

DATED

17th October

2014

THE RHODES TRUST

TRUST DEED

constituting

the Rhodes Trust Horizon Fund

FARRER&Co

THIS DEED is made the 17 day of October 2014

BY The Rhodes Trust, a statutory corporation incorporated by the Rhodes Trust Act 1946, having its principal place of business at Rhodes House, South Parks Road, Oxford, OX1 3RG

WHEREAS

- (A) The Rhodes Trust currently administers two charitable funds (the **Existing Funds**) registered with the Charity Commission, being the Cecil Rhodes Trust Scholarship Fund (registered number 314119, and referred to below as the **Scholarship Fund**) and the Rhodes Trust – Public Purposes Fund (registered number 232492 and referred to below as the **Public Purposes Fund**).
- (B) The Existing Funds were originally endowed under the terms of the will of Cecil John Rhodes dated 1st July 1899 and subsequent codicils to it (the **Will**). In accordance with the terms of the Will, the trustees of the Will established and administered the Scholarship Fund to support the grant of scholarships for the purposes of educating future leaders for the world who would be committed to service in the public good, and whose interactions whilst pursuing their studies together would promote international understanding. The trustees also established and administered the Public Purposes Fund for educational and other charitable purposes in accordance with the terms of the Will. Rhodes expected his trustees to adapt the instructions set out in the Will to respond effectively to changing circumstances.
- (C) The trustees of the Will were constituted for all purposes a body corporate with perpetual succession under the name "the Rhodes Trust" (the **Trustee**) by the Rhodes Trust Act 1946 (the **1946 Act**). The objects and powers of the Trustee in relation to each of the Existing Funds were restated in the 1946 Act. The Existing Funds are managed and administered by the Rhodes Trustees as they are defined in the 1946 Act (the **Rhodes Trustees**).
- (D) The Rhodes Trustees have concluded that the objects and powers of the Trustee in relation to each of the Existing Funds may not be sufficiently wide to enable the Trustee to respond effectively to changing circumstances and thereby to give full effect to the objectives for which the Rhodes Trust was constituted, including under the 1946 Act, to achieve. The Trustee was given power, under Clause 3 of the 1946 Act, to widen its objects and powers by establishing a further fund or funds, in

respect of which it can act as trustee, for educational or other charitable purposes in any part of the world.

- (E) The Rhodes Trustees have therefore decided that the Trustee should now exercise that power accordingly and establish a new fund, in respect of which it should act as trustee, on the trusts declared in this Deed. Pursuant to that power the Trustee declares that it holds the sum of ten pounds (£10) on the trusts declared in this Deed (the **Trust**).
- (F) Further money or property may be paid, transferred or lent to the Trustee to be held on the Trust.

NOW THIS DEED WITNESSES as follows:

1. Name and Objects

- 1.1 The name of the Trust is the Rhodes Trust Horizon Fund (or any other name chosen by resolution of the Trustee from time to time).
- 1.2 The charitable objects of the Trust (the **Objects**) are to promote and advance education and other charitable purposes in any part of the world in such ways as are exclusively charitable as the Trustee in its uncontrolled discretion shall determine. In the exercise of its uncontrolled discretion for these purposes, the Trustee shall be entitled to act in a manner which it considers will promote and advance such overall charitable aims and values as the Rhodes Trust wishes from time to time to serve in accordance with Section 3 of the 1946 Act.
- 1.3 The Trustee shall hold upon trust and pay or apply or cause to be paid or applied at such time or times and in such manner as it shall in its uncontrolled discretion think fit the income and if and in so far as the Trustee shall think fit the capital of the Trust in promoting the Objects.

2. Powers

The Trustee has the following powers, which may be exercised only in promoting the Objects:

- 2.1 to establish, maintain, manage, perform all such acts and/or support donations, programs, scholarships and any other action for educational or other charitable purposes in any part of the world on terms and for purposes (including, without

limitation, those described in Recital B above) to be decided by the Trustee in its uncontrolled discretion from time to time;

- 2.2 to make such other grants, gifts or other payments as will, in the opinion of the Trustee in its uncontrolled discretion, promote or advance or tend to promote or advance educational or other charitable purposes in any part of the world and in respect of grants to institutions to accept as good discharge the receipt of the treasurer, secretary or other authorised officer of the institution;
- 2.3 to accept (or in the uncontrolled discretion of the Trustee to disclaim) any gift, endowment, legacy, bequest, devise, subscription, grant, loan or contribution of money, property, rights or privileges of any kind including contributions subject to restrictions special trusts or conditions within the Objects so that any such contributions shall be held and applied according to the restrictions special trusts or conditions on which they were accepted;
- 2.4 to raise funds (but not by means of taxable trading) including by raising or collecting funds and property for specified projects or purposes within the Objects and subject to such restrictions special trusts or conditions as the Trustee thinks fit, including by creating raising funds for and holding funds or trusts for specified projects or purposes;
- 2.5 to promote or carry out research;
- 2.6 to provide advice;
- 2.7 to publish or distribute information;
- 2.8 to co-operate with other bodies;
- 2.9 to support, administer or establish other charities, including for the avoidance of doubt by means of providing financial support for any other charitable funds administered by the Trustee or charitable activities carried on by the Trustee the purposes of which are within or consistent with the Objects and providing, supporting or subsidising the administrative and/or overhead costs of or incurred in the execution of the trusts of any such charitable funds or charitable activities;
- 2.10 to borrow money, give security (but only in accordance with the restrictions imposed by the Charities Act 2011) and to treat money so borrowed or loaned as capital;
- 2.11 to acquire, build, maintain, improve or hire property of any kind;

- 2.12 to make planning applications, applications for consent under bye-laws or building regulations and other like applications;
- 2.13 to sell, let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 2011);
- 2.14 to make loans of money and to give guarantees and in respect of loans to institutions to accept as good discharge the receipt of the treasurer, secretary or other authorised officer of the institution;
- 2.15 to set aside funds forming part of the trust fund for special purposes or as reserves against future expenditure;
- 2.16 to deposit or otherwise invest funds forming part of the trust fund in any lawful manner (but to invest only after obtaining advice from a financial expert, unless the Trustee reasonably concludes that in all the circumstances it is unnecessary or inappropriate to do so, and having regard to the suitability of investments and the need for diversification);
- 2.17 subject to the provisions of Clause 4, to delegate the management of investments to a financial expert, but only on terms that:
 - 2.17.1 require the financial expert to comply with any investment policy (and any revision of that policy) set down in writing for the financial expert by the Trustee;
 - 2.17.2 require the financial expert to report transactions to the Trustee promptly (either in full or in summary form);
 - 2.17.3 require the financial expert to review the performance of the investments with the Trustee regularly;
 - 2.17.4 entitle the Trustee to cancel the delegation arrangement at any time;
 - (2.17.5 require the investment policy and the delegation arrangement to be reviewed with the Trustee at least once a year;
 - 2.17.6 require all payments to the financial expert to be on a scale or at a level which is agreed in advance and to be notified promptly to the Trustee on receipt;

2.17.7 prohibit the financial expert from doing anything outside the powers of the Trustee;

2.18 subject to the provisions of Clause 4, to appoint any person to act as its agent;

2.19 to insure the property of the Trust against any reasonably foreseeable risk and take out other insurance policies to protect the Trust when required;

2.20 to insure the Trustee and the Rhodes Trustees against the costs of a successful defence to a criminal prosecution brought against them as charity trustees or against personal liability (except liability to pay a fine) incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty (unless the person concerned knew that, or was reckless as to whether, the act or omission was in fact a breach of trust or breach of duty);

2.21 to pay reasonable fees to any nominee or custodian trustee;

2.22 subject to Clause 5 to employ, engage or retain the services of such persons as may be necessary or desirable for the attainment of the Objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants;

2.23 to enter into contracts to provide services to or on behalf of other bodies;

2.24 to enter into any funding or other arrangement with any government or any other authority (supreme, municipal, local or otherwise) and to obtain from such government or authority any rights, concessions, privileges, licences and permits;

2.25 to establish or acquire subsidiary companies to assist or act as agents for the Trust;

2.26 to open an account with a bank or other financial institution in the name of the Trust, to pay any part of the trust fund into it and to make arrangements as to its operation; and

2.27 to do anything else within the law which promotes or helps to promote the Objects.

3. Accumulation and Costs

3.1 The Trustee may in its uncontrolled discretion for the period of 21 years from the date of this Deed instead of applying the income of the Trust in any year accumulate all or any part of such income by investing the same and the resulting income and hold the

same as part of the capital of the Trust without prejudice to its right to apply the whole or any part of such accumulated income in any subsequent year as if the same were income of the Trust arising in the then current year.

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3.2 The Trustee shall have the power to pay out of the capital or the income of the Trust all costs of and incidental to the creation of the Trust and the management and administration of the Trust including the costs of appeals for funds and the expenses and fees for fundraising or the services of financial consultants, professional managers and advisers in connection with any such appeal or for other purposes in promoting the Objects.

4. **The Trustee**

4.1 The Trustee as the charity trustee has control of the Trust and its property and funds.

4.2 Decisions of the Trustee shall be made by the Rhodes Trustees in accordance with the procedures set out in and any rules or regulations made pursuant to Section 8 of the 1946 Act, provided that, for the avoidance of doubt:

4.2.1 meetings of the Rhodes Trustees for the purposes of acting as the Trustee may be held by conference telephone or other suitable electronic means by which all of the participants can hear all of the other participants; and

4.2.2 a procedural defect of which the Rhodes Trustees are unaware at the time does not invalidate any decision taken by them for and on behalf of the Trustee.

4.3 The Trustee may (subject to the provisions of this Deed) make and alter rules or regulations for the management and administration of the Trust, including rules for the operation of any scholarship programme established maintained or supported by the Trust.

5. **Benefits to the Trustee**

5.1 The Trustee shall not be entitled to charge and receive remuneration for acting as a trustee or a custodian trustee of the Trust but the Trustee or a connected person may supply goods or services to the Trust in return for a payment provided that:

5.1.1 the goods or services are required by the Trust;

- 5.1.2 the nature and level of the benefit is no more than reasonable in relation to the value of the goods or services; and
- 5.1.3 the Trustee reasonably believes that it would be in the best interests of the Trust for the goods or services to be provided by the Trustee or connected person.

5.2 Neither the Trustee nor any connected person may receive from the Trust any payment of money or other material benefit (whether direct or indirect) except:

- 5.2.1 under Clauses 2.20 (indemnity insurance) and 5.1 (goods and services);
- 5.2.2 reimbursement of reasonable expenses actually incurred in the administration of the Trust;
- 5.2.3 interest at a reasonable rate on money lent to the Trust;
- 5.2.4 a reasonable rent or hiring fee for property or equipment let or hired to the Trust;
- 5.2.5 an indemnity in respect of any liabilities properly incurred in or in relation to the administration of the Trust (including the costs of a successful defence to criminal proceedings but not liability to pay a fine);
- 5.2.6 payment to a company in which the Trustee has no more than a 1 per cent shareholding, or any payment to a company in which the Trustee has more than a 1 per cent interest provided in the latter case that such payment meets the conditions of Clauses 5.1.1 to 5.1.3 above as if the reference to "connected person" were to such a company;
- 5.2.7 payments to the Trustee as or on behalf of a beneficiary of the Trust or as the administrator of funds to be used in furtherance of the Objects (including for the avoidance of doubt payments made in accordance with Clause 2.9); and
- 5.2.8 in exceptional cases, other payments or benefits (but only with the prior written consent of the Charity Commission).

5.3 The Trustee shall not be accountable for any remuneration or other benefit received by it (whether as director, auditor or other officer or otherwise) from any company in which shares, stock, debentures or other securities are for the time being comprised in the trust fund except to the extent (if any) to which such remuneration or other

benefit is received by the Trustee as Trustee of the Trust or is held for it in that capacity.

6. Liability and Discretion of the Trustee

- 6.1 The Trustee shall not be held liable to reimburse a loss to the Trust arising out of:
 - 6.1.1 investments made in good faith and having taken and considered advice from a financial expert unless the Rhodes Trustees concluded in good faith that in all the circumstances it was unnecessary or inappropriate to take such advice; or
 - 6.1.2 the negligence fraud or wilful default of an agent employed by the Trustee in good faith, provided that adequate supervision was exercised; or
 - 6.1.3 the Trustee's own mistake, act or omission except in the case of its own actual fraud.
- 6.2 For the avoidance of doubt, the discretions and powers of the Trustee vested in it under this Deed are under its sole and absolute control, the Trustee shall not be held liable for any loss or damage which accrues or is suffered or which may accrue or be suffered as a result of its exercising or refusing or failing to exercise any such discretions or powers, and no appointment, advancement or other distribution of all or part of the Trust Fund in furtherance of the Objects shall be invalid on the grounds that any other potential objects of such appointment, advancement or other distribution are excluded.

7. Amendments

- 7.1 The Trustee may amend this Deed by supplemental deed provided that:
 - 7.1.1 no amendment is valid if it would make a fundamental change to the Objects or to this Clause or otherwise cause the Trust to cease to be exclusively charitable; and
 - 7.1.2 no amendment may be made to Clauses 5 or 6 or this Clause without the prior written consent of the Commission and no amendment shall be made to Clause 1.2 without such consent unless the amendment is made to carry out

more effectively the powers conferred on the Trustee by the 1946 Act for exclusively charitable purposes.

7.2 The Trustee shall promptly send to the Commission a copy of any amendment to this Deed made under this Clause.

8. Amalgamation

8.1 The Trustee may at any time transfer the assets, rights and liabilities of the Trust to another charity established for exclusively charitable purposes within, the same as, or similar to, the Objects.

8.2 On a transfer under Clause 8.1 the Trustee must ensure that all necessary steps are taken as to the trusteeship of any property held for special purposes.

9. Dissolution

9.1 The Trustee may at any time decide that the Trust is to be dissolved and will then be responsible for the orderly winding up of the Trust's affairs.

9.2 After making provision for all outstanding liabilities of the Trust, the Trustee must apply the remaining property and funds of the Trust in one or more of the following ways:

9.2.1 first, and to the extent that it is possible to do so, by transfer to one or both of the Existing Funds and/or any other fund established for exclusively charitable purposes within, the same as, or similar to, the Objects, which may then be administered, managed and controlled by the Trustee; and

9.2.2 secondly, to the extent it is not possible to comply with Clause 9.2.1:

- (a) by transfer to one or more other bodies established for exclusively charitable purposes within, the same as, or similar to, the Objects;
- (b) directly for the Objects or charitable purposes within, the same as, or similar to, the Objects; or
- (c) in such other manner consistent with charitable status as the Commission approves in writing in advance.

10. Interpretation

10.1 In this Deed unless the context requires otherwise:

- 10.1.1 a reference to a clause is a reference to a clause in this Deed;
- 10.1.2 words importing the singular shall include the plural and vice versa;
- 10.1.3 references to any gender shall include all other genders;
- 10.1.4 references to persons shall where appropriate include bodies corporate;
- 10.1.5 references to any statutory provision include any re-enactment or modification of that provision; and
- 10.1.6 clause headings shall not affect the interpretation of this Deed.

10.2 In this Deed, unless the context requires otherwise, the following expressions have the following meanings:

"charity trustee" has the meaning prescribed by section 177 of the Charities Act 2011;

"the Commission" means the Charity Commission for England and Wales;

"connected person" means any business owned by the Trustee or any business in which it is a partner or any business in which the Trustee has a substantial interest;

"custodian trustee" means an individual or corporate body responsible for holding the title to property but not authorised to make any decision relating to its use, investment or disposal;

"financial expert" means a person who is reasonably believed by the Trustee to be qualified to give the relevant advice and/or provide the relevant services by his ability in and practical experience of financial and other matters relating to the investment;

"fundamental change" means such a change as would allow the assets of the Trust to be applied for purposes other than for educational or other charitable purposes in any part of the world;

"material benefit" means a benefit which may not be financial but which has a monetary value;

"substantial interest" has the meaning prescribed by section 352 of the Charities Act 2011;

"taxable trading" means carrying on a trade or business on a continuing basis for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects, the profits of which trade are liable to income or corporation tax;

"trust fund" means:

- (a) all money investments or other property paid or transferred by any person to, or so as to be under the control of and, in either case, accepted by, the Trustee;
- (b) all accumulations (if any) of income; and
- (c) the money investments and property from time to time representing the above and which has not been applied directly or indirectly in carrying out the Objects;

"written" or "in writing" refers to a legible document on paper or a document which can be printed legibly onto paper, including a fax message or electronic mail; and

"year" means calendar year.

13.3 References to the Charities Act 2011 are references to that Act as expressly amended or re-enacted from time to time and to any subordinate legislation made under it. References to the 1946 Act are to that Act as originally promulgated subject to any express amendment or re-enactment thereof from time to time.

IN WITNESS whereof the Trustee has executed this instrument as a Deed on the date first before written

THE COMMON SEAL of THE RHODES TRUST)
was hereunto affixed in the presence of:)

Trustee


Trustee