

Registered Number: 05866375

**Articles
of Association**

of

WEST LANCASHIRE LIGHT RAILWAY TRUST

As amended by Special Resolution dated 5th February 2022 and [date of resolution]

COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

THE COMPANIES ACT 2006

INTERPRETATION

In these Articles:-

“Company Member” has the same definition as set out in section 112 of the Companies Act 2006.

“Governing Body” means the Council of Management.

"the Act" means the Companies Act 2006, but so that any reference to any provision of the Act shall be deemed to include a reference to any statutory modification or re- enactment of that provision for the time being in force.

"the Trust" means the above mentioned company.

"the Council" means the Council of Management.

“the Memorandum of Association” means the Memorandum of Association of the Company.

“member of the Council” means those elected to that position in accordance with these Articles of Association and such persons are also the charity trustees and company directors of the Trust.

"secretary" means any person appointed to perform the duties of the secretary of the Trust.

"the United Kingdom" means Great Britain and Northern Ireland.

"month" means calendar month.

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 (which for the avoidance of doubt, shall include email).

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification or re- enactment thereof for the time being in force.

Rules and Bye Laws as defined by the Council of Management for time to time, which shall be followed by the members of the Trust.

Young Member is a member aged 14-18 who does not have voting rights.

Unless the context otherwise demands, words importing any gender shall be interpreted to mean any or all genders.

NAME

- 1 The name of the Trust is West Lancashire Light Railway Trust.

- 2 The registered office of the Trust will be situated in England.
- 3 The Trust's objects are to advance the education of the public by the acquisition, restoration, preservation, exhibition and operation of narrow-gauge railway locomotives, rolling stock, equipment and artefacts, documents and records. And in furtherance of the above objects but not further or otherwise, the Trust shall have the following powers:
 - (a) To purchase, hire, construct, take on loan or otherwise acquire any such items as aforesaid, and to undertake or assist in the maintenance, repair, restoration and renovation of such items, whether or not they belong to, or are for the time being held or loaned to the Trust, and to promote and encourage the exhibition, operation and maintenance of such items for the public benefit.
 - (b) To establish, maintain and operate a railway, to be known as the West Lancashire Light Railway, for the purposes of demonstrating such items, to enhance the experience of the public by providing rides on the railway, and to organise, sponsor or support displays and other such shows or events for the provision and stimulation of information, education and interest in such items.
 - (c) To undertake and facilitate historical, scientific, social and other aspects of research and study concerning narrow gauge railway equipment, to catalogue, collect, collate and disseminate information relating thereto by publishing and/or distributing magazines, periodicals, books, picture, photographs, films, video recordings, audio recordings, leaflets and similar articles relevant to these objects.
 - (d) Subject to such consents as may be required by law, to borrow and raise money for the furtherance of the objects of the Trust, in such manner and on such security as the Trust may think fit.
 - (e) To raise funds and to invite and receive contributions by appeals, meetings or otherwise from any person or persons whatsoever by way of subscription, donation, covenant or otherwise provided that this shall be without prejudice to the ability of the Trust to disclaim any gift, legacy or bequest in whole or part in such circumstances as the Trust may think fit and provided also that the Trust shall only undertake such trading activities as may be lawful.
 - (f) To purchase, acquire by gift, devise, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain and alter any buildings, erections or structures which the Trust may think necessary for the promotion of its objects.
 - (g) To lend money to and to take security for such loans from and to guarantee and become or give security for the performance of contracts and obligations by any charitable organisation or body provided that such loans are in direct furtherance of its objects.
 - (h) To draw, make, accept, endorse, discount, execute and issue promissory

notes, bills of exchange, bills of lading, warrants and other negotiable, transferable, or mercantile instruments.

- (i) To subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other securities or obligations of any other company.
- (j) To invest the moneys of the Trust not immediately required for the furtherance of its objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (k) Subject to such consents (if any) as may be required by law, to borrow or to raise money and for the purpose of securing any debt or obligation of the Trust to mortgage or charge all or any part of its property and assets, present or future.
- (l) Subject to such consent as may be required by law, to sell, let, dispose of or turn to account all or any of its property or assets of the Trust with a view to furtherance of its objects: provided that no relics or railway equipment other than small items of a type currently manufactured or in widespread use may be disposed of without the sanction of a resolution of the Trust in general meeting, notice of which proposed resolution shall have been given in the notice convening the meeting, and that no item donated to the Trust may be disposed of without the consent of the donor provided it is reasonably possible to contact such donor.
- (m) Subject to Article 3 hereof to employ and pay such architects, surveyors, consultants, solicitors and other professional persons, workmen, clerks and other staff as are necessary for the furtherance of the objects of the Trust.
- (n) To provide indemnity insurance to cover the liability of the Council of Management (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 trust or breach of duty of which they may be guilty in relation to the Trust: provided that any such insurance shall not extend to any claim arising from any act or omission which the Council of Management (or any of them) knew to be a breach of trust or breach of duty or which was committed by the Council of Management (or any of them) in reckless disregard of whether it was a breach of trust or breach of duty or not.
- (o) To subscribe to, become a member of, or amalgamate or co-operate with any other charitable organisation, institution, society or body not formed or established for purposes of profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part similar to those of the Trust and by which its constitution prohibits the distribution of its income amongst its members to an extent at least as great as is imposed on the Trust under or by virtue of Article 3 hereof and to purchase or otherwise acquire and undertake all such part of the property, assets, liabilities and engagements as may lawfully be acquired or undertaken by the Trust of any such charitable organisation, institution, society or body.

- (p) To do all or any of the things hereinbefore authorised either alone or in conjunction with any other charitable organisation, institution, society or body with which this Trust is authorised to amalgamate.
- (q) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Trust.
- (r) To do all such other lawful things as are necessary for the attainment of all or any of the above objects.

Provided that:-

- (i) In case the Trust shall take or hold any property which may be subject to any trusts, the Trust shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
 - (ii) The objects of the Trust shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.
- 4 The income and property of the Trust shall be applied solely towards the promotion of its objects as set forth in these Articles 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 Company Members of the Trust, and no member of its Council of Management or Governing Body shall be appointed to any office of the Trust paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Trust.

Provided that nothing herein shall prevent any payment in good faith by the Trust:-

- (a) of reasonable and proper remuneration to any Company Member, officer or servant of the Trust (not being a member of its Council of Management or Governing Body) for any services rendered to the Trust.
- (b) of reasonable professional or other proper charges to any member of its Council of Management or Governing Body being a solicitor, accountant or other person engaged in any profession or business for work done by him or his firm for the Trust.
- (c) of interest on money lent by any member of the Trust or of its Council of Management or Governing Body at a reasonable and proper rate per annum to be selected by the Council of Management or Governing Body.
- (d) of reasonable and proper rent for premises demised or let by any Company Member of the Trust or its Council of Management or Governing Body.
- (e) of fees, remuneration or other benefit in money or money's worth to any company to which a member of the Council of Management or Governing Body may also be a Company Member holding not more than 4% of the capital of that company.
- (f) to any member of its Council of Management or Governing Body of

reasonable out-of-pocket expenses.

- (g) of any premium in respect of any such indemnity insurance as is permitted by Article 3(n).

MEMBERSHIP

- 5 The subscribers to the Memorandum of Association and other such persons as the Council shall admit to membership shall be Company Members of the Trust.
- 6 The liability of the Company Members is limited.
- 7 The Trust shall have the following categories of membership set out below and every applicant for membership shall complete such membership application and pay such initial membership fee (if any) as may be required by the Council and by the Rules or Bye Laws of the Trust and shall signify the category of membership applied for and sign the relevant application. The Council shall determine whether to grant any applicant membership. If refusal is the decision of the Council, written reasons shall be sent to the applicant together with their fees. The applicant shall have the right of appeal of any refusal within 28 days, and will have the opportunity of stating their case, accompanied if so desired by another member of the Trust.
- 8 The membership categories are:-
- (i) Ordinary Member;
 - (ii) Family Member;
 - (iii) Young Member;
 - (iv) Corporate Member;
 - (v) Ordinary Life Member; and
 - (vi) Family Life Member.
- 9 The particular rights and conditions of each membership category are as follows and otherwise as specified in the Rules or Bye Laws but if no distinction is made then the rights and conditions are equal between all the categories:-
- (i) Ordinary Members and Ordinary Life Members must be individuals aged 18 or over. Ordinary Members and Ordinary Life Members are Company Members as defined in section 112 of the Act.
 - (ii) Family Members and Family Life Members must be up to two adult individuals (being individuals aged 18 or over) and any number of persons aged under 14 who are directly related to either of the two adults. The adults within each such membership are Company Members as defined in section 112 of the Act.
 - (iii) Young Members must be aged between 14 and 18. Young Members are not Company Members as defined in section 112 of the Act.

- (iv) Corporate Members must be such companies or other organisations, bodies or groups as have legal identity and are capable of membership of a company in their own right. Corporate Members are not Company Members as defined in section 112 of the Act.
 - (v) Admission fees, annual subscriptions and other fees applicable to each membership category (if any) shall be prescribed by the Rules or Bye Laws provided always that subscription rates and charges to them must be approved by the Trust in General Meeting as specified in Article 15 and shall be paid by the due date specified therein. Members may be expelled for non-payment as specified in Article 13 below.
 - (vi) The rights of members in respect of notice of, attendance at and voting at General Meetings of the Trust shall be as follows. All the provisions of these Articles with regard to notice, attendance and voting at General Meetings (whether voting in person or by proxy) shall be read and construed accordingly.
 - (a) As Company Members, Ordinary Members and Ordinary Life Members may receive notice of, attend and vote at General Meetings and may exercise one vote per member at such meetings;
 - (b) As Company Members, Family Members and Family Life Members shall be entitled to receive notice of general meetings to the adult members named in the register of members in respect of that Family. The two adults within each such membership may attend and vote with one vote each at General Meetings;
 - (c) Corporate Members are not Company Members and shall not be entitled to receive notice of, attend or vote at General Meetings. Corporate Members may, if the Council thinks fit, be invited to attend as observers at such meetings; and
 - (d) Young members are not Company Members and shall not have a voting right at a General meeting. They may be invited to attend as observers at such meetings.
- 10 Any member who fails to pay the annual subscription due in respect of his membership within three months of the due date or who fails to pay any other fees due from him to the Trust within three months of the due date, in accordance with the Rules or Bye Laws of the Trust, may be expelled from membership by resolution of the Council.
- 11 The Council may, by resolution at a Council meeting, remove from membership any member in accordance with the removal procedures specified in the Rules or Bye Laws of the Trust from time to time. Provided always that no member shall be removed unless:-
- (a) He has conducted himself in a manner which in the judgment of the Council is prejudicial to the interests of the Trust, or has by any act or conduct made known to the Council that he is no longer supportive of the objects of the Trust as declared in Article 3

- (b) Such member shall have at least 28 days' notice of the date of the meeting at which his position is to be voted on, and the grounds upon which his removal is sought
 - (c) Such member has had an opportunity of stating his case to, and defending himself before the Council, accompanied if so desired by a fellow member, and
 - (d) Each member of the Council shall have had at least 28 days' notice prior to the meeting that the business of the day shall include the question of removal of the member or members.
- 12 Any member may resign at any time by serving written notice on the Trust and his membership shall cease from the date specified in any such notice.
- 13 Written notice of any expulsion for non-payment of fees or any removal from membership shall be served on the former member as soon as practicable.
- 14 All admissions to and all cessations of Company Members shall be recorded in the register of members of the Trust in accordance with the Act.
- 15 The Council may from time to time propose the rates of payment of admission fees, annual subscriptions for the various categories of membership and any other fees payable by members. Provided always that no increase in the rate of subscription shall be effectual unless approved by the Trust in General Meeting.

GENERAL MEETINGS

- 16 The Trust shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as determined by the Council, 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 of the Trust and the next. All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings.
- 17 A General Meeting may be held entirely through telephone, video conferencing or other communications equipment, via a mixture of such communications equipment or with some people physically present at the General Meeting whilst others are present via communications equipment.
- 18 The Council may whenever they think fit convene an Extraordinary General Meeting, specifying the nature of the business to be conducted thereat. In addition, and without prejudice to the provisions of the Act as to the requisitioning of meetings, an Extraordinary General Meeting may be convened by a signed requisition to the secretary of ten Company Members of the Trust, or one tenth of the Company Membership, whichever is the less, specifying the nature of the business to be conducted thereat. If at any time there are not within the United Kingdom sufficient Company Members of the Council capable of acting to form a quorum, any member of the Council or any two Company Members of the Trust may convene an Extraordinary General Meeting in the same manner as nearly as

possible as that in which meetings may be convened by the Council.

- 19 Fourteen clear days' notice in writing at least of every Annual General Meeting, every meeting convened to pass a special resolution and every other General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the place, the day and the hour of the meeting, and in the case of special business the general nature of that business, shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Trust in General Meeting, to such persons (including the Auditors, if any) as are under these presents or under the Act entitled to receive such notices from the Trust:

Provided that a meeting of the Trust shall, notwithstanding that it is called by shorter notice than that specified in this Article, 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 Company Members entitled to vote thereat; and
 - (b) In the case of any other meeting, by a majority in number of the Company Members having a right to attend and vote at the meeting, being a majority together representing not less than 95% of the total voting rights at that meeting of all Company Members.
- 20 The accidental omission to give notice of a meeting to or send any voting or other ballot paper or other document to, or the non-receipt of such notice, voting or ballot paper or other document by, any person entitled to receive such notice, voting or ballot paper or other document, shall not invalidate the proceedings held or any resolution passed at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 21 No business shall be transacted at any General Meeting unless a quorum of Company Members is present at the time when the meeting proceeds to business: save as herein otherwise provided, thirty Company Members present in person or by proxy shall be a quorum. Provided that in calculating the quorum, each person may only be counted once, even if attending in more than one capacity. If within 30 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Company Members, shall be dissolved: in any other case it shall stand adjourned to the same day in the following week, at the same time and place, or to such day and to such other time and place as the Council may determine. The quorum for such an adjourned meeting shall be thirty Company Members in person or by proxy.
- 22 A Company Member may be part of the quorum at a General Meeting if he can hear, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 23 The chairman of the Council shall preside as chairman at every General Meeting of the Trust, or if there is no such chairman or if he shall not be present within 15

minutes after the time appointed for the holding of the meeting, or is unwilling to act, the Company Members of the Council present shall elect one of their number to be chairman of the meeting. If no Company Member of the Council is willing to act as chairman, or if no member of the Council is present within 15 minutes after the time appointed for holding the meeting, the Company Member's present shall choose one of their number to be chairman of the meeting by simple vote.

- 24 The chairman may, with the consent of any meeting at 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 30 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.
- 25 Company Member's may vote in person or by proxy or by postal ballot (if applicable), whether voting is on show of hands or by poll (which can include via electronic means). At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-
- (a) By the chairman.
 - (b) By at least two Company Members present or by proxy.
 - (c) By any Company Member or Company Member's 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.

Unless a poll be so demanded a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Trust shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

The demand for a poll may be withdrawn.

- 26 Except as provided in Article 25, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 27 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 the poll is demanded, shall be entitled to a second or casting vote.
- 28 A poll demanded on the election of a chairman from the Company Members present, or on the question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any other business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

VOTES OF MEMBERS

- 29 Every Company Member in a voting category of membership may vote with the voting rights specified in Article 9 above.
- 30 No Company Member shall be entitled to vote at a General Meeting unless all moneys payable by him to the Trust have been paid.
- 31 Any Company Member of the Trust entitled to attend and vote at a General Meeting shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of him and any proxy so appointed shall have the same right as the Company Member to speak and vote at the meeting.
- 32 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. A proxy need not be a member of the Trust.
- 33 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 Trust or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than 48 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 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 34 An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

"I/We _____ of _____ in the County of _____ being a member/members of the above named Trust, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary, as the case may be) General Meeting of the Trust to be held on the _____ day of _____, 20 _____, and at any adjournment thereof.

Signed _____ This day of _____, 20 _____.

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. Unless instructed otherwise, the proxy will vote as he thinks fit.

- 35 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or incapacity 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, or revocation as aforesaid shall have been received by the Trust at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 36 If the Council so resolves, a postal ballot may be arranged on any resolution or

resolutions to be proposed at any General Meeting of the Trust. The notice of meeting must then specify that Company Members may either vote in person or by proxy or by postal ballot and shall be accompanied by a postal ballot form with instructions on how it is to be completed and where it is to be returned. Any postal ballot must be returned at least 48 hours in advance of the meeting and no late submissions shall be accepted. The Council shall make such arrangements as it thinks fit for the verification of postal ballot forms. Any Company Member who has submitted a postal ballot form may attend the meeting in question but may only vote in person at that meeting if he notifies the Trust in writing, at least 48 hours in advance of the meeting, that his postal ballot is withdrawn and he wishes to vote in person. On a postal ballot a Company Member shall be entitled to exercise the voting rights attaching to his class of membership as specified in Article 9 above.

COUNCIL OF MANAGEMENT

- 37 The business of the Trust shall be managed by the Council, who may exercise all such powers of the Trust as are not, by the Act or by these Articles required to be exercised by the Trust in General Meeting, subject nevertheless to the provisions of the Act or these Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Trust in General Meeting, but no regulation made by the Trust in General Meeting shall invalidate any prior act of the Council which would have been valid if that regulation had not been made. In the exercise of the aforesaid powers and in management of the business of the Trust, the members of the Council shall always be mindful that they are charity trustees within the definition of the Charities Act 2011 as the persons having the general control and management of a charity. All members of the Council are also the company directors.
- 38 The number of Council members shall be a maximum of ten and a minimum of seven. A maximum of ten Council members shall be elected by the Company Members of the Trust in General Meeting. Notwithstanding any other provision of these Articles, only Company Members of the Trust may be appointed as members of the Council.
- 39 The elected members of the Council shall retire on a three-year rotation with three members of the Council for re-election in year 1, three members of the Council in year 2 and 4 members of the Council in year 3. The Council will agree a means to select which members of the Council should seek re- election in these initial three years.
- 40 A retiring elected member of the Council shall be eligible for re-election if willing to stand and still be a Company Member of the Trust.
- 41 The Trust may fill each vacated electable office on the Council by electing a member of the Trust thereto, and in default any retiring member of the Council shall, if offering himself for re-election and still a Company Member of the Trust, be deemed to have been re- elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such member shall be put to the meeting and lost.
- 42 No Company Member of the Trust, other than a member of the Council retiring at the meeting, shall, unless recommended by the Council, be eligible for election to the

office of member of the Council at any General Meeting unless, not less than 21 days before the date appointed for the meeting, there shall have been left at the registered office of the Trust notice in writing signed by a Company Member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such member for election, and also notice in writing signed by that Company Member of his willingness to be elected. Any new Company Member shall not be eligible to be nominated for a member of the Council position or a member of the Council, until at least 13 months has elapsed from when his Company Membership was approved.

- 43 The Council shall have power at any time, and from time to time, to appoint any Company Member of the Trust to be an elected member of the Council, either to fill a casual vacancy or as an addition to the existing elected members of the Council, but so that the total number of members of the Council shall not at any time exceed any maximum number fixed in accordance with these Articles. Any member of the Council so appointed shall (unless ceasing to hold office for any reason) hold office until the next following Annual General Meeting. Provided he is still a Company Member of the Trust and willing to stand he shall then be eligible for re-election.
- 44 The Trust may by ordinary resolution, of which special notice has been given in accordance with Section 312 of the Act, remove any elected member of the Council before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Trust and such elected member of the Council.
- 45 The Council shall cause minutes to be made:-
- (a) Of all appointments of officers made by the Council.
 - (b) Of the names of the members of the Council present at each meeting, and any officers, if so present.
 - (c) Of all resolutions, decisions and proceedings at all meetings of the Trust, and of the Council and of committees of the Council.
- 46 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Trust, shall be drawn, accepted, endorsed or otherwise executed, as the case may be, by not less than two persons authorised by resolution of the Council from time to time.
- 47 A members of the Council may be removed from their position by a resolution of the Council that it is in the best interests of the Trust that their position be vacated, passed at a meeting at which at 75% or more of the members of the Council are present. Such a resolution must not be passed unless:
- (i) the member of the Council has been given at least 14 clear days' notice in writing of the meeting of the Council at which the resolution will be proposed and the reasons why it will be proposed; and
 - (ii) the member of the Council has been given a reasonable opportunity to make

representations to the meeting either in person or in writing. The other members of the Council must consider any representations made by the member of the Council (or the member of the Council's representative) and inform the member of the Council of their decision following such consideration. There shall be no right of appeal from a decision of the Council to terminate the position of a member of the Council.

DISQUALIFICATION OF MEMBERS OF COUNCIL

- 48 The office of member of the Council shall be vacated if the member:-
- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (b) becomes prohibited from being a member of the Council by reason of the Charities Act 2011 or any order made under any provision of the Act or any other statute or otherwise becomes prohibited by law from being a member of the Council; or
 - (c) becomes incapable by reason of mental disorder, illness or injury of managing or administering his property and affairs; or
 - (d) resigns his office by notice in writing to the Trust; or
 - (e) is directly or indirectly interested in any contract with the Trust and fails to declare the nature of his interest in the manner required by the Act; or
 - (f) ceases to be a Company Member of the Trust; or
 - (g) does not attend any of six consecutive meetings of the Council without having submitted apologies for absence with reasons that have been accepted by the Council. Unless the Council otherwise determines, he shall be deemed to have retired as a member of the Council and shall not be eligible to serve as a member of the Council for at least one year after such retirement; or
 - (h) unreasonably fails to comply with a decision made by the Council of Management as Article 48. Disqualification in accordance with this article requires a 75% Council of Management decision; or
 - (i) a member of the Councils' conduct brings disrepute or reputational damage to the Trust as Article 48. Disqualification in accordance with this article requires a 75% Council decision.

COUNCIL MEMBERS' INTERESTS

- 49 A member of the Council shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted.

PROCEEDINGS OF THE COUNCIL

- 50 The Council may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Decisions arising at any meeting shall be decided by a simple majority of votes. A 75% majority shall be reserved for very important decisions as described in Appendix 1, or such other matters (as determined by a separate majority vote) that the Council decide must be approved by a 75% majority. In the case of an equality of votes the chairman shall have a second or casting vote. Two members of the Council may, and the secretary on requisition of two members of the Council shall, at any time summon a meeting of the Council. Generally, at least 7 days' notice shall be required for a Council meeting, however in an emergency situation all reasonable steps shall be taken to contact all Council members.
- 51 A meeting of the Council may be held entirely through telephone, video conferencing or other communications equipment, via a mixture of such communications equipment or with some people physically present at the meeting whilst others are present via communications equipment. If all the members of the Council participating in the Council meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 52 The quorum necessary for the transaction of business of the Council shall be six. The continuing members of the Council may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below six the continuing member or members of the Council may act for the purposes of increasing the number of members of the Council to that number, or of summoning a General Meeting of the Trust, but for no other purpose.
- 53 A member of the Council may be part of the quorum at a meeting of the Council if he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 54 The Council shall elect a chairman for their meetings and determine the period for which he is to hold office; but if at any meeting the chairman has submitted an apology for not attending the meeting or is not present within fifteen minutes after the time appointed for holding same, the members of the Council present may choose one of their number to be chairman of the meeting. If the elected chairman subsequently arrives at the meeting, he will take over as chairman of the meeting.
- 55 The Council may delegate any of their powers to committees consisting of such majority of members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Council and shall fully and promptly report on all acts and proceedings to the Council as soon as is reasonably practicable. A committee may elect a chairman for its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding same, the members present shall choose one of their number to be chairman of the meeting.
- 56 A meeting of a committee may be held entirely through telephone, video conferencing or other communications equipment, via a mixture of such communications equipment or with some people physically present at the meeting

whilst others are present via communications equipment. If all the people participating in the meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

- 57 The Chairman shall be accountable to the Council and Members of the Trust. The Chairman shall work with the nominated Vice-Chair, Secretary and Treasurer shall manage the day-to-day running and performance of the Trust and shall be responsible for the leadership and performance of the Trust. The Chairman must ensure that all the responsibilities, requirements and obligations of the Trust are identified and delivered through the Council, and through the officers of the Trust (including Heads of Department) that have been identified and appointed by the Council. The Chairman and Treasurer must work together to maintain the financial integrity of the Trust. The Chairman will take a major role in, and responsibility for, managing and sustaining external relationships - both railway and non-railway. The position is voluntary. The term of office of the Chairman may be adjusted by a majority decision by the Council.
- 58 The Chairman and Council members are accountable to the members of the Trust for the appropriate stewardship and governance of the Trust though the work undertaken by the Council, and are expected to work effectively together, and with appropriate volunteers and external experts, to maintain and develop the principles of the Trust that are identified in these Articles.
- 59 The Council shall appoint officers for such period of office and for such duties as the Council may think fit to carry out the day-to-day business of the Trust. Any officers so appointed shall be members of the Trust; all officers shall conform to any regulations that may be imposed on them by the Council and shall fully and promptly report on all acts and proceedings to the Council as soon as is reasonably practicable. Council members may also hold positions as officers. Officers who are not Council members may attend Council meetings if invited and may take part in any discussion but will not have any voting powers at such meetings.
- 60 All acts done and resolutions taken by any meeting of the Council or of a committee of the Council, or by any person acting as a member of the Council, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the Council 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 member of the Council.
- 61 The Council shall cause proper minutes to be made of all appointments of officers made by the Council and of the proceedings of all meetings of the Trust and of the Council and of committees of the Council, and all business transacted at such meetings, and any such minutes of any meeting shall be sufficient evidence without any proof of the facts thereof. Minutes of meetings shall be distributed to all Company Members of the Trust as the Council may see fit, as soon as is reasonably practicable after each meeting.
- 62 A resolution in writing including electronic written means and voted on by the members of the Council for the time being entitled to receive notice of a meeting of the Council, shall be as valid and effectual as if it had been passed at a

meeting of the Council duly convened and held.

SECRETARY

- 63 Subject to the Act, the secretary shall be appointed by the Council for such term, at such remuneration, if any, and upon such conditions as the Council may think fit; and that any secretary so appointed may be removed by it. Provided always that:
- (i) no member of the Council may occupy the salaried position of secretary; and
 - (ii) The duties and responsibilities of the secretary shall be specified and may be varied by the Council from time to time. The secretary shall be secretary of the Trust for the purposes of the Act and company law generally.

TREASURER AND ACCOUNTS AND RETURN

- 64 The Council shall appoint a treasurer for such term, for such remuneration, if any, and upon such conditions as the Council may think fit; and that the treasurer so appointed may be removed by it. Provided always that no member of the Council may occupy the salaried position of treasurer.
- 65 The Council shall cause accounting records to be kept in accordance with the provisions of the Act. The accounting records shall be kept at the registered office of the Trust, or, subject to the provisions of the Act, at such other place or places as the Council thinks fit, and shall be open to the inspection of the Company Members of the Trust at such times and at such places as the Council thinks fit.
- 66 The Council shall ensure that annual reports and accounts are prepared in such form and including such information as may be required by the Act as supplemented or altered by the Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 (or any re-enactment or amendment thereof for the time being in force) and the Statement of Recommended Practice (Accounting by Charities) as from time to time applicable to the Trust. It shall also ensure such company confirmation statement is made to the Registrar of Companies every year as may be required by the Act and such charity annual return is made to the Charity Commission for England and Wales as may be required for the time being by charity law.
- 67 A copy of the annual reports and accounts which are to be laid before the Trust at the Annual General Meeting, together with a copy of the auditor's report (if any), shall not less than fourteen clear days' notice before the date of the meeting be sent to every Company Member of the Trust.

AUDIT

- 68 If required by the Act, the annual accounts of the Trust shall be audited, and auditors shall be appointed and their duties regulated in accordance with the Act.

NOTICES

- 69 A notice may be given by the Trust to any member either personally or by sending it by post to him or to his registered address, or electronic email address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Trust for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying 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 24 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.
- 70 Notice of every General Meeting shall be given in any manner hereinbefore authorised to:-
- (a) All members of each category of membership set out in Article 8, including Company Members, Young Members and Corporate Members, except those members who (having no registered address within the United Kingdom) have not supplied to the Trust an address within the United Kingdom for the giving of notices to them;
 - (b) The Auditors for the time being of the Trust (if any); and
 - (c) Each member of the Council.

No other person shall be entitled to receive notices of General Meetings

YOUNG MEMBERS

- 71 The Council of the Trust may admit such individuals aged 14-18 years as Young Members of the Trust as it thinks fit in accordance with the Rules or Bye Laws of the Trust in force from time to time.

Young Members shall have such rights and responsibilities as may be set out in the Rules or Bye Laws but shall not be Company Members of the Trust for the purposes of the Act or any other purposes of company law and shall not be entitled to vote at General Meetings of the Trust.

Young Members shall, if required by the Rules or Bye Laws for the time being in force, pay any admission, annual subscription fees or other fees as may apply to Young Members. If any such payment is not made by the due date, the Council of the Trust may refuse an application for admission as a Young Member or remove an individual from being a Young Member (as appropriate) subject to any procedures in respect of the same which may be specified in the Rules or Bye Laws.

ALTERATION OF ARTICLES

- 72 No alteration shall be made to the Articles of Association of the Trust unless:-
- (a) The procedures applicable pursuant to the requirements of the Act for that alteration are observed; and

- (b) If required in respect of the particular alteration, the prior written consent of the Charity Commission for England and Wales, pursuant to the Charities Act 2011 (or any amendment or re-enactment thereof for the time being in force).

RULES OR BYE LAWS

73 The Council may from time to time make such Rules or Bye Laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Trust and for the purposes of prescribing the classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, they shall by such Rules or Bye Laws regulate:-

- (a) The admission and classification of members of the Trust, and the rights and privileges of such members, and the conditions of membership and the terms on which members may resign or have their membership terminated.
- (b) The conduct of members of the Trust in relation to one another, and to the Trust's servants.
- (c) The setting aside of the whole or any part or parts of the Trust's premises at any particular time or times or for any particular purpose or purposes and the use and application of particular assets of the Trust, including without limiting the generality of this paragraph the use and application of any locomotives and rolling stock.
- (d) The procedure at general meetings and meetings of the directors and committees of the Trust in so far as such procedure is not regulated by these articles.
- (e) Young Members and their rights and responsibilities.
- (f) The establishment, operation and terms and conditions of any "Drive-an-engine" Scheme or other similar schemes by the Trust.
- (g) And, generally, all such matters as are commonly the subject matter of company rules.

The Trust in general meeting shall have power to alter or repeal the Rules or Bye Laws and to make additions thereto and the directors shall adopt such means as they deem sufficient to bring to the notice of members of the Trust all such Rules or Bye Laws, which so long as they shall be in force, shall be binding on all members of the Trust. Provided, nevertheless, that no Rule or Bye Law shall be inconsistent with, or shall affect or repeal anything contained in, the Articles of Association of the Trust.

DISSOLUTION

74 Every Company Member of the Trust undertakes to contribute such amount as may be required (not exceeding one pound) to the Trust's assets if it should be wound

up while he is a Company Member, or within one calendar year if he ceases to be a Company Member, for payment of the Trust's debts and liabilities contracted before he ceased to be a Company Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

- 75 If upon winding up or dissolution of the Trust there remains, after the satisfaction of all its debts and liabilities, any property or money whatsoever, the same shall not be paid or distributed among the Company Members of the Trust, but shall be given or transferred to some other charitable institution or institutions having narrow gauge railway preservation as its principal object and which shall prohibit the distribution of its or their income and property to an extent at least as great as imposed on the Trust under or by virtue of Article 4 hereof, such charitable institution or institutions to be determined by a resolution of the Trust passed at a general meeting at or before the time of dissolution, or in default thereof by the secretary for the time being of the Heritage Railway Association (registered company number 2226245) and if so and so far as effect cannot be given to such provision then to the National Transport Trust (registered charity number 280943) or some other charitable object.

INDEMNITY

- 76 Every member of the Council or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including 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 of the Act in which relief is granted to him by the court, and no member of the Council or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Trust in the execution of the duties of his office nor in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by the Act.
- 77 The members of the Council shall have power to purchase and maintain for any member of the Council such insurance as is permitted by Article 3(n).

Appendix 1

Appendix 1 - Article 50
Any financial loans by or to the Trust
Proposed changes to Articles of Association
Election of Chair and Vice chair
Removal from post of a Trustee, Chair and Vice Chair or other Officers of the Trust
Removal of a Trust membership
Acquiring shares in another company or forming a subsidiary
Acquiring or disposing of assets of the company over a value £20,000. Over £100,000, approval is required by an Extraordinary General meeting
Entering into contracts over £10,000. Over £50,000 approval is required by an Extraordinary General meeting
The Trust incurring any borrowings over £10,000. Over £50,000 approval is required by an Extraordinary General meeting
Hiring or firing employees if applicable
Dissolution and winding up of the Trust
Changing the name or objectives of the Trust
Instituting any legal proceedings or settling or compromising any legal proceedings instituted or threatened against the Trust, or submitting to arbitration or alternative dispute resolution any dispute involving the Trust