

Chartered
Insurance
Institute

Standards. Professionalism. Trust.

Notice of Annual General Meeting 2019

To all members of The Chartered Insurance Institute: Notice is hereby given that the Annual General Meeting of The Chartered Insurance Institute, will be held at 11:30 am (UK time) on Wednesday, 26 June 2019 at The Principal York, Station Road, York YO24 1AA, United Kingdom.

Ordinary Business of the Annual General Meeting as prescribed in the Bye-laws (Bye-law 48):

- a. To receive and consider the Annual Report and Accounts for the year ended 31 December 2018.
- b. To announce the results of the election of members to the Representative Council and any appointments to the Board - *no appointments since the last Annual General Meeting.*
- c. To report on the election of Fellows and Associates.
- d. To elect the President for the relevant forthcoming year and Deputy President namely:
 - (i) President: Nick Turner, APFS
 - (ii) Deputy President: Julie Page ACII, Chartered Insurance Practitioner
- e. (i) To approve the proposed reappointments of Vice Presidents:
 - (1) Clair Brand ACII, Chartered Insurance Practitioner
 - (2) Grant Scott ACII, Chartered Insurance Broker
 - (3) Helen Wilcox Dip CII
- e. (ii) To approve the appointments made by the Board to the Board since the conclusion of the last Annual General Meeting:
 - (1) Roger Sanders OBE, CertPFS
- f. To reappoint BDO LLP as Auditors for the year ending 31 December 2019 and fix their remuneration as the Board thinks fit.
- g. To decide the rate or rates of annual ordinary grant contributions to Local Institutes. See Appendix A overleaf.

Special Business of the Annual General Meeting as prescribed in the Bye-laws (Bye-laws 49 and 51):

- h. Subject to such changes as the Privy Council may require and which are agreed by the Board:
 - (i) To amend the Bye-laws of the Institute in accordance with Table 1 (General Amendments and Clarifications) provided on the Institute's website;
 - (ii) To amend the Bye-laws of the Institute in accordance with Table 2 (Modernising the Board) provided on the Institute's website;
 - (iii) To amend the Bye-laws of the Institute in accordance with Table 3 (Modernising General Meetings) provided on the Institute's website;
 - (iv) To amend the Bye-laws of the Institute in accordance with Table 4 (Rationalising Associated and Affiliated Institutes) provided on the Institute's website;
 - (v) To amend the Bye-laws of the Institute in accordance with Table 5 (Introduction of Chartered Insurance Underwriting Agent) provided on the Institute's website;
 - (vi) To amend the Bye-laws of the Institute in accordance with Table 6 (Qualifications for Fellows and Associates) provided on the Institute's website.
- i. To receive a report from the Chief Executive.

Agreed by the CII Board
S Fisher ACII, Chartered Insurance Practitioner
CII Chief Executive Officer
02 April 2019

The Chartered Insurance Institute Financial Statements

Copies of the consolidated financial statements of The Chartered Insurance Institute Group, incorporating the group entities below, and of the individual financial statements of those entities (where applicable) will be available for inspection at the Annual General Meeting.

- (a) The Education and Training Trust of the CII
- (b) CII Enterprises Ltd
- (c) The Personal Finance Society
- (d) The Society of Financial Advisers - Dormant
- (e) Chartered Insurance Institute Hong Kong Ltd - registered in Hong Kong
- (f) Chartered Institute of Insurance & Financial Services Private Ltd* - registered in India
- (g) Chartered Insurance Ins DMCC* - registered in Dubai

(*NB: The financial statements of the Chartered Institute of Insurance & Financial Services Private Ltd, registered in India are also consolidated but will not be available at the meeting.

The first accounts of Chartered Insurance Ins DMCC, registered in Dubai to be drawn up to 31 December 2019 therefore no individual accounts to be presented for this entity, however, activities from its incorporation date of 25 September 2018 to 31 December 2018 are included in the group's consolidated accounts).

An abstract of the 2018 accounts is included in this notice and is subject to rounding. The information shown is extracted from the audited accounts but does not constitute a full set of accounts and so in particular does not include the audit opinion or the accompanying notes. Complete details are available in the full accounts on the CII website, a copy of which will be available on request from the Corporate Governance Team, at The Chartered Insurance Institute, 1st Floor, 21 Lombard Street, London, EC3V 9AH, contact Bola Bello on **+44 (0)20 7417 4436** or email **bola.bello@cii.co.uk**.

Members attending and wishing to vote at the AGM **may be requested to produce their CII membership card** in order to do so.

Members wishing to vote by proxy can do so by filling out the proxy form which is available from the website or may otherwise be requested from Bola Bello on **+44 (0)20 7417 4436** or by email from the address below. This should be received by us no later than 11:30am on Monday, 24 June 2019. Proxies may be forwarded by post to the address above or by scanned email to **bola.bello@cii.co.uk**

Alternatively, all members with registered active email addresses will receive an email from **onlinevoting@electoralreform.co.uk** with instructions on how to vote online (a vote online will technically also be treated as a vote by proxy). If you have not received this email by 13 May 2019, you can email **onlinevoting@electoralreform.co.uk** or call **+44 (0)20 8889 9203** to arrange for this email to be re-sent. Voting takes place at **ersvotes.com/ciiagm2019**

Please note that members are only entitled to vote once. Where an individual votes online and submits a hard copy proxy form, only the online vote will be counted. If an individual attends and votes at the meeting, any previous votes will not be counted.

The biographies of the Board members and Vice Presidents subject to appointment or reappointment will be available on the CII website, together with the full Agenda for the AGM, the Institute's current Charter and Bye-laws and the proposed new Charter and Bye-laws. Alternatively, they may be obtained from the above CII's postal address or by emailing **bola.bello@cii.co.uk**.

The CII may be able to provide assistance for you, to enable you to participate at the AGM, if you have a disability. If you wish to discuss accessibility or require documents in a larger font, please contact Bola Bello on **+44 (0)20 7417 4436** or email **bola.bello@cii.co.uk**

The Chartered Insurance Institute Financial Statements

	2018 £m	2017 £m
Income:		
Membership services and subscriptions	18.6	18.3
Qualifications	13.4	12.5
Educational activities	11.1	11.3
Other activities	0.1	0.1
	<hr/> 43.2	<hr/> 42.2
Expenditure:		
Membership services and support	13.2	13.7
Qualifications and learning	14.9	16.5
Central services	15.3	11.6
	<hr/> 43.4	<hr/> 41.8
Non operating income and costs	1.3	0.1
	<hr/> 1.1	<hr/> 0.5
Surplus before taxation		
Taxation (charge)	(0.1)	(0.2)
	<hr/> 1.0	<hr/> 0.3
Net surplus		
	<hr/> <hr/>	<hr/> <hr/>
 Summary consolidated sheet		
	2018 £m	2017 £m
Fixed assets	2.0	21.7
Current assets:		
Stocks and debtors	6.4	6.1
Cash and short term deposits	44.8	25.4
Creditors	(15.6)	(13.4)
Total assets less current liabilities	<hr/> 37.6	<hr/> 39.8
Accumulated Funds:		
General	33.4	35.4
Charitable	4.2	4.4
Total Funds:	<hr/> 37.6	<hr/> 39.8
	<hr/> <hr/>	<hr/> <hr/>

Appendix A

Refers to agenda item g - To decide the rate or rates of annual contribution to Local Institutes.

The essence of the motion is that the ordinary grants to Local Institutes will total up to 14% of the aggregate subscriptions for Local Institutes' membership and will be allotted to each institute through measurement against an agreed set of performance criteria. No Local Institute will receive a grant of less than £1,000. At the Board's discretion, a Special Grant may be granted to Local Institutes, upon application, for special requirements, provided payment of a Special Grant is justified by a budget produced by the Local Institute and furthers the objects of the CII. Any grants paid are subject to such payments not increasing the reasonable working capital of that Institute.

Appendix B

Refers to agenda item h. (i) to h. (vi) - To approve changes to The Chartered Insurance Institute's Bye-laws.

A number of changes to the existing Bye-laws are proposed. These changes have been grouped into six main themes and members can vote on each one of these themes. A document which sets out every proposed amendment has been provided on our website and includes six tables. There is a table for each of the themes and all the amendments relating to the theme are set out in the relevant table.

A summary of the six themes for change is set out below. The tables setting out each of the amendments, can be found, along with more information about the changes to the Bye-laws, at cii.co.uk/about-us/governance/modernising-the-cii/

1. General amendments and clarifications (see Table 1)

These amendments relate to drafting improvements to the Bye-laws. The changes will provide greater clarity, particularly around the definitions provided, and update any out of date terminology

2. Modernising the Board (see Table 2)

The amendments set out in this table will facilitate the proposed changes set out below:

The appointment of an Independent Chair of the Board

Introducing an independent Chair of the Board rather than the President continuing to act as Chair, will enable Presidents to focus on their ambassadorial role. The Independent Chair will be appointed for a maximum of six years. This will ensure greater consistency and will allow the CII CEO, Company Secretary and Executive Management Team to work with the Chair on a long-term basis to ensure the Board can drive strategy, ensure compliance with relevant regulations and governance practice and progress the CII's public trust agenda effectively.

The Chair can be a member of the CII. However, in line with the recommendations in the UK Corporate Governance Code, their independence is defined as "someone who (except where previously appointed as Independent Chair) has not had in the last three years, a material business relationship with the Institute, either directly or indirectly as partner, director or senior employee of a body that has (or had) such a relationship with the Institute".

The Immediate Past President will no longer sit on the Board but will transfer to the Past Presidents alumni group which meets with the Executive Management Team.

The Chairs of the four Board Committees will be full Board Members

Audit and Risk Committee (ARC), Education and Learning Committee (ELC), Nominations and Remuneration Committee (NRC) and Professional Standards Committee (PSC) are the four Board Committees.

The current Board composition requires two Board Members to be lay (meaning not members of the CII and from outside of the profession). This requirement will not change and the Chairs of PSC and ELC will continue to be lay.

Four engagement member roles will be appointed to the Board and replace the existing constituency elected roles

These engagement roles will be open to any CII member who has current experience of member engagement (i.e. Local Institute (LI) Council members, members of Personal Finance Society regions, members of the international market advisory groups etc).

The requirements for the new role will be assessed by the NRC each time a vacancy arises. Vacancies will be widely advertised to members, including notification being provided to the new Local Institute National Forum (LINF).

6 Notes to the notice of the annual general meeting (AGM)

The NRC will oversee the application and selection process to ensure compliance with the principles set out in the UK Corporate Governance Code, which include having a “formal, rigorous and transparent” procedure based on merit and objective criteria, which promotes diversity.

The existing constituency members on the Board will attend the NRC meetings when the roles are discussed and two of these members will sit on the selection panel, which will shortlist and interview applicants for the role.

Mechanisms will be developed to ensure that the member roles can engage with all members. All members will be invited to attend a bi-annual webinar/question and answer session with the engagement Board Members.

The engagement member roles will be required to attend the Local Institute Network Conference and LINF meetings.

The CII Vice President for Local Institutes will be invited to attend all Board meetings. Two Board meetings per annum will have specific agenda items for them to discuss LI issues.

A member of LINF will also be invited to sit on each of the Board Committees.

3. Modernising general meetings (including the AGM) (see Table 3)

Introduce electronic attendance and participation

For the CII to deliver its modern, relevant and diverse vision, we need to give all members the opportunity to participate in our General Meetings. Last year the CII introduced electronic voting to make voting at our AGMs more accessible, but we would like to take this a step further. Last year’s voting figures were 17 times higher than the previous paper-based best totalling over 6,000 votes received. By changing our Bye-laws, we can enable members, to receive voting papers electronically and attend the meeting electronically so that all our members can participate wherever they are in the world. If this section of the Bye-laws is approved by the members and Privy Council, we are looking to introduce a hybrid AGM next year where all our members will be able to attend and ask questions both in person and electronically.

More inclusive quorum

We realised that the current quorum for General Meetings, which is 35 people from 15 Local Institutes, is not an encouraging or inclusive message to be giving our wider membership especially those based internationally. By widening the scope of the AGM to encourage all members to attend electronically, we do not want to give the impression that the AGM is an event focused only on Local Institute members which is currently implied. We are not looking to change the number of people that are required by the quorum but to make it more inclusive. We are, therefore, proposing to change the quorum to 35 people from any area of the membership and also to allow members to attend and vote electronically. CII staff are not counted for the purposes of the quorum.

Introduce a filter for Member motions

In line with the Bye-laws of other Chartered Institutes (e.g. CIPFA), we are also looking to make a change around member motions at AGMs. Motions are not to be confused with questions which can be asked by any member without restriction at our General Meetings. There will be more opportunity in future as those attending electronically can submit questions in real time.

Members currently have the opportunity to raise motions at the AGM which are opened up to the membership to vote on – provided they give 90 days-notice. Under the current rules, a member can raise any motion. Whilst we want to ensure that members still have the opportunity to raise genuine motions, at the present we are a hostage to fortune. For example, if a member wanted to raise a motion for all members to wear red socks, we would have to put this motion to you. Not only would this waste everyone’s time but it could be potentially damaging to the CII’s reputation as a credible professional body. The changes to the Bye-laws enable the Board to act as a filter to member motions. However, we also want to ensure that genuine motions are not curtailed by the Board, so a safeguard has been built in which says, that approval of a member motion cannot be unreasonably withheld. If the Board do not approve a motion they will provide an explanation.

None of this prevents members attending the AGM from asking any questions they like or challenging the panel on matters on the day.

Vice Presidents to be qualified CII members

Vice Presidents are voted for by the membership at AGMs.

At present, Vice Presidents can come from any background. However, we are aware that there is a widely held membership view, that Vice Presidents should be qualified members of the CII due to the ambassadorial nature of their role. We are therefore proposing that it is hard wired into the Bye-laws going forwards, that all Vice Presidents will need to be qualified CII members.

4. Rationalising associated and affiliated institutes (see Table 4)

At present we have two categories of overseas institutes in our Bye-laws. These are not to be confused with Local Institutes which are in the UK, Isle of Man and the Channel Islands. These two categories are Affiliated Institutes and Associated Institutes and the main difference between them is that Associated Institutes are in the European Union whereas Affiliated Institutes are from the rest of the world. We are proposing to retain the category of Affiliated Institutes, as there are far more of them, and to remove the category of Associated Institutes meaning that all Associated Institutes will automatically become Affiliated Institutes.

Connected to this is a current requirement in the Bye-laws for General Meetings to approve new Affiliated and Associated Institutes and to approve the withdrawal of old ones. We have recently appointed an International Director, and part of his role will be to work with existing insurance institutes in other parts of the world. For the CII to have a proactive international strategy, we need to be able to move quickly rather than waiting for an annual meeting to make any changes. For this reason, we are suggesting that the approval and withdrawal of Affiliated Institutes becomes a matter for the CII Board, as is the case for the Local Institutes of the CII.

5. Introduction of new Chartered title - Chartered Insurance Underwriting Agent (see Table 5)

We have recognised that there is a significant community within our membership who do not align to the Chartered titles which are currently available to institute members. To prevent confusion for consumers, we are looking to introduce the Chartered Insurance Underwriting Agent for the Managing General Agents amongst our membership. Privy Council have confirmed that they have no objection to this proposal.

6. Rationalising requirements for fellowship and associateship (see Table 6)

As a professional body, we are proposing to update the CII Fellowship and Associateship eligibility criteria to better reflect that written examinations are by no means the only method by which contemporary awarding organisations assess knowledge and skills. The new wording has been extended to include 'assessments' and 'submissions' to reflect the type of assessments our students are expected to complete.

We also want to clarify the difference between our qualifications, such as Advanced Diploma, and our designations – Chartered and Fellowship. We propose to discontinue the two-year experience requirement for our qualifications but retain the need to have experience for our designations. These are public badges not just of academic achievement but of experience and professionalism.




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