benefit of, or compromise with, his creditors, be declared insane, or shall be otherwise disqualified, or shall be absent from the meetings of the board of directors or regional board for three consecutive months without leave from the board of directors (which leave of absence shall not exceed six months in all), then in every such case his office shall become vacant, and no more than three directors shall have leave of absence at any one time.

Causes creating vacancy in office of director.

30. (1) Save as otherwise provided in this section, no person shall hold office as a director or be eligible for election as such after the thirty-first day of December of the year immediately preceding the year in which he will attain the age of seventy-five years.

Age limit for directors.

(2) A director who would otherwise have ceased to hold office in terms of subsection (1) may continue to be a director after the date therein referred to if not more than three months before such date the remaining directors determine that he shall hold office for a further period, and in such event he shall continue in office for such further period.

(3) A director who continues in office by virtue of subsection (2) up to the date on which he is due to retire in terms of section 31 shall retire in terms of that section, but shall be eligible for re-election if the remaining directors so decide and determine the period for which he is to hold office if re-elected, and in such event he shall if re-elected continue in office for such period.

(4) Subsection (3) shall *mutatis mutandis* apply to any director who continues in office by virtue of that subsection.

(5) The remaining directors may at any time prolong or reduce any period determined by them in relation to any director in terms of subsections (2) or (3), but no such period shall extend beyond the date on which such director is due to retire in terms of section 31.

(6) Decisions by the remaining directors under this section shall be by unanimous vote at a meeting at which not less than seven of the remaining directors or three-fourths of such directors (whichever be the larger number) are present.

(7) Any director elected to fill a vacancy arising under this section shall, provided he remains qualified, hold office until the date on which his predecessor would have retired in terms of section 31.

(8) Nothing in this section contained shall apply to the persons who were directors on the first day of January, 1962.

ELECTION AND RETIREMENT OF DIRECTORS.

31. (1) At the conclusion of each annual general meeting three of the directors who have been longest in office shall retire: Provided that, if at the date of any annual general meeting the board of directors shall consist of more than eleven

Retirement of directors.

but fewer than fifteen directors, four of the directors who have been longest in office shall retire, and if at the date of any annual general meeting the board of directors shall consist of fifteen directors, five of the directors who have been longest in office shall retire.

(2) Each retiring director shall be eligible for re-election.

(3) As between two or more directors who have been in office an equal length of time the director or directors to retire shall in default of agreement between them be determined by lot.

32. In the event of the office of any director becoming from any cause vacant prior to the due date of retirement of such director, the board of directors may within three months from the date on which such vacancy arose elect any person qualified at the date of such election to be a director to hold office as a director for the remainder of the period during which his predecessor would have continued in office provided he remains so qualified.

Vacancies filled by board.

33. Any such vacancy which shall not be filled by the board of directors shall, failing any resolution of such board in terms of section 14 reducing the number of directors, be filled in the manner hereinafter provided and the person elected to fill such vacancy shall hold office as a director for the remainder of the period during which his predecessor would have continued in office.

Vacancies filled otherwise.

34. It shall be competent for the members by a majority of votes of those present or represented at a duly convened special general meeting, to remove a director from his office and to declare his place vacant: Provided that it shall be competent for members present or represented constituting not less than one-fourth of the votes represented at such meeting immediately after declaration by the chairman of a decision in favour of removing a director to claim as of right that the question be submitted for final decision by way of a poll of all members entitled to vote. In such event the poll shall be taken in such manner as the chairman may direct and the result thereof, when declared in writing by the chairman, shall be deemed to be the resolution of the meeting at which the poll was demanded and shall be entered as such in the minute book of the Society.

Removal of director.

35. (1) Every candidate for election as a director shall within the time appointed for receiving nominations deposit with the Society either a sum of one thousand rand or security approved of by the directors for the due payment to the Society of a sum of one thousand rand, failing which he shall be deemed not to have been duly nominated.

Deposit to be made by nominated candidate for directorship.

(2) If any such candidate does not secure at least one-half of the total number of votes polled by the successful candidate, or of the total number of votes polled by the successful candidate obtaining the least number of votes in cases where more than one director is required to be elected, he shall forfeit the sum of one thousand rand if previously deposited by him or shall forthwith on demand pay to the Society the sum of one thousand rand, and any sum or sums forfeited or paid as aforesaid shall be used by the Society towards the expenses of the election.

(3) Save where any sum deposited has become forfeited it shall be returned to the candidate after the result of the election has been declared.

36. No person shall be deemed to be a candidate for election as a director unless he has been nominated in writing by not less than fifty members within the time appointed for receiving nominations.

Nomination of candidates for directorship.

37. Not less than forty-two days before the date of every annual general meeting, and whenever members are to elect directors to fill casual vacancies, notice shall be given in the *Gazette*, and in such newspapers as the directors think fit, inviting nominations of candidates to fill the vacancies existing or to arise.

Notice inviting nomination for directorship.

38. The notice referred to in section 37 shall specify a day, not being less than fourteen days from the first publication of such notice in the *Gazette*, as the last day on which nominations will be received.

Notice to limit time for receiving nominations.

39. If no greater number of candidates be duly nominated than the number of directors to be elected, the candidates nominated shall be deemed to be elected directors, in the case of directors elected to fill casual vacancies, with immediate effect, and in all other cases, with effect from the conclusion of the annual general meeting at which the vacancy occurs.

Election when number of candidates not greater than required.

40. (1) If at the expiration of the time appointed for the receipt of nominations, none be sent in, or if the number of candidates duly nominated shall be less than the number of directors to be elected, the candidates nominated (if any) shall be deemed to be elected, and the board of directors shall thereupon fill any vacancy for which no nomination has been made.

Where no candidates or less than the number required.

(2) Such election shall take effect immediately in the case of a director elected to fill a casual vacancy, and in all other cases, shall take effect from the conclusion of the annual general meeting at which the vacancy occurs.

41. (1) If the number of candidates duly nominated exceeds the number of directors to be elected the general manager shall without delay forward to the registered address of every member registered on the last day on which nominations may be received a circular stating what vacancies exist and a printed voting paper in English and Afrikaans, and an envelope with the address of the general manager and the words "Voting Paper" printed thereon.

Where number of candidates exceeds the number of directors to be elected.

(2) The accidental omission to forward to any member any of the documents referred to in subsection (1), or the non-receipt thereof by any person entitled thereto, shall not invalidate any election of directors.

(3) The voting paper shall be in such form as the directors shall approve and shall have printed thereon subsections (4), (5) and (6) of this section.

(4) (a) Each member may vote for as many candidates as there are vacancies or for a lesser number.

(b) The full number of votes to which the member is entitled in terms of section 9 shall accrue to each candidate for whom he votes.

(c) The curator of an insane member may vote on behalf of such member and the holder of a general power of attorney of a member who is absent from the Republic of South Africa may, if a member, vote on behalf of his principal.

(5) The voting paper shall, when completed, be returned by the member direct to the general manager in the envelope supplied or in one similarly addressed and marked "Voting Paper", so as to reach him not later than a time and date to be specified in the voting paper, failing which it shall not be taken into account.

(6) (a) A member may record his vote only on a printed voting paper supplied by the Society.

(b) A duplicate voting paper shall be issued to a member upon production of evidence satisfactory to the directors of the non-receipt, loss or destruction of his voting paper.

42. (1) The general manager shall retain unopened all voting papers addressed to him as aforesaid and shall deliver the same on the last date fixed for the receipt of voting papers to the scrutineers appointed for examining the votes.

Scrutiny of voting papers.

(2) Such scrutineers, if not appointed by a general meeting, shall be appointed by the directors.

43. (1) Upon the completion of the scrutiny the scrutineers shall report the result in writing to the general manager, and the candidate, or in the event of there being more than one vacancy, the candidates having the majority of votes shall be deemed duly elected with immediate effect in the case of a director elected to fill a casual vacancy, and in all other cases, with effect from the conclusion of the annual general meeting at which the vacancy occurs.

Report of scrutiny and determination of equality of voting.

(2) In the event of an equality of votes, the candidates having such equal number shall draw lots in the presence of one of the directors and the general manager or secretary and the candidate upon whom the lot shall fall shall be deemed to be duly elected.

44. (1) If in terms of section 41 an election of directors has become necessary, and if before the closing time and date for the receipt of voting papers by the general manager under the said section, any one or more of such duly nominated candidates dies, or by reason of section 28 or 29 ceases to be qualified for election as a director, no circulars or voting papers as required by section 41 shall be issued and if issued, such circulars and voting papers shall be regarded as annulled.

Where candidate dies or is disqualified before last date for receipt of voting papers.

(2) The directors shall thereupon forthwith cause a fresh appropriate notice to be published in the manner provided in sections 37 and 38 inviting nominations only of any additional candidates other than those previously duly nominated, who shall not be required to be re-nominated, and thereafter sections 39, 40, 41, 42 and 43 shall be given effect to: Provided that any retiring director shall if necessary continue in office as such after the date of the next annual general meeting until such time as some other person has been duly elected in his place in terms of the aforesaid sections.

V. AUDIT.

45. There shall be a continuous audit of the accounts of the Society by two auditors.

Continuous audit.

46. An auditor may examine the accounts from day to day and the auditors jointly may at all convenient times call for, inspect and examine all the books, accounts, vouchers and securities of the Society, and may require from the directors and the officers or clerks of the Society such information or explanation as may be necessary for the performance of their duties.

Auditor may examine books, etc., call for information, etc.

47. (1) The auditors shall be elected each year at the annual general meeting of the Society.

Election of auditors.

(2) No person shall be deemed to be a candidate for election as auditor unless he shall be nominated in writing by not less than five members within the time appointed for receiving nominations.

(3) Not less than forty-two days before the date of every annual general meeting, notice shall be given in the *Gazette* and in such newspapers as the directors think fit, inviting nominations of candidates to fill the vacancies existing or to arise.

(4) Such notice shall specify a day, not being less than fourteen days from the first publication in the *Gazette*, as the last day on which nominations will be received.

(5) If no greater number of candidates be duly nominated than the number of auditors to be elected, the candidates nominated shall be deemed to be elected auditors.

(6) If at the expiration of the time appointed for the receipt of nominations none be sent in, or if the number of candidates duly nominated shall be less than the number of auditors to be elected, the candidate nominated shall be deemed to be elected, and the directors shall thereupon fill any vacancy for which no nomination has been made.

48. (1) No director or officer of the Society shall be eligible for appointment as an auditor.

Disqualifications for auditorship.

(2) Any auditor retiring from office shall be eligible for re-election.

49. The office of auditor shall become vacant by death, resignation, conviction of any offence punished by imprisonment, or when an auditor shall in the opinion of the board of directors prove incompetent or neglect his duty.

Vacancies in office of auditor.

50. The directors may appoint an auditor to fill any vacancy arising as aforesaid, to hold office until the next annual general meeting, and may appoint a substitute to act in place of any auditor to whom the board of directors may have granted leave of absence: Provided that such leave of absence shall not exceed six months in any one year.

Filling vacancies.

51. In addition to the auditors to be appointed in terms of the foregoing sections the directors may from time to time appoint an auditor or two auditors in each place where the Society may for the time being be carrying on business, and the directors may remove such additional auditor or auditors.

Appointment and removal of auditors at other places than Cape Town.

VI. OF GENERAL MEETINGS.

52. An annual general meeting of the Society shall be held not later than the last day of December in every year at such place, day and hour as the board of directors may determine. Annual general meeting.
53. Other meetings of the Society shall be called special general meetings. Special general meetings.
54. The Chairman if present, and failing him the deputy-chairman if present, and failing him, such director as the directors present shall elect, shall preside at all meetings of the Society. Chairman at general meetings.
55. A special general meeting may be convened by the board of directors at any time, and shall be so convened upon a written requisition delivered at the head office of the Society, signed by not less than two hundred members who have been members for not less than one year, and who are entitled to vote, which requisition shall express distinctly the object for which it is desired that the meeting shall be held. Convening of special general meetings.
56. Notice of a special general meeting shall be published within ten days after the delivery of any such requisition as is referred to in section 55. Notice of special general meetings.
57. (1) Not less than thirty days' notice of every meeting of the Society shall be given by advertisement in the *Gazette* and in such newspapers as the directors shall determine. Notice to be by advertisement.
 (2) Such notice shall specify the day, place and hour of the meeting, and in case of a special general meeting, the nature of the business to be transacted thereat.
58. No business shall be brought before any special general meeting except that set forth in the notice convening such meeting. Business limited to that set forth in notice.
59. At an annual general meeting the consideration of the report, accounts and balance sheet, and the election of directors and auditors shall be deemed ordinary business; and all other business shall be deemed special business. Ordinary and special business at annual meeting.
60. The directors may, if they think fit, permit the consideration of any special business at the annual general meeting, the purport of which shall have been intimated to them in writing by any member not less than thirty days before the day of such meeting, the said business to be advertised in like manner as in section 57 provided not less than twenty-one days before such meeting. Consideration of special business.
61. (1) At an annual general meeting twelve members personally present shall constitute a quorum for the transaction of the ordinary business. Quorum.
 (2) At a special general meeting, or for the transaction of any business other than the ordinary business at an annual general meeting, fifty members personally present shall constitute a quorum.
62. (1) If within thirty minutes after the time appointed for a general meeting a sufficient number of members to form a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. Insufficient number present at general meetings.
 (2) In any other case such meeting shall stand adjourned to the same day in the next week, at the same hour and place, or to such other day not being more than fourteen days after such meeting as a majority of members personally present may then appoint, and if at such adjourned meeting a quorum be not present, it shall then be dissolved.
63. The chairman of any duly constituted meeting may, with the consent of the majority of the members present, adjourn it from time to time and from place to place. Adjournment of meetings.
64. No business shall be transacted at any adjourned meeting other than that left unfinished at the meeting from which the adjournment took place. Business at adjourned meetings.
65. Unless a specified proportion of the votes of the members is required for the determination of any question coming under Mode of voting at general meetings.

the consideration of a general meeting, such question, unless a poll be demanded immediately after the declaration of the chairman and before the consideration of any other business shall have been proceeded with, shall be decided by a show of hands, each member counting for one vote, and the declaration of the chairman at such meeting that a resolution has been carried, and an entry to that effect in the minute book of the Society, shall be conclusive evidence of the fact.

66. If a poll is demanded by one-fourth or more of the members present or if a specified proportion of the votes of the members is required for the determination of the question, a poll of all votes represented at the meeting shall be taken in such manner as the chairman may direct and the result thereof, when declared in writing by the chairman, shall be deemed to be the resolution of the meeting at which the poll was demanded and shall be entered as such in the minute book of the Society. Voting on a poll.

67. In the event of an equal number of hands being held up for and against any resolution, or of an equality of votes when a poll is taken, the chairman of the meeting shall be entitled to a casting vote in addition to his vote or votes as a member. Chairman's casting vote.

VII. BYE-LAWS.

68. The directors may make such bye-laws, not being repugnant to this Act or contrary to law, as may be necessary for carrying out and achieving the provisions and objects of this Act, for the general management and control of the business and officers of the Society, and for establishing funds calculated to benefit by way of pension, allowance or otherwise such officers or ex-officers of the Society or the dependants of such persons. Making of bye-laws.

69. Notice shall be given in the *Gazette* and in such newspapers as the directors shall see fit, of the framing of such bye-laws, and that the same are open to the inspection of members at the head office of the Society during a period of not less than thirty days. Notice of intended bye-laws.

70. If such bye-laws are not objected to by at least fifty members entitled to vote before the expiration of the period stated in the notice, the same shall then be binding upon the directors, members, and officers of the Society, until repealed. Objections thereto.

71. In case any such bye-law shall be objected to as aforesaid, the directors shall either abandon the same, or submit it to an annual or special general meeting. Mode of dealing with objections.

72. Any bye-law may be repealed at a general meeting by a resolution (of which due notice has been given as by this Act provided) passed by a majority of votes of such members of the Society entitled to vote as are present in person or by proxy. Repeal of bye-laws at general meeting.

73. (1) Subject to the provisions of this section the Society may by resolution of its members alter or add to any of the foregoing provisions of this Act other than those contained in sections 2, 6 and 8, so far as may be required to enable it—

- (a) to carry on its business more economically or more efficiently; or
- (b) to attain its main purpose by new or improved means; or
- (c) to enlarge or change the local area of its operations; or
- (d) to carry on some business which under existing circumstances may conveniently or advantageously be combined with the business of the Society:

Provided that no such alteration or addition shall make provision for any matter which could not lawfully be included in the memorandum of association or articles of association of a company registered under the Companies Act, 1926 (Act No. 46 of 1926), and for the purposes of this subsection the main purpose of the Society shall be deemed to be to carry on life and accident assurance business.

(2) Such resolution shall not be effective unless it has been passed by not less than three-fourths of such members of the Society entitled to vote as are present in person or by proxy at a meeting of which not less than thirty days' notice specifying the intention to propose the resolution and the general nature

thereof has been given by advertisement in the *Gazette* and in such newspapers as the directors of the Society shall determine.

(3) The procedure at such meeting shall be regulated in all respects by the law at that time applicable to meetings of the Society.

(4) The alteration or addition shall not take effect until and except in so far as it is confirmed, on petition, by the Cape Provincial Division of the Supreme Court.

(5) Section 11 (3), (4), (5), (6) and (7) of the Companies Act, 1926, shall *mutatis mutandis* apply in any proceedings under this section: Provided that for the purposes of the application thereof the Society shall be deemed to be a company and the said section 11 shall be construed as if the amendment thereof by section 7 of the Companies Amendment Act, 1952 (Act No. 46 of 1952) had not taken place.

VIII. MISCELLANEOUS.

74. No assignment of a policy shall confer on the assignee therein named, his executors, administrators, or assigns, any right to sue the Society for the amount of such policy, or the moneys assured or secured thereby, until a written notice of the date and purport of such assignment shall have been given to the Society at its head office; and any advance or payment *bona fide* made by the Society upon or in respect of any policy before the date upon which such notice shall have been received, shall be valid and effectual against the assignee or other person giving such notice.

Notice of assignments of policies required.

75. (1) Every director, trustee, officer and clerk of the Society shall be indemnified by the Society out of its funds in respect of all costs, losses and expenses which he may incur in the discharge of his duties.

Indemnification of directors, trustees, officers and clerks.

(2) No director or trustee of the Society shall be liable for the acts, neglects or defaults of any other director or trustee, or of any officer or clerk of the Society, or for joining in any act for conformity, or for any loss or expense happening to the Society through the insufficiency or deficiency of title to any property acquired by or by order of the directors for or on behalf of the Society or for the insufficiency or deficiency of any security upon which any of the money of the Society shall be invested or for any loss or damage arising from the insolvency or wrongful act of any person with whom any money, securities or effects shall be deposited or for any loss or damage occasioned by any error of judgment on his part.

76. All notices, summonses, or other legal process may be served, and shall be effectual against the Society, if served or left at its head office with any director, officer or servant of the Society.

Service of notices and legal process against the Society.

77. A notice given by the Society to a member shall be effectual if in writing, and either delivered to the member personally, or left at his place of business or residence, or sent through the post office stamped and directed to the member at his address registered in the books of the Society.

Service of notices on members.

78. All public notices which are required to be given under this Act shall be published in both the English and Afrikaans languages in the *Gazette* and in one or other language in one or more newspapers.

Public notices in *Gazette* in English and Afrikaans; in one or other language in other papers.

79. Nothing in this Act shall be deemed to exempt the Society from or to deprive the Society of the benefits of the Insurance Act, 1943 (Act No. 27 of 1943), or any other general Act affecting assurance companies incorporated before the commencement thereof.

Society subject to certain general Acts.

80. (1) Subject to subsection (2) the laws specified in the Schedule are hereby repealed to the extent set out in the third column thereof.

Repeal of laws.

(2) Anything done or any obligation incurred or undertaken or any appointment or any bye-law, rule, regulation or order made or deemed to have been done, incurred, undertaken or made under any provision of a law repealed by subsection (1) shall be deemed to have been done, incurred, undertaken or made under the corresponding provision of this Act.

81. This Act shall be called the South African Mutual Life Assurance Society (Private) Act, 1966.

Short title.

Schedule.

LAWS REPEALED.

No. and year of Law.	Short Title.	Extent of Repeal.
Act No. 16 of 1915.	South African Mutual Life Assurance Society Private Act, 1915.	The whole.
Act No. 23 of 1937.	South African Mutual Life Assurance Society Amendment (Private) Act, 1937.	The whole.
Act No. 7 of 1950.	South African Mutual Life Assurance Society Amendment (Private) Act, 1950.	The whole.