

SCHEDULE

AMENDMENT OF CHURCH FUNDS INVESTMENT MEASURE 1958

- 1 The Scheme contained in the Schedule to the Church Funds Investment Measure 1958 shall be amended as follows.
- 2 In paragraph 1 (definitions)—
 - (a) after the definition of “Diocesan Authority” there shall be inserted the following definition—

““Dividend Record Date” means, as regards any Investment Fund, a valuation date on which the income of that Investment Fund is allocated for distribution or accumulation in accordance with this Scheme;”;
 - (b) after the definition of “The Holder of a Share” there shall be inserted the following definition—

““Income Reserve” means an Income Reserve created under sub-paragraph (4) of paragraph 11 hereof;”;
 - (c) in the definition of “The Measure” for the figure “1957” there shall be substituted the figure “1958”.
- 3 In paragraph 6 (shares in Investment Funds) —
 - (a) for sub-paragraph (1) there shall be substituted the following sub-paragraphs—
 - “(1) For convenience in recording the respective interests of the Holders of the Contributing Funds in an Investment Fund each Investment Fund shall comprise Shares of either or both of two classes, namely —
 - (a) Income Shares, in respect of which attributable income shall be distributed or retained (or both distributed and retained) in the Income Reserve in accordance with this Scheme; and
 - (b) Accumulation Shares, in respect of which attributable income shall be accumulated by investment as capital of the Investment Fund in accordance with this Scheme.
 - (1A) Where an Investment Fund comprises both Income Shares and Accumulation Shares, each class of Shares shall be referable to one of two parts of the value of the Investment Fund.
 - (1B) Each Income Share shall represent an equal undivided part of the beneficial interest in the Investment Fund or, as the case may be, that part of the value of the Investment Fund to which Income Shares are referable.

Status: This is the original version (as it was originally enacted).

(1C) Each Accumulation Share shall represent an equal undivided part of the beneficial interest in the Investment Fund or, as the case may be, that part of the value of the Investment Fund to which Accumulation Shares are referable.

(1D) Such Shares shall be recorded in the names of the Holders for the time being of the Contributing Funds in books to be kept for that purpose by the Central Board. The number of Shares so recorded may comprise decimal parts of a Share to two places of decimals and reference in this Scheme to a number of Shares shall be construed as including references to a number which comprises such decimal parts.”;

(b) after sub-paragraph (3) there shall be inserted the following sub-paragraph—

“(3A) The Central Board may at any time sub-divide the Shares of either class.”.

4 In paragraph 7 (initial contributions: division into Shares)—

- (a) after the words “number of Shares” there shall be inserted the words “of each class”;
- (b) after the words “Such Shares” there shall be inserted the words “shall be denominated as Income Shares or as Accumulation Shares and the number of such Shares”.

5 In paragraph 8 (subsequent contributions and withdrawals)—

- (a) in sub-paragraph (1)—
 - (i) for the words “one or more complete Shares” there shall be substituted the words “a number of Shares of either or both classes”;
 - (ii) after the words “number of Shares” there shall be inserted the words “of the relevant class or classes”;
- (b) in sub-paragraph (2) after the words “value of the” there shall be inserted the word “relevant”;
- (c) in sub-paragraph (3)—
 - (i) after the words “Holder of Shares” there shall be inserted the words “of either class”;
 - (ii) after the words “basic value of the Share or Shares” there shall be inserted the words “of either class”;
 - (iii) after the words “basic value of a Share” there shall be inserted the words “of the class concerned”;
 - (iv) after the words “Investment fund the number of Shares” there shall be inserted the words “of the class concerned”;
 - (v) after the words “and the number of Shares” there shall be inserted the words “of the class concerned”;
 - (vi) after the words “reduced by the number of” there shall be inserted the word “such”;
- (d) in sub-paragraph (5) —
 - (i) after the word “Shares” there shall be inserted the words “of each class”;

(ii) after the words “amount per Share” in both places where they occur there shall be inserted the words “of the same class”.

6 After paragraph 8 there shall be inserted the following paragraph—

“CONVERSION

8A Where an Investment Fund comprises two classes of Shares and subject to compliance with such conditions as the Central Board may from time to time prescribe with regard to the notice to be given on conversion, the Central Board shall at the request of the Holder of any Share in an Investment Fund at any valuation date convert such number of Shares of either class recorded as held by the Holder as the Holder may require into Shares of the other class, being Shares which on that valuation date are of the basic value determined in accordance with this Scheme as nearly as possible equal to the basic value so determined of the Shares being converted. The proportion of the value of the Investment Fund attributable to each class of Shares shall immediately after that valuation date be adjusted accordingly.”.

7 In paragraph 9 (valuations) —

- (a) in sub-paragraph (1) —
- (i) after the words “Investment Fund” there shall be inserted the words “and each class of Shares therein”;
 - (ii) for the words “in advance each valuation date” there shall be substituted the words “the frequency of valuation dates”;
 - (iii) for the words “to be valued on that date” there shall be substituted the word “concerned”;
- (b) in sub-paragraph (2) —
- (i) after the words “of an Investment Fund” there shall be inserted the words “or of either class of Share therein”;
 - (ii) for the words “on the valuation date as published in relation to the relevant Stock Exchange” there shall be substituted the words “on the relevant Stock Exchange on the valuation date”;
 - (iii) for the words “no published price” there shall be substituted the words “no such price available”;
 - (iv) for the words “there is a published price” there shall be substituted the words “such price is available”;
- (c) after sub-paragraph (2) there shall be inserted the following sub-paragraph—
- “(2A) The amount of the Income Reserve referred to in sub-paragraph (4) of paragraph 11 hereof shall be included in that part of the value of the Investment Fund that is attributable to Income Shares only and shall be available for distribution to Holders of Income Shares only.”;
- (d) for sub-paragraph (3) there shall be substituted the following sub-paragraph—
- “(3) On any valuation date, the basic value of a Share of either class shall be arrived at by —

Status: This is the original version (as it was originally enacted).

- (a) calculating the value of the Investment Fund or, where there are two classes of Shares, that part of the value of the Investment Fund attributable to Shares of the class concerned on the basis —
 - (i) that the value of the Investment Fund, excluding the amount of the Income Reserve, shall be apportioned between the two classes of Share in the same proportion as they bore to each other immediately after the previous valuation date, subject only, in the case of a valuation date which is also a Dividend Record Date, to adjustment for any income determined to be distributed or transferred to the Income Reserve or accumulated; and
 - (ii) that the amount of the Income Reserve shall be dealt with in accordance with sub-paragraph (2A) above ;
- (b) dividing the same by the number of Shares of the class concerned into which the Investment Fund is divided; and
- (c) rounding off the resulting figure to the nearest 0.01p.”.

8 In paragraph 10 (certificates as to value) —

- (a) after the words “of an Investment Fund” there shall be inserted the words “or of either class of Shares therein”;
- (b) after the words “of a Share” there shall be inserted the words “of either class”.

9 In paragraph 11 (income) —

- (a) in sub-paragraph (2) at the end there shall be inserted the words “(in respect of Income Shares) and for allocation (in respect of Accumulation Shares) in accordance with sub-paragraphs (5) and (6) of this paragraph”;
- (b) for sub-paragraph (3) there shall be substituted the following sub-paragraphs —

“(3) In respect of each Dividend Record Date the Central Board shall determine the amount of the income and the apportionment of it between Income and Accumulation Shares in accordance with the relative proportion in terms of value that each class of Share bears to the total value of that Investment Fund (excluding the amount of the Income Reserve) on the Dividend Record Date before the issue or cancellation of Shares (if any) and subject to sub- paragraph (4) (d) of this paragraph.

- (4) (a) For the purpose of avoiding fluctuations in the amounts of income distributed in respect of Income Shares, the Central Board may create out of the income attributable to Income Shares and maintain in the accounts of the Investment Fund an Income Reserve in accordance with the provisions of this sub-paragraph.
- (b) The Central Board may deduct from the amount of income determined to be available to be distributed in respect of Income Shares under sub- paragraph (7) of this paragraph for any distribution period not more than half of that

Status: This is the original version (as it was originally enacted).

- amount; and where they do so they shall credit to the Income Reserve the amount deducted.
- (c) The Central Board may add to the net income to be distributed in respect of Income Shares all or any part of the amount of the Income Reserve.
 - (d) Any income attributable to the amount of the Income Reserve shall be treated as income of the Income Shares and dealt with accordingly.
- (5) Each distribution of income attributable to Income Shares shall be made as soon as practicable after the Dividend Record Date in question to the Holders of the Income Shares in proportion to the numbers of such Shares recorded in their names on that Dividend Record Date (before the recording of any new contribution or withdrawals on such Dividend Record Date) and the amount determined to be distributed but not yet withdrawn from the Investment Fund (but not the amount determined to be transferred to the Income Reserve) shall be treated as a charge on the Investment Fund and shall accordingly be deducted in arriving at the value of the Investment Fund on and after that Dividend Record Date.
- (6) Each allocation of income attributable to Accumulation Shares shall be made on or as soon as practicable after the Dividend Record Date in question and as of that Dividend Record Date shall become capital and shall be retained as part of the Investment Fund.
- (7) The amounts available for distribution or allocation under sub-paragraphs (5) or (6) of this paragraph shall be circulated by the Central Board adjusting the income of an Investment Fund by —
- (i) adding the aggregate amount of the Income Element (as hereinafter determined) included in contributions to the Investment Fund on the issue of Shares during the distribution period concerned;
 - (ii) subtracting the aggregate amount of the Income Element included in the amounts paid during such distribution period on the withdrawal of Shares by the Holders; and
 - (iii) subtracting the aggregate amount of costs and expenses for the distribution period to be deducted in accordance with this Scheme.

For the purpose of this sub-paragraph, the Income Element included in an issue of Shares means that element of the amount of cash or value of other assets transferred to the Investment Fund which for the purpose of securing equality of treatment between the Holders of Shares falls to be treated by the Central Board as income of the Investment Fund for the distribution period within which such issue of Shares takes effect; and the Income Element included in the amount payable on a withdrawal of Shares means that element of the amount of cash paid (or value of the assets transferred) on a withdrawal which falls to be treated by the Central Board as a payment out of the income of the Investment Fund for

Status: This is the original version (as it was originally enacted).

the distribution period within which occurs the valuation date on or as of which the Shares are withdrawn.”

- 10 In paragraph 12 (costs and expenses) for the words “retain out of” there shall be substituted the words “deduct from”.
- 11 In paragraph 14 (accounts and information) —
- (a) after the words “the amount per” there shall be inserted the word “Income”;
 - (b) after the words “distribute as income” there shall be inserted the words “and the amount of income per Accumulation Share which the Central Board had as on that date determined to allocate”;
 - (c) after the words “determined to distribute” there shall be inserted the words “or allocate”;
 - (d) after the words “pursuant to” there shall be inserted the words “sub-paragraphs (1) and (2) of”.
- 12 In paragraph 16 (holding of investments) the words “trust corporation as” shall be omitted.
- 13 In paragraph 18 (winding up of an Investment Fund) for the words “in proportion to their holdings of such Shares” there shall be substituted the words “(without prejudice to sub-paragraph (3) of paragraph 9 hereof) in proportion to the value of the Investment Fund represented by the Shares held by each such Holder”.