BCT & BTCo

ROLES AND RESPONSIBILITIES

Owner – Subsidiary

1 Birse Community Trust (BCT) owns the Birse Trading Company (BTCo) as the only shareholder.

2 BTCo is managed by its Directors who may exercise all the powers of the Company.[1]

3 Any new director of BTCo has to be proposed by the BTCo Board and approved by BCT; the Directors of BTCo can be removed by BCT as the owner at any time.[2]

4 BTCo must give BCT as the only member of the company, twenty-one days' notice in writing of BTCo's AGM.[3]

5 BTCo must supply BCT with a copy of BTCo's Annual Accounts twenty-one days before BTCo's AGM.[4]

6 BTCo recognises the need to supply BCT with its Accounts each year in time for BTCo's financial results to be reported in BCT's Annual Accounts.

7 BTCo will also provide BCT with an annual report at the time of BTCo's AGM that describes the operations of BTCo during the year, including its forest management activities.

Landlord - Tenant

8 BCT owns Slewdrum and Balfour Forests and has leased the management of each Forest to BTCo under the terms of leases from 1st January 2023 to 31st December 2032.

9 BCT has the power as the landlord to end either lease at any time if BCT judges that BTCo has breached any of the terms of the lease.[5]

10 Subject to the terms of each lease, BTCo is responsible as the tenant for the management of each Forest and in particular the implementation of the approved Forest Plans.[6]

11 The landlord has reserved the powers to vary or create wayleaves and servitudes; to resume land for any purpose other than forestry on giving three months written notice; to search for and work minerals; and of vehicular access.[7]

12 The landlord has also retained the right to enter grant contracts and other agreements over part or all of each Forest with the written consent of the tenant.[8]

13 The landlord will provide the insurance cover for the Forests each year, while the tenant will pay the rent and report annually on the deer and any rabbits or grey squirrels killed.[9]

14 BCT recognises that BTCo will be managing the Forests to FSC certification standards and will respect the requirements of those standards.

15 BTCo will inform BCT of any approved revisions to either Forest Plan, consulting in advance where any proposed revision would involve any significant increase in the area scheduled to be felled by 2032.

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[1] BTCo Articles of Association, Article 27
[2] BTCo Article 25
[3] BTCo, Article 18
[4] BTCo, Article 48(c)
[5] Balfour lease clause 16; Slewdrum lease clause 17
[6] Balfour clause 5(1); Slewdrum clause 6(1)
[7] Balfour clause 4(1)-(4); Slewdrum clause 4(1-4)
[8] Balfour clause 14(3); Slewdrum clause 15(3)
[9] Balfour clause 10(1)-(2); Slewdrum clause 11(1)-(2)