

icmif

International Cooperative and Mutual Insurance Federation



ICMIF Rules

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1. Introduction

RULE 1: PREAMBLE AND ICMIF'S PURPOSE

The International Cooperative and Mutual Insurance Federation (hereinafter referred to as the Federation), is a voluntary association for cooperative and mutual insurers. The Federation is a sectoral organisation of the International Co-operative Alliance and pursues its mission on the basis of mutual activities among its members.

ICMIF'S PURPOSE

"To help member organisations achieve their strategic goals and sustainably grow in their markets by leveraging the knowledge, competencies and experience of ICMIF's global network and represent the sector's interests to key stakeholders."

RULE 2: REGIONAL ASSOCIATIONS

Members have also combined into regional associations which are managed independently but which form an integral part of the Federation's structure and activities.

Status as a regional association of the Federation may be granted by the Board of Directors.

2: Membership

RULE 3: QUALIFICATION FOR ADMISSION AS A MEMBER

Full membership in the Federation shall be open to risk-bearing insurance organisations whose essential purpose is to operate predominately for the benefit of their insureds and to serve their insurance needs, subject, in fact, to a system of democratic control by or on behalf of their insureds whose economic interests are their paramount concern.

RULE 4: PROCEDURE OF APPLICATION

Application for membership shall be made in writing to the Chief Executive. An application for membership of the Federation is also an application for membership of the relevant regional association of the Federation, where one exists.

The Board of Directors shall decide whether or not to admit an applicant organisation into membership and may require the presentation of whatever evidence is deemed necessary to establish that the criteria outlined in Rule 3 are satisfied. The Board of Directors may, in addition consult with any appropriate organisation in the country of origin of the applicant organisation to establish membership criteria. The Board of Directors shall also take into account the views of existing members, if any, in the country concerned and the recommendation of the relevant regional association of the Federation where applicable.

Where an applicant is a member of a group or is closely affiliated with other risk-bearing insurers under the same ownership or control, all eligible members of the group or affiliates must apply for membership at the same time and, if admitted, shall be regarded as a single member. Voluntary associations or organisations which individually would be eligible for membership may also be admitted on the same basis.

RULE 5: MEMBERSHIP FEES

Each member shall pay an annual membership fee which shall be due in March of each year and which shall be calculated on the basis of the member's annual gross written premium income in the base year. The Board of Directors will decide the appropriate level of fees including the maximum and minimum fees, subject to formal approval by the membership at the next general meeting. The base year is the member financial year which ended during the calendar year two years before the year for which fees are due.

The Board of Directors will decide the membership fees for associate and supporting members.

User fees for optional services provided by the Federation or any subsidiary may also be charged. Regional association membership fees are determined by the regional associations themselves.

RULE 6: TERMINATION OF MEMBERSHIP

Membership in the Federation on the part of any member shall terminate:

- (i) by voluntary resignation to be notified to the Chief Executive and for which at least 180 days' notice shall be given, the notice to expire at the end of the calendar year;
- (ii) for failure of the member to pay the annual membership fee when due, unless extension of time for payment is requested by the member and granted by the Board of Directors;
- (iii) by resolution of the Board of Directors in respect of any member ceasing to be qualified for membership in accordance with Rule 3, or acting in a manner which the Board of Directors considers to be against the interests of the Federation. There is no right of appeal to the Board of Directors decision.

RULE 7: ASSOCIATE MEMBERSHIP

The Board of Directors may grant associate status to organisations which support the Federation's aims but which are not eligible for full membership and which make application for such status. These will include trade associations, foundations, education and knowledge centres, cooperative insurance brokers, non-insurance cooperatives, development organisations and supporting organisations.

The Board of Directors may require the presentation of whatever evidence is deemed necessary to consider the suitability of applicants for associate status. Any organisation granted associate status shall be entitled to receive all publications of the Federation, to participate at conferences and other activities of the Federation but shall not be entitled to vote, and shall pay an annual fee as determined by the Board of Directors from time to time.

3: General meetings

RULE 8: AUTHORITY OF GENERAL MEETING

A General meeting of the Federation is the highest authority of the Federation and each member shall be entitled to send one or more delegates and to exercise voting power in accordance with the provisions of RULE 12.

The Federation shall meet at a General meeting during the ICMIF Conference at a time and place to be determined by the Board of Directors.

Notice of each General meeting, stating the time, place and purpose of the General meeting, shall be sent to each member at least 90 days in advance of the General meeting date.

RULE 9: BUSINESS TRANSACTED AT A GENERAL MEETING

The business to be transacted at a General meeting shall be:

- (i) to receive minutes of the last General meeting and, if appropriate, take any action thereon;
- (ii) to receive the report of the Board of Directors on the work of the Federation and, if appropriate, take any action thereon;
- (iii) to receive the audited accounts of the Federation, which includes its subsidiaries,
- (iv) to consider proposals submitted by the Board of Directors and give decisions thereon;
- (v) to consider any other matters which the Board of Directors or a General meeting by resolution deem to be appropriate matters for discussion;
- (vi) to elect persons to serve on the Board of Directors until the second following General meeting or four years, which ever is the longer.

RULE 10: SPECIAL BUSINESS

Members may require special business to be placed on the agenda of a General meeting. Any such request must be in writing to be received by the Chief Executive not less than 30 days before the General meeting date, must state specifically the business to be transacted, and must be signed by authorized officers of at least one tenth of the total number of full members of the Federation at the time the request is made.

RULE 11: EXTRAORDINARY GENERAL MEETING (EGM)

An EGM may be called between General meetings by the Board of Directors or by at least one tenth of the total full members of the Federation. Members requesting an EGM must submit their request in writing to be received by the chief executive not less than 90 days before the EGM date stating the business to be transacted.

Notice of each EGM, stating the time, place and purpose of the EGM, shall be sent to each member at least 60 days in advance of the General meeting date.

RULE 12: VOTING & QUORUM

Each member shall be entitled to one or more votes in accordance with the following scale of membership fees which have been paid by such member for the current financial year of the Federation:

MEMBERSHIP FEE	VOTES
up to and including GBP 1,000	1
more than GBP 1,000 and up to GBP 2,500	2
more than GBP 2,500 and up to GBP 5,000	3
more than GBP 5,000 and up to GBP 10,000	4
more than GBP 10,000 and up to GBP 20,000	5
more than GBP 20,000 and up to GBP 30,000	6
more than GBP 30,000 and up to GBP 50,000	7
more than GBP 50,000	8

For the purpose of conducting a vote at a General meeting or Extraordinary general meeting, a quorum shall exist if more than 50% of the total voting rights in the Federation are represented including postal votes. Postal voting shall be permissible provided votes are verifiable and received seven days before the general meeting.

4: Management of the Federation

RULE 13: STATUS OF THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE

Subject to the limitations imposed by the Rules of the Federation and by resolutions adopted at a General meeting or an Extraordinary general meeting, the central management and control of the Federation shall be entrusted to a Board of Directors which shall conduct the business and affairs of the Federation and which shall meet whenever the necessity arises, but not less frequently than once in every calendar year.

Within the above parameters, the Chief Executive shall be responsible for the implementation of policies and programmes approved by General meeting or the Board of Directors.

Without limiting the foregoing and subject to the provisions of Rule 20, the Chief Executive may, with the authority of the Board of Directors, enter into contracts on behalf of the Federation. In favour of a person dealing with the Federation in good faith, the authority of the Chief Executive to contract on behalf of the Federation in relation to any matter within the authority of the Board of Directors shall be deemed to be free of any limitation under these Rules.

RULE 14: COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors shall consist of not less than nine and not more than twenty six members who shall be elected by a General meeting and who shall serve until the close of the second following General meeting or four years whichever is longer. In addition, the chair of the regional associations and of permanent committees shall be ex-officio, non-voting members of the Board of Directors. If a member elected by General meeting is thereafter unable to serve, a replacement from the same or from another member may be co-opted by the remaining members of the Board of Directors to serve the unexpired term of the replaced member. The Chief Executive shall also be an ex officio, non-voting member.

RULE 15: OFFICERS

Officers of the Federation shall be:

- (i) a Chair and one or more Vice-Chairs who shall be elected by the Board of Directors from among its own voting members;
- (ii) such other officers as the Board of Directors may by resolution appoint; the Board of Directors may elect the same member to serve in more than one office;
- (iii) the Chief Executive of the Federation who shall be appointed by the Board of Directors for a specified term which may be renewed.

RULE 16: NOMINATION AND ELECTION

The Board of Directors shall determine for any one election the number of elected seats, subject to the minimum and maximum number stated in these Rules, to be filled. The members of the outgoing Board of Directors shall produce a list of candidates, the number of such candidates being at least equal to the number of elected seats to be filled. It shall strive to reflect in its nominees the several geographic regions and language groups and the comparative size and type of organisations represented in the Federation's membership. It shall also take account of the need to provide effective management of the Federation through committees of the Board of Directors. The list of candidates shall be mailed to each member at least 30 days in advance of the General meeting date.

If, before the election, a person nominated by the Board of Directors becomes unable to serve, the Board of Directors may nominate another person at any time before the election.

Only a full-time director or senior officer of a member of the Federation may serve as an elected or co-opted member of the Board of Directors.

RULE 17: NOMINATION BY PETITION

Any member may nominate by petition one or more persons to serve on the Board of Directors by making such nomination in writing to the Chief Executive by a date to be specified on the occasion of each election, but which shall not be less than 45 days before the date of such election. All such nominations by petition must be signed by a director or senior officer of at least four additional members. The Chief Executive shall notify each member of any petitions received not less than 30 days before the date of the election.

RULE 18: MAXIMUM LENGTH OF SERVICE

A person who has served as an elected or co-opted member of the Board of Directors for a period of 12 years in total shall not be eligible for re-election except that the Board of Directors may determine by resolution that this restriction shall not apply to a given person at a particular election, in which case the Board of Directors shall communicate the terms of such resolution with the list of candidates to members.

RULE 19: ELECTION PROCESS

Where the total number of candidates is not in excess of the total amount of elected seats to be filled, the Chair shall submit the names to the General meeting which shall ratify their election. Where the number of candidates exceeds the number of elected seats to be filled a secret ballot shall be held in which each member may vote, in accordance with Rule 12, for any number of candidates up to but not exceeding the number of elected seats to be filled. The candidate who receives the highest number of votes, the candidate who receives the next highest number of votes, and so on, shall be declared elected up to the number of elected seats to be filled.

RULE 20: POWERS

In addition to the general provisions contained in Rule 13 and any specific provisions mentioned elsewhere in these Rules, the Board of Directors shall have the power to:

- (i) co-opt any person or persons, in accordance with the provisions of Rule 14, to fill a vacancy or vacancies on the Board of Directors;
- (ii) invite any person or persons to attend meetings of the Board of Directors with the proviso that such person or persons shall not be invited to vote;
- (iii) delegate any of its powers to one or more of the officers or to a committee of its own members;

- (iv) establish, where necessary, any committee, subcommittee or body in order to carry out specific tasks or commissions; to consider all reports and work programmes of the said committee, subcommittee or body; and to take action thereon;
- (v) appoint the officers and members of any committee, subcommittee or body of the Federation established under the provisions of subsection (iv) of this Rule, and create and fill such other offices as it shall deem advisable for carrying on the business of the Federation;
- (vi) allocate expenditure from the Federation's funds for purposes deemed by the Board of Directors to be consistent with the Federation's objects;
- (vii) consider and approve the statements of accounts;
- (viii) consider and recommend the appropriate membership fee rate including maximum and minimum fees for approval by the members at a general meeting.
- (ix) consider applications for, and if appropriate admit to, membership of the Federation in accordance with the provisions of Rules 3 and 7;
- (x) consider and approve termination of membership in accordance with rule 6
- (xi) determine in accordance with the provisions of Rule 16, the number of elected seats to be filled at a Board of Directors' election;
- (xii) appoint and determine the responsibilities and remuneration of the Chief Executive;
- (xiii) organise periodically suitable technical conferences, seminars, workshops, or other types of event for the benefit of members;
- (xiv) Set meeting dates for the General meeting and call an Extraordinary general meeting;
- (xv) purchase or by any other means acquire and take options over any property whatsoever and any rights or privileges of any kind over or in respect of any property;
- (xvi) sell, let on lease or in any other way whatsoever deal with all or any part of the property and rights of the Federation or any interest therein;

- (xvii) invest and deal with the monies of the Federation not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;
- (xviii) borrow and raise money in any manner and to secure the repayment of any monies borrowed or other obligation of the Federation in any manner on the whole or any part of the Federation's property or assets (whether present or future) provided that such borrowing (when advanced) shall not exceed 25% of the net asset value shown in the last published accounts of the Federation;
- (xix) establish or promote any company for the purpose of acquiring the whole or any part of the business, property or undertaking or any of the liabilities of the Federation or undertaking any business or operations which may appear likely to assist or benefit the Federation and to subscribe for or acquire all or any of the shares or securities of any such company.

RULE 21: QUORUM AND VOTING

A majority of the elected and co-opted members of the Board of Directors shall constitute a quorum. Each voting member shall have one vote and the outcome shall be decided by a simple majority. If the votes cast are equally divided, the ruling of the presiding Chair shall prevail.

An elected, co-opted or ex officio member of the Board of Directors may appoint another person to act as an alternate member of the Board of Directors. An alternate member of the Board of Directors shall not be entitled to vote at a meeting of the Board of Directors but otherwise shall have the same rights as the person making the appointment. Any such appointment (or any revocation thereof) shall be in writing, signed by the appointing member and delivered to the Chief Executive, and shall be valid only for the meeting next following the date of appointment.

RULE 22: PERMANENT COMMITTEES

The Executive Committee, the Development Committee, the Intelligence Committee and the Reinsurance Committee shall be permanent committees of the Board of Directors. The Board of Directors shall appoint the chair and members of each committee after receiving the advice of the relevant committee. The Chief Executive shall also be a voting member of each committee. Each committee shall prepare and maintain its terms of reference that shall be approved by the Board of Directors.

The Executive Committee shall be responsible for overseeing all audit and financial matters of the Federation and its subsidiaries and the investment of the Federation's funds. It shall be responsible for considering applications for membership of the Federation, questions of continuing eligibility for membership and any other matters concerning

membership referred to the committee by the Board of Directors, and for making recommendations to the Board of Directors on matters relating to governance and nominations. .

The Development Committee shall be responsible for overseeing the planning, co-ordination and evaluation of assistance to prospective and newly formed cooperative or mutual insurance organisations, and for advising the Board of Directors about the development budget.

The Intelligence Committee shall be responsible for overseeing the management and development of member services.

The Reinsurance Committee shall be responsible for overseeing the management and development of reinsurance services for the benefit of members.

RULE 23: AUDIT

The financial year of the Federation shall be the calendar year. There shall be an annual audit of the Federation's accounts and the audited accounts shall be presented to Executive Committee and approved by the Board of Directors as soon as is reasonably practicable after the year end.

5: Amendment to Rules

RULE 24: AMENDMENT TO RULES

These Rules may be amended by a majority vote at a General meeting or Extraordinary general meeting of the Federation, provided that communication of the proposed amendments are sent to members 30 days in advance of the meeting. Verifiable postal and electronic voting is permissible and will be taken into account by the chair of the meeting.

6: Winding Up

RULE 25: WINDING UP

The Federation is a mutual association established for the objectives referred to in Rule 1 and as such any trading with persons or organisations which are not members of the Federation is prohibited. Accordingly, all profits derived from the activities of the Federation shall accrue for the sole benefit of the members and associate members of the Federation. On a winding up of the Federation, any surplus assets remaining after providing for all liabilities and the costs of liquidation shall be distributed amongst the members and associate members pro rata to the aggregate amount of membership fees paid in the five years prior to the date of winding up by each member or associate member.

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The International Cooperative and Mutual Insurance Federation (ICMIF) is a best practice organization committed to giving its members from around the world a competitive advantage. ICMIF helps to grow its mutual and cooperative insurance member organizations by sharing strategies and the latest market intelligence.

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