

UNIVERSITY OF STIRLING

SEALING DOCUMENTS GUIDANCE

Introduction

- 1 This guidance has been produced to provide clarity on the use of the University's Common Seal and the procedures that should be followed when it is used. The common seal is a device for embossing the University's name in paper. There are currently two University Seals, a large one and a small one, which are held by Registry and Governance Services.
- 2 Article 8(2) of the University Charter states

“The Court shall direct the form, custody and use of the Common Seal and shall control, manage and administer all the revenue and property of the University, and shall have general responsibility for the conduct of the affairs of the University and shall exercise all such powers and duties as may be conferred upon it for these purposes by the Statutes or the Ordinances.”
- 3 It is therefore up to the Court to determine how the seal is used and who has custody of the seal.

Background

- 4 Historically under common law, any contract entered into by a company had to be under seal. The University of Stirling was incorporated under the Companies Act 1948. This legislation gives some details of how a seal can be used, particularly in relation to deeds:

“A deed to which a company is a party shall be held to be validly executed according to the law of Scotland on behalf of the company if it is executed in accordance with the provisions of this Act or is sealed with the common seal of the company and subscribed on behalf of the company by two of the directors or by a director and the secretary of the company, and such subscription on behalf of the company shall be binding whether attested by witnesses or not.”
- 5 In relation to the Seal it also states that:

“The directors shall provide for the safe custody of the seal, which shall only be used by the authority of the directors or of a committee of the directors authorised by the directors in that behalf, and every instrument to which the seal shall be affixed shall be signed by a director and shall be countersigned by the secretary or by a second director or by some other person appointed by the directors for the purpose.”
- 6 Since the Companies Act 1989 was introduced there is no legal requirement to use a seal. Although a company can still have a seal it is not bound to do so. However, in practice many companies still use a common seal for deeds, share certificates and other important documents.
- 7 The formal execution of a deed is a complex area of law currently covered by a range of legislation including the Companies Act 2006 and the Requirements of Writing (Scotland) Act 1995. In most circumstances the following would meet legal requirements for executing a document:

- The common seal can be applied in the presence of the company secretary and one director, or two directors who attest the sealing by countersigning the deed and describing themselves by the respective offices.
 - A document can be executed by a director and secretary or by two directors.
 - A document can be executed by a single director if that signature is witnessed and attested.
- 8 Directors can include members of the governing body and the secretary can be replaced by another permanent officer or deputy but evidence may be required that the individuals concerned have Court's authority to sign.

Purpose

- 9 It is proposed that new guidance on the custody and use of the Common Seal are approved by Court.

Guidance on Custody and use of the Common Seal

- 10 The University Secretary shall be responsible to Court for the security of the Common Seal and for regulating its use.
- 11 In accordance with the Charter, the Seal should be used primarily on legal documents relating to property or financial transactions. Documents that can be sealed include:
- Deeds (especially those relating to land or buildings)
 - Legal documents relating to property such as leases or licences
 - Documents/certificates relating to shares/dividends/stocks
 - Legal documents relating to pension schemes
 - Special resolutions relating to the Charter & Statutes
 - Other documents as required by Court or approved by the University Secretary (or deputy) particularly those relating to long term contracts or involving a sums over £500k (as defined in the Schedule of Delegated Authority under 2(c) 'Other expenditure').
- 12 Other legal documents such as those relating to academic agreements, commercial contracts, student recruitment etc. would not normally require the use of the Seal.
- 13 The wording on documents being sealed shall be "Executed by affixing the common seal of the University of Stirling in the presence of:".
- 14 Officers authorised to authenticate the seal shall be specified in the Schedule of Delegations.
- 15 The Deputy Secretary shall maintain a Register of Sealings by recording the details of the document sealed and the date it was sealed. The Deputy Secretary shall also report a list of those documents sealed to Court.

Degree Certificates

- 16 Historically degree certificates were individually stamped with the University Seal. This is no longer required as they are pre-embossed by the printer. Degree certificates will continue to be embossed with the University shield but degree certificates issued will not be reported to Court.

Data Classification

- 17 This document is classed as *public*.

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