

The Companies Act 2006
Company Limited by Guarantee

Memorandum

And

Articles of Association

of

The Somerset & Dorset Railway Heritage Trust

Company No. 3038464

Registered Charity No. 1045547

Version effective from 24th September 2016

Memorandum

1. Name

The name of the Charity is .The Somerset & Dorset Railway Heritage Trust and in these memorandum & articles, it is called the Trust.

2. The principal office of the Trust is in England.

3. Purpose

The purpose of the Trust is for the following purpose

(1) the preservation, restoration and use of any section of the former Somerset & Dorset Joint Railway called in this document "the Railway". This to include trackbed, stations, bridges, viaducts, culverts, cuttings, out buildings, adjacent land (e.g. woodland) and any running stock that the Trust may buy, store, borrow, or loan.

(2) the preservation and display of historic artefacts, relics and documents of the railway or railways in line with the company's acquisition and disposal policy.

(3) the carrying out of research into the history and operation of the Railway or railways generally, the study of local history in relation thereto and the publication or other dissemination of the results of such research and study.

(4) the education of members of the public about the history and operation of railways generally and the Railway in particular.

(5) the provision of recreation facilities in the interests of social welfare with the objectives of improving the condition of life of such persons who have need of such facilities by reason of their youth, old age, disability or social circumstances; and

(6) the provision of educational and training facilities for those engaged in the restoration and operation of the Railway or railways in general

4. Operational Powers

The Trust has power to do anything which is calculated to further its purpose or is conducive or incidental to doing so, and in particular it has power: to borrow money and to charge the whole or any part of its property as security for the repayment of the money borrowed.

5. Use and application of property

The Trust must only use and apply its property in furtherance of the purpose stated in clause 3, and otherwise in accordance with this constitution, and none of the Trust property may be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to any of its members.

The Companies Act 1985 and 2006

Company Limited by Guarantee

Articles of Association

of

The Somerset & Dorset Railway Heritage Trust

1. Charity trustees: personal benefits and payments

(1) Expenses

A charity trustee of a Trust is entitled to be reimbursed by the Trust, or may pay out of the Trusts funds, expenses properly incurred by him or her in the performance of his or her functions as such.

(2) Personal benefits

No charity trustee of the Trust shall obtain any personal financial benefit from any transaction or arrangement into which the Trust has entered, or otherwise from his or her position as charity trustee. Except in the following circumstances -

(i) where it is permitted in accordance with, and subject to the conditions in, section 73A or section 73F of the Charities Act 1993 (services provided by a charity trustee to the charity; trustee indemnity insurance); or

(ii) where the benefit is permitted by the court or the Charity Commission; or

(iii) where the charity trustee lends money to the charity on reasonable terms; or

(iv) where the charity trustee leases property to, or allows the use of property by, the Trust on reasonable terms; or

(v) where the benefit arises because of the interest of the charity trustee in a partnership or corporate body which enters into a transaction or arrangement with the Trust, so long as that interest does not exceed 1% of all the interests in the distributable profits of the partnership or corporate body; or

(vi) where acceptance of the benefit cannot reasonably be regarded as likely to give rise to a conflict of interest, for example where the benefit is obtained as a beneficiary of the charity and is available on the same terms to other members of the beneficiary class.

And unless -

(vii) before the arrangement or transaction is entered into, the charity trustee discloses to all the other charity trustees any material interest in it, or in any other person or body party to it (whether that interest is direct or indirect); and

(viii) if the transaction or arrangement can reasonably be regarded as likely to give rise to a conflict of interest,

(ix) the charity trustee must take no part in any decision by the members or charity trustees of the Trust whether the Trust enters into that transaction or arrangement or not; and

(x) he or she is not counted in the quorum necessary for the discharge of such business.

2. Membership of the Trust

(1) Admission of new members

(a) Eligibility.

Membership of the Trust is open to anyone who is interested in furthering its purposes, and who, by applying for membership, has indicated his or her agreement to become a member. A member may be an individual, a corporate body, or an individual or corporate body representing a body which is not incorporated.

(b) Admission procedure.

The charity trustees of the Trust may require applications for membership to be made in any reasonable way that they decide,

- may only refuse an application for membership if they reasonably believe that it is in the best interests of the Trust for them to do so,
- shall, if they decide to refuse an application for membership, give the applicant their reasons for doing so, within a reasonable time of the decision being taken, and give the applicant the opportunity to challenge the refusal; and
- shall give fair consideration to any such challenge, and shall inform the applicant of their decision, but any decision to confirm refusal of the application for membership shall be final.

(2) Transfer of membership.

Membership of the Trust cannot be transferred to anyone else.

(3) Duty of members.

It is the duty of each member of the Trust to exercise his or her powers as a member of the Trust in the way he or she decides in good faith would be most likely to further the purposes of the Trust.

(4) Termination of membership.

Membership of the Trust comes to an end if -

- the member dies, or (in the case of a corporate member) it ceases to exist;
- the member sends a notice of resignation to the charity trustees;
- any sum of money owed by the member to the Trust is not paid in full within six months of its falling due; or
- the charity trustees decide that it is in the best interests of the Trust that the person in question should be removed from membership. Before the charity trustees take any decision to remove someone from membership of the Trust they must -
 - inform the member of the reasons why it is proposed to remove him or her from membership;
 - give the member at least 21 clear days notice in which to make representations to the charity trustees as to why he or she should not be removed from membership;
 - notwithstanding anything in clause 8, take the decision as to whether the person should be removed from membership or not at a duly constituted meeting of the charity trustees;
 - consider at such meeting any representations which the member makes as to why he or she should remain a member; and

- allow the member, or the member's representative, to make those representations at that meeting, if the member so chooses.

(5) Register of members.

The Trust must keep a register of its members, and the name and address of each member, and the date on which a person was registered as a member, and the date on which any person ceases to be a member, shall be entered in the register.

(6) Subscriptions.

The charity trustees of the Trust may require members to pay reasonable subscriptions to the Trust.

(7) Informal or associate (non-voting) membership.

The charity trustees may create associate or other classes of non-voting membership, and may determine the rights and obligations of any such members (including payment of subscriptions), and the conditions for admission to, and termination of membership of any such class of members. Other references in this constitution to "members" and "membership" do not apply to non-voting members.

3. Members' decisions

(1) Decisions that must be taken in a particular way.

The following types of decision must be taken by means of a resolution at a general meeting of the members of the Trust, unless the resolution is agreed to by all of the members of the Trust,

- a decision to alter this constitution;
- a decision to amalgamate the Trust with one or more other Charity;
- a decision to transfer the undertaking of the Trust to one or more other Charity; or
- a decision to wind up or dissolve the Trust. Any such resolution must be passed by a 70% majority of those voting at the meeting.

(2) Other decisions.

Any other decision of the members of the Trust may either be taken by means of a resolution at a general meeting, or in accordance with the following provisions – The charity trustees may make a proposal for decision by the members.

(a) If they do, they must either -

(i) at the same time (so far as is reasonably practicable) send copies of the proposal to all the members of the Trust; or

(ii) if it possible to do so without undue delay, send the same copy to each member of the Trust in turn, (or different copies to each of a number of members in turn).

(b) The proposal shall indicate how, and by what date, a member is expected to give a response to the proposal.

(c) The proposal becomes a decision of the members of the Trust on the date when more than 50% of the Trusts members have signified their agreement to the proposal, but if this has not occurred on or before the date referred to in paragraph (iii), the proposal lapses.

(d) Eligibility to vote on the proposal is limited to persons who are members of the Trust on the date when the proposal is first circulated in accordance with paragraph (ii) above.

(e) Not less than 5% of the members of the Trust may request the charity trustees to make a proposal for decision by the members.

(f) The charity trustees must within 21 days of receiving such a request comply with it if –

(i) The proposal is not frivolous or vexatious, and does not involve the publication of defamatory material;

(ii) The proposal is stated with sufficient clarity to enable effect to be given to it if it is agreed by the members; and

(iii) Effect can lawfully be given to the proposal if it is so agreed.

(g) Sub-clauses (a) to (d) apply to a proposal made at the request of members.

4. Meetings of members

(1) Types of meeting.

There must be an annual general meeting of the members of the Trust. Subsequent annual general meetings must be held at intervals of not more than 15 months. Other general meetings of the members of the Trust must be held in accordance with the following provisions.

(2) Calling meetings.

(a) The charity trustees of the Trust -

(i) must call the annual general meeting of the members of the Trust in accordance with sub-clause (a) and may call any other general meeting of the members of the Trust at any time; and

(ii) must, within 21 days, call a general meeting of the members of the Trust if

- they receive a request to do so from not less than 10% of the members of the Trust; and

- the request states the general nature of the business to be dealt with at the meeting, and is authenticated by the member(s) making the request.

(b) If, at the time of any such request, there has not been any general meeting of the members of the Trust for more than 12 months, the preceding paragraph shall have effect as if 5% were substituted for 10%.

(c) Any such request may include particulars of a resolution that may properly be moved, and is intended to be moved, at the meeting.

(d) A resolution may only “properly” be moved if it is lawful, and is neither defamatory, frivolous nor vexatious.

(e) Any general meeting called by the charity trustees of the Trust at the request of its members must be held within 28 days from the date on which it is called.

(f) If the charity trustees fail to comply with this obligation to call a general meeting of the members of the Trust at the request of its members, then the members who requested the meeting, or any of them representing more than one half of the total voting rights of all of them, may themselves call a general meeting.

(g) A general meeting called in this way must be held not more than 3 months after the date when the members first requested the meeting.

(h) Any reasonable expenses incurred by the members requesting the meeting by reason of the failure of the charity trustees duly to call a meeting must be reimbursed by the Trust, but the Trust shall be entitled to be indemnified by the charity trustees who were responsible for such failure.

(3) Notice of meetings.

- (a) The charity trustees of the Trust, or, as the case may be, the members of the Trust, must give at least 14 clear days' notice of any general meeting of the members of the Trust, to all of the members, and to any charity trustee of the Trust who is not a member.
- (b) If it is so agreed by a majority of not less than 90% of the members of the Trust, any resolution may be proposed and passed at the meeting even though the requirements of the preceding paragraph have not been complied with.
- (c) The notice of any general meeting must –
 - (i) state the time and date of the meeting,
 - (ii) give the address, at which the meeting is to take place,
 - (iii) give particulars of any resolution which is to be moved at the meeting, and of the general nature of any other business to be dealt with at the meeting, and
 - (iv) if a proposal to alter the constitution of the Trust is to be considered at the meeting, include the text of the proposed alteration.

(4) Procedure at meetings

- (a) No business may be transacted at any general meeting of the members of the Trust unless a quorum is present when the meeting starts;
- (b) Subject to the following provisions, a quorum is not less than 3% of the members of the Trust present in person. A corporate member who, is present in person or represented by a person present at the meeting shall count towards the Quorum
- (c) If a quorum is not present within 15 minutes of the time stated in the notice calling the meeting as the time of the meeting, the meeting, if called by or at the request of members, is closed.
- (d) In any other case the meeting is adjourned to such other time, date and place as may be determined by the chairman of the meeting.
- (e) If a quorum is not present within 15 minutes of the time so determined as the start of the adjourned meeting, the member or members present at the meeting is or are a quorum.
- (f) The chair (if any) of the Trust, or such other person as may be nominated for the purpose by the charity trustees of the Trust, must, if present at the general meeting and willing to act, preside as chair of the meeting. Subject to that, the members of the Trust who are present at a general meeting shall elect a chair to preside at the meeting.
- (g) Any of the following decisions must be taken by a 70% majority of those voting at the meeting -
 - (i) a decision to alter the constitution of the Trust;
 - (ii) a decision to amalgamate the Trust with one or more other Charities;
 - (iii) a decision to transfer the undertaking of the Trust to one or more other Charity; or
 - (iv) a decision to wind up or dissolve the Trust.
- (h) Any other decision shall be taken by a simple majority of those voting at the meeting.

(i) A resolution put to the vote of a meeting shall be decided on a show of hands, (excepting the election of trustees when a poll must be taken) unless before or on the declaration of the result of the show of hands a poll is duly demanded. A poll may be demanded by the chair or by not less than 10% of the members present in person or by proxy at the meeting. A poll may not be demanded on the question of an adjournment.

(j) A poll shall be taken, and the result of the poll shall be announced, in such manner as the chair of the meeting shall decide.

(k) A poll may be taken -

(i) at the meeting at which it was demanded; or

(iii) through the use of postal or electronic communications.

(iii) But the poll shall be taken, and the result of the poll announced, within 30 days of the demand for the poll.

(l) In the event of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall have a casting vote.

(5) Proxy voting.

Any member of the trust is entitled to appoint another person as a proxy to exercise all or any of that member's rights to attend and to speak and vote at a general meeting of the Trust.

Any proxy shall, before admission to the meeting, provide the Trust with evidence of his authority to act as a proxy for a member at that meeting.

The Trust may rely on that evidence unless and until it is notified by the member that the authority has been terminated.

(6) Representation of corporate members.

If a corporate body is a member of the Trust it may, by a decision of its governing body, authorise a person to act as its representative at any general meeting of the Trust.

The representative is entitled to exercise the same powers on behalf of the corporate body as the corporate body could exercise if it were an individual member of the Trust.

(7) Adjournment of meetings.

The chair may with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and place to place, but no business shall be transacted at an adjourned meeting other than business which might have been transacted at the meeting had the adjournment not taken place.

5. Charity trustees

(1) Functions.

The Trusts charity trustees shall manage the affairs of the Trust and may for that purpose exercise all the powers of the Trust.

(2) Duties of charity trustees.

It is the duty of each charity trustee of the Trust -

(a) to exercise his or her powers and to perform his or her functions as a trustee of the Trust in the way he or she decides in good faith would be most likely to further the purposes of the Trust; and

(b) to exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to any special knowledge or experience that he or she has or professes to have, and, if he or she acts as a charity trustee of the Trust in the course of a business or

profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

- (c) a person elected as a trustee must be prepared to undertake specific tasks and responsibilities allocated to them by the Trustees and must attend meetings on a regular basis.

(3) Termination of charity trusteeship and appointment of charity trustees.

(a) At every annual general meeting of the members of the Trust, one-third of the charity trustees of the Trust shall retire from office by rotation.

(b) The vacancies so arising may be filled by the decision of the members at the annual general meeting;

(c) Subject to the preceding provisions of this clause, a charity trustee of the Trust ceases to hold office if –

- (i) he retires by notifying the Trust accordingly;

- (ii) he dies, or in the case of a corporate charity trustee, ceases to exist;

- (iii) he becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs; or

- (iv) he becomes disqualified for acting as a charity trustee of the Trust, and has not obtained a waiver from the Charity Commission which would permit him to act in the administration of the Trust within 3 months of the date of the event which gave rise to the disqualification.

- (v) a trustee does not attend at least two thirds of the meetings called, they will be removed from the register of trustees, unless their absence is with the prior consent of the Trustees.

(d) Either the members or the charity trustees of the Trust may at any time decide to appoint a new charity trustee, whether in place of a charity trustee who has ceased to hold office as the result of the preceding provisions of this clause, or as an additional charity trustee, provided that the limit specified in clause 7 on the number of charity trustees would not as a result be exceeded.

(e) Any person retiring from office under sub-clauses (a) or (d) above is eligible for reappointment.

(f) Retiring Trustees may be nominated by the trustees for re-election.

(g) Members wishing to become trustees must be proposed and seconded by members and signed by the nominee to show his consent to the nomination. Such nominations must be lodged with the secretary at least 50 clear days before the AGM.

(4) Register of charity trustees

The Trust must keep a register of its charity trustees, and the following particulars of each charity trustee must be entered in the register-

(a) In the case of an individual -

- (i) the trustee's name, and any former name;

- (ii) an address at which documents may be effectively served on the trustee;

- (iii) the country or state (or part of the United Kingdom in which the trustee is usually resident;

- (iv) the trustee's nationality;

- (v) the trustee's business occupation; and

- (vi) the trustee's date of birth;

6. Minimum number of charity trustees for the effective transaction of business.

There shall be a minimum of two charity trustees of the Trust required for the effective transaction of any business other than –

- calling a meeting of the charity trustees or the members of the Trust;
- appointing a new charity trustee of the Trust; or
- admitting new members of the Trust.

7. Maximum number of charity trustees who may be appointed and tenure of charity trustees.

Neither the members of the Trust nor the charity trustees may appoint a charity trustees at any time when the effect of an appointment would be that there were more than 9 charity trustees. At each Annual General Meeting, a minimum of 3 charity trustees will be appointed in rotation, each Trustee serving for a period of up to 3 years.

Where a charity trustee resigns his position before the end of his or her 3 year tenure, the charity trustees may appoint a person to take that person's place from the time of appointment until the next Annual General Meeting. That additional vacancy will then be filled at the next Annual General Meeting. If there are additional places to be filled as a result of a resignation of a charity trustee, and the number of vacancies equates to the number of persons applying, a secret ballot will be held at the Annual General Meeting. The three persons with the highest number of votes will be elected for three years and the fourth or subsequent person(s) will serve for the remainder of the period of the charity trustee who has resigned will have served until his or her normal three year period would have been completed.

All paid up members will be entitled to vote either in person at the Annual General Meeting, by post or by proxy arrangement, as notified by the Secretary.

8. Taking of decisions by charity trustees

Any decision may be taken either at a meeting of the charity trustees or in some other way agreed to by all of the charity trustees.

9. Delegation by charity trustees

The charity trustees may delegate any of their powers to a committee or committees, and, if they do, they must determine the terms and conditions on which the delegation is made. The charities trustees may at any time alter those terms and conditions, or revoke the delegation. This power is in addition to any other power of delegation available to the charity trustees of the Trust, but is subject to the following requirements -

- a committee may consist of one or more persons, but at least one member of each committee must be a charity trustee;
- the acts and proceedings of any committee shall be brought to the attention of the charity trustees as a whole as soon as is reasonably practicable; and
- the charity trustees shall from time to time review the arrangements which they have made for the delegation of their powers.

10. Meetings of charity trustees**(1) Calling meetings**

Any charity trustee may call a meeting of the charity trustees. Subject to that, the charity trustees shall decide how their meetings are to be called, and what notice is required.

(2) Procedure at meetings

- (a) No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is two charity trustees, or the number nearest to one third of the total number of charity trustees, whichever is greater, or such larger number as the charity trustees may decide from time to time. A charity trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.

(b) Questions arising at a meeting shall be decided by a majority of those eligible to vote. A poll may be demanded by any trustee.

(c) A poll shall be taken, and the result of the poll shall be announced, in such manner as the chairman of the meeting shall decide. A poll may be taken -

(i) at the meeting at which it was demanded, or

(ii) at some other time and place specified by the chairman, or

(iii) through the use of postal or electronic communications.

(d) But the poll shall be taken, and the result of the poll announced, within 30 days of the demand for the poll.

(e) In the case of an equality of votes, [whether on a show of hands or on a poll,] the person who chairs the meeting shall have a second or casting vote.

(f) The charity trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. If no-one has been so appointed, or if the person appointed is unwilling to preside or is not present within 10 minutes after the time appointed for the meeting, the charity trustees present may appoint one of their number to chair that meeting.

11. Use of electronic communications

(1) To the Trust:

Any member of the Trust may communicate electronically with it, so long as the communication is authenticated in a manner which is satisfactory to the Trust.

(2) By the Trust:

Any member of the Trust is to be taken, by admission to membership, to have agreed to the receipt of communications from the Trust in electronic form, unless the member has indicated to the charity trustees of the Trust their unwillingness to receive such communications in that form. The charity trustees of the Trust may, subject to compliance with any legal requirements, by means of publication on its website -

- provide its members with the notice referred to in clause 4(3) above [general meetings]; and
- submit any proposal to its members under clause 3(2) above.

12. Trust records

The charity trustees must keep adequate records of their own proceedings, of the proceedings of any committee, and of the proceedings of the members of the Trust, whether those proceedings take place at meetings or not. The records should include details of any appointments made and of other decisions taken in the course of those proceedings.

13. Accounting records, accounts, annual reports returns, register maintenance.

The charity trustees of the Trust shall comply with the requirements of Part 6 of the Charities Act 1993 with regard to the keeping of accounting records, to the preparation and scrutiny of accounts, and to the preparation of annual reports and returns. The accounts, reports and returns shall be sent to the Charity Commission, regardless of the income of the Trust. The charity trustees of the Trust must notify the Commission promptly of any change in the particulars of the charity entered on the Central Register of Charities.

14. Rules

The charity trustees of the Trust may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Trust, but no such rules or bye laws shall be inconsistent with any provision of this constitution.

15. Amendment of constitution

(1) This constitution can only be amended by the unanimous resolution of the members of the Trust or by a resolution passed by a 70% majority of those voting at a general meeting of the members of the Trust.

(2) Any alteration of clause 3 in the Memorandum (Purpose), or of clause 23 (Destination of the Trust's assets on dissolution) or of any provision where the alteration would provide authorisation for any benefit to be

obtained by charity trustees or members of the Trust or persons connected with them, requires the prior written consent of the Charity Commission.

(3) A copy of the resolution, together with a copy of the Trusts constitution as amended must be sent to the Commission by the end of the period of 15 days beginning with the date of passing of the resolution, and the amendment does not take effect until it has been registered by the Commission.

16. Winding up and dissolution

Any decision to wind up or dissolve the Trust can only be taken by the unanimous resolution of the members of the Trust, or by a resolution passed by a 70% majority of those voting at a general meeting of the members of the Trust.

17. Liability of members to contribute to the assets of the Trust if it wound up

(1) The members of the Trust are, if the Trust is wound up, each liable to contribute to the assets of the Trust such amount (but not more than £5.00 as may be required for payment of the debts and liabilities of the Trust contracted before that person ceases to be a member, for payment of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributories among themselves.

(2) In sub-clause (a) "member" includes any person who was a member of the Trust within 12 months prior to the commencement of the winding up.

(3) But subject to that, the members of the Trust have no liability to contribute to its assets if it is wound up, and accordingly have no personal responsibility for the settlement of its debts and liabilities beyond the amount that they are liable to contribute.

18. Destination of the Trust's assets on dissolution

(1) Any resolution for the winding up of the Trust, or for the dissolution of the Trust without winding up, may contain a provision directing how any assets of the Trust remaining after the payment of all its debts shall be applied.

(2) If the resolution does not contain such a provision, the charity trustees must decide how any assets of the Trust remaining after the payment of all its debts shall be applied.

(3) In either case the assets must be applied for charitable purposes the same as or similar to those of the Trust.

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