

HEREFORD DIOCESAN BOARD OF FINANCE LIMITED
MEMORANDUM OF ASSOCIATION

COMPANY NO. 144467

(Adopted by Special Resolution passed on 11 October 2018
and Amended by Special Resolution passed on 3 June 2020)



- 1 The name of the Company is "THE HEREFORD DIOCESAN BOARD OF FINANCE LIMITED" (hereinafter called "the HDBF")
- 2 The Registered Office of the HDBF is situated in England
- 3 The Objects of the HDBF are -
 - 3.1 To promote, aid, and further the religious and other charitable work, of the Church of England (hereafter called "the Church") in the Diocese of Hereford (whatever for the time being shall be the area of the Diocese called the Diocese of Hereford, or called by any name which shall hereafter be substituted for the present name of the Diocese, and which area is hereafter referred to as "the Diocese"), but at the discretion of the trustees elsewhere in the world including through:
 - i. Supporting financially or otherwise training for ministry, clerical and lay
 - ii. The maintenance and support of clergy and other persons connected with ministry or the work of the Church
 - iii. the provision of pensions for ministers, teachers and workers of the Church, and of persons who have previously held any such position, and dependents of them or any of them and the oversight of such dependents in accordance with and subject to the Clergy Pensions Measure 1961
- 4 The HDBF has power to do anything which is calculated to further its Object(s) or is conducive or incidental to doing so in particular, the company has power:
 - 4.1 to perform work and transact business in connection with the Church,
 - 4.2 to organise and provide funds in aid of the said objects
 - 4.3 The purchase or acquisition by gift or otherwise of sites for and the erection of churches, mission rooms, church halls, parsonage houses, hostels, clergy houses, schools, colleges, and other buildings and the equipment, maintenance, repair, enlargement, restoration, alteration, and insurance thereof or of any buildings used or to be used for the purposes of or in connection with any of the charitable objects or work of the Church;
 - 4.4 The purchase or acquisition of real or personal property, and lending a sum or sums of money on personal or other security to any persons for the purchase of sites for the erection of such buildings as last mentioned, and purchase or acquisition of land for providing churchyards and burial grounds or additions thereto
 - 4.5 The purchase or acquisition of real and personal property of any nature, by lawful means and holding the same and the income thereof and the proceeds of sales and mortgages thereof, in, for or towards the benefit of all or any of the societies, institutions, trusts, organisations and charities now existing, or hereafter to exist in connection with the Church in the Diocese, whether confined entirely to the Diocese or not
 - 4.6 To support and promote education and religious education in all its branches, including the maintenance and inspection of religious education in churches, schools, colleges and universities

- 4.7 Provision for expenses such as may from time to time be expedient for the better carrying forward of the work of the Church whether confined entirely to the Diocese or not
- 4.8 To make grants or donations or annual payments to the General Synod or to the Archbishops' Council or to any association or body having any objects in connection with the Church similar to any of those of the HDBF, and whether in the Diocese of Hereford or elsewhere within England and Wales
- 4.9 So far as it may lawfully do so to take over, accept, and carry on any property (subject to any trusts affecting the same) and liabilities for any purpose connected with the Church, and so that the HDBF may act either as original trustee or as new trustee of a trust already existing, and so that in relation to any trust (other than a bare or custodian trust) the HDBF may undertake and exercise all such powers and discretions, either as to the management or administration or otherwise of the party, subject to any trusts relating thereto, and so that in relation to any bare or custodian trust the HDBF may act without undertaking the management or administration of the property, and also that in relation to any of the trusts hereinbefore referred to the HDBF may act alone or Jointly with any other persons or body, and also may (subject to the provisions of any trust taken over or accepted as aforesaid) delegate any of its powers of management and administration to local trustees or a local or other committee or otherwise as may be deemed most beneficial to the trust
- 4.10 To co-operate with and assist, whether financially or otherwise, any association or society, trust or charity existing in connection with the work of the Church in the Diocese or elsewhere, and to appoint persons, whether Members or not, to serve on the committee or managing body of any such association or society, trust or charity, and also managers, trustees, treasurers, Inspectors, examiners, local administrators and other officials of any institution, whether the same shall be held by or managed by the HDBF or not, and to make grants or donations or loans or annual payments to any such association or society, trust or charity
- 4.11 To act as executor of any will and as trustee of any will or other instrument under or in relation to which the HDBF is a beneficiary, and to nominate persons to act as trustees for the HDBF in respect of any of its purposes, and to appoint and employ agents and persons in any capacity for the furtherance of any of the objects of the HDBF
- 4.12 To raise funds for the purposes of the HDBF, and to deal with the extent, the proportions to and in which contributions should or ought to be made by different areas or parishes in the Diocese
- 4.13 To sell, mortgage, charge, lease, exchange, partition, or otherwise deal with any property of or held by the HDBF and to appropriate or distribute the same for the purposes hereof. In exercising this power, the HDBF must comply as appropriate with Part 7 of the Charities Act 2011.
- 4.14 To invest any moneys of the HDBF, whether capital or income, in or upon any investment or security, and exercise any powers incidental to any such investment or security, or to place the same on deposit with any bank or elsewhere for such period of time as the HDBF may think proper and to manage

and, if thought desirable, accumulate the income of any property of the HDBF, and to apply the property of every kind of the HDBF, or held by them, whether capital or income, in or towards any of the purposes of the HDBF including any particular purposes for which the income of such property may be used and applied, subject, nevertheless, to any trusts affecting the same, provided always that moneys subject or representing property subject to the jurisdiction of the Charity Commissioners for England and Wales shall only be invested in such securities and with such sanction (if any) as may for the time being be prescribed by law and in accord with any ethical considerations.

- 4.15 To raise and borrow any moneys required for the purposes of the HDBF on such terms and on such security (if any) as may be determined, and to act as guarantors in respect to the raising of money for the furtherance of any of the objects of the HDBF.
- 4.16 To solicit, collect, and receive moneys and property for any of the purposes of the HDBF or for any province, diocese or branch of the Anglican Communion and whether within or beyond the borders of England and Wales, or for any mission, church, or body of Christians in communion therewith (or in such partnership as may be approved by the Synod) in any part of the world, and to issue appeals for financial assistance, and to collect, publish, and circulate statistics and other information and to print and publish leaflets or other matter that the HDBF thinks desirable for the furtherance of its objects, and to hold the copyright of any such leaflets or other matter.
- 4.17 To pay out of the funds of the HDBF all expenses of or incidental to the formation and management of the HDBF, or of administering any special trust or of otherwise carrying out any of the objects herein specified, including the payment of stipends, expenses, housing provision, housing costs and rates, salaries, pensions, or emoluments of persons employed.
- 4.18 To promote or oppose legislative and other measures of the Church affecting or likely to affect any of the objects or work of the HDBF or anybody of persons the aid or benefit of which is within the objects of the HDBF.
- 4.19 To contribute or bear the expenses of any proceeding in any court or tribunal and whether in prosecuting or defending the same, for the protection of any property or rights of the Church within the Diocese or any way affecting the same.
- 4.20 In the event of a partition or alteration of the boundaries of the Diocese to appropriate such parts as the HDBF shall think fit of the property held for the general purposes of the HDBF to similar purposes within the area by such partition or alteration separated from the Diocese, and to make over such appropriated part to the appropriate body of the appropriating Diocese in which such area is comprised, or deal with the same as such HDBF may direct, and to declare the trusts of the property so made over being trusts of a similar nature to those applicable under these presents and in the alternative to accept or receive from such other diocese similar or other appropriations.
- 4.21 To bear and pay any legal expenses incurred in connection with the projects or work of the HDBF, and to pay all expenses which the HDBF may consider to be

Incidental to or reasonable in connection with the work of the HDBF or its meetings, or for the protection or advantage of the Diocese or the Bishop or the Members including the provision of trustees' indemnity insurance pursuant to but subject to the conditions contained in the Charities Acts.

- 4.22 To exercise such further powers in relation to the objects of the HDBF as Synod may think necessary or expedient in view of the requirements of the Church in the Diocese.
- 4.23 To further the work of the Church by the exercise of functions under the Endowments and Glebe Measure 1976.
- 4.24 to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them.
- 4.25 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects.
- 4.26 to acquire, merge with or to enter into any partnership or joint venture arrangement with any other company for any of the charitable purposes included in the Objects.
- 4.26 to employ and remunerate such staff as are necessary for carrying out the work of the HDBF.
- 4.27 The company may employ or remunerate a director only to the extent it is permitted to do so by Article 5 and provided it complies with the conditions in that Article.
- 4.28 To do all such other lawful things as are incidental, ancillary or conducive to the attainment of the above objects.

Provided that in case the HDBF shall take or hold any property which may be subject to any trusts the HDBF shall only deal with the same in such manner as allowed by law having regard to such trusts that in the exercise of its powers it shall have regard to any matters of policy as may from time to time be given to it by Synod

Provided also that notwithstanding anything contained in the foregoing object and powers or any of them neither the property of the HDBF nor the income thereof nor any part of such property or income shall in any circumstances be applied to or for any subject or purpose which is not in compliance with the Charities Act and the foregoing powers are modified and limited accordingly

5. 5. Application of income and property

The income and property of the HDBF from wherever it is derived shall be applied solely towards the promotion of the objects of the HDBF as set forth in this Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit to the Members or Directors or to any of them

Provided that -

- 5.1 nothing herein contained shall prevent the payment in good faith of (A) reasonable and proper remuneration to any officer or servant of the HDBF (not

being a director); or (B) the payment to any person (whether a member or a director) who is covered by the common tenure provisions or is otherwise holding a stipendiary office in the Diocese (or is declared by the Bishop to be engaged in the cure of souls in the Diocese) of that stipend or payment; or (C) to any member or director of the HDBF in return for any services actually rendered to the HDBF; or (D) OF the payment of interest at a reasonable rate on money lent or reasonable and proper rent for premises demised or let by any member or director to the HDBF,

- 5.2 no director shall be appointed to any salaried office of the HDBF or any office of the HDBF paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the HDBF to any director except repayment of out-of-pocket expenses as provided by paragraph 5.6 or 5.9.3.
- 5.3 if any Member or director has any pecuniary interest, direct or indirect, in any proposal laid before the HDBF or such committees or bodies or other matter relative thereto and is present at a meeting of the HDBF or the directors at which the proposal or other matter relative thereto is the subject of consideration, he shall at the meeting, as soon as practicable after the commencement thereof, disclose the fact, and shall not take part or be present in the consideration or discussion of, or vote on any question with respect to the proposal or other matter relative thereto,
- 5.4 nothing herein contained shall prevent the clerical members of the HDBF from being present, from taking part in any discussion or from voting on the payment or provision made in good faith of grants, stipends, pensions and benefits by way of maintenance or otherwise in accordance with these provisions, to or for the benefit of any class of Clergy of the Church of England which includes or may include members of the HDBF or the Bishop's Council,
- 5.5 the provisions herein before contained shall not apply to any payment to any company of which a director may be a member, and in which such director shall not hold more than 1% of the issued capital, and such director shall not be bound to account for any share of profits he may receive in respect of any such payment
- 5.6 A director is entitled to be reimbursed from the property of the HDBF or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the company
- 5.7 A director may benefit from trustee indemnity insurance cover purchased at the HDBF's expense in accordance with, and subject to the conditions in section 189 Charities Act 2011
- 5.8 A director may receive an indemnity from the HDBF in the circumstances specified in Article 108
- 5.9 No director or connected person may
 - 5.9.1 buy any goods or services from the HDBF on terms preferential to those applicable to members of the public or,
 - 5.9.2 sell goods, services (except in accordance with the provisions of the Charities Act 2011), or any interest in land to the HDBF or,

5.9.3 Subject to 5.1, be employed by, or receive any remuneration, or receive any other financial benefit from the HDBF, unless

(a) a director or connected person receives such benefit from the HDBF in the capacity of a beneficiary of the charity provided that a majority of the directors do not benefit in this way or

(b) the directors obtain the prior written approval of the Commission and fully comply with any procedures it prescribes

6 The Liability of the Members is Limited

7 Every Member of the HDBF undertakes to contribute to the assets of the HDBF in the event of the same being wound up while he or she is a Member, or within one year after he or she ceases to be a Member, for payment of the debts and liabilities of the HDBF contracted before he or she ceases to be a Member, and of the costs, charges, and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding One Pound

8 If upon the winding up or dissolution of the HDBF there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the HDBF, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the HDBF, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the HDBF under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the Members of the HDBF at or before the time of dissolution, or in default thereof by a Judge of the High Court of Justice having Jurisdiction in regard to Charitable funds, and of and so far as effect cannot be given to the afore said provision then to some charitable object in connection with the Church of England.

9 True accounts shall be kept of the sums of money received and expended by the HDBF and the matters in respect of which such receipts and expenditure take place, and of the property, assets, and liabilities of the HDBF, and subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with any regulations of the HDBF for the time being, such accounts shall be open to the inspection of the Members Once at least on every year the accounts of the HDBF shall be audited and the correctness of the balance sheet ascertained by one or more properly qualified auditor or auditors

ARTICLES OF ASSOCIATION

OF

THE HEREFORD DIOCESAN BOARD OF

FINANCE LIMITED

COMPANY NO. 144467

(Adopted by Special Resolution passed on 11 October 2018)

1 INTERPRETATION

1.1 In the Memorandum and in these Articles

"AGM"	means an annual general meeting of the HDBF
"address"	means a postal address or, for the purposes of electronic communication, a fax number or an email address in each case registered with the HDBF
"Articles"	means these articles of association
"the Bishop"	means the Bishop for the time being of the Diocese
"the Bishop's Council"	means the Bishop's Council and Standing Committee required to be provided by Synod pursuant to the Synodical Government Measure
"Chair"	means the chair of the HDBF
"Charities Acts"	means the Charities Act 2011 (as amended)
"Church Representation Rules"	means the rules made pursuant to the Synodical Government Measure
"Clear Day"	means 24 hours from midnight following the relevant event
"the Commission"	means the Charity Commission for England and Wales
"Committees"	Means standing committees or Committees for special or temporary purposes but excludes any committees established pursuant to an Act or Measure or constituted by Synod and any reference in these Articles to "committees" shall include Committees
"the Companies Act"	means the Companies Act 2006 "Companies House" means the office of the Registrar of Companies"
"Diocese"	means the Diocese of Hereford for the time being of the Church of England
"Directors"	means the trustees of the charity
"EGM"	means an extraordinary general meeting of the HDBF
"General Meeting"	means an AGM or an EGM
"HDBF"	means The Hereford Diocesan Board of Finance Limited being the company governed by these Articles
"Meeting"	Includes, except inconsistent with any legal obligation or with any provision of the Articles: - (a) a physical meeting; (b) a video conference, an internet video facility or similar electronic method allowing simultaneous visual and audio participation, and (c) telephone conferencing

"Member" and "Membership"	refer to membership of the HDBF
"Memorandum"	means the HDBF's Memorandum of Association
"Month"	means calendar month
"the Office"	means the registered office from time to time of the HDBF
"Secretary"	means the Secretary for the time being of the HDBF and any temporary substitute for him or her, whether honorary or not. The power to appoint a temporary substitute shall lie with the Secretary
"Synod"	means the Diocesan Synod of the Diocese of Hereford unless otherwise specified
"Vice-Chair"	means the vice-chair of the HDBF
"Votes"	includes votes cast in electronic form
"Year"	means the period from January to 31 December
"legislation"	means legislation made or caused to be made by the General Synod of the Church of England

- 1.2 Expressions defined in the Companies Act and the Charities Acts have the same meaning in the Articles
- 1.3 References to an Act or Measure are to the Act of Parliament or Measure of the Church of England as amended or reenacted from time to time and to any subordinate legislation made under it
- 1.4 The headings and guidance notes in these Articles are for convenience only and shall not affect its interpretation
- 1.5 In the case of conflict the Articles take precedence over Standing Orders of the Synod

2 MEMBERS

- 2.1 Members shall be such persons as may be admitted to Membership under these Articles
- 2.2 The HDBF must maintain a register of Members
- 2.3 The Members of the HDBF shall be those persons who are ex officio nominated co-opted and elected members of the Synod pursuant to the Synodical Government Measure or any other Measure of the Church of England
- 2.4 The number of Members must not exceed two hundred
- 2.5 Membership is terminated if the Member concerned -
 - 2.5.1 gives written notice of resignation to the Secretary at the Office,
 - 2.5.2 dies,
 - 2.5.3 ceases to be a member of the Synod;

- 2.6 Membership is personal and is not transferable
- 2.7 A person shall become a Member upon signing either the Register of Members to be kept pursuant to Sections 113 and 114 of the Companies Act or a written consent to become a Member

3 GENERAL MEETINGS

- 3.1 The HDBF must hold an AGM in every Year which all Members are entitled to attend not more than 18 months may elapse between each AGM.
- 3.2 At an AGM the Members shall
 - 3.2.1 receive the accounts of the HDBF for the previous financial year,
 - 3.2.2 receive the Directors' report on the HDBF's activities during the preceding calendar year,
 - 3.2.3 appoint auditors for the HDBF; and
 - 3.2.4 discuss and determine any issues of policy or deal with any other business put before them
- 3.3 General Meetings shall normally be physical meetings and must be called on at least 14 Clear Days' written notice specifying the business to be discussed. Notices must be served upon each Member, the Diocesan Registrar and the HDBF's auditors. General Meetings may be held concurrently with meetings of the Synod. Where a General Meeting is held concurrently with a Synod meeting, the votes of the General Meeting shall be taken separately from the votes of the Synod meeting. General Meetings can be held virtually by video conferencing or another similar facility in exceptional circumstances as determined by the Diocesan Bishop.
- 3.4 There is a quorum at a General Meeting if the number of Members personally or virtually present is at least twenty. No business may be transacted unless a quorum is present.
- 3.5
 - 3.5.1 there shall be a Chair and a Vice-Chair of the HDBF who shall each hold office for a term of 3 years
 - 3.5.2 The Bishop shall have the right to nominate a person to be the Chair of the HDBF and that person shall be the Chair if approved by the HDBF in General Meeting If not approved the Bishop shall have the right to nominate another person to be the Chair who shall be the Chair if approved by the HDBF in General Meeting If that person is not approved the HDBF in General Meeting shall elect a Chair.
 - 3.5.3 The Vice-Chair shall be appointed by the Chair
- 3.6 The Chair shall preside at every General Meeting at which he or she shall be present, but if at any meeting the Chair is not present within five minutes after the time appointed for holding the General Meeting (or if the Chair is unable or unwilling to preside) the Vice-Chair shall preside, Subject to either the Chair or the Vice-Chair (if present) agreeing the President or a Vice-President of the

Synod shall preside. In the absence of the Chair, the Vice-Chair, the President or Vice President of the Synod so presiding, the Members present shall choose one of their number to be Chair of that General Meeting.

- 3.7 Voting should be in accordance with the standing orders of the Diocesan Synod and HDBF.
- 3.8 The Instrument appointing a proxy shall be in writing under the hand of the appointer or his or her attorney duly authorised in writing
- 3.9 The Instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a copy certified by a solicitor shall be deposited in their original form at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the Instrument proposes to vote, or in the case of a poll not less than twenty-four hours before the time appointed for the taking of the poll, and in default the Instrument of proxy shall not be treated as valid. No Instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution
- 3.10 A vote given in accordance with the terms of an Instrument of proxy shall be valid notwithstanding the previous death or incapacity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, incapacity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used
- 3.11 Any Instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit.-
- "Iof....., a member of The Hereford Diocesan Board of Finance Limited hereby appointof..... or failing him/her Of , as my proxy to vote for me on my behalf at the General meeting to be held on 20..... , and at any adjournment thereof
Signed byon...../...../....."
- 3.12 The Instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 3.13 Except where otherwise provided by the Companies Act, every issue is decided by a majority of the votes cast
- 3.14 Every Member present in person or by proxy has one vote on each issue.
- 3.15 The person presiding as Chair shall, in case the votes at any General Meeting are equally divided, be entitled to a second or casting vote. That person may, with the consent of the majority of the Members present, adjourn the General Meeting but no business shall be transacted at any adjourned General Meeting other than the business left undisposed of at the General Meeting at which the adjournment took place

- 3.16¹ A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the Members who would have been entitled to vote upon it had it been proposed at a General Meeting shall be effective provided that a copy of the proposed resolution has been sent to every Member and a simple majority (or in the case of a special resolution a majority of not less than 75%) of Members has signified its agreement to the resolution in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date. A resolution in writing may comprise several copies to which one or more members have signified their agreement.

¹Guidance Note for Article 3.16

What constitutes an "authenticated document" is explained in section 1146 of the Companies Act 2006. The section provides as follows:

"1146 Requirement of authentication"

- (1) This section applies in relation to the authentication of a document or information sent or supplied by a person to a company*
- (2) A document or information sent or supplied in hard copy form is sufficiently authenticated if this signed by the person sending or supplying it*
- (3) A document or information sent or supplied in electronic form is sufficiently authenticated-*
 - (a) if the identity of the sender is confirmed in a manner specified by the company, or*
 - (b) where no such manner has been specified by the company, if the communication contains or is accompanied by a statement of the identity of the sender and the company has no reason to doubt the truth of that statement*
- (4) Where a document or information is sent or supplied by one person on behalf of another, nothing in this section affects any provision of the company's articles under which the company may require reasonable evidence of the authority of the former to act on behalf of the latter"*

3.17 Any General Meeting which is not an AGM is an EGM

3.18 An EGM may be called within 28 days on a written request from at least ten percent of the Members (unless more than twelve months has elapsed since the end of the last General Meeting in which case it shall be five percent of the Members).

4 DIRECTORS

- 4.1 Subject to other provisions in the articles (including 4.5) the members of the Bishop's Council shall be the directors of the HDBF and shall manage the business of the HDBF and may exercise all of the powers of the HDBF as are not, by these

articles or by the Companies Act 2006, required to be exercised by the HDBF in General Meeting.

- 4.2 The Directors shall be responsible for the management and administration of the HDBF's property and funds in accordance with the Memorandum and the Articles
- 4.3 An appointment of a Director will become effective when that person signs the necessary Companies House form of appointment and thereby consents to hold office
- 4.4 A Director is to continue in office until his or her term of office is terminated in accordance with Article 4.5
- 4.5 A Director ceases to be a Director if he or she
 - 4.4.1 is disqualified by virtue of any provision in the Companies Act or is prohibited by law from being a Director;
 - 4.4.2 is disqualified under the Charities Acts from acting as a charity trustee,
 - 4.4.3 is incapable, whether mentally or physically, of managing his or her own affairs
 - 4.4.4 is absent from five consecutive meetings of the Directors and a two-thirds majority of the Directors resolve that he or she be removed,
 - 4.4.5 ceases to be a Member,
 - 4.4.6 ceases to be a member of the Bishop's Council (whether by resignation or otherwise) or
 - 4.4.7 notwithstanding article 4.1 is removed for good and sufficient reason by a resolution passed by a majority of the other Directors after inviting the views of the Director concerned and considering the matter in the light of any such views
 - 4.4.8 The HDBF may indemnify any Director of the HDBF against any liability Incurred by him or her in that capacity to the extent permitted by Sections 189 of the Charities Act 2011;
 - 4.4.9 The HDBF may indemnify any officers (other than Directors) and employees or persons working for the HDBF (whether in a voluntary capacity or otherwise) against any liability Incurred by him or her in that capacity.
- 4.6 A technical defect in the appointment of a Director of which the board of Directors is unaware at the time does not invalidate decisions taken by the Directors
- 4.7 All acts done by any properly constituted committee of the HDBF shall be valid notwithstanding the existence of some disqualification or some defect in the appointment of any member of such committee, or the existence of any vacancy on that committee

4.8 The Directors shall fulfil their legal duties acting always in accordance with the requirements of the Memorandum and the Articles and the general law (including the Charities Acts and the Companies Act)

4.9 A Director shall be a natural person aged 16 years or older. There shall be no maximum age

5 DUTY OF CARE AND EXTENT OF LIABILITY

When exercising any power (whether given to them by the Memorandum and the Articles or by statute or by any rule of law) in administering or managing the HDBF or any properly constituted committee each Director must use the level of care and skill that is reasonable in the Circumstances, taking into account any special knowledge or experience that he or she has or claims to have ("the duty of care") No Director and no-one exercising powers or responsibilities that have been delegated by the Directors shall be liable for any act or failure to act unless, in acting or failing to act, he or she has failed to discharge the duty of care.

6 PROCEEDINGS OF DIRECTORS' MEETINGS

6.1 The meetings of Directors may be held alongside with meetings of the Bishop's Council and must be held at least three times each Year

6.2 A quorum at a meeting is one third of the directors then holding office

6.3 The Chair or (if the Chair is unable or unwilling to do so) the Vice-Chair shall chair the meeting. Subject to either the Chair or the Vice-Chair (if present) agreeing the President or a Vice President of the Synod shall preside in the absence of the Chair, the Vice-Chair, the President or Vice-President of the Synod so presiding, the Directors present shall choose one of their number to be the chair of that meeting

6.4 The Directors must keep minutes of all:

6.4.1 Appointments of officers made by the directors

6.4.2 Proceedings at meetings of the HDBF

6.4.3 Meetings of the directors and committees of directors including

- The names of those present
- Decisions (and the reasons for them) made at meetings of the Directors.

6.5 Except where otherwise provided in the Articles, every issue may be determined by a simple majority of the votes cast at a meeting. A written resolution approved by a majority of the Directors (provided that they would represent a quorum at a Directors' meeting) is as valid as a resolution passed at a Directors' meeting (and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date at which approval by a majority of the Directors is achieved)

6.6 Except for the Chair of the meeting who, in the case of an equality of votes. Has a second or casting vote. Every Director has one vote on each issue

6.7 A procedural defect of which the Directors are unaware at the time does not invalidate decisions taken at a meeting

7 POWERS OF THE BOARD OF DIRECTORS

The board of Directors has the following powers in the administration of the HDBF (and at all times subject also to the need to have regard to any lawful directions or decisions which may properly be given or made by the Synod).

- 7.1 to appoint (and remove) the Secretary;
- 7.2 to delegate any of its functions to Committees to consist of such persons (whether Directors or not) as the Directors may determine consisting of two or more individuals appointed by them (provided that all proceedings of Committees must be reported fully and promptly to the Directors) and with power for the Directors at any time to Withdraw or vary such delegation (any delegation needs to be in writing);
- 7.3 to make, vary and repeal regulations, by-laws and rules and standing orders (consistent with the Memorandum, the Articles, the Companies Act and the Charities Acts) to govern proceedings at General Meetings, Directors' meetings and at meetings of Committees, and also with regard to its officers, servants and the members of any section thereof, but so that such regulations, standing orders, rules and by-laws shall not be inconsistent with the regulations of the HDBF contained in the Articles, or amount to such an addition to or alteration of the Articles as could only legally be made by a Special Resolution
- 7.4 to establish procedures to assist the resolution of disputes within the HDBF; and
- 7.5 to exercise any powers of the HDBF which are not reserved to a General Meeting

9 SEAL

Any Instrument to which the seal is affixed shall be signed by a Director and by the Secretary or by a second Director.

10 RECORDS AND ACCOUNTS

- 10.1 The Directors must comply with the requirements of the Companies Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to Companies House and the Commission of
 - 10.1.1 annual statements of account;
 - 10.1.2 annual returns, and
 - 10.1.3 confirmation of changes to the Directors and of any details about the HDBF recorded in the Central Register of Charities.
- 10.2 The Directors must maintain proper records of
 - 10.2.1 all proceedings at General Meetings;
 - 10.2.2 all proceedings at meetings of the Directors,
 - 10.2.3 all reports of committees; and
 - 10.2.4 all professional advice obtained.
- 10.3 Financial records, annual reports and statements of account relating to the HDBF for at least the previous six years must be available for inspection by any Director

- 10.4 A copy of the latest available annual statement of account must be supplied to any person who makes a written request and pays the HDBF's reasonable costs, as required by the Charities Act

11 NOTICES

- 11.1 Save for those that are to be in an original form as required by article 3.8 with regard to the appointment of proxies any notice to be given to or by any person pursuant to the articles
- 11.1.1 must be in writing, or
- 11.1.2 must be given using electronic communications
- 11.2 The HDBF may give any notice to a Member either
- 11.2.1 personally; or
- 11.2.2 by sending it by post in a prepaid envelope addressed to the Member at his or her address; or
- 11.2.3 by leaving it at the address of the Member; or
- 11.2.4 by giving it using electronic communications to the Member's address
- 11.3 A Member who does not register an address with the HDBF or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the HDBF
- 11.4 A Member present in person at any meeting of the HDBF shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 11.5 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- 11.6 Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given
- 11.7 A notice shall be deemed to be given
- 11.7.1 48 hours after the envelope containing it was posted,
- or
- 11.7.2 in the case of an electronic communication, 48 hours after it was sent.
- 11.8 A technical defect in the giving of notice of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.