

CAYMAN ISLANDS



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**A BILL FOR A LAW TO PROVIDE FOR THE INCORPORATION OF
THE CAYMAN ISLANDS BRANCH OF THE BRITISH RED CROSS
SOCIETY AS THE CAYMAN ISLANDS RED CROSS; TO FURTHER
AND TO PROTECT THE ACTIVITIES OF THE CAYMAN ISLANDS
RED CROSS; AND TO MAKE PROVISION FOR INCIDENTAL AND
CONNECTED MATTERS**

THE CAYMAN ISLANDS RED CROSS BILL, 2018

MEMORANDUM OF OBJECTS AND REASONS

This Bill provides for the incorporation of the Cayman Islands branch of the British Red Cross Society as the Cayman Islands Red Cross.

Clause 1 of the Bill sets out the short title of the legislation. The clause also provides for the legislation to come into force after the dissolution of the Cayman Islands Red Cross Association which is the Cayman Islands Branch of the British Red Cross Society.

Clause 2 defines various expressions used in the legislation. The term “Constitution”, for example, refers to the constitution of the Cayman Islands Red Cross set out in Schedule 2 of the Bill.

Clause 3 establishes the Cayman Islands Red Cross as a body corporate and gives it the power to sue and be sued in its own name. The clause also establishes and empowers a committee which would be the governing body of the Cayman Islands Red Cross.

Clause 4 of the Bill sets out the objects and purposes of the Cayman Islands Red Cross which include working for the improvement of health, for the prevention of disease and for the prevention and alleviation of human suffering in the Cayman Islands and throughout the world.

Clause 5 prescribes the powers of the Cayman Islands Red Cross and these include -

- (a) raising funds (paragraph (i));
- (b) borrowing money and giving security for loans (paragraph (j));
- (c) acquiring and dealing in real property situated within the Cayman Islands and in personal property of all kinds wherever situated (paragraph (k));
- (d) acquiring and holding land on lease for the purposes of the Cayman Islands Red Cross for any lawful period (paragraph (l)); and
- (e) depositing or investing funds (paragraph (o)).

Clause 6 and Schedule 2 establish the Constitution of the Cayman Islands Red Cross and makes provision for its amendment.

Clause 7 and Schedule 3 relate to the Establishment Agreement which sets out the relationship between the Cayman Islands Red Cross and the British Red Cross.

Clause 8 of the Bill exempts officers, employees and volunteers from liability when acting in relation to the affairs of the Cayman Islands Red Cross, except in cases involving fraud or dishonesty.

Clause 9 limits the liabilities of the members of the Cayman Islands Red Cross.

Clause 10 makes provision in respect of property which, prior to the commencement of the legislation, was vested in the Cayman Islands Branch of the British Red Cross Society.

Clause 11 of the Bill enables the Cayman Islands Red Cross to enter into contracts and agreements in the performance of its duties.

Clause 12 makes provision in respect of the admissibility of documents previously held by the Cayman Islands Branch of the British Red Cross Society.

Clause 13 provides that the Cayman Islands Red Cross is an Overseas Branch of the British Red Cross Society.

Clause 14 exempts the Cayman Islands Red Cross from paying customs duties on goods used by it in carrying out its objects and purposes under the legislation.

Clause 15 provides that the legislation does not affect the rights of the Government of the Cayman Islands or of Her Majesty The Queen, unless specifically stated.

THE CAYMAN ISLANDS RED CROSS BILL, 2018

ARRANGEMENT OF CLAUSES

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SOCIETY AS THE CAYMAN ISLANDS RED CROSS; TO FURTHER
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ENACTED by the Legislature of the Cayman Islands.

1. (1) This Law may be cited as the Cayman Islands Red Cross Law, 2018. Short title and
commencement

(2) This Law shall come into force immediately after the dissolution of the
Cayman Islands Red Cross Association incorporated under the Companies Law
(2018 Revision). (2018 Revision)
2. In this Law - Interpretation

“Cayman Islands Branch” means the Cayman Islands branch of the Society;

“Cayman Islands Red Cross” means the body corporate established pursuant to
section 3(1);

“Charter” means the Supplemental Royal Charter of Incorporation of the Society dated July 22, 1997 and all Supplemental Charters, Orders in Council governing the Society and Rules of the Society made pursuant to those instruments;

“Committee” means the governing body established pursuant to section 3(2);

Schedule 2

“Constitution” means the constitution of the Cayman Islands Red Cross set out in Schedule 2;

“emblem” means the heraldic emblem of the red cross on a white ground, formed by reversing the Federal colours of Switzerland, as defined in the Geneva Convention;

Schedule 3

“Establishment Agreement” means the agreement between the Society and the Cayman Islands Red Cross set out in Schedule 3;

Schedule 1

“Fundamental Principles” means the Fundamental Principles of the Movement as set out in Schedule 1 and as may be varied by the International Conference of the Red Cross and Red Crescent, as promulgated by the Board of Trustees of the Society;

“Geneva Convention” means the Geneva Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field of August 12, 1949, Geneva Convention for the Amelioration of the Condition of the Wounded, Sick and Shipwrecked members of Armed Forces at Sea of August 12, 1949, Geneva Convention relative to the Treatment of Prisoners of War of August 12, 1949, and the Geneva Convention relative to the Protection of Civilian Persons in Time of War of August 12, 1949 as applied to the United Kingdom and subsequent Additional Protocols which are applicable to the United Kingdom;

“members” means those individuals who become members of the Cayman Islands Red Cross in accordance with the provisions of the Constitution;

“Movement” means the International Red Cross and Red Crescent Movement;

“objects” means the objects and purposes of the Cayman Islands Red Cross as set out in section 4;

“officer” means any Member of the Committee and any person who is appointed by the Committee to hold an office in the Cayman Islands Red Cross; and

“Society” means the British Red Cross Society incorporated by the Charter.

3. (1) There is established a body corporate, to be called The Cayman Islands Red Cross, having perpetual succession and a common seal, with the exclusive right to use that name in the Islands and with power to sue and liability to be sued in all courts.

Incorporation of
Cayman Islands Red
Cross

(2) The Cayman Islands Red Cross shall have a governing body to be known as the Committee of the Cayman Islands Red Cross which shall be responsible for the exercise of the powers conferred and the performance of the duties imposed on the Cayman Islands Red Cross by this Law and the Constitution.

(3) The persons who were members of the committee of the Cayman Islands Red Cross Association immediately before the commencement of this Law shall be the members of the Committee of the Cayman Islands Red Cross upon the commencement of this Law, subject to the Constitution.

4. (1) The objects and purposes of the Cayman Islands Red Cross are -

- (a) to provide assistance to victims of armed conflicts; and
- (b) to work for the improvement of health, for the prevention of disease and for the prevention and alleviation of human suffering in the Islands and throughout the world.

Objects and purposes

(2) In carrying out its objects and purposes, the Cayman Islands Red Cross shall act at all times in accordance with the Fundamental Principles, the Constitution and the Establishment Agreement.

5. The Cayman Islands Red Cross shall have the following powers which may be exercised only in furtherance or promotion of its objects -

Powers

- (a) to act as an autonomous auxiliary to the public authorities in the humanitarian field, with a special role in enhancing respect for humanitarian values and human dignity;
- (b) to disseminate knowledge of the Fundamental Principles and of International Humanitarian Law through publications, education programmes and in other ways;
- (c) to co-operate with the Government of the Islands to ensure respect for International Humanitarian Law and to protect the Red Cross, Red Crescent and Red Crystal emblems;
- (d) to enter into and perform its obligations under the Establishment Agreement;
- (e) to publish in, or distribute information to, any media;
- (f) to co-operate with other bodies;
- (g) to support and administer other charities within the Islands;

- (h) to establish other charities, but only with the prior written approval of the Society;
- (i) to raise funds by any legal means which are in conformity with the principles, policies and regulations of the Movement;
- (j) to borrow money and give security for loans;
- (k) to acquire by purchase or otherwise and hold, sell, dispose of and deal in real property situated within the Islands and in personal property of all kinds wherever situated;
- (l) to acquire and hold land on lease for the purposes of the Cayman Islands Red Cross for any lawful period;
- (m) to make grants or loans of money;
- (n) to set aside funds for special purposes or as reserves against future expenditure;
- (o) to deposit or invest funds in any lawful manner;
- (p) to insure its property and itself against loss or liability to loss;
- (q) to employ paid or unpaid agents, staff or advisers;
- (r) to enter into contracts to provide services to or on behalf of other bodies;
- (s) to pay the costs of forming the Cayman Islands Red Cross; and
- (t) to do anything else within the law which promotes or helps to promote the Objects.

Constitution

6. (1) The administration of the Cayman Islands Red Cross shall be regulated by the Constitution which shall become effective upon the commencement of this Law.

(2) The Cayman Islands Red Cross may alter, amend or modify the Constitution in accordance with its terms.

(3) The Cayman Islands Red Cross shall have a -

- (a) a Chair, deputy Chair and treasurer who shall be members of the Committee; and
- (b) have a director, secretary and such other officers who may or may not be members of the Committee,

and who shall be appointed in such manner and hold office for such period as the Constitution provides.

(4) The persons acting as the Chair, deputy Chair, treasurer, director, secretary or other officer of the Cayman Islands Branch immediately before the commencement of this Law shall hold the same offices in the Cayman Islands Red Cross upon the commencement of this Law, subject to the provisions of the Constitution.

7. (1) Upon the commencement of this Law, the Cayman Islands Red Cross shall be deemed to be a party to the Establishment Agreement in place of the Cayman Islands Branch.

Establishment
Agreement

(2) The Cayman Islands Red Cross and the Society may alter, amend, modify or terminate the Establishment Agreement in accordance with its terms.

8. (1) Officers of the Cayman Islands Red Cross, acting in relation to any of the affairs of the Cayman Islands Red Cross, shall be exempt from any liability attaching to them by virtue of any rule of law, except in respect of any fraud or dishonesty of which the officer may be guilty.

Exemption from liability
for Officers

(2) The Cayman Islands Red Cross may in the Constitution or in any contract or agreement between it and its officers, employees or volunteers indemnify such officers, employees and volunteers in respect of any loss arising or liability attaching to the officer, employee or volunteer by virtue of any rule of law in relation to any of the affairs of the Cayman Islands Red Cross.

(3) The indemnification under subsection (2) shall not extend to any matter in respect of any fraud or dishonesty of which the officer, employee or volunteer may be guilty.

(4) The Cayman Islands Red Cross may purchase and maintain insurance -

- (a) for the benefit of any officer, employee or volunteer against any liability incurred by the officer, employee or volunteer in the capacity of officer, employee or volunteer; or
- (b) indemnifying such officer, employee or volunteer in respect of any loss arising or liability attaching to the officer, employee or volunteer by virtue of any rule of law in relation to any of the affairs of the Cayman Islands Red Cross.

9. (1) The liability of any member of the Cayman Islands Red Cross for the debts and legal obligations of the Cayman Islands Red Cross shall be limited to the amount for the time being owing by that member to the Cayman Islands Red Cross by way of subscription or otherwise, except as respects any debt or legal obligation of the Cayman Islands Red Cross for which the member has expressly agreed to be responsible either alone or with another member or person; but otherwise the property of the Cayman Islands Red Cross shall be liable for its debts and obligations.

Liability for debts of
Members

Vesting of property	10. Any property, assets and rights in the Islands which immediately before the commencement of this Law were vested in the Cayman Islands Branch or the Society and under the control of the Cayman Islands Branch, as then constituted, shall, on the commencement of this Law, vest in the Cayman Islands Red Cross as incorporated by this Law; and any legal obligations or liabilities incurred before the commencement of this Law by the Cayman Islands Branch, as then constituted, and remaining unsatisfied, shall on the commencement of this Law devolve on the Cayman Islands Red Cross as incorporated by this Law.
Execution of documents	11. (1) The Cayman Islands Red Cross may make and execute any document in the performance or exercise of its duties or powers or in connection with any matter reasonably incidental to or consequential upon the performance or exercise of its duties or powers. (2) Contracts on behalf of the Cayman Islands Red Cross may be made as follows - (a) deeds and other instruments requiring the seal of the Cayman Islands Red Cross shall be authorised or ratified by resolution of the Committee, and shall be signed in such manner as the Constitution provides; (b) a contract which, if made between private persons, would be by law required to be in writing and signed by the parties to be charged, may be made on behalf of the Cayman Islands Red Cross in writing and signed by any person acting under its authority, express or implied; and (c) a contract which, if made between private persons, would by law be valid although made by parol only, and not reduced into writing, may be made by parol on behalf of the Cayman Islands Red Cross by any person acting under its authority, express or implied. (3) A contract made according to this section shall be effectual in law, and shall bind the Cayman Islands Red Cross and its successors and all other parties to the contract. (4) A contract made according to this section may be varied or discharged in the same manner in which it is authorized by this section to be made.
Evidence	12. Books and other documents which would, before the commencement of this Law, have been evidence in respect of any matter for or against the Cayman Islands Branch shall be admissible in evidence in respect of the same matter for or against the Cayman Islands Red Cross.

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| 13. The Cayman Islands Red Cross is an Overseas Branch of the British Red Cross Society, defined by the Charter. | Status of Cayman Islands Red Cross |
| 14. The Cayman Islands Red Cross is exempt from paying any duty under the Customs Law (2018 Revision) for the importation of personal goods to be used in the carrying out of its objects and purposes under this Law. | Exemption from paying customs duties
(2018 Revision) |
| 15. Nothing in this Law shall affect or be deemed to affect the rights and powers of the Government of the Islands or of Her Majesty The Queen, Her Heirs or Successors or the rights and powers of the British Red Cross Society under its Royal Charter, except as mentioned in this Law. | Saving |

SCHEDULE 1

(Section 2)

THE FUNDAMENTAL PRINCIPLES OF THE INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT

HUMANITY

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, co-operation and lasting peace amongst all peoples.

IMPARTIALITY

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

NEUTRALITY

In order to continue to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

INDEPENDENCE

The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

VOLUNTARY SERVICE

It is a voluntary relief movement not prompted in any manner by desire for gain.

UNITY

There can be only one Red Cross or one Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

UNIVERSALITY

The International Red Cross and Red Crescent Movement, in which all Societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

SCHEDULE 2

(Section 2)

**CONSTITUTION OF THE CAYMAN ISLANDS RED CROSS, AN
OVERSEAS BRANCH OF THE BRITISH RED CROSS SOCIETY**

Dated the 17th day of January 2000

BACKGROUND

- A) By Article 5.21 of the Royal Charter of The British Red Cross Society dated 22nd July 1997 the Society has the power to establish Overseas Branches as separate legal entities in accordance with the relevant local law.
- B) The Society and the Overseas Branch have agreed the terms of the Establishment Agreement which will be entered into on the date of the adoption of this Constitution.

1. Name

The name of the Overseas Branch is **THE CAYMAN ISLANDS, AN OVERSEAS BRANCH OF THE BRITISH RED CROSS SOCIETY**, known as **THE CAYMAN ISLANDS RED CROSS** ("the Overseas Branch").

2. Definitions

- 2.1 "AGM" means an annual general meeting of the members of the Overseas Branch;

- 2.2 “the Chair” means the Chair of the Overseas Branch;
- 2.3 "clear day" means 24 hours from midnight following the triggering event;
- 2.4 "Committee" means the governing body of the Overseas Branch;
- 2.5 "EGM" means an extraordinary general meeting of the members of the Overseas Branch;
- 2.6 "Establishment Agreement" means the establishment agreement referred to in the Act between the Overseas Branch and the Society which is designed to regulate their relationship;
- 2.7 "the Fundamental Principles" means the Fundamental Principles of the International Red Cross and Red Crescent Movement as set out in the Schedule as may be defined from time to time by the International Conference of the Red Cross and Red Crescent and as promulgated by the Board;
- 2.8 "the Objects" means the objects of the Overseas Branch as set out in Clause 3;
- 2.9 "Patron" means a patron of the Overseas Branch appointed under Clause 10;
- 2.10 “the Rules” means the rules of the Overseas Branch as determined by the Committee under Clause 9;
- 2.11 “the Secretary” means the secretary of the Overseas Branch;
- 2.12 "the Society" means The British Red Cross Society incorporated under the laws of England by Royal Charter dated 22nd July, 1997 registered charity number 220949 whose National Headquarters is at 9 Grosvenor Crescent, London SW1X 7EJ United Kingdom;
- 2.13 “the Territory” means The Cayman Islands

Words importing the singular number shall include the plural number and vice versa; words importing the masculine gender only shall include the feminine and neuter gender.

3. Objects

The objects and purposes of the Overseas Branch are:

3.1 To provide assistance to victims of armed conflicts;

3.2 To work for the improvement of health, for the prevention of disease and for the prevention and alleviation of human suffering in the Territory and throughout the world.

In the interests of clarity, the Objects in clause 3.2 above include providing assistance to victims of natural disasters.

In carrying out these Objects the Overseas Branch shall act at all times in accordance with the Fundamental Principles.

4. Powers

The Overseas Branch shall have the following powers which may be exercised only in furtherance or promotion of the Objects:

- 4.1 to act as an autonomous auxiliary to the public authorities in the humanitarian field, with a special role in enhancing respect for humanitarian values and human dignity;
- 4.2 to disseminate knowledge of the Fundamental Principles and of International Humanitarian Law through publications, education programmes and in other ways;
- 4.3 to co-operate with the Government of the Territory to ensure respect for International Humanitarian Law and to protect the Red Cross and Red Crescent emblems;
- 4.4 to enter into and perform its obligations under the Establishment Agreement with the Society;
- 4.5 to publish in, or distribute information to any media whatever;
- 4.6 to co-operate with other bodies;
- 4.7 to support and administer other charities within the Territory;
- 4.8 to establish other charities, but only with the prior written approval of the Society;
- 4.9 to raise funds by any legal means which are in conformity with the principles, policies and regulations of the International Red Cross and Red Crescent Movement, including charging membership fees;
- 4.10 to borrow money and give security for loans;
- 4.11 to acquire or hire property of any kind;
- 4.12 to let or dispose of property of any kind;
- 4.13 to make grants or loans of money;
- 4.14 to set aside funds for special purposes or as reserves against future expenditure;
- 4.15 to deposit or invest funds in any lawful manner (but to invest only after

- obtaining advice from a financial expert and having regard to the suitability of the investments and the need for diversification);
- 4.16 to insure the Overseas Branch's property against any foreseeable risk and take out other insurance policies to protect the Overseas Branch where required;
- 4.17 to insure members of the Committee against the costs of a successful defence to a criminal prosecution brought against them as trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty (unless the member concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty);
- 4.18 to employ paid or unpaid agents, staff or advisers;
- 4.19 to enter into contracts to provide services to or on behalf of other bodies;
- 4.20 to pay the costs of forming the Overseas Branch;
- 4.21 to do anything else within the law which promotes or helps to promote the Objects.

5. Membership

5.1 Membership of the Overseas Branch shall be open to any individual who is aged 5 years or over provided that only members aged 18 years or over shall be entitled to vote at meetings of the Overseas Branch. Membership is open to everyone without any discrimination based on nationality, race, sex, class, religion, or political opinions.

5.2 Each member is required to:

- (a) uphold the Fundamental Principles;
- (b) obey the Rules;
- (c) abide by the said Royal Charter of the Society; and
- (d) uphold the values and reputation of the Overseas Branch and of the Society.

5.3 The Committee must keep a register of members.

5.4 A member may resign by written notice to the Overseas Branch.

5.5 The Committee may terminate the membership of any individual whose continued membership would in the reasonable view of the Committee be harmful to the Overseas Branch (but only after notifying the member concerned in writing and considering the matter in the light of any written representations which the member puts forward within 14 clear days after receiving notice).

5.6 Membership of the Overseas Branch is personal and is not transferable.

6. General Meetings

- 6.1 All members are entitled to attend general meetings of the Overseas Branch.
- 6.2 General meetings are called by 14 clear days' written notice to the members signed by the Chair or the Secretary specifying the business to be transacted;
- 6.3 There is a quorum at a general meeting if the number of members personally present is at least 10 percent of the members, provided any member who has failed to pay any membership fee due to the Overseas Branch shall not be included.
- 6.4 The Chair or (if the Chair is unable or unwilling to do so) some other member elected by those present presides at a general meeting.
- 6.5 Except where otherwise provided in this Constitution, every issue at a general meeting is determined by a simple majority of the votes cast by the members present in person.
- 6.6 Except for the chair of the meeting, who has a second or casting vote, every member present in person is entitled to one vote on every issue.
- 6.7 An AGM must be held in every year (except that the first AGM may be held at any time within 18 months after the formation of the Overseas Branch).
- 6.8 At an AGM the members:
 - 6.8.1 receive the audited accounts of the Overseas Branch for the previous financial year;
 - 6.8.2 receive the report of the Committee on the Overseas Branch's activities since the previous AGM;
 - 6.8.3 elect members to the Committee to replace those retiring from office;
 - 6.8.4 appoint an auditor for the Overseas Branch;
 - 6.8.5 discuss and determine any issues of policy or deal with any other business put before them.

- 6.9 An EGM may be called at any time by the Committee and must be called within 14 days after a written request to the Committee from at least one-third of the members.

7. The Committee

- 7.1 The Committee has control of the Overseas Branch and its property and funds.
- 7.2 The Committee shall consist of at least three and not more than 12 individuals, all of whom must be members (but must not be paid employees) of the Overseas Branch who are aged 18 years or over.
- 7.3 Each member of the Committee should have the following characteristics:
- (a) a commitment to the Fundamental Principles;
 - (b) a willingness to devote the necessary time and effort;
 - (c) integrity;
 - (d) good judgement;
 - (e) an ability to think creatively;
 - (f) a willingness to speak his mind.
- 7.4 The skills and experience of Committee members should reflect the work of the Overseas Branch. So far as possible the Committee members should include a balanced representation both of areas of expertise and of the interests of stakeholders.
- 7.5 The Committee may co-opt up to one-third of its members who shall serve until the next AGM. The Committee may renew any co-option for a further period of three years.
- 7.6 One-third (or the number nearest one-third) of the elected Committee members must retire from office at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. An elected Committee member may serve a maximum of two such three year terms, after which he must retire from office for a minimum period of one year expiring on the date of the next AGM or a longer period.
- 7.7 A Committee member automatically ceases to be a member of the Committee if he:
- 7.7.1. is disqualified under any law from acting as a charity trustee;

- 7.7.2. is incapable, whether mentally or physically, of managing his own affairs;
 - 7.7.3 is absent from four consecutive meetings of the Committee without good cause;
 - 7.7.4 ceases to be a member of the Overseas Branch (but such a person may be reinstated by resolution of all the other members of the Committee on resuming membership of the Overseas Branch);
 - 7.7.5 resigns by written notice to the Committee (but only if at least two members of the Committee will remain in office);
 - 7.7.6 is removed by a resolution passed by all the other members of the Committee after inviting the views of the member of the Committee concerned and considering the matter in the light of any such views.
- 7.8 A retiring Committee member is entitled to an indemnity from the continuing Committee members at the expense of the Overseas Branch in respect of any liabilities properly incurred while he held office.
- 7.9 A technical defect in the appointment of a Committee member of which the Committee is unaware at the time does not invalidate decisions taken at a meeting.

8. Committee Meetings

- 8.1 The Committee must hold at least four meetings each year.
- 8.2 A quorum at a Committee meeting is one-third of its members.
- 8.3 The Chair or (if the Chair is unable or unwilling to do so) some other member of the Committee chosen by the members present presides at each Committee meeting.
- 8.4 Every issue may be determined by a simple majority of the votes cast at a Committee meeting but a resolution which is in writing and signed by all members of the Committee is as valid as a resolution passed at a meeting and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature.
- 8.5 Except for the chair of the meeting, who has a second or casting vote, every member of the Committee has one vote on each issue.

9. Powers of the Committee

The Committee has the following powers in the administration of the Overseas Branch:

- 9.1 to appoint from among their number the Chair, and the Secretary and, as it thinks fit, a Treasurer and other honorary officers;
- 9.2 to delegate any of its functions to sub-committees consisting of two or more persons appointed by them;
- 9.3 to delegate the day to day management and administration of the Overseas Branch to its staff (where applicable);
- 9.4 to make Rules consistent with this Constitution to govern the operation of the Overseas Branch and proceedings of meetings and committees;
- 9.5 to resolve or establish procedures to assist the resolution of disputes within the Overseas Branch;
- 9.6 to exercise any powers of the Overseas Branch which are not reserved to a general meeting.

10. Patrons

- 10.1 The Committee may appoint any suitable person as a Patron of the Overseas Branch and on such terms as it shall think fit and may remove such person.
- 10.2 A Patron shall have the right to attend and speak (but not vote) at any general meeting of the Overseas Branch and to be given notice as if a member.
- 10.3 The Committee must inform the Society of the appointment of a Patron.

11. Property and Funds

- 11.1 The property and funds of the Overseas Branch must be used only for promoting the Objects and do not belong to the members of the Overseas Branch or the Committee.

11.2 No Committee member may receive any payment of money or other material benefit (whether direct or indirect) from the Overseas Branch except:

- 11.2.1 under 11.2.6 (fees);
- 11.2.2 reimbursement of reasonable out of pocket expenses (including hotel and travel costs) actually incurred in the administration of the Overseas Branch;
- 11.2.3 interest at a reasonable rate on money lent to the Overseas Branch;
- 11.2.4 a reasonable rent or hiring fee for property let or hired to the Overseas Branch;
- 11.2.5 an indemnity in respect of any liabilities properly incurred in running the Overseas Branch (including the costs of a successful defence to criminal proceedings);
- 11.2.6 any Committee member who possesses specialist skills or knowledge, and any firm or company of which such a person is a member or employee, may charge and be paid reasonable fees for work carried out for the Overseas Branch on the instructions of the other members of the Committee but-
 - (i) only if the procedure prescribed by clause 11.3 is followed in selecting the member, firm or company concerned and setting the fees; and
 - (ii) provided that this provision may not apply to more than one-quarter of the members of the Committee in any financial year;
- 11.2.7 in the case of an individual member, charitable benefits in his capacity as a beneficiary.

11.3 Whenever a Committee member has a personal interest in a matter to be discussed at a Committee meeting, the Committee member must:

- 11.3.1 declare an interest before discussion begins on the matter;
- 11.3.2 withdraw from that part of the meeting unless expressly invited to remain in order to provide information;
- 11.3.3 not be counted in the quorum for that part of the meeting;
- 11.3.4 withdraw during the vote and have no vote on the matter.

12. Records and Accounts

12.1 The Committee must keep proper records of -

- 12.1.1 all proceedings at general meetings;
- 12.1.2 all proceedings at meetings of the Committee;
- 12.1.3 all reports of sub-committees;

12.1.4 all professional advice obtained.

12.2 Annual reports and audited statements of account relating to the Overseas Branch must be made available for inspection by any member and Patron of the Overseas Branch and by the Society.

13. Notices

13.1 Notices under this Constitution may be sent by hand, or by post, or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or newspaper circulating in the Territory or in any newsletter distributed by the Overseas Branch.

13.2 The address at which a member is entitled to receive notices is the address noted in the register of members (or, if none, the last known address).

13.3 Any notice given in accordance with this Constitution is to be treated for all purposes as having been received:

13.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;

13.3.2 five clear days after being sent by first class post to that address;

13.3.3 seven clear days after being sent by second class post or overseas post to that address;

13.3.4 on the date of publication of a journal or newspaper containing the notice;

13.3.5 on being handed to the member personally or, if earlier;

13.3.6 as soon as the member acknowledges actual receipt.

13.4 A technical defect in the giving of notice of which the members or the members of the Committee are unaware at the time does not invalidate decisions taken at a meeting.

14. Amendments

This Constitution may be amended at a general meeting by a two-thirds majority of the votes cast, but the members must be given 21 clear days' written notice of the proposed amendments.

14.1 No amendment is valid unless or until it has received the prior written approval of the Board of Trustees of the Society.

15. Dissolution

The Overseas Branch may be dissolved by a resolution of the Committee passed by a two-thirds majority of the members of the Committee present and voting. Any surplus after the satisfaction of the Overseas Branch's debts and liabilities shall be paid to the Society.

SCHEDULE 3

(Section 2)

**THE BRITISH RED CROSS SOCIETY
AND
THE CAYMAN ISLANDS RED CROSS, AN OVERSEAS BRANCH OF
THE BRITISH RED CROSS SOCIETY
ESTABLISHMENT AGREEMENT**

Dated the 10th day of July 2000.

BETWEEN

THE BRITISH RED CROSS SOCIETY incorporated by Royal Charter, registered charity number 220949 whose National Headquarters is at 9 Grosvenor Crescent, London, SW1X 7EJ ("the Society") (1) and THE CAYMAN ISLANDS RED CROSS, AN OVERSEAS BRANCH OF THE BRITISH RED CROSS SOCIETY established under the laws of the Cayman Islands ("the Branch") (2)

Background

- A. Under Article 5.21 of the Royal Charter the Society has the power to establish Overseas Branches as separate legal entities in accordance with the relevant local law and to enter into and terminate agreements with such organisations as the Board may think fit and to take such steps as may be necessary to terminate such arrangements.
- B. Under Article 2.11 of the Royal Charter "*Overseas Branches*" are defined as "the branches of the Society established by the Board of Trustees from time to time in British Dependent Territories. Such Overseas Branches may be established as separate legal entities in accordance with the relevant local law, but shall be part of the Society

for the purposes of the International Red Cross and Red Crescent Movement."

- C. The Branch is established under the laws of the Territory and has its own constitution dated the 17th day of January 2000.
- D. By a Resolution dated the 13th day of January 1998 the Board of Trustees of the Society resolved to recognise the Branch as the Society's Branch in the Territory in accordance with the Royal Charter and upon the terms of this Agreement for the purpose of promoting and furthering the Objects in the Territory.

NOW IT IS HEREBY agreed as follows:

1. Definitions

Except where the context otherwise requires in this Agreement:

- | | | |
|-----|--------------------------|--|
| 1.1 | “the Board” | means the Board of Trustees of the Society; |
| 1.2 | “the Branches” | means the Society’s Branches wherever they may be located; |
| 1.3 | “the Director” | means the International Director of the Society or the equivalent post for the time being; |
| 1.4 | “the Emblem” | means the Red Cross Emblem authorised by the Defence Council for use by the Society under the Geneva Conventions Act 1957; |
| 1.5 | “Fundamental Principles” | means the Fundamental Principles of the International Red Cross and Red Crescent Movement as set out in the Schedule to this Agreement and as may from time to time be varied by the International Conference of the Red Cross and Red Crescent and as promulgated by the Board; |
| 1.6 | “the Movement” | means the International Red Cross and Red Crescent Movement; |

- | | | |
|------|----------------------------|--|
| 1.7 | “the Names” | means The British Red Cross Society, or BRCS or the designation “Red Cross” or similar; |
| 1.8 | “the Objects” | means the objects of the Society set out in Article 4 of the Royal Charter; |
| 1.9 | “Royal Charter” | means the Supplemental Royal Charter of the Society dated 22 July 1997; |
| 1.10 | “Statutes of the Movement” | means the Statutes of the International Red Cross and Red Crescent Movement as adopted by the 25 th International Conference of the Red Cross in October 1986 and as may from time to time be varied by the International Conference of the Red Cross and Red Crescent; |
| 1.11 | “the Territory” | means the Cayman Islands. |

2. Authorisation

- 2.1 In consideration of the undertakings given by the Branch in this Agreement the Society hereby authorises the Branch to use the Names and Emblem in the Territory on the terms of this Agreement and subject to relevant local legislation. Provided that such use conforms to the relevant international and national legislation and the regulations governing the use of the Names and Emblem currently in force. In addition such use must not impose or create any liability on the Society.
- 2.2 For the avoidance of doubt, the authorisation shall not inhibit the right of the Society itself to use the Names and the Emblem and in such ways as it shall from time to time think fit subject to the relevant legislation and regulations whether in the Territory or beyond.
- 2.3 The Branch will at the request of the Society give full co-operation to the Society in any action, claim or proceedings brought or threatened in respect of the Names and the Emblem and will itself take such steps which are within its powers to protect the Names and the Emblem.

3. Obligations of the Branch

- 3.1 The Branch shall act at all times in accordance with the following:
 - 3.1.1. the Fundamental Principles;
 - 3.1.2. the Statutes of the Movement;
 - 3.1.3. decisions made from time to time by the statutory bodies of the Movement;
 - 3.1.4. the recognised practices of the Movement;
 - 3.1.5. such directions as to general policy as the Board of Trustees shall from time to time prescribe;
 - 3.1.6. the international policy of the Society as it is laid down from time to time;
 - 3.1.7. decisions made by the Director on behalf of the Board;
 - 3.1.8. all relevant national and international laws.
- 3.2 The Branch will not alter, add to or otherwise amend its Constitution without the prior written approval of the Board.
- 3.3 The Branch undertakes that it shall use its best endeavours to ensure full compliance with all legal requirements and full accountability to groups such as service users, members, volunteers, staff, donors and the general public.
- 3.4 The Branch undertakes that it will maintain adequate controls, policies and procedures to ensure that proper accounting records are kept.
- 3.5 The Branch, being responsible for safeguarding its assets, undertakes to take reasonable steps for the prevention and detection of fraud and other irregularities.
- 3.6 The Branch undertakes that it will not bring the Names or Emblem into disrepute in any way whatsoever.
- 3.7 The Branch undertakes that it will make use of the Names and Emblem only by such means as:-
 - 3.7.1. will not damage or conflict with the good name and reputation of the Society;
 - 3.7.2. will not give rise to reasonable objection by the Society;
 - 3.7.3. are consistent with and which further and promote the charitable purposes of the Society;
 - 3.7.4. are in conformity with the authorisation to use the Names and Emblem.

- 3.8 The Branch undertakes that it will not resource any member organisation of the Movement or any other organisation whatsoever without the prior written consent of the Director.
- 3.9 The Branch undertakes that it will use all reasonable endeavours to ensure that each member of its governing body has the following attributes:-
- 3.9.1. a commitment to the Fundamental Principles, the Society and its Objects, its values and its equal opportunities policy;
 - 3.9.2. an appreciation of the Movement;
 - 3.9.3. an appreciation of the Society's activities;
 - 3.9.4. a willingness to devote the necessary time and effort, including regular attendance at meetings of the Branch;
 - 3.9.5. integrity.
4. Rights of the Branch
- 4.1 As part of the Society the Branch shall have the right to approach the Director for advice or support on matters relating to the effective implementation of this Agreement and of its obligations hereunder.
- 4.2 The Branch shall have the right to approach the Director for advice or support in developing its activities.
- 4.3 The Branch shall also have the right to approach the Director for advice or support in developing its activities.
- 4.4 Members of the Branch shall be treated as Members of the Society and shall be entitled:-
- 4.4.1. to use the Society's uniforms and badges;
 - 4.4.2. to participate in the Society's awards.
5. Reporting
- 5.1 The Branch shall send to the Society by 1 January each year its approved plan and budget for that year. This will include details of projects and of the Branch's overall activities.
- 5.2 The Branch shall send to the Society within 3 months of the end of each financial year a copy of its annual report and financial statements. An

accountant's review of the financial statements shall be provided within 12 months of the year end.

- 5.3 The Branch shall in addition report regularly on operational matters to the Director, at intervals to be set by him who will have the right on behalf of the Society to provide guidance or to take whatever action may be reasonable in the circumstances, to help the Branch meets its obligations under Clause 3.

6. Relations

- 6.1 The Society shall be responsible for relations with the British Government in London; with other individuals or organisations in the United Kingdom; with other components of the Movement; and with Governments, individuals and organisations outside the Territory. However, the Society may permit the Branch to have direct contacts with components of the Movement or their representatives in the Territory or region; or the Society's own Branches or with other individuals or organisations outside the Territory, subject to specified parameters.

- 6.2 The Branch shall be responsible for relations with the Governor and other authorities of the Territory but will keep the Society informed of such contacts at regular intervals. The Society has the right to approach the Governor or other authorities in the Territory and in normal circumstances will advise the Branch of such communications.

7. Mediation

In the event of any disagreement or dispute between the Branch and the Society, the parties shall first endeavour to resolve it through discussion and mediation using, if appropriate, the offices of a mediator in accordance with appropriate procedures established by a body recognised for its role in facilitating mediation such as the Centre for Dispute Resolution in London.

8. Interim Measures

In the event of breach of this Agreement or of a continuing disagreement the Board may serve notice in writing taking one or more of the following actions:-

- 8.1 Request an explanation within a specific time period;

- 8.2 Suspend the operation of Clauses 2 and/or 4 of this Agreement;
- 8.3 Require any or all members of the governing body of the Branch to resign and that any new members be appointed with the Board's prior written approval;
- 8.4 Require that the management of the Branch should be temporarily transferred to the Director;
- 8.5 Any other lawful measures which are reasonable in the circumstances.
- 9. Termination
 - 9.1 The following breaches are fundamental and shall entitle the Society forthwith to terminate this Agreement:
 - 9.1.1. failure on the part of the Branch to perform any of its obligations under this Agreement;
 - 9.1.2. the voluntary or compulsory liquidation of the Branch.
 - 9.2 This Agreement may be terminated by the Society on not less than 3 months' notice in writing to expire at any time.
 - 9.3 This Agreement may be terminated by the Branch on not less than 6 months' notice in writing to expire at any time.
 - 9.4 Such termination shall be without prejudice to any right or remedy of either party against the other subsisting at the time of termination.
 - 9.5 In the event of termination the Branch shall cease to use the Names and Emblem; its members shall cease to be members of the Society and the Branch shall cease to be part of the Movement. In these circumstances the Society shall have the right to make such arrangements for carrying out the work of the Society in the Territory as the Society shall think fit.
- 10. Miscellaneous
 - 10.1 This Agreement shall be governed by the laws of England and Wales and subject to Clause 7 the parties hereto submit to the exclusive jurisdiction of the courts of England and Wales.
 - 10.2 The parties are not partners or joint venturers nor is the Branch entitled to act as the agent of the Society nor shall the Society be liable in respect

of any representation, act or omission of the Branch of whatsoever nature.

- 10.3 This Agreement may be amended by written agreement between the parties. For the purposes of the Branch, this will take the form of a special resolution of the members of the Branch which is a resolution that has been passed by two thirds of the members of the Branch present and voting at a duly convened meeting of the members of the Branch of which 21 clear days' notice was given (i.e. exclusive of the date upon which the notice was despatched and date of the meeting). The said resolution, duly certified by an officer of the Branch, must be sent in writing to the Director. The Director will consult relevant colleagues as soon as possible (keeping the Branch informed of progress) until a decision has been made and, if appropriate, a document amending the Agreement has been signed.
- 10.4 Any notice to be served on either of the parties by the other shall be sent by registered post or by facsimile transmission or by e-mail to the address stated above or to the recipient's usual fax or e-mail address and should be deemed to have been received by the addressee by registered post within business hours within seven working days of posting or within 24 hours if sent by facsimile or e-mail transmission to the correct number (with correct answer-back of the addressee in the case of fax).

Passed by the Legislative Assembly the day of , 2018.

Speaker.

Clerk of the Legislative Assembly.