

CHELMSFORD DIOCESAN BOARD OF FINANCE

Title: **AMENDMENT TO ARTICLES OF ASSOCIATION**

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1. INTRODUCTION

The DBF AGM is asked to consider the following Special Resolution to amend the company's Articles of Association.

2. BACKGROUND

The Memorandum and Articles of Association are the governing document for the CDBF. The proposed changes set out below are modest in nature and are intended to a) reduce the notice period for DBF meetings to the statutory minimum to support the proposed change of Standing Orders, and b) permit the Directors/Trustees to determine those persons authorised to use the Company Seal rather than have specific roles prescribed within the Articles. More detail is given on the following page.

Amendment to the Articles requires a Special Resolution which must receive 75% majority to pass.

It should be noted that the Trustees are considering and taking advice on a more fundamental revision to the Articles. If taken forward, proposals will be brought to a future meeting. For now these two minor changes are recommended.

3. SPECIAL RESOLUTION

'THAT the Articles of Association of the Company be altered as follows with effect from 1 July 2018:-

1. By deleting the words "twenty one" and substituting the word "fourteen" in Article 12, and
2. By deleting the current wording of Article 50 and substituting the words "The Common Seal must only be used by the authority of the Finance Committee or of a sub-committee of Directors authorised by the Finance Committee. The Finance Committee may determine who shall sign any instrument to which the Common Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary (if any) or by a second Director."

Proposed Changes and Explanatory Notes

Article	From	To	Rationale
12 Notice of General Meetings	any meeting shall be called by twenty one days' notice at the least	any meeting shall be called by <u>fourteen</u> days' notice at the least	This reduces the notice period to the statutory minimum, in line with the intent of the parallel changes to Standing Orders. The purpose is to give more flexibility over the timing of Synod / DBF meetings within the year, as described in the Standing Orders paper.
50 Use of the Company Seal	The Common Seal of the Board shall always be deposited at the Office, and shall never be used except by the authority of the Board previously given, either with reference to a particular instrument or generally, and then only in the presence of an authorised officer of the Board, who shall sign every instrument to which the seal is affixed. No person dealing with the Board shall be bound or concerned to see or enquire as to the authority under which or in whose presence any instrument is sealed. For the purposes of this Article an "authorised officer" shall mean: The Secretary to the Board/Chief Executive The Accountant to the Board/Chief Accountant or The Diocesan Surveyor/Head of Property	<u>The Common Seal must only be used by the authority of the Finance Committee or of a sub-committee of Directors authorised by the Finance Committee. The Finance Committee may determine who shall sign any instrument to which the Common Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary (if any) or by a second Director.</u>	This article governs the use of the Company Seal, which is used to execute Deeds and other documents in lieu of signatures by Directors. The current wording relates to specific job titles and does not for example permit, the Director of Finance or the Director of Development and Property to execute documents. The proposed wording allows the Directors/Trustees to determine the authorised signatories.