

BLUEBELL RAILWAY PRESERVATION SOCIETY

A Company Limited by Guarantee. Registered in England. Number 13745313

Notice of an Extraordinary General Meeting to be held on Saturday 13th June 2026 at Sheffield Park Station, commencing at 3pm, prior to the AGM

In accordance with Article 11, Notice is hereby given that an Extraordinary General Meeting of the company will be held on **Saturday 13th June 2026 at Sheffield Park Station, commencing at 3pm** for the purpose of adopting the proposed changes to the Articles of Association set out below.

Since the announcement in the AGM notice that structural changes were afoot, things have moved on rapidly. Both the Society & Plc Boards have agreed to put in place the changes necessary for each body to become a Community Benefit Society, to be followed by the merging of both entities into a single Charitable Community Benefit Society (CCBS). Society members would become members in the CCBS alongside the shareholders from the Plc.

As a CCBS, the railway would benefit from a huge reduction in Business Rates and software licensing charges. It should also be able to collect Gift Aid on train fares. Together, these benefits are estimated to be worth around £300k each year to the railway's finances, which would go a significant way towards correcting our recurring operating loss of around £500k a year. Losses on this scale are not sustainable and could eventually lead to the railway having to cease trading.

Another significant benefit of what is proposed is that, as a charitable entity, the Railway will have better access to grants: currently the Plc is denied access to grants because it is not a charity but the Bluebell Railway Trust, which is a charity, is unable to apply for some grants which would help fund many of the necessary tasks around the railway because it does not own the assets.

As well as making changes to our Articles of Association to enable the above process, we also need to deal with the growing long term liability of Life Membership. Life Membership was created as a means of the operating company repaying the loans it had asked members to make so that it could complete the purchase of the line from Sheffield Park to Horsted Keynes. Rather than having to repay the loan, the railway offered the option to convert it into Life Membership and many took up this offer. It then became a class of membership based on a multiplier of the annual subscription rate.

Life Membership conveys a lifetime entitlement to the benefits of membership for a single up-front payment. The liability to provide those benefits falls on the railway for potentially very many years, without any ongoing income to support that provision. Whilst the up-front payment gives the Society a cash flow advantage, we now believe that – with the proportion of memberships that are on a lifetime basis having risen now to over 25% – the disadvantage of carrying the long-term liability to provide member benefits without matching income outweighs that advantage. Other railways have already stopped offering Life Membership or do not offer it to those under 40.

The present set of benefits for Life Members is more favourable than for other classes of membership in that they include free first class travel on our ordinary services whereas other classes of membership grant only a reduced third class fare on such services. The proposals we are bringing forward to convert the Society from a Company Limited by Guarantee to a Community Benefit Society and then to unite it with a similarly converted and charitable Operating Company will, we understand, require that all members are henceforth treated equally with respect to the benefits received in return for an annual fee, which would be incompatible with the current enhanced benefits afforded to Life Members. This is another important reason for addressing the issue of Life Membership now.

We intend to protect the rights to benefits of existing Life Members within the proposed new structure by treating their benefits as an accrued liability on the previous entities (Society plus PLC) that is carried forward to the new one (charitable CBS).

There are four special resolutions. The first of these is to authorise the Trustees to proceed with the conversion of the company to a Community Benefit Society (CBS), subject to a final confirmation vote and ratification of the new rules of the CBS at another EGM. The second resolution is to end the sale of Life Membership with effect from 1st October 2026; those who are already Life Members on that date will continue to retain their benefits. The third resolution is a consequential amendment to Article 8.4 which allows the partner of an existing Life Member to purchase Life Membership at a discounted rate but only before 1st October 2026.

The fourth and final resolution provides clarity on when Special Resolutions for General Meetings are appropriate. It has been apparent, notably at the Society's AGM in 2025, that there is some lack of clarity regarding the matters that can be properly put forward as resolutions for consideration by the Society, and how such resolutions should be properly dealt with in general meeting. Section 21(1) of the Companies Act 2006 requires certain matters (such as amendment of the Articles) to be dealt with as Special Resolutions and section 283(4) stipulates that a Special Resolution can be carried only by a majority of 75% of those actually voting. Moreover, the Society's Articles also require a Special Resolution in the situations specified by Articles 4.1, 7.1, 20.1 and 32.1. However (and contrary to Article 17.4), 14.12 suggests that it is only an amendment of the Articles that requires a 75% majority, and that a simple majority will suffice in all other cases. Article 14.12 is therefore incorrect as it cannot be disappplied in relation to other Special Resolutions, because the Articles clearly define a Special Resolution (whatever its purpose) as having the meaning given by section 283 of the 2006 Act. In addition, Article 17.4 is imprecise and potentially misleading in referring to 'any previously published resolution'. The anomaly would be removed by deleting the whole of Article 14.12 (which in any event is not in its logical position and partially duplicates the provisions of 17.1, 17.2 and 17.3) and amending 17.4. There is also an overlooked error in Article 17.6 from the 2025 amendment to the Articles which changed the method of voting. This is include in the resolution below

Any Member who wishes to propose an amendment to the resolutions proposed by the Trustees and set out below must do so in writing to the Secretary, either by email to gavin.bennett@bluebell-railway.com or by post to

Gavin Bennett
Bluebell Railway Preservation Society
Sheffield Park Station
Sheffield Park
UCKFIELD
TN22 3QL

All such proposals must be received no later than **4pm on 30th April 2026**

SPECIAL RESOLUTION 1

This Society resolves to adopt new Article 34 as set out below:

Article 34: Conversion to a Community Benefit Society

- 34.1 The Society may by resolution passed at a General Meeting authorise the Trustees to transfer its assets obligations and liabilities to a Community Benefit Society having objects similar to those of the Society and formed or to be formed for that purpose, subject to:
- a) the Rules of the Community Benefit Society having been approved and adopted by the Members of the Society at a General Meeting;
 - b) the Directors of the Community Benefit Society being those Trustees who were in post at the preceding Annual General Meeting or were elected at that meeting;

- c) the Community Benefit Society agreeing
 - i. to accept as members all paid up members of the Society as at the date of transfer in the classes specified in Article 7 on the basis of its approved Rules;
 - ii. to honour all obligations of the Society in relation to membership contained in these Articles;
- d) the transfer being effected within 30 weeks of the resolution, following which the Society shall be dissolved.

Proposed by the Trustees

SPECIAL RESOLUTION 2

Article 7 – Classes of Membership

This Society resolves to replace Articles 7.4.6 to 7.4.9 as follows:

“7.4.6 Life Members:

Shall be persons who are Life members of the Society before 1st October 2026 and who have paid the relevant Life Membership subscription.

7.4.7 Joint Life Members:

Shall be any two co-habiting persons who are Joint Life members of the Society before 1st October 2026 and who have paid the relevant Joint Life Membership subscription.

7.4.8 Senior Life Members:

Shall be persons who are Senior Life members of the Society before 1st October 2026 and who have paid the relevant Senior Life Membership subscription.

7.4.9 Joint Senior Life Members:

Shall be any two co-habiting persons who are Joint Senior Life members of the Society before 1st October 2026 and who have paid the relevant Joint Senior Life Membership subscription.”

Proposed by the Trustees

Note: The current wording of each of the above articles refers to “Vesting Date” (rather than 1st October 2026) as the Vesting Date (1st January 2022) was the date of transfer from the old Society to the present Company

Special Resolution 3

Article 8 – Membership Subscription and Renewals

This Society resolves to amend Article 8.4 to read:

“8.4 Before 1st October 2026, a spouse, partner or co-habiting person of a Life Member may pay a lower rate of subscription as set by the Trustees and assume a full Life Membership of their own”.

Proposed by the Trustees

Special Resolution 4

Articles 14 and 17 (Voting of Members)

This Society resolves to delete Article 14.12; and

Amend Article 17.4 to read:

“17.4 Save as the 2006 Act or these Articles otherwise provides, a simple majority of those voting is required to pass any ordinary resolution and a majority of 75% of those voting is required to pass any Special Resolution”; and

Amend Article 17.6 to read:

“17.6 The Chairman’s casting vote shall not apply to any tied election of Trustees. Tied elections shall be determined as defined in Article 19.9”.

Proposed by the Trustees

All Adult Members (18+) who are not in default are entitled to vote by proxy on any resolutions and special resolutions. The proxy voting form will be sent with the Agenda and EGM/AGM papers nearer the time and published on the Society web pages 15 clear days before the meeting.