

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION (GROUP B)

MR JUSTICE DANCKWERTS

15th JUNE 1959

Re THE UNITED SYNAGOGUE

ORDER

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IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION (GROUP B)

1958 U 1050

MR JUSTICE DANCKWERTS at Chambers

MR SMITH
REGISTRAR



MONDAY the 15th day of JUNE 1959

IN THE MATTER of the CHARITY known as THE UNITED
SYNAGOGUE

and

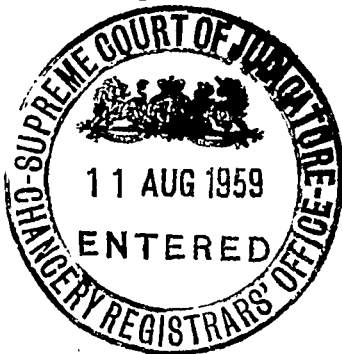
IN THE MATTER of the CHARITABLE TRUSTS ACTS 1853
to 1939

and

IN THE MATTER of the TRUSTEE ACT 1925



O.S. 322.



UPON THE APPLICATION by Originating Summons dated 11th November 1958 of The Honourable Ewen Edward Samuel Montagu of 5 Vicarage Gardens W 8 in the County of London Sir Bernard Nathaniel Waley-Cohen Knight of 11 Little St James's Street S W 1 in the said County Henry Gledhill of Flat 2 2 Mansfield Street W 1 in the said County Frank Archibald Rossdale of 10 Westchester House Seymour Street W 2 in the said County Asher Wingate of 30 Aylestone Avenue N W 6 in the said County Alfred Woolf of 32 Ambrose Avenue N W 11 in the County of Middlesex Salmond Solomon Levin of 72 Bridge Lane N W 11 in the said County of Middlesex Mark Kleiner of 87 Platts Lane N W 3 in the said County of Middlesex and Reuben Kandler of 3 Ashley Court Frognal Lane N W 3 in the said County of Middlesex and UPON HEARING Counsel for the Applicants and for the Respondent Her Majesty's Attorney-General and the Solicitors for the Respondents United Synagogue Trusts Limited and UPON READING a Certificate of the Board of Charity Commissioners for England and Wales dated 3rd March 1959 an affidavit of John Edward Lloyd and an affidavit of Denzil Sebag-Montefiore both filed 1st January 1959 and an

1840

affidavit of The Honourable Ewen Edward Samuel Montagu
filed 5th January 1959 and the exhibits in the last
mentioned affidavit referred to

AND Her Majesty's Attorney-General by his Counsel
not objecting

THE JUDGE DOTH HEREBY APPROVE the Scheme set
forth in the Schedule hereto for the regulation of
the powers of investment applicable in relation to
the moneys of the above named Charity

AND IT IS ORDERED that it be referred to the
Taxing Master to tax (1) the costs and expenses of
the Applicants (Trustees) of and incident to the
said Application and (2) as between Solicitor and
Client the costs of the Respondents of the said
Application

AND IT IS ORDERED that all such costs and
expenses and costs when taxed be raised and paid out
of the Selected Funds of the said Charity

AND the parties are to be at liberty to apply

*with
for DCS.*

THE SCHEDULE

SCHEME

for the regulation of the powers of investment
applicable in relation to the moneys of the
United Synagogue

1 In this Scheme the following expressions
have the meanings hereby assigned to them respectively
that is to say:-

- (a) The Charity means the institution called the
United Synagogue established by the Scheme
of the Charity Commissioners for the Jewish
United Synagogue set forth in the schedule
to the Act 33 and 34 Vic c cxvi
- (b) "The Council" means the Council of the
Charity
- (c) "The Excluded Funds" means the funds for the



time being of the Charity (whether already or hereafter acquired) of which both the capital and income may not lawfully be expended for the general purposes of the Charity and includes any funds held on behalf of any Synagogue not being a Constituent Synagogue of the Charity and the funds of the Charity hitherto dealt with in the accounts thereof under the following headings that is to say:-

- (i) The Cemeteries Reparation Fund
 - (ii) The Officials' Superannuation and Widows' and Children's Pensions Fund
 - (iii) The Building Fund
 - (iv) The Bequests and Trusts Funds
 - (v) The Mutual Aid Fund and
 - (vi) The Benjamin Levi Trust Fund
- (d) "The Selected Funds" means the funds for the time being of the Charity (whether already or hereafter acquired) of which both the capital and income may be lawfully expended for the general purposes thereof and includes the funds of the Charity hitherto dealt with in the accounts thereof under the following headings that is to say:-
- (i) General Funds
 - (ii) Reserve towards Pensions on General Funds
 - (iii) Reserve Fund for Pensions (Widows' and Children's Pensions Fund)
 - (iv) Fire Insurance Fund
 - (v) North London Sinking Fund (Leasehold Redemption)
 - (vi) Burial Society Suspense Account

- (vii) Cemeteries Fund
 - (viii) Funeral Expenses Scheme
 - (ix) Affiliated Synagogues Fund
 - (x) Ministers' Salaries Fund
 - (xi) Ministers' Salaries Augmentation Fund
 - and
 - (xii) St Helen's Court Fund
- (e) "The Trustees" means and includes United Synagogue Trusts Limited and any other person or persons in whom may now or hereafter be vested any property upon trust for the Charity
- (f) "The Authorised Range" means the range of investments at the date of the Order approving this Scheme authorised by law for the investment of trust moneys
- (g) "Investment Expert" means a person who shall have had at least fifteen years' continuous experience of one or more of the following businesses in the City of London namely the businesses of stock-brokers merchant bankers finance houses and issuing houses and includes Herbert Henry Marks

2 The Council shall establish and maintain a Committee to be called "the Investment Committee" the constitution of which shall be governed by the following provisions:-

- (a) The Investment Committee shall consist of not less than five and not more than seven members of whom not less than three shall be Honorary Officers of the Charity and not less than two nor more than three shall be Investment Experts Provided that the proceedings of such Committee shall not be



- invalidated by reason of any casual vacancy in their number so long as at least one Investment Expert shall be a member thereof
- (b) One of the Honorary Officers of the Charity who is a member of the Investment Committee shall be Chairman thereof
- (c) The Investment Experts who shall be members of the Investment Committee need not be members of the Council but may be co-opted upon the said Committee by the Council
- (d) Save as aforesaid the members of the Investment Committee shall be members of the Council
- (e) The members of the Investment Committee shall be appointed by the Council and shall hold office for such period as to the Council shall seem fit
- (f) Vacancies in the Investment Committee may be filled by the Council as and when the same occur and if and whenever the number of members thereof shall fall below the minimum number of five hereinbefore provided for then as soon as possible a sufficient number of such vacancies shall be so filled to bring the number of members up to the said minimum number
- (g) Any member of the Investment Committee who shall be co-opted thereupon by the Council as aforesaid shall be entitled to charge and be paid his usual professional or other charges (including his usual brokerage fees) for any work or business done or transacted by him or his firm in connexion with the

affairs of the Charity Provided that nothing herein contained shall authorise any payment to him for attending the meetings of the Investment Committee or for serving as a member thereof

3 The functions and (subject as hereinafter provided) the powers of the Investment Committee shall be as follows:-

- (a) To keep the investments of the Charity under review
- (b) To issue on behalf of the Council any necessary directions to the Trustees in order to effect such investments of the moneys of the Charity directed to be invested by the Council or the Finance Committee thereof and such changes of the investments for the time being of the moneys of the Charity as the Investment Committee consider desirable
- (c) To select the investment or investments of the Charity to be realised for the purpose of raising any moneys which the Council or the Finance Committee thereof shall have resolved to raise by means of realising investments of the Charity and to issue any necessary directions to the Trustees in order to effect any such realisation
- (d) To make reports to the Council concerning investments and changes and realisations of investments made from time to time of the moneys and investments of the Charity

4 The Council shall have power to make regulations governing the proceedings of the Investment Committee

5 The Trustees shall comply with any direction



issued to them by the Investment Committee to effect any investment of the moneys of the Charity or any change or realisation of any of the investments thereof and shall make no such investment change or realisation without such a direction

6 Moneys of or forming part of any of the Excluded Funds and requiring investment may be invested only in or upon investments within the Authorised Range save in so far as (a) other investments of the moneys comprised in the Officials' Superannuation and Widows' and Children's Pensions Fund are authorised by the regulations thereof and (b) other investments are authorised by the terms of any gift

7 Subject as hereinafter provided moneys of or forming part of any of the Selected Funds and requiring investment may be invested in or upon any investments within the Authorised Range and any investments hereinafter specified that is to say:-

- (a) Government securities of any part of the British Commonwealth of Nations (other than such as are within the Authorised Range)
- (b) Government securities of the United States of America or of any State thereof
- (c) The debentures or debenture stock or preference preferred-ordinary ordinary or deferred stock or shares or the unsecured loans or other marketable securities of any company incorporated in the United Kingdom under any general or Special Act of Parliament or by Royal Charter or incorporated under the laws of any part of the British Commonwealth of Nations or under the laws of the United States of America or of any

State thereof or of any corporation
established in the United Kingdom for public
purposes by or under any Act of Parliament

Provided always as follows:-

- (i) No moneys shall be invested in any investment not within the Authorised Range which is not dealt in or quoted upon a recognised stock exchange in the United Kingdom or in the City of New York or Montreal
- (ii) No moneys shall be invested in any shares or stock of a company (other than a company incorporated in the United Kingdom carrying on banking or insurance business in the United Kingdom) which by reason of not being fully paid up or otherwise carry a liability to contribute by way of calls either in the event of the Company being wound up or otherwise but this proviso shall not prevent the acquisition of newly issued shares or stock which would otherwise be permitted hereby and on which the capital is by virtue of the terms of the issue thereof to be paid by instalments of which the last is to be payable not later than one year from the date of issue
- (iii) No moneys shall be invested in the ordinary or deferred stock or shares of a company unless at the time of investment the nominal amount of the issued stock or shares of the company not ranking for dividend in priority to the stock or shares comprised in the investment shall be at least £750,000 (or its equivalent at the current rate of exchange) and so that as regards any stock



or shares having no par value the paid-up capital of the Company concerned shall be deemed to include the capital sum (other than capital surplus) appearing in the Company's published accounts in respect of such stock or shares

- (iv) No investment shall be made in any of the kinds of investment specified in Sub-clause (a) (b) or (c) of this present clause at a time when or of such an amount that the value for the time being of all the investments of the said kinds comprised in the Selected Funds or any part thereof exceeds or would (if such investment were made) be caused to exceed twice the value of all the investments within the Authorised Range comprised in the Selected Funds or any part thereof

8 In selecting any investment or investments to be realised for the purpose of raising any moneys which the Council or the Finance Committee thereof shall have resolved to raise by realising investments comprised in any part of the Selected Funds the Investment Committee shall so far as possible ensure that the value for the time being of the investments of the said kinds specified in Sub-clauses (a) (b) and (c) of the last foregoing clause hereof comprised in the Selected Funds or any part thereof shall not exceed twice the value for the time being of all the investments within the Authorised Range comprised in the Selected Funds or any part thereof

9 For the purposes of the two last preceding clauses hereof any investments held on trust for the Charity on the 31st day of December last before the date when a valuation thereof shall be required shall

be valued at the value thereof on the said 31st day of December and any investment subsequently acquired on trust for the Charity shall be valued at the cost price thereof

10 Moneys of or forming part of any of the Selected Funds and requiring investment may also be invested in the purchase or acquisition of freehold or heritable or leasehold land in Great Britain (such leasehold land having not less than sixty years unexpired at the date of investment)

11 Each of the investments of the Charity held by the Trustees at the date hereof being an investment of a kind specified in Sub-clauses (a) (b) and (c) of clause 7 hereof shall be deemed to have been an investment authorised by this Scheme as from the date of acquisition thereof by or on behalf of the Charity

12 Land or other property acquired by or on behalf of the Charity for the purposes of carrying out the objects thereof shall not be deemed to be an investment for the purposes of this Scheme and nothing herein contained shall be construed to prejudice or restrict the powers now vested in any person or persons to apply or direct the application of any moneys of the Charity in the acquisition of land or other property for the purposes of carrying out the said objects or otherwise for such purposes

*Amended
for D.C.S.*