

COMPANIES ACT 2006
SPECIAL/WRITTEN/ORDINARY RESOLUTION

Company number. 00790125

Company name: WELSH HIGHLAND RAILWAY ~~PLC~~ Limited

On the 2 day of August 2014 the following special/~~written/ordinary~~ resolution was agreed and passed by the members

Change Article 69 to read
Means of Communication

69 (1) Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that ACT to be sent or supplied by or to the Company

(2) Subject to the Articles, any notice or document to be supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being

(3) A notice may be given by the Company to any Member either personally or by sending the notice by post to him or to his registered address, or if he has no registered address in the United Kingdom, to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Alternatively it may be given in electronic form to the members address or placed upon a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state if it concerns a Company meeting and must specify the place date and time of the meeting. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, and to have been effected in the case of a notice of a Meeting at the expiration of twenty-four hours after the letter containing the notice is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post. Proof that an electronic form of notice was given shall be conclusive where the Company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006

Signed

CLW
Company Secretary

SA THURSDAY



A4FNH5D4
A24 10/09/2015 #270
COMPANIES HOUSE
A4DVA4A1
A14 15/08/2015 #294
COMPANIES HOUSE

Company Number 00790125

A14 *A4DVA4A9*
15/08/2015 #295
COMPANIES HOUSE

THE COMPANIES ACT, 1985, 1989 & 2006

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING
A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION
of
WELSH HIGHLAND RAILWAY LIMITED.**

1. The name of the Company (hereinafter called "the Company") is "WELSH HIGHLAND RAILWAY LIMITED".
- 2 The Registered Office of the Company will be situate in Wales.
- 3.1 The objects for which the Company is established are: -
 - (a) To advance the education of the public and to promote research (including the publication of the useful results of such research) in matters concerning *narrow* gauge railways and in particular the narrow gauge railway in the County of Gwynedd and which extended from Dinas to Porthmadog both in the County of Gwynedd and was known as the Welsh Highland Railway and of other railways or tramways which were or may be worked or operated in conjunction or connection therewith and (without prejudice to the generality of the foregoing) matters concerning the history, buildings, tramways, rolling stock, machinery and equipment, the historical operation, the restoration and the current operation of the Welsh Highland Railway; and
 - (b) For the public benefit to provide or assist in the provision of facilities for the recreation and other leisure time operation in the interest of social welfare and with the object of improving conditions of life and in particular but without prejudice to the generality of the foregoing to provide facilities connected with the Welsh Highland Railway, its restoration, maintenance and operation and facilities for pedestrian access to the countryside through which the Welsh Highland Railway runs.
- 3.2 In furtherance of the above objects but not further or otherwise the Company shall have the following powers:
 - (a) To purchase, take on lease or otherwise acquire the land, hereditaments, properties, buildings, assets, rights, easements, privileges, grants, machinery, rolling stock, goods and chattels of the Welsh Highland Railway and of any other Railway or tramway which was or may be operated in conjunction or connection therewith;
 - (b) To rebuild, reinstate, reconstruct, restore, equip, develop, manage, control and

reopen for passengers and goods and other traffic all or part of the Welsh Highland Railway and of any or part of any Railway or tramway which was or may be operated in conjunction or connection therewith;

- (c) To build, purchase, charter, hire or otherwise acquire, maintain, repair and use steam, internal combustion, electric or other engines or locomotives, rolling stock, machinery, railway track and equipment and property of every kind necessary or useful for the purposes of the Company;
- (d) To carry and convey passengers, goods, livestock and all other kinds of merchandise by the said light railway,
- (e) To promote Parliamentary Bills and to promote and make application to the Ministry of Transport and to any other competent authority for all or any orders, licences, consents or permissions necessary or expedient for the acquisition and operation of the said light railway or other tramways or otherwise for the furtherance of the before-mentioned objects of the Company or any of them;
- (f) To print, reproduce and publish books, treatises, photographs and diagrams, timetables and other publications of all descriptions relating to the Welsh Highland Railway;
- (g) To organise exhibitions and other educational events;
- (h) To provide accommodation and places of refreshment, licensed or otherwise, for persons participating in the activities of the Company;
- (i) To purchase, take on lease, take in exchange or on hire, or otherwise acquire and hold any estate or interest of land, buildings, easements, concessions, machinery, plant, stock in trade, goodwill, trademarks, patents, copyright or licences, or any other real or personal property or any right, privilege, estate or interest,
- (j) Subject to such consents as may be required by law to sell, lease, let on hire, improve, manage, develop, mortgage, dispose of, turn to account or otherwise deal with all or any of the property and rights and undertakings of the Company with a view to the promotion of its objects;
- (k) To erect, build, construct, alter, improve, enlarge, maintain or work any railway's, roads, wharves, stores, buildings, works, plant or machinery necessary for the purpose of the Company;
- (l) Subject to such consents as may be required by law to borrow or raise money' for the purposes of the Company and for that purpose to mortgage or otherwise charge the whole or any part of the Company's undertaking, property, and assets:
- (m) To pay out of the funds of the Company all expenses of, or incidental to, the formation and registration of the Company;

- (n) To raise funds and to invite and receive contributions from any person or persons whatever by way of subscription, donation and otherwise, provided that the Company shall not undertake any permanent trading activities in raising funds for its charitable objects;
- (o) To carry on trade insofar as either the trade is exercised in the course of the actual carrying out of a primary object of the Company or the trade is temporary and ancillary to the carrying out of the objects aforesaid;
- (p) To advertise the purposes of the Company,
- (q) To engage or employ such persons (whether as employees, consultants, advisers or however) as may be requisite to the promotion of the objects of the Company and on such reasonable terms and at such reasonable remuneration as the Board of Directors may think fit;
- (r) To make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependents;
- (s) To establish and support or aid in the establishment and support of other charitable associations or institutions and to subscribe, lend or guarantee money for charitable purposes in any way connected with the purposes of the Company or calculated to further its objects;
- (t) To undertake and execute any charitable trusts which may lawfully be undertaken by the Company and may be necessary to its objects,
- (u) To lend money and give credit to, to take security for such loans or credit and to guarantee and become or give security for the performance of contracts by any person or company as may be necessary for the work of the Company;
- (v) To draw, accept, endorse, issue or execute promissory notes, bills of exchange, bills of lading, warrants and other negotiable transferable or mercantile instruments for the purpose of or in connection with the objects of the Company,
- (w) To establish, promote or assist charitable companies with objects similar to those of the Company for the acquisition of the property or liabilities of the Company or to carry on any authorised activity of the Company or for any other charitable purpose calculated to benefit the Company in the furtherance of its objects;
- (x) To amalgamate, merge or join in with any charity having similar objects wholly or in part similar to those of this Company for the purposes of better effectuating the charitable purposes;
- (y) To purchase acquire or undertake all or any of the property liabilities and engagements of charitable associations, societies or bodies with which the Company may co-operate or federate;

- (z) To pay out of the funds of the Company the cost of any premium in respect of insurance or indemnities to cover the liability of the Directors (or any of them) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the Company, PROVIDED THAT any such insurance or indemnity shall not extend to any claim arising from criminal or wilful or deliberate neglect or default on the part of the Directors so claiming (or any of them);
 - (a.a) To invest the monies of the Company not immediately required in or upon such securities and in such manner as the Directors may from time to time determine;
 - (b b) To do all such other things as shall further the attainment of the above objects or any of them;
 - (c.c) To establish and maintain a museum for the benefit and education of the public.
4. The income and property of the Company from whatever source derived, shall be applied solely to the promotion of its objects as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus, or otherwise howsoever, by way of profit to the Members of the Company (and no Member of its Board of Directors shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company, unless the Directors obtain the prior written approval of the Charity Commission and fully comply with any procedure it prescribes).

PROVIDED THAT nothing shall prevent any payment in good faith by the Company

- (a) of reasonable and proper remuneration to any Member, officer or servant of the Company(not being a Member of its Board of Directors) for any service rendered to the Company,
- (b) of interest on money lent by any Member of the Company (or of its Board of Directors) at a reasonable and proper rate;
- (c) of any reasonable and proper rent for premises demised or let by any Member of the Company(or of its Board of Directors);
- (d) of fees, remuneration or other benefits in money or money's worth to a company of which a Member of the Board of Directors may be a Member holding not more than 1/100th part of the capital of the company;
- (e) of reasonable and proper premiums in respect of Directors Indemnity Insurance, effected in accordance with clause 3(z) hereof;
- (f) of the usual professional charges for business done by any Member of the Company (or of its Board of Directors) who is a solicitor, accountant or other

person engaged in a profession, or by any partner of his or hers, when instructed by the Company to act in a professional capacity on its behalf Provided that at no time shall a majority of the Members of the Company (or of its Board of Directors) benefit under this provision and that a Member of the Company (or of its Board of Directors) shall withdraw from any meeting at which his or her appointment or remuneration or that of his or her partner is under discussion, and

(g) to any Member of its Board of Directors of reasonable and out of pocket expenses.

5. The liability of the Members is limited
- 6 Every Member of the Company undertakes to contribute to the assets of the Company, in the event of its being wound up during the time that he is a Member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before the time that he ceases to be a Member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding £1 00
- 7 If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Company, but shall be transferred or given to some other charitable institution or institutions having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property among its or their Members to an extent at least as great as is imposed on the Company under or by virtue of clause 4 hereof, such institution or institutions to be determined by the Members within three months of the Members resolution passed initiating the winding-up failing which and if so far as effect cannot be given to such provision, then to such other charitable object as the Directors shall resolve upon.

THE COMPANIES ACT. 1985 & 1989.

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION of WELSH HIGHLAND RAILWAY LIMITED.

INTERPRETATION

1. The following shall be the Articles of the Company. In these Articles
“the Act” means the Companies Act 1985 including any statutory modification or re-

enactment thereof for the time being in force;

“the Seal” means the Common Seal of the Company;

“the United Kingdom” means Great Britain and Northern Ireland;

“the Articles” means the Articles of Association of the Company as originally framed or as subsequently altered by Special Resolution of the Company in General Meeting, except that any reference to the number of a Clause in the Articles shall be deemed to refer to the Clause as numbered in the Articles as originally herein framed and not as subsequently altered.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in the Articles shall bear the same meaning as in the Act.

MEMBERS

2. (a) The Subscribers to the Memorandum of Association and such other persons as the Directors shall admit to membership shall be Members of the Company.
- (b) Any person who shall subscribe to the Company such annual or periodic sum as the Board of Directors shall from time to time prescribe, shall upon such payment become qualified to be a Member of the Company and shall sign a written request to be a Member.
- (c) No right or privilege for any Member shall be in any way transferable or transmissible and all such rights and privileges shall cease upon the Member ceasing to be such whether by death, retirement or otherwise.
- (d) All membership subscriptions shall be paid to the Membership Secretary (or other officer appointed by the Directors to receive membership subscriptions).
- (e) The Board of Directors shall have the power to suspend from membership of the Company any Member who acts in any way contrary to the well-being of the Company.
- (1) Any person suspended from membership may appeal to the Board of Directors for reinstatement. If the result of that appeal is not acceptable to the suspended Member, his appeal may be brought before the membership at General Meeting in the following prescribed manner. The appeal will be heard directly after the Notice convening the Meeting. A representative of the Board of Directors will be given three minutes to state the Board’s reason for suspension and the appellant will have six minutes in which to reply. Six minutes will then be available for Members questions, following which a show of hands will decide whether the

appeal be granted.

- (g) A Member shall cease to be a Member;
 - (i) on the expiry of at least seven clear days notice given by him to the Company of his intention to withdraw;
 - (ii) if any subscription or any other sum payable by the Member to the Company is not paid on the due date and remains unpaid seven days after notice served on the Member by the Company informing him that he will be removed from membership if it is not paid. The Directors may re-admit to membership any person removed from membership on this ground on his paying such sum in respect of the sum due as the Company may determine;
 - (iii) if he becomes bankrupt or makes any arrangement or composition with his creditors generally or it goes into liquidation otherwise than for the purpose of a bona fide reconstruction without insolvency or has an administrator or a receiver or an administrative receiver appointed over all or part of its assets or a petition is presented or an order made or a resolution passed for its winding up; or
 - (iv) if, at a Meeting of the Board of Directors at which not less than two thirds of the Directors are present, a resolution is passed resolving that the Member be expelled. Such a resolution shall not be passed unless the Member has been given at least fourteen clear days' notice of the fact that the resolution is to be proposed, specifying the misconduct or circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by or of making representations to the Board of Directors. If such a resolution as is referred to is passed, then the Member shall forthwith cease to be a Member but without prejudice to the liability of the Member to pay to the Company any subscription or other sum owed by him.
- 3. (a) The first General Meeting of the Company shall be held at such time, being not less than one month nor more than three months after the Incorporation of the Company, and at such place as the Directors shall determine.
- (b) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year, and shall specify the Meeting as such in the Notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall determine.
- 4. All General Meetings other than Annual General Meetings will be called Extraordinary General Meetings.
- 5. The Directors may, whenever they see fit, convene an Extraordinary General Meeting, and Extraordinary General Meetings shall also be convened on such requisition, or, in

default, may be convened by such requisitionists, as provided by the Act. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director, or any two Members of the Company may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which Meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

6. An Annual General Meeting, and a Meeting called for the passing of a Special Resolution, shall be called by twenty one days notice in writing at the least, and a Meeting of the Company other than an Annual General Meeting or a Meeting for the passing of a Special Resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served, and of the day for which it is given, and shall specify the place, the day and the hour of Meeting, and, in the case of special business, the general nature of that business, and, in the manner required by the Act, that a Member may be represented by not more than one proxy. The notice shall be given in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are, under the provisions of the Articles, entitled to receive such notices from the Company.
7. A Meeting of the Company shall, notwithstanding that it is called by shorter Notice than that given in Clause 6 of the Articles, be deemed to have been duly called if it is so agreed:-
 - (a) In the case of a Meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; and
 - (b) In the case of any other Meeting, by a majority in number of the Members having a right to attend and vote at the Meeting, being a majority together representing not less than ninety five per cent of the total voting rights at that Meeting of all the Members.
8. On requisition as provided by and subject to the provisions of the Act, notice shall be given to the Members of the Company entitled to receive notice of the next Annual General Meeting of the Company of any resolution which may properly be moved and is intended to be moved at that Meeting, and there shall be circulated to Members entitled to have notice of any General Meeting any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or business to be dealt with at that Meeting.
9. The accidental omission to give notice of a Meeting to, or non-receipt of notice by, any Member shall not invalidate the proceedings of that Meeting.

PROCEEDINGS AT GENERAL MEETINGS

10. All business shall be deemed special that is transacted at an Annual General Meeting, with the exception of the consideration of the accounts, balance sheets, and the Reports

of the Directors and Auditors, the election of Directors in the place of those retiring, and the appointment of, and the fixing of remuneration of, the Auditors, and all business shall also be deemed Special that is transacted at an Extraordinary General Meeting.

11. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the Meeting proceeds to business; save as otherwise herein provided, forty Members personally present shall be a quorum.
12. If within half an hour from the time appointed for the Meeting, a quorum is not present, the Meeting, if convened upon the requisition of Members, shall be dissolved; in any other case it shall be held on the same day in the next week, at the same time and place, or on such other day and at such other time and place as the Directors may determine; and if at this Meeting a quorum is not present within half an hour from the time appointed for the Meeting, the Members present shall be a quorum.
13. The Chairman, if any, of the Board of Directors, shall preside as Chairman of every Annual General Meeting of the Company, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the Meeting, or is unwilling to act, the Directors present shall elect one of their number to be Chairman of the Meeting.
14. If at any Meeting no Director is willing to act as Chairman, or if no Director is present after fifteen minutes after the time appointed for the holding of the Meeting, the Members present shall choose one of their number to be Chairman of the Meeting.
15. The Chairman may, with the consent of any Meeting of which a quorum is present (and shall if so directed by the Meeting) adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.
16. At every General Meeting a resolution put to the vote of the meeting shall be decided on the votes of those present who are entitled to vote, together with proxy votes, and a declaration by the Chairman of the Meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, shall not be challenged by any Member of the Company, and an entry of the result of the vote in the book containing the Minutes of Proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution but nothing in this Clause shall apply if a poll is demanded in accordance with the provisions of Clause 17 of the Articles
17. A poll, either before or on the declaration of the result of a vote by show of hands, may be demanded:-

- (a) By the Chairman; or
- (b) By at least three Members present in person or by proxy; or
- (c) By any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting.

The demand for a poll may be withdrawn

- 18 A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith, and a poll demanded on any other question shall be taken at such time as the Chairman of the Company directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded
- 19. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place, or at which a poll is demanded, shall be entitled to a second or casting vote.
- 20 Subject to the provisions of the Act, a resolution in writing, signed by all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations, by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting of the Company duly convened and held

VOTES OF MEMBERS

- 21. Every life or full Member shall have one vote.
- 22 A life or full Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, on a poll, vote by proxy
- 23 No life or full Member shall be entitled to vote at any General Meeting unless all moneys presently payable by him to the Company have been paid.
- 24 Any life or full Member may appoint any one person (whether or not such person is a Member of the Company) to attend any General Meeting of the Company as his proxy, but no life or full Member shall be represented by more than one proxy at the same Meeting; and the proxy shall have the same right to vote on a poll as a life or full Member appointing him, but shall not be allowed to speak at a Meeting, or to vote on a show of hands.
- 25. The instrument appointing a proxy shall be in writing under the hand of the appointor,

or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

26. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company, or at such other place within the United Kingdom as is specified for that purpose in the notice convening the Meeting, not less than forty-eight hours before the time for holding the Meeting or adjourned Meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than forty-eight hours before the time appointed for taking the poll, and in default the instrument of proxy shall not be treated as valid
27. The instrument to allow all members entitled to vote to cast their votes shall be issued to accompany the notice of the General Meeting. All forms so issued shall be identified by the member completing their name, address and membership number. Each form shall provide provision for the nomination of the Chairman of the meeting to act as proxy or allow an alternative to be nominated by providing the name and address of the proxy. The form shall provide for the casting of votes for or against each ordinary and special resolution listed on the notification of the meeting, including candidates nominated for election as Directors. It shall allow the member to indicate whether the proxy can vote on unscheduled business. Returned forms shall be originals, signed and dated by the member. On receipt they will be checked to ensure they are valid. Replacements for damaged, mislaid or spoiled forms shall only be obtained from the Company Secretary. No form other than that complying with this Article, approved by the Board and issued by the Company Secretary shall be accepted.
28. Notes for the guidance of Members completing the form of proxy' shall accompany the form and shall be as closely worded to the following as circumstances permit.

Form of Proxy - Notes for the

Guidance of Members.

The form will allow each member to register their vote at a General Meeting, if they are unable to attend in person, by nominating a proxy to vote on their behalf. It is possible to choose a proxy and indicate exactly how they are to vote on certain matters, or to vote as they see fit on matters not specified. Note however your proxy vote may only be cast in a ballot, not a show of hands.

Begin by appointing your proxy, it may be the Chairman of the meeting or someone you know and trust. They do not have to be a member. Consider the business for discussion as contained in the notice of the meeting and any supplementary papers. If there is to be an election of Directors you should indicate your wishes, bearing in mind that you can only vote for, or against, the same number of candidates as there are places available. Read the notice carefully.

Other resolutions concern the accounts and appointment of Auditors, or they may be special resolutions. You may have indicated that your proxy can vote as they think fit on any unspecified resolutions not shown on the notice of the

meeting, this will enable them to take part in any unscheduled ballot on your behalf. If you do not want them to do this, do not indicate that they can on the form.

You are under no obligation to appoint a proxy and exercise your right to vote. If you do so they are legally bound to comply with your wishes.

29. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding of a poll.
30. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Company at the office before the commencement of the Meeting or adjourned Meeting at which the proxy is used.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS.

31. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any Meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.

DIRECTORS

32. (a) The minimum number of the Directors shall be three but unless otherwise determined by Ordinary Resolution there shall be no maximum.
(b) No person shall be qualified to be a Director of the Company unless he shall be a Member of the Company whose annual Subscription shall be fully paid up.
33. The Directors shall also be paid all reasonable travelling, hotel and other out of pocket expenses properly incurred by them in attending and returning from Meetings of the Directors or any committee of the Directors or General Meetings of the Company or in connection with the business of the Company.

BORROWING POWERS

34. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party, provided that all monies borrowed from the Company and not secured by debenture or charges on the Company's undertaking and property shall only be repayable at the option of the Company provided further that the amount of money borrowed by the Company at any time does not exceed the sum of £500,000.

POWERS AND DUTIES OF DIRECTORS

- 35 The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or the Articles, required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of the Act or by the Articles, and to such regulations, not being inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any other prior act of the Directors which would have been valid if that regulation had not been made.
- (a) In relation to Article 2b not to impose a variation in the amount or in the ordinary resolution of the levy in General Meeting due notice having been given in the notice convening the Meeting.
- (b) In relation to Article 45a. to ensure that as early as convenient before the seventieth day preceding the Annual General Meeting there shall appear in a letter or other circular issued to all Members entitled to attend the Meeting an intimation of the date of the Meeting and notice of the dates between which the nomination of candidates for election to the Board may be accepted.
- 36 The Directors may from time to time, and at any time, by power of attorney, appoint any company, firm, or person, or body of persons whether nominated directly or indirectly by the Directors, to be Attorney or Attorneys of the Company, for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles), and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit
- 37 Subject to Clause 4 of the Memorandum of Association of the Company a director shall not vote in respect of any contract or proposed contract with the Company in which he is directly or indirectly interested, or in respect of any matter arising thereout, and if he does vote then his vote shall not be counted.
- 38 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors may from time to time by resolution determine
39. The Directors shall cause minutes to be made in books provided for the purpose:-
- (a) Of all appointments of officers made by the Directors;
- (b). Of the names of the Directors present at each Meeting of the Directors and of any committee of the Directors; and

- (c). Of all resolutions and proceedings at all Meetings of the Company, of the Directors, and of Committees of Directors;

Every Director present at any Meeting of Directors or Committee of Directors shall sign his name in a book to be provided for that purpose

- 40. The sum of money that may be spent or otherwise committed by any one Director acting singly on behalf of the Company shall be limited to an amount fixed by and periodically amended or revised by the Board of Directors of the Company. The spending or committing of any greater sum than that fixed by the Board of Directors shall require the sanction of the Board of Directors or a quorum of that Board, in writing. Furthermore, no sum of money shall be spent or committed except in accordance with a budget which has been approved by the Board of Directors and where such money is to be used or committed for the purchase, lease or rent of any articles or articles of Engineering Equipment, Engineering Materials, Locomotives or rolling stock or any other item of a mechanical or structural nature, it shall require the approval of a Member of the Board of Directors deemed to be qualified professionally to express an opinion on the suitability of the transaction.

DISQUALIFICATION OF DIRECTORS

41.A The office of Director shall be vacated if the Director:-

- (a) Becomes bankrupt, or makes any arrangement or composition with his creditors generally; or
- (b) Becomes prohibited from being a Director by reason of any provision of the Act or becomes prohibited by law from being a Director, or
- (c) is, or may be, suffering from mental disorder and either -
 - (i) is admitted to hospital in pursuance of an application for treatment under the Mental Health Act 1983, or in Scotland, an application for admission under the Mental Health Act (Scotland) Act 1960; or
 - (ii) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect of his property or affairs; or
- (d) Is convicted of an indictable offence; or
- (e) Gives one full months notice in writing to the Company that he resigns the office of Director; or
- (f) Subject to Clause 4 of the Memorandum of Association of the Company is directly or indirectly interested in any contract with the Company and fails to

declare the nature of his interest in the manner required by the Act; or

- (g) Shall for more than six months have been absent without permission of the Directors from Meetings of the Directors held during that period; or
- (h) Shall have ceased to be a Member of the Company; or
- (i) Shall have failed to pay his annual subscription to the Membership Secretary (or other officer appointed by the Directors to receive Membership subscriptions) within fourteen days of the same becoming due.

41.B Subject to any of the provisions of any other Clause in the Articles, a person shall be eligible to be appointed a Director notwithstanding the fact that he has reached the age of seventy, and subject to any other Clause in the Articles, a Director shall not be obliged to retire from office at the conclusion of the first Annual General Meeting after he has reached the age of seventy, or at any other time, merely because he has reached the age of seventy or any other age, the provisions of the Act shall not apply to the Company.

41.C The Board of Directors shall have the power to remove from office any Director who acts in any way contrary to the well-being of the Company, subject to two-thirds of the Directors being in agreement.

ROTATION OF DIRECTORS

42 At the first Annual General Meeting of the Company, all the Directors shall retire from office, and at the Annual General Meeting in every subsequent year one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office

43 The Directors to retire in each year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall, unless they otherwise agree amongst themselves, be determined by lot.

44.A A retiring Director shall be eligible for re-election.

44.B No other person other than a Director retiring at a General Meeting shall be eligible for election to the office of a Director unless he has been nominated by a Member duly qualified to attend and vote at the Meeting, such nomination to be signed by the nominated person declaring his willingness to serve as a Director.

44.C If there are no nominations the retiring Directors shall, if offering themselves for re-election, be deemed to have been re-elected unless at the Meeting it is expressly resolved not to fill one or more such vacated offices or unless at such a resolution for the re-election of one or more such Directors shall have been put to the Meeting and lost.

45.A All nominations of candidates for election as Directors will be received by the

Secretary, not more than seventy and not less than fifty days prior to the Annual General Meeting.

- 45.B All candidates for election as Directors, both nominated persons and retiring Directors, may furnish details in support of their election or re-election (e.g. any professional experience, service to the Company and intentions for the future of the Railway) to a maximum of two hundred and fifty words. These details will be circulated to all Members entitled to vote with the Notice of the Annual General Meeting
46. Subject to Clause 32.a of the Articles of Association of the Company the Company may from time to time by Ordinary Resolution increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.
47. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such Meeting.
48. The Company may by Ordinary Resolution, of which special notice has been given in accordance with the Act, remove any Director before the expiration of his office, notwithstanding anything in these Articles or in any agreement between the Company and such Director.
49. Without prejudice to the Powers of the Directors under Clause 47. of the Articles, the Company may, by Ordinary Resolution in General Meeting, appoint any person to be a Director, either to fill a casual vacancy, or as an additional Director, or in place of a Director removed from office under the provisions of Clause 48 of the Articles. A person appointed in place of a Director so removed or to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

PROCEEDINGS OF DIRECTORS

50. The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their Meetings, as they think fit. Questions arising at any Meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Meeting of the Directors. It shall not be necessary to give notice of a Meeting of Directors to any Director for the time being absent from the United Kingdom.
51. The quorum necessary for the transaction of the business of the Directors shall be three or one third of the Directors whichever is the greater

52. The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the Articles of the Company as the necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting of the Company, but for no other purpose.
53. The Directors may elect a Chairman of their Meetings, and determine the period for which he is to hold office; but if no such Chairman is elected, or if at any Meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the Meeting.
- 54.A
- (a) The Directors may delegate any of their power or the implementation of any of their resolutions to any committee.
 - (b) The resolution making that delegation shall specify those who shall serve on such committee (though the resolution may allow the committee to make co-options up to a specified number).
 - (c) The composition of any such committee shall be entirely in the discretion of the Directors and may comprise such of their number (if any) as the resolution may specify.
 - (d) The deliberations of any such committee shall be reported regularly to the Directors and any resolution passed or decision taken by such committee shall be reported forthwith to the Directors and for that purpose every committee shall appoint a secretary.
 - (e) All delegations under this article shall be revocable at any time.
 - (f) The Directors may make such regulations and impose such terms and conditions and give such mandates to any such committees as it may from time to time think fit.
 - (g) For the avoidance of doubt the Directors may delegate financial matters to any such committee and may empower such committee to resolve upon the operation of any bank account provided always that no committee shall incur expenditure on behalf of the Company except in accordance with a budget which has been approved by the Directors.
- 54 B The Meetings and proceedings of any committee shall be governed by the provisions of these Articles regulating the Meetings and proceedings of the Board of Directors so far as the same are applicable and are not superseded by any regulations made by the Board of Directors.
55. A Committee may elect a Chairman of its Meetings; if no such Chairman is elected, or if at any Meeting the Chairman is not present within five minutes after the time

appointed for holding the same, the Members present may choose one of their number present to be Chairman of the Meeting.

56. A Committee may meet and adjourn as it thinks proper. Questions arising at any Meeting shall be determined by a majority of votes of the Members present, and in the event of an equality of votes the Chairman shall have a second or casting vote.
57. All acts done by any Meeting of the Directors, or of a Committee of Directors, or by any person acting as a Director, shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
58. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a Meeting of the Directors, shall be as valid and effectual as if it had been passed at a Meeting of the Directors duly convened and held

SECRETARY

59. Subject to Clause 4 of the Memorandum of Association of the Company the Directors shall appoint a Secretary of the Company, and may appoint one or more deputy or assistant Secretaries. for such term, at such remuneration and upon such conditions as they may think fit and any Secretary or deputy or assistant Secretary so appointed may be removed by the Directors.
60. Anything required or authorised to be done, or any notice required or authorised to be given, under the provisions of the Articles, by or to the Secretary may, if the office is vacant or there is for any reason no Secretary capable of acting, be done or given by or to any deputy or assistant Secretary, or if there is no deputy or assistant Secretary capable of acting, by or to any officer of the Company, authorised specially or generally in that behalf by the Directors.
61. A provision of the Act or of the Articles, requiring or authorising anything to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the secretary

SEAL

62. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed by two Directors and shall be countersigned by the Secretary.

ACCOUNTS

- 62 The Directors shall cause to be kept such proper books of account as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions

with respect to:-

- (a). All sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
 - (b). All sales and purchases of goods by the Company; and
 - (c). The assets and liabilities of the Company.
64. The books of account shall be kept at the registered office of the Company, or, subject to the provisions of the Act, at such other place or places as the Directors see fit
65. The books of account shall always be open to the inspection of the Directors, and the Directors shall from time to time determine whether and to what extent, and at what times and places, and under what conditions or regulations, the said books of account or any of them shall be open to the inspection of Members not being Directors; and no Member (not being a Director) shall have any right to inspect any account or book or document of the Company except as conferred by statute, or authorised by the Directors or by the Company in General Meeting.
66. The Directors shall from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts, or other accounts, if any, and reports as are referred to in those provisions.
67. A summary financial statement shall be laid before the Company in a General Meeting and a copy shall, not less than twenty one days before the date of the Meeting, be sent to every Member of, and every holder of Debentures of, the Company, provided that the provisions of this Clause shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any Debentures

AUDIT

68. Reporting accountants shall be appointed and their duties regulated in accordance with the provisions of the Act.

MEANS OF COMMUNICATION

- 69 (1) Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that ACT to be sent or supplied by or to the Company.
- (2) Subject to the Articles, any notice or document to be supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A notice may be given by the Company to any Member either personally or by sending the notice by post to him or to his registered address, or if he has no registered address in the United Kingdom, to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Alternatively it may be given in electronic form to the members address or placed upon a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state if it concerns a Company meeting and must specify the place date and time of the meeting. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, and to have been effected in the case of a notice of a Meeting at the expiration of twenty-four hours after the letter containing the notice is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post. Proof that an electronic form of notice was given shall be conclusive where the Company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.

70. Notice of every General Meeting shall be given in any matter hereinbefore authorised to every Member of the Company, except those Members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them, and such notice shall also be so given to the Auditor for the time being of the Company; but no other person shall be entitled to receive notices of General Meetings.

REGULATIONS

71. The Board of Directors shall have powers from time to time to make, repeal or alter regulations as to the management of the Company and the affairs thereof as to the duties of any officers or servants of the Company and as to the conduct of business by the Board of Directors or any committee and as to any of the matters or things within the powers or under the control of the Board of Directors provided that the same shall not be inconsistent with the Memorandum of Association or these Articles

INDEMNITY

72. The Directors shall have power to resolve pursuant to Clause 3.(z) of the Memorandum of Association of the Company to effect Directors Indemnity Insurance notwithstanding their interest in such policy.
73. Subject to the provisions of the Act but without prejudice to any indemnity to which any Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, and against all costs, charges, losses, expenses or liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

WINDING-UP

- 74 The provisions of Clauses 6 and 7 of the Memorandum of Association of the Company relating to the winding-up or dissolution of the Company shall have effect and be observed as if the same were repeated in these Articles.