

CARNEGIE TRUST FOR THE UNIVERSITIES OF SCOTLAND

ROYAL CHARTER 2015

A series of amendments to the 1978 Royal Charter were granted by the Privy Council on the 8th October 2015.

The Scottish Charity Regulator (OSCR) had previously given its consent to these amendments (3rd July 2015) and was notified of the Privy Council approval on 16th November 2015.

Below are presented the numbered clauses in the Charter and the Schedule, as they stand after implementing these amendments.

1. The provisions of the original Charter, other than the provisions of Article 1 thereof which constitute the Trustees as a body corporate and politic, authorise the Trustees to have a Common Seal and to sue and be sued, and the aforesaid Supplementary Charter dated the 11th day of February 1966, are hereby revoked. Provided that this revocation in part of the original Charter and of the aforesaid Supplementary Charter shall not affect the validity or legality of any thing done or executed or of any dealing in property or of any investment made under any of the revoked provisions thereof
2. For the purpose of carrying out the provisions of the said Trust Deed and all other purposes of this Our Charter, We do hereby continue and confirm the Trustees as one body politic and corporate by the name and style of "The Carnegie Trust for the Universities of Scotland". And We do grant that by the same name and style the Trustees shall have perpetual succession and a Common Seal with power to break, alter or renew and make regulations as to the use of the same at their discretion.
3. The Trustees shall consist of the following persons:-
 - a) *Nominated Members*
There shall be fourteen nominated members of the Trust, any vacancies to be filled as they arise by the Trustees.
 - b) *The Principals of the Universities of Scotland*
The Principal for the time being of each of the Universities of Scotland shall be an *ex officio* trustee.

The nominated Members of the Trust holding office on the date of this Our Charter shall constitute the Nominated Members hereunder and shall continue to act as such in accordance with the provision of the Our Charter

and the By-Laws set out in the Schedule hereto (hereinafter referred to as “the By-Laws”).

4. Moneys of the Trust may be invested:-

- a) In or upon such securities, mortgages, bonds, obligations, debentures, debenture stock, loan stock, preference, preferred, common, ordinary or deferred stock or shares or other investments issued by the government of any country, province or state or by municipal or other public authority or undertaking duly authorised to borrow money in any country, province or state or by any company incorporated with limited liability under the legislation of any country, province or state as they in the exercise of their own discretion may select; or
- b) In the purchase of lands, heritages or leasehold property in Scotland or upon heritable securities thereon provided as regards leasehold property, the term thereof shall have at least thirty years to run; or
- c) In the purchase of freehold ground rents or freehold or leasehold land, messuages, tenements and hereditaments in England, Wales and Northern Ireland or upon real securities thereon provided as regards leasehold property, the term thereof shall have at least thirty years to run.

5. The Trustees shall have the power:-

- a) to purchase, acquire and hold in perpetuity or otherwise by themselves solely or in conjunction with other person, trustees or corporations, lands heritages and leasehold land, messuages, tenements and hereditaments in England, Wales and Northern Ireland;
- b) to receive and hold for the objects and purposes of the Trust and to invest along with the Trust funds all such other moneys, investments and property as may be assigned, conveyed or paid to them by any persons, trustees or corporations or as may be bequeathed to them;
- c) to enter into contracts or agreements with any persons, trustees, corporations, universities or other institutions relative to the objects and purposes of the Trust or as they may consider necessary or expedient for giving effect to these objects and purposes;
- d) to erect, purchase or provide building, laboratories, class-rooms, museums or libraries or to do so in association with any other persons, trustees or corporations;
- e) from time to time to take on lease or purchase or build offices or other buildings for carrying on the business of the Trust and to appoint such executive officers and managers, secretaries, treasurers, bursars,

auditors, clerks and agents and other persons as shall be necessary or as they may think proper for transacting the business of the Trust or for carrying this Our Charter into execution and to assign to such persons respectively the performance of such duties and to allow and pay to them out of the income of the Trust such salaries or remuneration as the Trustees shall think proper and if and when they shall think proper to remove any person so appointed and appoint other persons in their place.

6. The Trustees shall have the fullest power and discretion in dealing with the income of the Trust and expending it in such manner as they may think best fitted to promote the following objects:-

- a) one half of the net annual income shall be applied towards the improvement and expansion of the Universities of Scotland, in the Faculties of Science and Medicine; also for improving and extending the opportunities for scientific study and research, and for increasing the facilities for acquiring knowledge of history, economics, English literature, and modern languages, and such other subjects cognate to a technical or commercial education, as can be brought within the scope of the university curriculum, by the erection and maintenance of building, laboratories, class-rooms, museums or libraries, the providing of efficient apparatus, books and equipment, the institution and endowment of professorships and lectureships, including postgraduate lectureships and scholarships. More especially scholarships for the purpose of encouraging research, or in such other manner as the Trustees may from time to time decide; the Trustees being always entitled, if they deem it proper, to make any grant allotted to any of the aforesaid purposes conditional on the provision by any other person, trust or corporation of such additional sums as they may consider reasonable, or as may be required to attain the desired object. Further, in the event of the Trustees deciding to provide any such buildings, endowments or apparatus, at a cost in excess of the income available for the time, the future income of the Trust may be mortgaged to such an extent as may be considered necessary;
- b) the other half of the income, or such part thereof as in each year may be found requisite, shall be devoted to the payment of the whole or part of such tuition fees as may be exigible in respect of students enrolled to study at Scottish Universities as may be approved by the Trustees from students of Scottish birth or extraction or scholars who have

undertaken two years' full-time (or equivalent) study at secondary education level at such schools, colleges and institutions in Scotland as are subject to inspection or review by Education Scotland. They must have satisfied the qualification for entry and have been accepted for admission to one of the Scottish Universities with a view to graduation with a degree of at least Bachelor level. They shall make application for the payment of their tuition fees in such form as may be prescribed by the Trustees. The decision of the Trustees in all questions of qualifications shall be final, and the tuition fees of all applicants declared to be eligible shall in each case be paid, in whole or in part, by the Trust as they become due to the factors or authorised officers of the Universities. If the Trustees after due enquiry are satisfied that any student has shown exceptional merit at the University, and may advantageously be afforded assistance beyond the payment of such tuition fees, they shall have the power to extend such assistance either in money or other privileges upon such conditions and under such regulations as they may prescribe. They shall also have power to withhold payment of fees from any student who is guilty of misconduct, or who fails within a reasonable time to pass the examinations required by the University for continuation of his or her studies. Any surplus remaining in any year from the income applicable to this head of expenditure may be applied to sub-paragraph (a) of the Article, the first head of expenditure. Colleges, schools or classes in Scotland, attendance at which (full-time or part-time) is recognised as qualifying or assisting to qualify for graduation at a Scottish University, shall, on application, be entitled to participate under sub-paragraph (a) of this Article to such an extent as the Trustees may from time to time determine, and the students thereof shall be admitted to the privileges of this sub-paragraph of this Article. In the case of schools or institutions in Scotland established to provide technical or commercial education the Trustees may recognise classes, which, though outside the present range of the University curriculum, can be accepted as doing work of a University level, and may allow them and the students thereof to participate under both sub-paragraph (a) and this sub-paragraph of this Article to such an extent as the Trustees may from time to time determine;

- c) Any surplus income which may remain after satisfying the requirements under sub-paragraphs (a) and (b) of this Article shall be at the disposal of the Trustees who may expend it (i) in establishing or assisting to establish courses of lectures in convenient centres by

professors or lecturers of the Universities, colleges, institutions or schools in science, and the subjects beforementioned; or (ii) for the benefit of evening classes of students engaged in industrial or professional occupations during the day; or (iii) in any other way the Trustees may think proper towards furthering the usefulness of the Universities in connection with the purposes expressed in the aforementioned Trust Deed and this Our Charter.

- d) The Trustees shall have the power, by a resolution passed by not less than two-thirds of their number present and voting at a General Meeting, to modify the conditions and regulations under which the funds may be dispensed, so as to secure that they shall always be applied in the manner best adapted to the changed conditions of the time; provided always that any modifications shall be in accordance with the purposes of the aforementioned Trust Deed and this Our Charter.

7. The Trustees may from time to time add to, amend or revoke any of the provisions of the By-Laws by a Resolution, of which not less than twenty-one days' written notice has been given prior to such a meeting, passed by not less than two-thirds of the Trustees present and voting; provided that no such addition, amendment or revocation shall be repugnant to the provisions of this Our Charter or shall take effect until the same shall have been approved by the Lords of Our Most Honourable Privy Council, of which approval a certificate under the hand of the Clerk of Our said Privy Council shall be conclusive evidence.

8. The Trustees may by a Resolution passed by not less than two-thirds of the Trustees present and voting at a meeting specially summoned for the purpose add to, amend or revoke the provisions of the original Charter, this Our Charter or any Supplementary Charter which may hereafter be granted to the Trustees and such additions, amendments or revocations shall, when allowed by Us, Our Heirs and Successors in Council, become effectual that the original Charter, this Our Charter or any further Supplementary Charters shall thenceforth continue to operate as if they had originally been granted and made accordingly. This provision shall apply to the original Charter, this Our Charter or any further Supplementary Charters as added to, amended or revoked in manner aforesaid.

LASTLY We do hereby ...

THE SCHEDULE BY-LAWS OF THE CARNEGIE TRUST FOR THE UNIVERSITIES OF SCOTLAND

TRUSTEES

1. A Nominated Member shall cease to be a Trustee:-
 - a) If he or she resigns office by notice in writing; or
 - b) If he or she becomes notour bankrupt or grants a trust deed for behoof of creditors; or
 - c) If he or she becomes mentally disordered

2. At every Annual General Meeting three of the Nominated Members of the Trust shall retire from office. A retiring Nominated Member shall hold office until the close of the Annual General Meeting at which he or she retires and shall be eligible for re-election. The persons to retire in each year shall be those who have been longest in office since their last election but as between persons who became Trustees on the same day those to retire shall be determined by such method as the Trustees shall think fit.

MEETINGS OF TRUSTEES

3. Meetings may be called by the Chairman of Trustees if and when required on giving requisite notice. The Trustees shall hold an Annual General Meeting in each calendar year, at such time and place as may be convenient, to consider and approve a Report showing the disposal of the income of the Trust, the finances of the year and presenting an overview of the administration of the Trust and of the schemes administered by the Trust. Not more than fifteen months shall elapse between Annual General Meetings.

4. At least twenty-one days' notice in writing of a Meeting of Trustees shall be given to each of the Trustees (exclusive of the day on which it is served or deemed to be served and of the day for which it is given) specifying the place, day and hour of the meeting, and the general nature of the business to be transacted.

5. Five of the Trustees personally present shall form a quorum for a Meeting of Trustees and no business shall be transacted at any Meeting unless the requisite quorum shall be present at the commencement of business. Every question put to the meeting shall be decided on a show of hands of all the Trustees present in person and entitled to vote who shall have one vote each,

and in the case of equality of votes the Chairman shall have a casting vote in addition to the vote to which he or she is entitled as a Trustee.

6. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any Resolution passed or proceedings held at any meeting.

COMMITTEES

7. The Trustees shall have power to constitute committees out of their own number and to delegate to such committees such duties and authority as the Trustees may from time to time think fit. The members of any such Committee may co-opt other persons not of their own number on to the committee provided that no such co-opted member shall be permitted to vote.

INVESTMENT COMMITTEE

8. In order to ensure full and sufficient control over the investments from time to time belonging to them, the Trustees shall constitute an Investment Committee to which they shall from time to time appoint persons of their own number or otherwise so that members of the Investment Committee shall at no time number less than four. Not less than three of the persons appointed to the Investment Committee shall be persons who are reasonably believed by the Trustees to be qualified by their ability in and practical experience of financial matters. The Trustees shall ensure that the Investment Committee shall keep the investments belonging to the Trustees under constant review, consider suitable investment of moneys from time to time available for investment, the retention or realisation of existing investments and the purchase of alternative investments and take such further action relative to the investment of the Trust Funds as the Trustees may from time to time direct. Subject to such conditions as the Trustees may think fit, they may authorise the Investment Committee to consult with a firm of stockbrokers or other professional investment advisers and to obtain from them such details, information and advice as they may require.

AUDIT COMMITTEE

9. An Audit Committee shall be constituted by the Trustees with such powers and responsibilities as may be assigned to it by the Trustees. The Committee may include persons who are not Trustees.

FINANCES

10. The Trustees shall annually prepare a Report for approval at the Annual General Meeting showing the disposal of the income of the Trust, the finance of the year and presenting an overview of the administration of the Trust and of the schemes administered by the Trust. The accounts contained in such Report shall be audited by an auditor or auditors who shall be eligible for appointment as a statutory auditor in terms of Section 1212 of the Companies Act 2006, or any enactment amending or replacing it, and a copy of the said audited accounts and Report shall be sent to every Trustee not less than twenty-one days before the Annual General Meeting.

11. The office of auditor or auditors shall be held by such person or persons as the Trustees may from time to time decide.

COMMON SEAL

12. The Trustees shall provide a Common Seal which shall bear such device and motto as the Trustees may from time to time determine and shall provide for its safe custody. A deed, instrument or document shall be validly executed on behalf of the Trustees if it is sealed with the Common Seal and signed by a Trustee and such officer of the Trust as may be appointed by the Trustees for the purpose. No witness shall be required to any such deed, instrument or document.

13. All acts *bona fide* done by any meeting of the Trustees, the Investment Committee, the Audit Committee or any other Committee duly constituted by the Trustees as well as sub-committees thereof or by any person acting as a Trustee or member of such Committees or sub-committees shall, notwithstanding it be afterwards discovered that there was some defect in the appointment, election or the continuance in office of such Trustee or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or elected or had duly continued in office and was qualified to be a Trustee or member of such Committees or sub-committees.