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JENNY MANDERSON
Clerk of the Executive Council.



CAYMAN ISLANDS

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THE FRIENDLY
SOCIETIES LAW
(REVISED)

CAYMAN ISLANDS

Form "B"

We, the major part of the arbitrators duly appointed by the Society, established at _____ in the island of _____ do hereby award and order, that A. B. (specifying by name the party or the officer of the Society) do, on the day _____ of _____ pay to C. D., the sum _____ (or, we do hereby reinstate in, or expel, A. B. from the said society, as the case may be).

E. F.
G. H.

Dated this _____ day of _____, 19 _____

Short title.

1. This Law may be cited as the Friendly Societies Law (Revised).

Interpretation.

2. In this Law —

“member” includes members and honorary members;

“Registrar” means the Registrar of Companies; and

“society” includes friendly society or societies, institution or institutions.

Power to establish societies for benefit of members in sickness, etc. Rules.

3. (1) It shall be lawful —

(a) for any number of persons in the Islands to form themselves into and to establish a society for the purpose of raising, from time to time, by voluntary contributions, or by donations, a stock or fund for the mutual relief and maintenance of all and every the members thereof, their wives or children, or other relations, in sickness, infancy, advanced age, widowhood, or any other natural state or contingency, whereof the occurrence is susceptible of calculation by way of average;

(b) for the several members of each society from time to time to assemble together to make, ordain, and constitute such proper and wholesome rules for the better government and guidance of the same, as to the major part of the members of such society so assembled together shall seem meet; so as such rules shall not be repugnant to the Laws of England, or of the Islands nor any of the express provisions or regulations of this Law.

(2) Such rules may provide for the imposition and infliction of such reasonable fines and forfeitures upon the several members of any such society who shall offend against such rules, as shall be just and necessary for duly enforcing the same. Such fines and forfeitures shall be respectively paid to such uses for the benefit of such society, as the society, by such rules, shall direct.

(3) It shall also be lawful from time to time for a society to alter and amend such rules as occasion shall require, or to annul and repeal the same, and to

inspectors appointed by the Court, with this exception, that instead of making their report to the Court, they shall make the same in such manner and to such persons as the society in general meeting directs; and the officers and agents of the society shall incur the same penalties in case of any refusal or neglect to produce any book or document hereby required to be produced to such inspectors, or to answer any question, as they would have incurred if such inspector had been appointed by the Court.

48. The report of any inspectors appointed under this Law, or any copy thereof, certified and signed by the inspectors, shall be admissible, in any legal proceeding, as evidence of the opinion of the inspectors in relation to any matter contained in such report.

inspectors' report as admissible as evidence

Section 15.

FIRST SCHEDULE

Form "A"

Know all men by these presents, that we, A.B., of _____ established at _____ and G.H., of _____ (as sureties on behalf of the said A.B.), are jointly and severally held and firmly bound to E.F., the Registrar, in the sum of _____ paid to the said E.F., the Registrar, for which payment well and truly to be made we jointly and severally bind ourselves, and each of us by himself, our heirs and each of our heirs, executors and administrators, firmly by these presents. Sealed with out seals.

Dated the _____ day of _____ 19 _____

Whereas, the above bounden A.B. hath been duly appointed treasurer (or trustee, etc.) of the _____ Society, established as aforesaid; and he, together with the above bounden C.D. and G.H., as his sureties, have entered into the above written bond, subject to the condition hereinafter contained:

Now, therefore, the condition of the above written bond is such that if the said A.B. shall and do justly and faithfully execute his office of treasurer, (or trustee, etc.), of the said Society, established as aforesaid, and shall and do render a just and true account of all moneys remaining in his hands, and assign and transfer or deliver all securities and effects, books, papers and property of or belonging to the said Society in his hands or custody, to such person or persons as the said Society shall appoint, according to the rules of the said Society, together with the proper or legal receipts or vouchers for such payments; and likewise shall and do in all respects, well and truly, and faithfully perform and fulfill his office of treasurer (or trustee, etc.) to the Society, according to the rules thereof, then the above written bond shall be void, and of no effect; otherwise shall be and remain in full force and virtue.

make new rules in lieu thereof, under such restrictions as are in this Law contained.

4. Every such society to be established under this Law, shall, in and by its rules, declare all and every the intents and purposes for which the society is intended to be established; and shall also, in and by such rules, direct all and every the uses and purposes to which the money which shall from time to time be subscribed, paid, or given to or for the use or benefit of the society, or which shall arise therefrom, or in anywise shall belong to such society, shall be appropriated and applied, and in what shares and proportions, and under what circumstances, any member of the society, or other person, shall or may become entitled to the same uses, or any part thereof:

Society in its rules to declare purposes of its establishment.

Provided that the application thereof shall not in anywise be repugnant to the uses, intents, and purposes of such society, or any of them, so to be declared as aforesaid; and all such rules, during the continuance of the same, shall be complied with and enforced, and the moneys so subscribed, paid, or given, or so arising to or for the use or benefit of such society, or belonging thereto, shall not be diverted or misapplied, either by the treasurer or trustee, or any other officer or member of such society intrusted therewith, under such penalty or forfeiture as such society shall, by any rule, impose and inflict for such offence.

Two transcripts of rules to be submitted to the Registrar, by whom they are to be certified.

5. (1) Two transcripts, fairly written on paper or parchment, of all rules made in pursuance of this Law, signed by three members, and countersigned by the clerk or secretary, with all convenient speed after the same shall be made, altered, or amended, and so from time to time after every making, altering, or amending thereof shall be submitted to the Registrar for the purpose of ascertaining whether the said rules of such society are calculated to carry into effect the intention of the parties framing such rules, and are in conformity to law, and to the provisions of this Law.

(2) The Registrar shall confer with the clerk or secretary, if required, and shall give a certificate, on each of the said transcripts, that the same are in conformity to law, and to the provisions of this Law, or point out in what part or parts the said rules are repugnant thereto.

(3) The Registrar, for advising as aforesaid, and pursuing the rules of each respective society, and giving such certificates as aforesaid, shall demand no further fee than \$3.20.

(4) One of such transcripts, when certified by the Registrar, shall be returned to the society, and the other of such transcripts shall be filed and preserved in the office of the Registrar.

6. (1) The receipt of such certified transcript shall be an authority to the Registrar to register the society by entering its name in the register book mentioned in section 7 (if such society is not already registered), and thereupon such society shall be deemed to be a duly enrolled friendly society under this Law, to all intents and purposes.

(2) The several rules and regulations, and alterations and amendments thereof, certified, transmitted and filed as aforesaid shall be, from the time of the filing thereof, the rules and regulations of the society to which they relate until they shall be duly rescinded, annulled or altered, and shall be binding on the several members and officers of the said society, the contributors and subscribers thereto, and all other persons having interest therein, and on their

Effect thereof.

(a) that the applicants have good reason for believing that the funds of the said society have not been applied or are not being applied, in accordance with this Law; or

(b) that the rules or by-laws relating to the funds of the said society have been and continue to be knowingly infringed by the directors or other officers of the said society, to the possible detriment of the shareholders or members of the society; or

(c) that the statement of the affairs of the society last issued is not a just and true statement of the affairs of the said society,

to issue an order calling upon such society to show cause why one or more competent inspectors should not be appointed to examine into the affairs of any such society, and to report thereon in such manner as the said judge may direct, and on failure to show cause at the time appointed an Inspector or Inspectors shall be appointed:

Provided that the Judge may require the applicants first to satisfy him, in such manner as may seem best to him, that their conduct is actuated by no personal or malicious motive, but that their application is for the interest of the shareholders or members of the said society; and he may further require the applicants to give security for payment of costs of the inquiry before appointing any Inspector or Inspectors:

Provided that in the case of any society consisting of less than twenty-one members, no such application shall be made except by not less than one-third of the number of shareholders or members, or by any number of shareholders or members possessing one-fifth of the shares or funds.

Costs of refusal to make appointment, subsequent proceedings.

44. In the event of the Court refusing such appointment, costs shall be granted to the directors as between solicitor and client, and in the event of the Court finding from the report of the Inspectors that the society is insolvent, or that by its management the property and funds of its shareholders are in danger, the Judge of the said Court may call on the said society to show cause why a winding up order should not be made against it.

Powers of Inspectors.

45. It shall be the duty of all officers and agents of the society to produce, for the examination of the Inspectors, all books and documents in their custody or power; any Inspector may examine upon oath the officers and agents of the society in relation to its business, and may administer such oath accordingly; if any officer or agent refuses or neglects to produce any book or document hereby directed to be produced, or to answer any question relating to the affairs of the society, he shall incur a penalty not exceeding forty dollars in respect of each such offence.

Report of Inspectors. Filing same.

46. (1) Upon the conclusion of the examination, the Inspectors shall report their opinions to the Court.
(2) Such report shall be filed by the Clerk of the Court, and be opened to All expenses of and incidental to any such examination and report shall be defrayed by the members upon whose application the Inspectors were appointed, unless the Court shall direct the same to be paid out of the assets of the society, which it is hereby authorized to do.

Inspection of the resolution of the society.

47. Any society as aforesaid may, by special resolution, appoint Inspectors for the purpose of examining into the affairs of such society; the Inspectors so appointed shall have the same powers and perform the same duties as In-

representatives, all of whom shall be deemed and taken to have full notice thereof.

(3) Every true copy of any such transcript deposited with the Registrar shall be made without fee or reward except the actual expense of making such copy; which shall be at and after the rate of 15 cents for every one hundred and sixty words of writing contained in such copy.

Registrar of societies in the office of the Registrar.

7. The Registrar shall keep, in his office, a register of all friendly societies established under the provisions of this Law, and such register shall always be open to public inspection on payment of such fee as may be fixed from time to time by any enactment for the time being in force authorizing the fixing of such fees.

Particulars to be entered on such Register.

8. It shall be the duty of the Registrar to enter on such register the name and place of business of every society established under this Law, and in case any such society shall be dissolved the Registrar shall strike the name of such society off the register.

Procedure where the Registrar refuses to certify amendments thereof, it shall then be lawful for the persons or society desirous of having the same certified to submit the same to a Judge of the Grand Court together with the reasons in writing of the Registrar for his said refusal (which reasons the Registrar is hereby required on demand to give); and thereupon such Judge shall and may, if he thinks fit, confirm and allow the said rules or regulations, alterations or amendments, notwithstanding the refusal of the Registrar to certify the same; and thereupon the said Judge shall cause one transcript of the said rules or regulations, alterations or amendments, to be sent to the Registrar and the other to the society, and on such rules and regulations, alterations or amendments being confirmed and allowed by the Judge as aforesaid, the same consequences shall ensue as if the same had been certified by the Registrar.

For what Registrar not entitled to fee.

10. If it becomes necessary to change, alter or amend any of the said rules, the Registrar shall be entitled to no further fee for or in respect of any alteration or amendment of any rule upon which one fee has been already paid to the Registrar within the period of three years:

Provided also, that if any rules, alterations or amendments are sent to the Registrar, accompanied with an affidavit of their being a copy of any rules or alterations or amendments of the rules of any other society which shall be enrolled under the provisions of this Law, the Registrar shall certify and return the same as aforesaid without being entitled to any fee for such certificate.

Proof of registry and of rules and regulations of societies.

11. (1) The production of a copy of the rules and regulations of any friendly society certified as herein provided, or a certificate under the hand of the Registrar that any such society is registered under this Law, shall be conclusive evidence that such society was at the date of the certificate duly established under this Law, and shall be presumptive evidence of such due establishment at the time of the production of the same.

(2) The rules and regulations, and alterations or amendments thereof, of any friendly society, may be proved in any court of the Islands by production of a copy of the transcript of the same, certified as aforesaid and filed in the office of the Registrar, provided that such copy purport to be certified to be a true copy of the said rules and regulations as they stand at the time under the hand of the Registrar, and to be sealed with the seal of the office.

(3) There shall be paid for any such certificate such fee as may be fixed

from time to time under any enactment for the time being in force authorizing the fixing of such fee.

12. No such society as aforesaid shall have the benefit of this Law unless all the rules for the management thereof shall be entered in a book to be kept by an officer of such society appointed for that purpose, and which book shall be open at all reasonable times for the inspection of the members of such society, and unless all such rules shall be fairly transcribed, and such transcript deposited as aforesaid with the Registrar; but nevertheless nothing contained herein shall extend to prevent any alteration in, or amendment of, any such rules so entered and deposited and filed as aforesaid, or repealing any annulling the same, or any of them, in the whole or in part, or making any new rules for the management of such society, in such manner as by the rules of such society shall from time to time be provided by such new rules; and such alterations in or amendments of former rules, or any order annulling or repealing any former rules in the whole or in part, shall not be in force, until the same respectively shall be entered in such book as aforesaid, and certified when necessary by the Registrar as aforesaid, and until a transcript thereof shall be deposited with the Registrar, who shall file and certify the same as aforesaid.

13. No rules certified and filed in manner aforesaid, shall be altered, rescinded or repealed, unless —

(a) at a general meeting of the members of such society as aforesaid, convened by public notice, written or printed, signed by the secretary, or president, or other principal officer, or clerk of the society, in pursuance of a requisition for that purpose by seven or more of the members of the society, which said requisition and notice shall be publicly read at the two usual meetings of the society to be held next before such general meeting for the purpose of such alteration or repeal;

(b) a committee of the members shall have been nominated for that purpose at a general meeting of the members of such society convened in manner aforesaid in which case such committee shall have the power to make such alterations or repeal; and

(c) such alterations or repeal shall be made with the consent and approbation of three-fourths of the members of the society then and there present, or by the like proportion of such committee as aforesaid, if any shall have been nominated for that purpose.

14. The rules of every society formed under the authority of this Law shall specify the place or places at which it is intended such society shall hold its meetings, and shall contain provisions with respect to the powers and duties of the members at large, and of such committees or officers as may be appointed for the management of the affairs of such society:

Provided that it shall be lawful for any such society to alter their place or places of meeting, whenever they may consider it necessary, upon giving notice thereof in writing to the Registrar, the said notice to be given within seven days before or after such removal, and signed by the secretary or other principal officer, and also by three or more of the members of the said society. The place or places aforesaid shall be situate within the district in which the society was formed.

15. Every such society shall and may, from time to time, at any of their usual meetings, or by their committee, if any such shall be appointed for that society, elect and appoint such person into the office of steward, president, warden,

No society entitled to benefit of Law unless rules entered in book, etc.

No certified rules to be altered, but at a general meeting of society, etc.

Rules to specify place of meeting and power and duties of members, etc.

Society may appoint officers.

proof that such statement has not been sent to him under the terms of this Law.

(6) It shall be the duty of the Registrar to institute proceedings for penalties incurred under this section:

Provided that with the consent of the Attorney-General he may in any case forego or abandon any prosecution.

(7) All proceedings under this section shall be had and taken in summary manner, and whenever proceedings shall be instituted by the Registrar the process shall be free of stamp duty.

37. The Registrar shall from time to time, at such time or times in each year, and in such form, as shall be directed by the Governor, publish in the *Cazette* copies of the statements sent to him under the provisions of this Law.

38. It shall be lawful for any such society to receive donations of any person or persons toward the supply of their stock or fund; and all such sums shall be applicable to the general purposes of such society in the like manner as the contributions of the several members of such society are or shall be directed to be applied in pursuance of this Law, and shall not be applied in any other manner.

39. A minor may become a member of any such society, and shall be empowered to execute all instruments, give all necessary acquittances, and enjoy all the privileges, and be liable to all the responsibilities, appertaining to members of matured age, notwithstanding his or her incapacity or disability in law to act for himself or herself:

Provided that such minor be admitted into such society by and with the consent of his or her parents, masters, or guardians.

40. Every society established or to be established under the authority of this Law, shall, within three months after the expiration of the month of June, and so again within three months after the expiration of every further period of five years, transmit to the Registrar a return of the rate of sickness and mortality experienced by the said society within the before-mentioned period of five years, according to the form prescribed in the Second Schedule, a copy whereof shall be annexed to the rules of each society respectively.

41. The returns of the rate of sickness and mortality according to the form prescribed in the Second Schedule shall be transmitted at the period therein mentioned to the Registrar and shall be transmitted by him to the Governor.

42. The Registrar shall, within one month after the expiration of the month of September, and so again within three months after the expiration of every further period of five years, transmit to the Governor a list of the societies which have been enrolled during such period under this Law specifying their names, the places where they have been established, and date of enrolment, and time of ceasing to exist, if such case should arise; and also a copy of the returns of sickness and mortality heretofore directed to be made by them according to the Second Schedule; a copy of which list, with the Schedule attached to it, shall be published in the *Cazette*

43. It shall be lawful for a Judge of the Grand Court on the application of any seven or more shareholders or members of any friendly society carrying on business in the Islands who may satisfy the said Judge by affidavit and viva voce examination that such applicants have a bona fide interest in the said society, and —

Publication of statements.

Society may receive donations.

Provisions as to minors.

Returns of rate of sickness and mortality.

Second Schedule.

To whom to be transmitted.

Return of societies under this Law, etc.

Second Schedule.

Power to order inquiry into affairs of friendly societies.

of a member of any society, or of any person claiming on account of such member, that application has been made to such society, or the steward or other officer thereof, for the purpose of having any dispute so settled by arbitration, and that such application has not, within forty days, been complied with, or that the arbitrators have neglected or refused to make an award, it shall and may be lawful for such Justice to summon the trustee, treasurer, steward or other officer of the society, or any one of them against whom the complaint is made, and for any two Justices to hear and determine the matter in dispute, in the same manner as if the rules of the said society had directed that any matter in dispute as aforesaid should be decided by Justices.

35. In case any member of a friendly society to be established under this Law shall be expelled from such society, and the arbitrators or Justices, as the case may be, shall award or order that he or she shall be reinstated, it shall and may be lawful for such arbitrators or Justices to award or order in default of such reinstatement, to the member so expelled, such a sum of money as to such arbitrators or Justices may seem just and reasonable; which said sum of money, if not paid, shall be recoverable from the said society, or the treasurer, trustee, or other officer, in the same way as any money awarded by arbitrators is recoverable under this Law.

36. (1) The rules of every such society shall provide that the treasurers, stewards or other principal officer thereof shall once in every year at least, prepare or cause to be prepared, a general statement of the funds and effects of or belonging to such society, specifying in whose custody or possession the said funds or effects shall be then remaining, together with an account of all and every the various sums of money received and expended by or on account of the said society since the publication of the preceding periodical statement; and every such periodical statement shall be attested by two or more members of such society appointed auditors for that purpose, and shall be countersigned by the secretary or clerk of such society; and every member shall be entitled to receive from the said society a copy of such periodical statement, on payment of such sum as the rules of such society may require not exceeding the sum of five cents.

(2) A copy of the general statement of the funds and effects of or belonging to any friendly society established under this Law, required by this section, shall be sent, within fourteen days of the making of the same, by the president or other principal officer of every such society, to the Registrar for publication under this Law.

(3) If default is made by any society aforesaid in compliance with the provisions of this section, the president or other principal officer of the society guilty of such default shall, for every day during which such default continues, forfeit and pay a sum not exceeding two dollars.

(4) The president or other principal officer of any society established under this Law who fails or neglects to make a general statement of the funds and effects belonging to it, in compliance with the provisions of this Law, within twelve calendar months of its formation or establishment, or of the making of any former general statement as aforesaid, shall for every day during which such default continues, forfeit and pay a sum not exceeding two dollars.

(5) In any prosecution for non-compliance with the provisions of this section, an affidavit by the Registrar made before any Justice (and every such Justice is hereby empowered in any such case to administer an oath), to the effect that he has not received any statement as aforesaid, shall be *prima facie*

Compensation to members unlawfully expelled. Annual audit and statement of accounts.

Form "A" First Schedule.

Appointment of standing and other committees.

Moneys not immediately wanted to be invested on government or real security.

treasurer, or trustee of such society, as they shall think proper; and also shall and may, from time to time, elect and appoint such clerks and other officers as shall be deemed necessary to carry into execution the purposes of such society, for such space of time and for such purposes as shall be fixed and established by the rules of such society; and from time to time elect and appoint others in the room of those who shall vacate or die; and such treasurer, trustee, and all and every other officer, or other person whatever, who shall be appointed to any office in anywise touching or concerning the receipt, management, or expenditure of any sum of money collected for the purpose of any such society, before he, she, or they, shall be admitted to take upon him, her, or them, the execution of any such office or trust (if required so to do by the rules of such society to which such officer shall belong) shall become bound in a bond, according to the Form "A" prescribed in the First Schedule, with two sufficient securities, for the just and faithful execution of such office or trust, and for all lawful matters to pay obedience to the same, in such penal sum of money as by the major part of such society at any such meeting as aforesaid shall be thought expedient and to the satisfaction of such society; and every such bond to be given by or on behalf of such treasurer or trustee, or any other person appointed to any other office of trust, shall be given to the Registrar, without fee or reward; and, in case of forfeiture, it shall be lawful to sue upon such bond in the name of the Registrar, fully indemnifying and saving harmless such Registrar from all costs and charges in respect of such suit; and no bond or other security to be given to or on account of any such society, or in pursuance of this Law, shall be charged or chargeable with any stamp duty whatever.

16. Every such society shall and may, from time to time, elect and appoint any number of the members of such society to be a committee, the number thereof to be declared in the rules of every such society; and shall and may delegate to such committee all or any of the powers given by this Law to be executed; who, being so delegated, shall continue to act as such committee for and during such time as they shall be appointed, for such society, for general purposes, the powers of such committee being first declared in the rules of such society, certified and filed in the manner hereinbefore directed, and in all cases wherein a committee shall be appointed for any particular purpose, the powers delegated to such committee shall be reduced to writing, and entered in a book by the secretary or clerk of such society; and a majority of the members of such committee shall at all times be necessary to concur in any act of such committee, and such committee shall, in all things delegated to them, act for and in the name of such society; and all acts and orders of such committee under the powers delegated to them shall have the like force and effect as the acts and orders of such society at any general meeting thereof could or might have had in pursuance of this Law:

Provided that the transactions of such committee shall be entered in a book belonging to such society, and shall be, from time to time and at all times, subject and liable to the review, allowance or disallowance, and control of such society, in such manner and form as such society shall, by their general rules certified and filed as aforesaid, have directed and appointed, or shall in like manner direct and appoint.

17. It shall be lawful to and for the treasurer and trustee for the time being of any such society, and he, she, or they is and are hereby authorized and required from time to time, by and with the consent of such society to be had and testified in such manner as shall be directed by the general rules of such society, to lay out or dispose of such part of such sums of money as shall at any time be collected, given, or paid to, and for the beneficial ends, intents and purposes of, such society, as the exigencies of such society shall not call for the

immediate application or expenditure of, either on real securities or in the purchase of real estate, to be approved of as aforesaid (such securities or conveyances of real estate to be taken in the name of such treasurer or trustee for the time being) or to invest the same in the Government Savings Bank, and not otherwise, in the proper name of such treasurer or trustee; and from time to time, with such consent as aforesaid, to alter and transfer such securities and funds, and to make sale thereof respectively; and that all the dividends, interest and proceeds, which shall from time to time arise from the moneys so laid out or invested as aforesaid, shall from time to time be brought to account by such treasurer or trustee, and shall be applied to and for the use of such society, according to the rules thereof.

18. Every person who has or receives any part of the moneys, effects or funds of or belonging to any such society, or who in any manner has been, or is, entrusted with the disposal, management, or custody thereof, or of any security, books, papers, or property relating to the same, his or her executors, administrators and assigns respectively, shall, upon demand made or notice in writing given or left at the last or usual place of residence of such person, in pursuance of any order of such society, or committee to be appointed as aforesaid for that purpose, give in his or her account at the usual meeting of such society, or to such committee thereof as aforesaid, to be examined and allowed, or disallowed, by such society or committee thereof; and shall, on the like demand or notice, pay over all the moneys remaining in his or her hands, and assign and transfer all securities and effects, books, papers and property taken or standing in his or her name as aforesaid, or being in his or her hands or custody, to the treasurer or trustee for the time being, or to such other person as such society or committee thereof shall appoint; and in case of any neglect or refusal to deliver such account, or to pay over such moneys, or to assign, transfer, or deliver such securities and effects, books, papers, and property in manner aforesaid, it shall and may be lawful to and for every such society, in the name of the treasurer or trustee, or other principal officer thereof, as the case may be, to exhibit a petition to a judge of the Grand Court who shall and may proceed thereupon in a summary way, and make such order therein, upon hearing all parties concerned, as to such judge in his discretion shall seem just; which order shall be final and conclusive; and all assignments, sales and transfers made in pursuance of such order shall be good and effectual in law to all intents and purposes whatsoever.

19. When and so often as any person seised or possessed of any lands, tenements, or other property, or any estate or interest therein, as a trustee of any such society, shall be out of the jurisdiction of or not amenable to the process of the Courts of the Islands; or shall be of unsound mind; or it shall be unknown or uncertain whether he or she be living or dead; or such person shall refuse to convey or otherwise assure such lands, tenements, hereditaments, or property, or estate, or interest to the person duly nominated as trustee of such society in his stead, either alone or together with any continuing trustee, as occasion shall require; then and in every or any such case, it shall be lawful for a judge of the Grand Court to appoint such person or to him shall seem meet, on behalf and in the name of the person seised or possessed as aforesaid, to convey, release, assign, or otherwise assure the said lands, tenements, hereditaments, or property, or estate, or interest, to such trustee so duly nominated as aforesaid; and every such conveyance, release, assignment, or assurance shall be as valid and effectual to all intents and purposes, as if the person being out of the jurisdiction or not amenable to the process of the said Court, or not known to be alive, or having refused, had executed the same, or as if the person being of unsound mind had been at the time of the execution thereof of sane mind, memory, and un-

In what cases Grand Court may appoint person to convey.

Form "B", First Schedule.

major part of them, according to the true purport and meaning of the rules of such society, shall be in the Form "B" of the First Schedule, and shall be binding and conclusive on all parties, and shall be final to all intents and purposes, without appeal, or being subject to the control of one or more Justices; and shall not be removed or removable into any Court of law, or restrained or restrained by the injunction of any Court of equity; and should either of the said parties in dispute refuse or neglect to comply with or conform to the decision of the said arbitrators, or the major part of them, it shall and may be lawful for any one Justice upon good and sufficient proof being adduced before him of such award having been made, and of the refusal of the party to comply therewith, upon complaint made by or on behalf of the party aggrieved, to summon the person against whom such complaint shall be made to appear at a time and place to be named in such summons; and upon his or her appearance, or in default thereof, upon due proof upon oath of the service of such summons, any two Justices may proceed to make such order thereupon as to them may seem just; and if the sum of money so awarded, together with the sum for costs, not exceeding the sum of one dollar, as to such Justices shall seem meet, shall not be immediately paid, then such Justices shall by warrant under their hands and seals, cause such sum and costs as aforesaid to be levied by distress, or by distress and sale of the moneys, goods, chattels, securities and effects belonging to the said party, or to the said society, or other legal proceedings, together with all further costs and charges attending such distress and sale, or other legal proceedings, returning the surplus (if any) to the said party or to the other legal proceedings, returning the surplus (if any) to the owner: Provided that whatever sums shall be paid by any such officer so levied on his or her property or goods in pursuance of the award of arbitrators or order of any Justices, shall be repaid, with all damages to him or her, by and out of the moneys belonging to such society, or out of the first moneys which shall be thereafter received by such society.

As to disputes when settled by Justices.

32. If by the rules of any such society it is directed that any matter in dispute as aforesaid shall be decided by Justices, it shall and may be lawful for any such Justice on complaint being made to him of any refusal or neglect to comply with the rules of such society by any member or officer thereof, to summon the person against whom such complaint shall be made to appear at a time and place to be named in such summons; and upon his or her appearance, or in default thereof, upon due proof or affirmation of the service of such summons, it shall and may be lawful for any two Justices to proceed to hear and determine the said complaint according to the rules of the society, and in case the said Justices shall adjudge any sum of money to be paid by such person against whom such complaint shall be made, and such person shall not pay such sum of money to the person and at the time specified by such Justices, they shall proceed to enforce their award in the manner hereinbefore directed to be used, in case of any neglect to comply with the decisions of the arbitrators appointed under the authority of this Law.

Orders of Justices final.

33. Every sentence, order, and adjudication of any Justices under this Law shall be final and conclusive to all intents and purposes; and shall not be subject to appeal, and shall not be removed or removable into any Court of law, or restrained or restrained by the injunction of any Court of equity.

Settlement of disputes.

34. When the rules of any society provide for a reference to arbitrators of any matter in dispute, and it shall appear to any Justice, on the complaint on oath

Moneys to be accounted for by persons receiving same.

ended to prison there to be kept for such period, not exceeding three calendar months, as to them shall seem fit:

Provided that nothing herein contained shall prevent the said society from proceeding by indictment or complaint against the party complained of:

And provided also that no party shall be proceeded against by indictment or complaint, if a previous conviction has been obtained for the same offence under the provisions of this Law.

30. Dissolution of Society.

It shall not be lawful for any such society, by any rule at any general meeting, or otherwise, to dissolve or determine such society, so long as the interests and purposes declared by such society, or any of them, remain to be carried into effect, without obtaining the votes of consent of five-sixths in value of the then existing members of such society, to be ascertained in manner hereinafter mentioned, and also the consent of all persons then receiving or then entitled to receive relief from such society, either on account of sickness, age, or infirmity, to be testified under their hands, individually or respectively; and for the purposes of ascertaining the votes of such five-sixths in value, any member shall be entitled to one vote, and an additional vote for every five years that he may have been a member:

Provided that no one member shall have more than five votes in the whole; and in all cases of dissolution, the intended appropriation or division of the funds or other property of such society shall be fairly and distinctly stated in the proposed plan of dissolution prior to such consent being given; nor shall it be lawful for such society, by any rule, to direct the division or distribution of such stock or fund, or any part thereof, to or amongst the several members of such society, other than for carrying into effect the general intents and purposes of such society declared by them, but all such rules for the dissolution or determination of any such society without such consent as aforesaid, or for the distribution or division of the property, stock, or funds of such society, contrary to the rules which shall have been certified and filed in pursuance of this Law, shall be void and of none effect; and in the event of such division of the property, or misappropriation of the funds of such society, without the consent hereby declared to be requisite, the trustee, or other officer or person aiding or abetting therein, shall be liable to the like penalties as are hereinbefore provided for in cases of fraud.

31. Provision shall be made by one or more of the rules of every such society to be certified as required by this Law, specifying whether a reference of every matter in dispute between any such society, or any person claiming on account of any member, shall be made to such justices as may act in and for the district in which such society may be formed or to arbitrators to be appointed in manner hereinafter directed; and if the matter so in dispute shall be referred to arbitration, certain arbitrators shall be named, and elected at the first meeting of such society, or general committee thereof, that shall be held after the environment of its rules, none of the said arbitrators being beneficially interested not less than three, shall be chosen by ballot in each such case of dispute, the number of the said arbitrators and mode of ballot being determined by the rules of each society respectively; and the names of such arbitrators shall be duly entered in the book of the said society in which rules are entered as aforesaid; and in case of the death or refusal, or neglect of any or all of the said arbitrators to act, it shall and may be lawful to and for the said society, or general committee thereof, and they are hereby required, at their next meeting, to name and elect one or more arbitrators as aforesaid, to act in the place of the said arbitrator or arbitrators so dying, or refusing, or neglecting to act as aforesaid; and whatever award shall be made by the said arbitrators, or the

Rules to direct how disputes to be settled.

20. When and as often as it shall happen that all and every person in whose name any part of the several stocks, annuities, and funds transferable, or which hereafter shall be made transferable, in any of the securities herein named, is, or shall be standing as a trustee of any such society, shall be absent, out of the jurisdiction, or not amenable to process of the Grand Court, or shall be a bankrupt, or of unsound mind, or it shall be uncertain or unknown whether such trustee is living or dead, then and in such case it shall and may be lawful to and for a Judge of the said Court to order and direct that the proper officer of the Government Savings Bank do transfer in the books of the said Savings Bank, such stock, annuities, or funds standing as aforesaid, to and into the name of such person as such society may appoint; and also pay over to such person as aforesaid the dividends of such stocks, annuities, or funds and when and as often as it shall happen that one or more only, and not all or both, of such trustees as aforesaid shall be so absent, or not amenable to such process as aforesaid, or a bankrupt, or of unsound mind, or it be uncertain or unknown whether any one or more of such trustees is or are living or dead; then, and in all and every such last mentioned case and cases, it shall and may be lawful to and for the Judge of the said Court to order and direct that the other and others of such trustees who shall be forthcoming and ready and qualified to act, do transfer such stock, annuities, or funds to and into the name of such person as aforesaid; and also that such forthcoming trustee do also receive and pay over the dividends of such stock, annuities, or funds, as such society shall direct; and all such transfers and payments so made shall be, and are hereby declared to be, valid and effectual to all intents and purposes whatsoever.

When Grand Court may order dividends, etc., of securities to be paid.

21. No fee, reward, emolument, or gratuity whatsoever shall be demanded, taken or received by any officer or minister of such Court for any matter or thing done in such Court in pursuance of this Law; and upon the presenting of any such petition, it shall be lawful for the Judge of the Grand Court to assign counsel learned in the law, and to appoint a practitioner of such Court, to advise and carry on such petition on the behalf of such society, who are hereby respectively required to do their duties therein without fee or reward.

Court or counsel to take no fee.

22. In all cases in which orders shall be made by the Court aforesaid for the transfer of securities or funds transferable at the Government Savings Bank, who to be named as transferor or in Court for making transfer.

Transferor or in Court for making transfer.

23. This Law shall be, and is hereby declared to be, a full and complete indemnity and discharge to the Government Savings Bank, and its officers and servants, for all acts and things done or permitted to be done pursuant thereto; and such acts and things shall not be questioned or impeached in any court of law or equity to their prejudice or detriment.

Law to be indemnity in certain cases.

24. If any person who may hereafter be appointed to any office in a society established under this Law, and being entrusted with the keeping of the accounts, or having in his hands or possession by virtue of his said office or employment any moneys or effects belonging to such society, or any deeds or securities relating to the same, shall die, or become a bankrupt, or have any goods, chattels, or effects, or estate, real or personal, or make any assignment, disposition, or other conveyance thereof for the benefit of his

When debts due to society are to take priority over other debts.

responsible and liable for all moneys actually received by him, her, or them, on account of, or to and for the use of the said society.

27. Whenever the trustees of any society established under this Law, at any time after the decease of any member, have paid and divided any sum of money to or amongst any persons or persons who shall at the time of such payment appear to such trustees to be entitled to the effects of any deceased member, the payment shall be valid and effectual with respect to any demand of any other person or persons as next-of-kin of such deceased member, or as the lawful representatives of such member, against the funds of such society, or against the trustees thereof, but nevertheless, such next-of-kin, or representatives, shall have remedy for such moneys so paid as aforesaid against the person or persons who shall have received the same.

28. In case any member of any society shall die who shall be entitled to any sum not exceeding sixty dollars, it shall be lawful for the trustees or treasurer of such society, and they are hereby authorized and permitted, if such trustees or treasurer shall be satisfied that no will was made and left by such deceased member, and that no letters of administration will be taken out of the funds, goods and chattels of such depositor, to pay the same at any time after the decease of such member, according to the rules and regulations of the said institution; and in the event of there being no rules and regulations made in that behalf, then the said trustees or treasurer are hereby authorized and permitted to pay and divide the same to and amongst the person or persons entitled to the effects of the deceased intestate, and that without letters testamentary or letters of administration having been taken out in the Islands.

29. For the more effectually preventing fraud and imposition on the funds of such societies, upon friendly societies, one justice, upon complaint made on oath or affirmation by an officer of such society appointed for that purpose, to summon such person against whom such complaint shall be made to appear at a time and place to be named in such summons; and upon his or her appearance, or in default thereof, upon due proof lawful for any two justices to hear and determine the said complaint, according to the rules of the said society, and upon due proof of such fraud, the said justices shall convict the said party, and award double the amount of the money so fraudulently obtained or withheld, to be paid to the treasurer, to be applied by him to the purposes of the society so proved to have been imposed upon and defrauded together with such costs as shall be awarded by the said justices, not exceeding the sum of one dollar; and in case such persons against whom such complaint shall be made shall not pay the sum of money so awarded to the person, and at the time, specified in the said order, such justices are hereby required, by warrant under their hands and seals, to cause the case to be levied by distress and sale of the goods of such person on whom such order shall have been made, or by other legal proceedings, together with such costs as shall be awarded by the said justices, not exceeding the sum of one dollar; and also the costs and charges attending such distress and sale or other legal proceedings, returning the surplus (if any) to the owner; and, in default of such distress, being found, the said justices shall commit such person so proved to have of-

creditors, his heirs, executors, administrators, or assignees, or other persons having legal right, the Bailiff or other officers executing such process shall, within forty days after demand made in writing, by the order of any such society or committee thereof, or the major part of them assembled at any meeting thereof, deliver and pay over all moneys and other things belonging to such society to such person as such society or committee shall appoint; and shall pay out of the estates, assets, or any effects, real or personal, of such person, all sums of money remaining due which such person received by virtue of his said office or employment, before any other of his debts are paid or satisfied, or before the money directed to be levied by such process as aforesaid is paid over to the party issuing such process and all such assets, lands, goods, chattels, property, estates, and effects shall be bound to the payment and discharge thereof accordingly.

25. All real estate and personal property, moneys, goods, chattels, and effects whatever, and all titles, securities for money, or other obligatory instruments vested in treasurer, who may sue and be sued, etc.

trustee of such society for the time being, for the use and benefit of such society or claims belonging to or had by such society, shall be vested in the treasurer or administrator, according to their respective claims and interests; and, after the death or removal of any treasurer or trustee, shall vest in the succeeding treasurer or trustee for the same estate and interest as the former treasurer or trustee had therein, and subject to the same trusts, without any assignment or conveyance whatever, except the transfer of stocks and securities in the Government Savings Bank; and also shall, for all purposes of action or suit, as well criminal as civil, in law or in equity, in anywise touching or concerning the same, be deemed, and taken to be, and shall in every such proceeding (where necessary) be stated to be, the property of the person appointed to the office of treasurer or trustee of such society for the time being, in his or her proper name, without further description; and such person shall, and he or she is hereby respectively authorized to, bring or defend, or cause to be brought or defended, any action, suit, or prosecution, criminal as well as civil, in law or in equity, touching or concerning the property, right, or claim aforesaid of or belonging to or had by such society: provided such person shall have been thereto duly authorized by the consent of the majority of members present at any meeting of the society or committee thereof; and such persons so appointed shall and may in all cases concerning the property, right or claim aforesaid of such society, sue and be sued, in his or her proper name, as treasurer or trustee of such society, without other description; and no such suit, action, or prosecution shall be discontinued, or abate by the death of such person, or his or her removal from the office of treasurer or trustee, but the same shall and may be proceeded in by the succeeding treasurer or trustee, in the proper name of the person commencing the same, any law, usage, or custom to the contrary notwithstanding; and such succeeding treasurer or trustee shall pay or receive like costs as if the action or suit had been commenced in his or her name for the benefit of, or to be reimbursed from the funds of such society.

26. The treasurer or trustee, or any other officer of any society established under the authority of this Law, shall not be liable to make good any deficiency which may arise in the funds of such society, unless such person shall have respectively declared, by writing under their hands deposited and registered in swagable; and it shall be lawful for each of such persons, or for such persons specified in any such instrument or writing:

Provided that the said treasurer, trustee, and every other the officer of any such society shall be, and they are hereby declared to be, personally

Limitation of responsibility of officers.

Provisions as to sums not exceeding 500 to which member dies entitled.

Funds committed upon friendly societies.