

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

of

THE SCOTTISH RAILWAY PRESERVATION SOCIETY
(as amended by Special Resolutions dated 31st October 1992,
30th October 1999, 28th May 2004, 7th November 2009 and 17th September 2016

PRELIMINARY

In this Memorandum unless there be something in the subject or context inconsistent therewith:-

'The Memorandum' means this Memorandum of Association or such as in force from time to time.

'The Articles' means the Articles of Association of the Society as in force from time to time.

'The Board' means the Board of Management of the Society appointed in terms of the Articles.

'The Collection' means that body of material evidence having collective or individual historical, artistic or scientific importance, the management, conservation, exhibition and demonstration of which enables the Society to be constituted as a Museum.

'A Specimen' means any individual item comprised in the Collection.

'A Museum' means an institution which collects, documents, preserves, exhibits and interprets material evidence and associated information for the public benefit or which undertakes the management of such functions on behalf of the institution holding or having custody of the Collection; and which is recognised or capable of being recognised by the Museums & Galleries Commission as being properly constituted and as performing the required functions in an acceptable manner.

'The Act' means the Companies Acts 1985, and any amendment, extension or re-enactment thereof for the time being in force.

'Member' means a member for the time being of the Society in terms of the Articles.

Words importing the singular number only include the plural and vice versa, and words importing the masculine gender include the feminine.

Unless the context otherwise requires, words or expressions contained in this Memorandum shall bear the same meaning as in the Act as in force at the date at which this amended Memorandum became binding on the Society. In these presents, the word 'Society' shall be substituted for 'Company' and the word 'Board' for 'Directors' as these other words respectively appear in the Act.

1. The name of the Company (hereinafter referred to as 'the Society') is "THE SCOTTISH RAILWAY PRESERVATION SOCIETY"
2. The Registered Office of the Society will be situated in Scotland.
3. Each and every Clause (including this Clause) both of the Memorandum and of the Articles shall be read and interpreted as if there were embodied therein an over-riding qualification to the effect that no expenditure of income or capital by the Society shall be permitted for the purpose of carrying out any activities which are not wholly charitable within the meaning of Sections 505 and 506 of the Income and Corporation Taxes Act 1988, or of any amendment, extension or re-enactment thereof or of any subordinate legislation made thereunder (which meaning shall be ascribed to the word 'charitable' wherever used in this Memorandum and the Articles) and that in all cases in which the powers conferred upon the Society, whether by this Memorandum and the Articles or otherwise are in their nature alike capable of being exercised for purposes which are not charitable or only partially so, as well as for purposes which are wholly charitable, the Company shall be entitled to exercise those powers only in those ways which will not prejudice the charitable status of the Society (within the statutory meaning before mentioned).

Subject to the said over-riding qualification the objects for which the Society is established are:

3.1 To advance and promote the education of the general public, and in particular the inhabitants of Scotland without distinction of sex or of political, religious or other opinions by associating voluntary organisations, local authorities and other bodies of whatever status together with the inhabitants in a common effort to establish a Museum of Railways in Scotland,

WHEREBY there shall be preserved locomotives, rolling stock and other equipment and relics of railways in Scotland and of the Scottish railway industry as may illustrate the characteristics of her railways and of her railway industry and the course of her railway history which are of actual or potential historic, scientific or educational value or importance; and

WHEREBY there may be displayed and exhibited such items to the public to demonstrate to the public their working in a static or operating display or by carrying the public in or upon such vehicles as may be appropriate or otherwise.

And which objectives the Society intends to achieve by means of:

- (a) managing, adequately housing, conserving and documenting a Collection of specimens being of historical artistic or scientific importance;

- (b) stimulating public interest in the Museum as a focal point of education and of historic, artistic or scientific interest, thereby improving the facilities for general public amenity and education;
- (c) displaying and publicising the Collection for the public benefit; permitting access to research workers and school children, always providing that the safety and security of the Collection are not thereby endangered; permitting with similar safeguards the loan of any specimen for exhibition or research;
- (d) promoting and assisting in the collating and recording of historical, ethnological, archaeological, biological, geological or other related information appropriate to the purpose of the Museum as set out in Clause 3.1.

3.2 To adopt a written Collecting Policy and review it at least every five years which policy shall define the types of Specimens which the Society wishes to include in the Collection and the geographical area from which such Specimens may be drawn.

3.3 To maintain an accurate and current Register of all Specimens acquired for, or removed from, the Collection.

4. In furtherance of the objects of the Society, the Society shall have the following powers:-

4.1 Subject to the provisions hereinafter contained, to purchase, take on lease, exchange, hire or otherwise acquire any heritable or moveable, real or personal property and any rights or privileges which may from time to time be deemed necessary for the promotion of the Society's objects, and to construct, maintain, add to, improve, furnish, equip and alter any building or structure necessary for the work of the Society.

4.2 To construct, maintain, work and manage railway lines on which the railway vehicles and other items or relics restored by the Society or forming part of the Collection managed by the Society may be exhibited or otherwise displayed in operation to the public, to establish and maintain workshops and plant, to erect, alter and maintain any buildings, bridges or other structures and to construct and maintain such ancillary equipment as may be required, but only for the purpose of promoting or attaining the objects of the Society.

4.3 To apply for and take all necessary steps to obtain statutory or other powers or privileges required or deemed expedient for the furtherance of the objects of the Society and to defray the costs and expenses thereof.

4.4 To purchase, take on hire or loan or otherwise acquire railway locomotives, rolling stock and equipment for the purpose of promoting and attaining the objects of the Society and to undertake or assist in the maintenance, repair, renovation and restoration thereof.

4.5 To establish, subsidise, promote, support and amalgamate with companies, trusts, societies or associations having objects altogether or in part similar to those of the Society, provided that by their constitution they prohibit the distribution of any profits or assets among their members, and that any such organisation must have been accepted as charitable in law.

4.6 To procure and print, publish, issue and distribute gratuitously or otherwise, newspapers, periodicals, books, pamphlets, leaflets, advertisements, appeals or other literature.

4.7 To promote, encourage and undertake experimental work or conduct research consistent with the objects of the Society, publishing the useful results of such research.

4.8 To sell, let, grant security over, turn to account, manage and improve all or any of the property or assets of the Society subject to such terms and conditions as may be thought expedient, to exercise any rights or privileges or advantages, servitudes or other benefits for the time being attached to such property or assets, and to undertake, maintain, execute and do all such lawful acts, matters and things as the Society may be obliged or required or ought to do as owners of such property or assets.

4.9 To feu, sell, manage, lease, mortgage, exchange, dispose of or otherwise deal with all or any part of the property of the Society as may be expedient with a view to the promotion of its objects.

4.10 To take such steps by personal or written appeals, advertising matter, public meetings, film shows, sales of booklets and other items, or otherwise as may from time to time be deemed expedient for procuring contributions or donations or income to enable the Society to carry out any of its objects which may require assistance.

4.11 Subject to such consents as may be required by law and to the limitations instituted by the Society, to borrow or raise money for the purposes of the Society on such terms and in such manner as the Board may think fit.

4.12 To invest the moneys of the Society not immediately required for its purpose 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.

4.13 To insure the Society and its property, including without prejudice to the foregoing generality the Collection and any items held on loan by the Society against such risks as it shall be considered prudent and necessary to insure.

4.14 To purchase or otherwise acquire all or any part of the property or assets, and to undertake all or any of the liabilities and engagements, of any one or more companies, trusts, societies or associations with which the Society is authorised to

amalgamate, subject to the conditions relating to charitable status outlined in Clause 4.5.

4.15 To receive and accept from time to time grants and legacies, donations, gifts, subscriptions, conveyances and endowments either of money or property, heritable or moveable, real or personal, of any description whatsoever, either absolutely or conditionally or in trust.

4.16 To employ and (subject to the provisions of Clause 5) to remunerate staff of the Society and to provide pension or superannuation benefits for any such staff or otherwise to assist any such staff and their widows, children or other dependants.

4.17 To subscribe and make contributions to or otherwise support charitable institutions, societies and schools, and to grant donations for any public charitable purpose in any way connected with the purposes of the Society or calculated to further its objects.

4.18 To pay all expenses preliminary or incidental to the formation of the Society and its registration.

4.19 To do all such other lawful things as may be conducive or incidental to the attainment of any of the above subjects, Provided that:-

- (a) in case the Society shall take or hold any property which may be subject to any trusts, the Society shall only deal with or invest the same in such manner as is allowed by law having regard to such trusts;
- (b) the Society shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others, any regulation, restriction or condition which if an object of the Society would make it a Trade Union; and
- (c) in relation to any property which may come into the hands of the Society as trustees under any other trust (whether established by any trust deed or any scheme approved by the Court of Session or made in pursuance of any enactment relating to educational endowments or war charities or otherwise) nothing herein shall authorise the Society to deal therewith otherwise than in accordance with the terms of such trust and with any law relevant thereto, nor shall the incorporation of the Society affect the liability as an individual of any member of the Executive Board of the Society who may be a party to such dealings.

5.1 The income and property of the Society whencesoever derived, shall be applied solely towards the promotion of the objects of the Society as set forth in this Memorandum of Association; 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 Society: Provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Society or to any member of the Society, in return for any services actually rendered to the Society, nor prevent the payment of interest at a rate not

exceeding five per cent above the Bank of Scotland base rate for the time being on money lent by any member to the Society, or reasonable and proper rent for premises let by any member to the Society, but so that no member of the Board shall be appointed to any salaried office of the Society or any office of the Society paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Society to any member of the Board except repayment of out-of-pocket expenses and interest at the rate aforesaid on money lent, or reasonable and proper rent for premises demised or let to the Society:

Provided that (a) the provision last aforesaid shall not apply to any payment to any company in which a member of the Board holds not more than one one-hundredth part of the capital, and such member shall not be bound to account for any share of profits he may receive in respect of any such payment, (b) nothing in this clause shall operate to prohibit the receipt by members of the Society's journal or newsletter in accordance with the provisions of the Articles of Association.

5.2 Nothing contained in clause 5.1 shall apply to or prohibit :

- (a) the *ex officio* appointment of the Executive Director (as that term is defined in the Articles) of the Society (being a remunerated officer or servant of the Society) as a member of the Board in terms of the Articles; or
- (b) the appointment of a member of the Board to any salaried office of the Society or any office of the Society paid by fees if such appointment shall be resolved by the Board to be in the best interests of the Society having regard to the experience and qualifications of the member of the Board so appointed.

Provided always that (i) any member of the Board so appointed or holding office as aforesaid shall be excluded from and shall not be entitled to vote at any meeting (or the relevant part of any meeting as the case may be) of the Board at which shall be considered or resolved his appointment, renewal of appointment or termination of appointment or any matter relating to his appointment and (ii) the majority of the members of the Board holding office from time to time shall not be remunerated or appointed to any salaried office of the Society or any office of the Society paid by fees.

- 6. The liability of the Members is limited.
- 7. Every Member undertakes to contribute to the assets of the Society, in the event of the same 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 Society contracted before the time at which 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 Two Pounds Sterling.
- 8. True accounts shall be kept of the sums of money received and expended by the Society and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Society and of the property, assets and liabilities of the Society. Such accounts shall be open to any member of the

Board and to the Auditor for inspection at all reasonable times, and to any other Member of the Society to the extent permitted by the provisions of the Articles. Once at least in every year the accounts of the Society shall be examined, and the correctness of the income and expenditure account and balancesheet ascertained, by one or more properly qualified Auditor or Auditors.

9. Upon the winding up or dissolution of the Society, the assets of the Society, after satisfaction of its debts and liabilities, shall not be paid to or distributed among the Members or returned to donors but shall be given or transferred to The Scottish Railway Museum Collections Trust, being Scottish Charity Number SC020611 (hereinafter referred to as "the said Trust"), to be added to the existing funds held for the maintenance and development of the existing collection of the said Trust or held as a separate fund for the maintenance and development of the collection as a separate collection; Provided that:

(a) the said Trust shall in turn be empowered to give or transfer all or part of the assets on the same terms and with the same powers (including the power of subsequent gift or transfer) under which they were received by the said Trust, to such other institution (whether established as a local authority, company or trust) having objects (whether its sole objects or part only of its objects) consistent with the provisions of Clause 3 hereof and which, if a company or trust, shall prohibit the distribution of its income and assets among its members or beneficiaries to an extent at least as great as is imposed on the Society under or by virtue of Clause 5 as may be determined by the Board; and

(b) if the said Trust shall no longer exist at the time of winding up or dissolution of the Society, or shall not accept the assets of the Society, the same shall be given or transferred to another institution as described in proviso (a) above, on the same terms and with the same powers (including the power of subsequent gift or transfer of all or any part of the assets) as the said Trust would have had, as may be determined by the Members with (if requisite) the written approval of the Lord Advocate or the authority of any court having jurisdiction over the distribution of the assets of the Society, whether before, at or after the date of winding up or dissolution of the Society;

Declaring that if at any time the institution holding such assets desires to give or transfer all or any part of the same to another institution, the institution to which such gifts or transfer is intended to be made shall, as a condition of its receipt of the assets, undertake that the said assets shall be applied only for the purpose of maintaining and developing the Collection, or another collection of such institution with which the Collection or parts thereof shall be integrated, or otherwise for charitable purposes only;

And if and insofar as effect cannot at any time be given to the aforesaid provisions, the assets of the Society shall be applied for charitable purposes only.

WE, the several persons whose names, addresses and descriptions are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association.

Names, Addresses and Descriptions of Subscribers