THE AGAR TRUST

TRUST DEED

We, Janet Macdonald residing at Tigh nam Beithe, Strathpeffer, Ross-Shire, Moira Harris residing at Fionn Cottage, Achnasheen, Alexander Wilson Barclay residing at 41 Boswell Park Inverness, Graham Elliott residing at 3/14 Western Harbour Drive, Edinburgh and Richard Chester residing at Milton of Cardross, Port of Menteith, (all being hereinafter referred to as "the Trustees") in order to create a Trust to be known as The Agar Trust ("the Trust")

pay the sum of £1 to the Trustees. And we direct as follows:-

Trust Purposes

1. The Trustees shall hold and apply the sum of £1 paid by us to them, and such other funds and assets as may from time to time be comprised in the Trust Property, in trust for the following purposes:-

    (a) The advancement of education and the arts, in particular:-

        (i) To advance the arts by enabling the uptake of educational and professional opportunities in music

        (ii) To advance the education of young or emerging artists who are resident in rural parts of Scotland to enable them to develop their careers and creative potential in music

        (iii) To encourage the development of education or experience in musical activity which may be available beyond an applicant's local environment by raising awareness of opportunities or by supporting travel and associated expenses or any similar activities which support the Trust Purposes.

2. The expenses of creating and administering the Trust, and any tax payable in relation to the Trust, shall be met in priority to all other payments and transfers of assets out of the Trust Property.

Powers

3. In the administration of the Trust, the Trustees shall, in addition to the powers and rights which are conferred by law upon trustees who are acting without remuneration, have the fullest powers with regard to investment, sale, administration and management of the Trust Property as if they were owners; in particular (but without limiting the scope of the powers which they may exercise under the preceding provision), the Trustees shall have the following powers:-

    (a) To pay or apply any part or parts of the income or capital of the Trust Property for such one or more of the Trust Purposes as the Trustees shall in their absolute discretion think fit from time to time.

    (b) To carry on any other activities which further any of the Trust Purposes, as defined above.

    (c) To take such steps as may be deemed appropriate for the purpose of raising funds.

    (d) To accept grants, donations and legacies of all kinds (and to accept any reasonable conditions attaching to them).

    (e) To establish and/or support any other charity, and to make donations for any charitable purpose falling within the Trust Purposes.

    (f) To purchase, take on lease, hire, or otherwise acquire, any property or rights.

(g) To improve, manage, develop, or otherwise deal with, all or any part of the Trust Property.

(h) To sell, let, hire out, license, or otherwise dispose of, all or any part of the Trust Property.

(i) To borrow money, and to give security in support of any such borrowings by the Trust.

(j) To employ such staff as are considered appropriate for the proper administration of the Trust or for the proper conduct of the Trust's activities, and to make reasonable provision for the payment of pension and/or other benefits for members of staff, ex-members of staff and their dependants.

(k) To engage such consultants and advisers as are considered appropriate from time to time and to pay to such consultants and advisers his/her/their usual charges.

(l) To effect insurance of all kinds (which may include officers' liability insurance).

(m) To invest any funds which are not immediately required for the administration of the Trust or for the Trust's activities, in such investments as may be considered appropriate (and to dispose of, and vary, such investments).

(n) To liaise with other voluntary sector bodies, local authorities, UK or Scottish government departments and agencies, and other bodies, all with a view to furthering the Trust Purposes.

(o) To form any company which is a charity with objects which are similar (wholly or in part) to those of the Trust, and, if considered appropriate, to transfer to any such company (without any payment being required from the company) the whole or any part of the Trust Property.

(p) To retain any property comprised in the Trust Property for such time as the Trustees think proper.

(q) To have any part of the Trust Property registered in the name of a nominee and to pay reasonable fees to such nominee.

(r) To grant proxies in favour of any of the Trustees (or any other person) to attend, act and vote for the Trustees at any meetings (whether of the nature of general meetings, class meetings, creditors' meetings or otherwise) relating to any investment held by the Trustees or relating to any claim by the Trustees in any liquidation or sequestration proceedings.

(s) To compromise or settle by arbitration all disputed claims by or against the Trust or the Trust Property.

(t) To appoint one or more of the Trustees (or any firm of which any of the Trustees is a partner) to be solicitors to the Trust or agent for the Trustees in any other capacity, and to pay to such solicitors or other agent his/her/their usual charges.

(u) To reimburse any of the Trustees out of the Trust Property, in relation to all expenses reasonably incurred by him/her in the administration of the Trust.

(v) To do anything which may be incidental or conducive to the furtherance of any of the Trust Purposes.

Trustees

4. The number of Trustees shall not be less than 3 nor more than 7.

4A. The said Janet Macdonald shall be entitled to remain a Trustee for as long as she shall determine and shall be entitled to appoint by Inter Vivos or Mortis Causa deed or deeds a

Trustee to succeed her in office ("the Appointed Trustee") and such Appointed Trustee and any subsequent Appointed Trustee shall have the same entitlements as the said Janet Macdonald.

4B. The Trustees shall exercise their powers under clause 5 with regard to the appointment of Trustees in such a way as to ensure that so far as reasonably possible at any given time at least two of the Trustees are people with an interest in musical education and the rural areas of Scotland.

Appointment/Removal/Resignation

5. The Trustees shall be entitled, by way of a resolution passed by majority vote at a meeting of the Trustees, to appoint any individual as a Trustee.

~~5A. Trustees shall be appointed for a term of two years with the exception of the first Trustees who are as follows and who are appointed for the following terms:-~~

~~The said Richard Chester for two years~~
~~The said Graham Elliott for two years~~
~~The said Moira Harris for three years~~
~~The said Alexander Wilson Barclay for three years~~
~~The said Janet Macdonald whom failing her Appointed Trustee and any subsequent Appointed Trustee shall be entitled to hold office as Trustee for so long as he or she shall determine.~~

~~Following the expiry of the term of his or her appointment a Trustee shall be eligible for immediate re-appointment for a further term of two years, subject to a maximum of three consecutive terms. For the avoidance of doubt, any Trustee immediately re-appointed shall not require formally to resign as a Trustee.~~

6. The Trustees shall have power to remove any individual as a Trustee (other than the said Janet Macdonald or an Appointed Trustee) by way of a resolution passed at a meeting of the Trustees by a majority of two thirds or more of the Trustees then in office.

7. An individual holding office as a Trustee may retire by giving notice in writing to that effect to the secretary to the Trust appointed in terms of clause 22.

Procedure at Trustees' Meetings

8. Subject to the provisions of the following paragraphs, the Trustees may regulate their proceedings as they think fit.

9. A meeting of the Trustees shall be held at least once in each year.

10. Any Trustee may call a meeting of the Trustees, or request the secretary to the Trust to call a meeting of the Trustees.

11. No notice of a meeting of the Trustees need be given to any Trustee who is absent from the United Kingdom.

12. Questions arising at a meeting of the Trustees shall be decided by a majority of votes except the removal of a Trustee which shall be dealt with in terms of clause 6; where there is an equality of votes, the chairperson of the meeting appointed in terms of clause 15 or 16 shall have a casting vote.

13. No business shall be dealt with at a meeting of the Trustees unless a quorum is present; the quorum for meetings of the Trustees shall be [3] whether attending in person or voting by electronic means which means of voting shall be competent providing teleconferencing or the like has been made available.

14. If at any time the number of Trustees in office falls below the number fixed as the quorum, the remaining Trustee or Trustees shall have power to and may act only for the purpose of appointing an additional Trustee or Trustees.

15. The Trustees shall appoint one of the Trustees to be chairperson, and may at any time remove

the person so appointed from that office.

16. Unless he/she is unwilling to do so the Trustee serving as chairperson shall preside at every meeting of the Trustees at which he/she is present; if the chairperson is unwilling to act or is not present within 15 minutes after the time when the meeting was due to commence, the Trustees present may elect from among themselves the person who will act as chairperson of the meeting.

17. All acts bona fide done by any meeting of the Trustees, by a committee of the Trustees acting under clauses 19 and 20 or by a person acting as a Trustee, shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any Trustee or that any of them had ceased to hold office or was not entitled to vote, be as valid as if every such person had been duly appointed and had continued to be a Trustee and had been entitled to vote.

18. A resolution in writing signed by a quorum of the Trustees shall be as valid and effective as if it had been passed at a meeting of the Trustees duly convened and held; a resolution of that kind may take the form of a number of copies containing the text of the resolution, with each copy being signed by one or more Trustees.

Delegation

19. The Trustees may delegate any of their powers to any committee consisting of one or more Trustees; any such delegation of powers may be made subject to such conditions as the Trustees may impose, and may be revoked or altered.

20. Subject to any condition imposed in pursuance of the preceding clause, the proceedings of a committee consisting of two or more Trustees shall be governed by the provisions of clauses 8 to 18 so far as they are capable of applying.

Remuneration

21. No Trustee may serve as an employee (full-time or part-time) of the Trust, and no Trustee may be given any remuneration by the Trust for carrying out his/her duties as a Trustee.

Secretary

22. The Trustees shall appoint a secretary to the Trust for such term, at such remuneration (if any), and on such conditions, as the Trustees may think fit; and any secretary so appointed may be removed by them.

23. The Trustees shall ensure that the secretary:

    (a) keeps proper minutes of all proceedings at meetings of the Trustees (and at meetings of committees of the Trustees) including the names of the Trustees present at each such meeting.

    (b) keeps proper records and documents in relation to all other matters connected with the administration and management of the Trust.

Accounts

24. The Trustees shall ensure that proper accounting records are maintained, in accordance with all applicable statutory requirements.

25. The Trustees shall prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions or if the Trustees otherwise think fit, the Trustees shall ensure that an audit of such accounts is carried out by a qualified auditor.

26. An accountant engaged in an audit of the Trust's accounts shall be entitled to have access to all accounting records and other documents relating to the Trust.

Operation of Bank Accounts

27. The signature of two Trustees as nominated and authorised by the Trustees from time to time

shall be required in relation to all cheques issued by the Trust and all other operations (excluding lodgement of funds) on any bank, building society or investment accounts held by the Trust.

Payments to Charities, *etc.*

28. The receipt of the treasurer or other appropriate officer for any funds or other assets paid or transferred by the Trustees to any charity shall represent sufficient discharge to the Trustees.

Limitations on Liability

29. The Trustees shall not be liable for loss or depreciation of the value of investments retained or made by them, nor for omissions, nor for neglect in management, nor for insolvency of debtors, nor for the acts, omissions, neglect or default of one another or of any banker, solicitor, factor or other agent employed by them.

Conduct of Trustees

30. Each of the Trustees shall, in exercising his/her functions as a trustee of the Trust, act in the interests of the Trust; and, in particular, must

    (a) seek, in good faith, to ensure that the Trust acts in a manner which is in accordance with the Trust Purposes (as set out in this Trust Deed)

    (b) act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person

    (c) in circumstances giving rise to the possibility of a conflict of interest between the Trust and any other party

        (i) put the interests of the Trust before that of the other party, in taking decisions as a Trustee

        (ii) where any other duty prevents him/her from doing so, disclose the conflicting interest to the Trust and refrain from participating in any discussions or decisions with regard to the matter in question

    (d) ensure that the Trust complies with any direction, requirement, notice or duty imposed on it by the Charities and Trustee Investment (Scotland) Act 2005.

Amendment of Trust Deed/Winding-up

31. If in the opinion of the Trustees any change in circumstances or alteration in the law has made or is likely to make execution of the Trust Purposes impossible or impracticable, or if in the opinion of the Trustees the administration of the Trust could be improved, or the Trust Purposes be advanced in a more appropriate manner, the Trustees may (subject to clauses 32 and 34) in their discretion,

    (a) supplement or amend the provisions of this Trust Deed or any deed supplemental to this Trust Deed; or

    (b) wind up the Trust and transfer the Trust Property (after settlement of all debts and liabilities) to some other charity or charities having similar objects to those of the Trust.

32. In no circumstances is the Trust Property to be held or applied for any purpose which is not an exclusively charitable purpose.

Interpretation

33. In this trust deed:-

"charity"	means a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 96 of the Charities Act 1993
"charitable purpose"	means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;
"the Trust Deed"	means this trust deed (including any supplementation or amendment effected in accordance with the provisions of clauses 30 and 31);
"the Trust Property"	means the sum of £1 paid by us to the Trustees, and such other funds and assets as may from time to time be received by the Trustees as trustees under the Trust Deed (from us or any other person), and the assets in which any funds so received may from time to time be invested.
"the Trust Purposes"	means the purposes specified in clause 1.

34. Any reference in this Trust Deed to a provision of any legislation shall include any statutory modification or re-enactment of that provision in force from time to time.

We declare that the Trust Deed shall be irrevocable.

This Trust Deed, consisting of this and the 5 preceding pages, is executed as follows:-

SIGNED by the said Janet Macdonald at Strathpeffer on the [ ] day of December 2013 before the following witness:-

…… ……
[witness full name] [insert full name]

……

……
[witness address]

SIGNED by the said Richard Chester at Port of Menteith on the [ ] day of December 2013 before the following witness:-

…… ……
[witness full name] [insert full name]

……

……
[witness address]

SIGNED by the said Moira Harris at Achnasheen on the [ ] day of December 2013 before the following witness:-

…… ……
[witness full name] [insert full name]

……

……
[witness address]

SIGNED by the said Alexander Wilson Barclay at Inverness on the [ ] day of December 2013 before the following witness:-

…… ……
[witness full name] [insert full name]

……

……
[witness address]

SIGNED by the said Graham Elliott at Edinburgh on the [ ] day of December 2013 before the following witness:-

…… ……

[witness full name] [insert full name]

……

……

[witness address]