

## GRANT AGREEMENT

between

(1) CITY OF GLASGOW COLLEGE FOUNDATION

and

(2) CITY OF GLASGOW COLLEGE

**Ship Simulator Suite and Working Engine Room**

2014

## TURCAN CONNELL

LEGAL • WEALTH MANAGEMENT • TAX

PRINCES EXCHANGE, 1 EARL GREY STREET, EDINBURGH, EH3 9EE

Telephone 0131 228 8111 Fax 0131 228 8118

DX 723300 Edinburgh 43 LP 1 Edinburgh 14

E-mail [enquiries@turcanconnell.com](mailto:enquiries@turcanconnell.com) [www.turcanconnell.com](http://www.turcanconnell.com)

## GRANT AGREEMENT

between:-

(1) CITY OF GLASGOW COLLEGE FOUNDATION a charity registered in Scotland (Charity Number: SC044620), and a company registered in Scotland (Registered Number SC466171) whose registered office is at Sutherland House, 149 St Vincent Street, Glasgow G2 5NW (“**the Foundation**”)

and

(2) CITY OF GLASGOW COLLEGE a charity registered in Scotland (Charity Number: SC036198) of 60 North Hanover Street, Glasgow G1 2BP, a body corporate established in accordance with section 11(2) of the Further and Higher Education (Scotland) Act 1992 (“**the College**”);

(each a “**party**” and together “**the parties**”)

WHEREAS:-

- A The Foundation’s charitable objects are to advance the charitable purposes of the College to include the advancement of education by making grants and providing financial support for projects and activities being carried out by and supported by the College.
- B The Foundation has received a grant request from the College dated 4th September 2014.
- C The Foundation has agreed to make over a grant to the College subject to the terms and conditions set out in this Agreement.

NOW IT IS AGREED as follows:-

**1. Grant**

- 1.1 The Foundation agrees to pay the Grant (as defined below) to the College subject to the terms and conditions of this Agreement.
- 1.2 The amount of the grant will be the sum of £2,072,000 (“**the Grant**”) to be paid in the instalments set out below.

**2. Purpose**

- 2.1 The Grant is to be applied exclusively towards the building and provision of a ship simulation and working engine room facilities through the delivery of a state-of-the-art nautical simulator, including a full mission engine room, electronic navigation equipment and training and support services all as detailed in the grant request that was made by the College to the Foundation dated 4th September 2014 (“**the Grant Purposes**”).
- 2.2 The Grant is not to be used for any purpose other than the Grant Purposes.

**3. Payment of the Grant**

- 3.1 The Grant will be paid in the following instalments:-
- (a) £156,000 on or around the date of signing of this grant agreement;
  - (b) £75,000 on 6th April 2015;
  - (c) £1,741,000 on 3rd August 2015;
  - (d) £94,000 on 1st August 2016;
  - (e) £6,000 on 1<sup>st</sup> May 2017
- 3.2 Each instalment will be payable by the Foundation to the College by electronic transfer to account details to be provided by the College to the Foundation.

#### **4. Status Reports**

- 4.1 The College will provide to the Foundation annual reports on 1 April as to how each instalment of the Grant has been applied towards the Grant Purposes and the College shall keep appropriate books and records for that purpose.
- 4.2 Following the completion of the project, the College shall provide a report of the outcomes and benefits of the project. This report shall be delivered to the Foundation one year after the project has been completed and shall include student satisfaction feedback together with evidence of employer engagement and any growth in related commercial income to the College.
- 4.3 The College shall notify the Foundation within three months of the date of this agreement on promotion and publicity steps for the Foundation's funding of the Grant Purposes.

#### **5. Termination/Repayment**

- 5.1 In the event of any of the following events occurring, the Grant may, at the option of the Foundation acting reasonably, become repayable by the College to the Foundation in whole or in part as directed by the Foundation:-
- (a) if the College fails to hold or apply the Grant for or to the Grant Purposes;
  - (b) if the College fails to comply with any of the terms and conditions set out in this Agreement and in the case of a breach capable of being remedied fails to remedy that breach within 30 days of receiving written notice from the Foundation specifying the breach and requiring the same to be remedied;
  - (c) if there is a material change in the status of the College that has a materially adverse effect on the College's ability to comply with the terms of this Agreement and such change is not approved in writing by the Foundation;
  - (d) if the College is unable to pay its debts as and when they fall due, a resolution is made or an order passed for the winding up of the College (other than a voluntary liquidation for the purpose of reconstruction or amalgamation on terms approved by the Foundation in advance in writing) or a receiver is to be appointed to the College or the College has an administration order made against it or an application for such an order is made or, in the case of the

College not being a corporation, if the College shall become apparently insolvent or sign a deed for its creditors; or

(e) if the College has acted fraudulently or negligently in any material matter in connection with this Agreement.

5.2 The maximum amount of the Grant repayable in terms of clause 5.1 will be limited to the Grant received by the College.

5.3 The Foundation shall notify the Foundation in writing immediately upon the occurrence or intended occurrence of any of the events noted in clause 5.1 above.

5.4 On the occurrence of any of the events noted in clause 5.1, the Foundation may terminate this Agreement by notice in writing to the Foundation save that the provisions of clause 5.5 (repayment of Grant) will continue to apply until complied with in full and clause 0 (confidentiality) which will continue to apply indefinitely.

5.5 If any part of the Grant falls to be repaid, the College shall repay the Foundation within 30 days of demand all or such part of the Grant as may be required by the College.

5.6 A certificate by the Foundation as to the amount of the Grant due to be repaid shall, in the absence of manifest error, be conclusive evidence in any legal proceedings of the sum to be repaid by the College to the Foundation.

## 6. Notices

Any notice (which term, in this clause, shall include any communication) to be given by either party to this Agreement shall be in writing and shall be deemed to have been duly served if delivered by prepaid registered post to the addressee at the address shown at the head of this Agreement or at such other address as the party to be served may have notified in accordance with the provisions of this clause for the purposes of this Agreement. A notice served in accordance with this clause 6 shall be deemed to be served one working day after posting.

## **7. Confidentiality**

- 7.1 The Grant and the terms of this Agreement (“**the Confidential Information**”) are to remain confidential.
- 7.2 The parties agree not to disclose any Confidential Information to any third party without the prior written consent of such other party or parties (as applicable); and that this obligation will survive expiry or termination of this Agreement.
- 7.3 Each party agrees that it will not at any time disclose any Confidential Information or any part of it to any third party nor use the Confidential Information or any part of it for any purpose other than to perform its obligations under this Agreement.
- 7.4 Each party agrees that the provisions of this clause 7 will not apply to any Confidential Information or part of it which is or becomes generally available to the public other than directly or indirectly as a result of any breach of this clause 7 by any of such party.
- 7.5 Without prejudice to the generality of clauses 7.1 to 7.4, nothing in this clause 7 will prevent any party from disclosing the Confidential Information or any part of it to its professional advisors, auditors, trustees, senior employees or to any other regulatory or governmental body which has jurisdiction over the party or from disclosing such Confidential Information as it may be required by law to disclose PROVIDED THAT the party will procure (prior to any such disclosure being made) that any disclosure to any body not being of a regulatory or governmental nature will be subject to a confidentiality agreement with the other in relation to the Confidential Information so disclosed, on the terms (mutatis mutandis) of this clause 7.
- 7.6 The provisions of this clause 7 will continue following the termination of this Agreement for any reason whatsoever and without time limit.

## **8. Assignment**

Neither the Foundation nor the College may, without the prior written consent of the other party (which it may in its absolute discretion withhold), assign, transfer, charge or grant any other security interest over or otherwise deal in any other manner with any of its rights or obligations under this Agreement or any of its rights under it, or purport to do any of the same, nor sub-contract any or all of its obligations under this Agreement.

**9. Amendment and Waiver**

- 9.1 Any amendment of this Agreement shall be in writing and signed by or on behalf of each of the Foundation and the College.
- 9.2 Any amendment of any right under this Agreement is effective only if it is in writing and it applies only to the circumstances for which it is given and will not prevent the party who has given the waiver from subsequently relying on the provision it has waived.
- 9.3 No failure to exercise or delay in exercising any right or remedy provided under this Agreement, or by law, constitutes a waiver of such right or remedy or will prevent any future exercise in whole or in part. No single or partial exercise of any right or remedy under this Agreement shall preclude or restrict the further exercise of any such right or remedy. Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

**10. Severability**

- 10.1 If any of the provisions of this Agreement become or are declared to be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the other provisions of this Agreement shall not in any way be affected or impaired. Where, however, the provisions of such applicable laws may be waived they are hereby waived by the parties hereto to the full extent permitted by law to the effect that this Agreement shall be deemed to be a valid and binding agreement, enforceable in accordance with its terms.
- 10.2 In the event that, notwithstanding Clause 10.1, any provision of this Agreement becomes or is declared invalid, illegal or unenforceable the parties hereto agree to substitute for such invalid, illegal or unenforceable provision a new provision which serves the purpose of the invalid, illegal or unenforceable provision to the furthest extent possible.


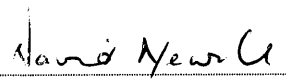
**11. Choice of Law and Jurisdiction**

11.1 This Agreement and any disputes or claims arising out of or in connection with its subject matter are governed by and construed in accordance with the law of Scotland.

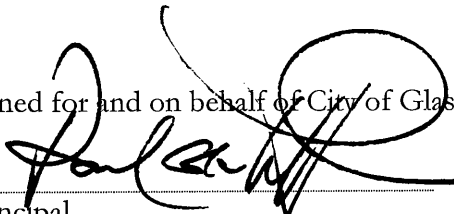
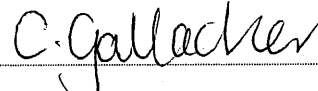
11.2 Each party irrevocably agrees that the courts of Scotland have exclusive jurisdiction to settle any dispute, claim or matter that arises out of or in connection with this Agreement.

THIS AGREEMENT on this and the preceding 6 pages is signed as follows:-

Signed by City of Glasgow College Foundation as follows:

 Director	Witness	 DAVID NEWALL
At (Place): Glasgow	Full Name	67 DOWANSIDE RD
On (Date): 24/11/2014	Address	GLASGOW G12 9DL

Signed for and on behalf of City of Glasgow College as follows:

 Principal	Witness	 CLAIRE GALLACHER
At (Place): GLASGOW	Full Name	CITY OF GLASGOW COLLEGE
On (Date): 19-12-14	Address	60 NORTH HANOVER ST, GLASGOW