

said Board any titles to the said buildings and others to which they themselves may have right. But it is provided and declared that the said School Board shall not be entitled to obtain possession of the said subjects or to claim a transference of the right, title, and interest of Dr. Bell's Trustees in and to the same, unless and until they shall make payment to the governors of a sum of £1794 to be applied by them under the provisions of this Scheme.

24. Vested Interests.

Application of Income.

25. Application of Income.—The governors, after paying the necessary expenses of management and the burdens and taxes affecting the Endowment, shall apply the free income of the Endowment, in the manner hereinafter provided.

26. Free Scholarships.—The governors may, so long as they continue to receive any payment or revenue or benefit from the estate of the said Alexander Bogie, but no longer, apply a sum not exceeding £30 yearly in paying, in whole or in part as they may think fit, the fees of scholars, with books and stationery, at public or State-aided schools in the parish of Cupar, both landward and burgh, for elementary education as defined in the Educational Endowments (Scotland) Act, 1882. The free scholars shall be children whose parents or guardians, not being in receipt of parochial relief, are in such circumstances as to require aid for providing elementary education, and are persons who, in the opinion of the governors, ought not to be required to apply to the Parochial Board for such aid.

In the case of children under ten years of age, the selection of free scholars shall be made with due regard to merit, as ascertained by such examination, suited to the age of the candidates, as the governors may from time to time prescribe; or in the case of children for whom such examination is unsuitable, by evidence that the children possess such qualifications as to justify their selection; and in the case of children who have been in attendance at school during one or more school years, the governors shall, in making their selection, give special weight to good conduct, attendance, and progress at school during the previous year. The fees in respect of children under ten years of age shall not be paid for more than one school year without re-appointment, and the amount to be expended in paying fees for such children shall not exceed one-third of the amount to be applied under this section.

In the case of children over ten years of age and upwards, the free scholars shall be selected by competitive examinations, which shall be open to all of the same age who are eligible in terms hereof, whether they have or have not previously been beneficiaries; and for such children the school fees may continue to be paid for such period, not exceeding three years, as the governors may determine. If any scholar gain a school bursary his school fees shall no longer be paid under this section.

The governors, at the end of every school year, shall obtain from the teacher or teachers a special report as to the conduct, regularity of attendance, and progress of all scholars whose school fees are paid in whole or in part under this section, and the fees of no scholar shall continue to be paid in regard to whom such report is not satisfactory.

27. School Bursaries.—The governors shall apply an annual sum not exceeding £50 in estab-

lishing school bursaries, one half of which shall be called the Gray Bursaries, each of the yearly value of not less than £5 nor more than £10. These bursaries shall be awarded by competitive examination among pupils attending public or State-aided schools in the parish of Cupar, both burgh and landward, who have passed the fifth standard of the present Scotch Code, or such standard as may from time to time be fixed by the Scotch Education Department, pursuant to the Education (Scotland) Acts, as that entitling children to total exemption from the obligation to attend school, and whose parents or guardians are in such circumstances as to require aid for giving them higher education, and the Gray Bursaries shall be tenable exclusively by girls so qualified; these bursaries shall be tenable for two years at the Bell-Baxter School.

28. Bell-Baxter School.—The governors shall maintain and keep in good repair the buildings of the Baxter Institution, and shall expend upon extension and alteration of the said buildings the said sum of £1794, to be paid by the said School Board. The governors shall maintain a school in the said buildings so altered and extended, to be called the Bell-Baxter School.

29. Subjects of Instruction.—The subjects to be taught in the school shall include reading, writing, arithmetic, book-keeping, and mensuration; geography and history, English grammar, composition and literature, Greek and Latin, at least two modern languages, music, mathematics and drawing, at least one subject of natural science, and such other subjects as the governors may from time to time determine, but the governors shall pay special attention to making due provision for the instruction of girls in the higher subjects of instruction appropriate to them.

30. Division into Higher and Lower Departments.—The school shall be divided into a higher department and a lower or preparatory department. The lowest class in the higher department shall correspond as nearly as may be to the sixth standard of the present Scotch Code.

31. Boys and Girls to be Taught Separately.—The boys and girls shall as far as possible be taught in separate class rooms, and shall have separate accommodation and entrances.

32. Admission to School.—Children shall, before admission to the higher department of the school, pass an examination of such nature as shall be fixed by the governors, conducted by or under supervision of the head master. Subject to this condition, the school shall be open to all children of good health and character so far as there is room for them.

33. School Fees.—The governors shall charge school fees except as hereinafter provided. The fees charged in the lower or preparatory department shall cover the whole cost of education in that department.

34. Appointment of Head Master.—The governors shall appoint a head master to the school. In all appointments after the first the head master shall be a graduate of some University of the United Kingdom. The governors shall appoint the head master at a meeting to be specially called for the purpose, after having taken such steps, by advertisement or otherwise, as they shall deem best calculated to obtain suitable candidates.

35. Dismissal of Head Master.—The governors may dismiss the head master without assigning cause, after three calendar months' written notice