

Company Number: 04402220

COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE

MEMORANDUM OF ASSOCIATION

of

NETWORK RAIL LIMITED

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Ref: PHH/NR/JZD

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

NETWORK RAIL LIMITED

- 1** The name of the Company is "NETWORK RAIL LIMITED".
- 2** The registered office of the Company will be situate in England.
- 3** The objects for which the Company is established are:
 - 3.1** Either itself or through any subsidiary or undertaking to carry on the business of acquiring, owning, managing, providing, operating and developing railway network services and station services in all their aspects including without limitation:
 - 3.1.1** designing, financing, managing, granting access to, constructing, equipping, maintaining, operating, altering, substituting, renewing and replacing railway networks for the carriage of passengers and goods;
 - 3.1.2** designing, financing, managing, granting access to, construction and equipping of new railway network facilities or the carrying out of such activities in relation to the enhancement of existing railway network facilities whether by the Company alone or in conjunction with other parties;
 - 3.1.3** the construction, maintenance, alteration, substitution, realignment, reconfiguration and renewal of the permanent way of any railway, together with the ballast, sleepers and metals laid thereon, and any associated structures or works including (but not limited to) level crossings, bridges, viaducts, tunnels, culverts, watercourses, drains, sewers, roads, footpaths, bridleways, abutments, walls, embankments, retaining walls, gates, barriers and fences;
 - 3.1.4** the provision, control and operation of appliances, apparatus, devices, equipment and systems for instructing, controlling and monitoring the provision and operation of railway services including (without limitation) the installation, operation, maintenance, renewal, alteration, substitution, discontinuance or replacement of railway signalling systems or of any other railway communication equipment;
 - 3.1.5** the provision, control and operation of appliances, apparatus, devices, equipment and systems for the supply and distribution of electrical power including (without limitation) the construction, control, maintenance, renewal, alteration, substitution, discontinuance or replacement of electrical conductor rails or overhead lines, or any supports for such rails or lines and of any electrical sub-stations or power connections used or to be used in connection therewith;

- 3.1.6** the provision and operation of services for keeping track and associated structures free from, or serviceable notwithstanding, obstruction (whether by snow, ice, water, fallen leaves or any other natural or artificial obstacle or hindrance) or for removing any such obstruction;
 - 3.1.7** the provision, operation, maintenance, renewal and replacement of any plant, equipment or machinery used in carrying on any of the activities specified in paragraphs 3.1.1 to 3.1.6 above;
 - 3.1.8** the exercise of day to day control and management over train movements over or along any track, including the preparation of timetables for the purpose of exercising such control and management and the provision and operation of processes and procedures in respect thereof;
 - 3.1.9** the development, operation, maintenance and commercial exploitation of any computer hardware and software systems and other information systems including timetable database services and infrastructure capacity planning;
 - 3.1.10** the development, operation, control and management of safety specifications and procedures for use in the railway industry generally, including advising upon and monitoring the implementation of safety systems and procedures by third parties;
 - 3.1.11** the provision of design, planning, management, consultancy, advisory, training, educational and research services to all persons involved in or connected with the railway industry;
 - 3.1.12** in connection with the Company's business, the preparation and publication of plans, instructions, schemes, studies, specifications and tenders, the arranging and making of all kinds of contracts and the management and supervision of the performance of contracts and the execution of work and the compilation, custody, maintenance and provision of access to records in all forms;
 - 3.1.13** the design, development, exploitation, operation, administration and management of payment and accounting systems for use in the railway industry;
 - 3.1.14** the provision, development, exploitation, operation, control, management, maintenance and renewal of passenger, goods and other stations and terminals, including any approaches, buildings, structures, works, forecourts, car parks, cycle stores or other land or property capable of being used in connection with such a station or terminal.
- 3.2** To carry on the business of a holding company and to co-ordinate, finance and manage all or any part of the businesses and operations of any and all companies controlled directly or indirectly by the Company or in which the Company is interested, whether as a shareholder or otherwise and whether directly or indirectly.
- 3.3** To carry on the business of real property owners and developers in all its aspects, together with that of estate and property managers and management agents, and to purchase, take on lease or in exchange, or otherwise acquire or sell, lease, grant rights over or otherwise dispose by any means of the whole or part of such property or of any interest therein for such consideration as the Company may think fit and to provide all such services at, from or by means of such properties as the directors may consider appropriate, including (but without prejudice to the generality of the foregoing) railway light maintenance services.

- 3.4** To do anything which the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company is or may be authorised to do under or pursuant to the Railways Act 1993 or any other enactment or any licence granted to the Company or any such other company thereunder or pursuant thereto or which the Company or any such other company is required or permitted to do under or by virtue of that Act or any other enactment or such a licence, together with any activities incidental thereto.
- 3.5** To purchase, apply for and take out or otherwise acquire for any estate or interest any property (real or personal) or assets or any concessions, licences, grants, patents, patent rights, inventions, secret processes, designs, trade marks, service marks, copyrights, know-how or other exclusive or non-exclusive rights of any kind or any secret or other information as to any invention or secret process of any kind and to hold, develop and turn to account and deal with the same in such manner as may be thought fit and to make experiments and tests and to carry on or commission all kinds of research work and to establish and maintain research stations, laboratories, workshops, testing and proving grounds, facilities and establishments and installations and to exploit and turn to account the results of any research and development carried out by or for it.
- 3.6** To build, construct, alter, remove, replace, equip, execute, carry out, improve, work, develop, administer, maintain, repair, renew, discontinue, manage or control buildings, structures, works, apparatus, equipment or facilities of all kinds, whether for the purposes of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company or for sale, letting or hire to or in return for any consideration from any company, firm or person, and to contribute to or assist in or carry out any part of any such operation.
- 3.7** To subscribe, underwrite, purchase, or otherwise acquire, and to hold, dispose of, and deal with, any shares or other securities or investments of any nature whatsoever, and any options or rights in respect thereof or interests therein, and to buy, or otherwise acquire, or sell, or otherwise dispose of, or invest in foreign currencies and foreign exchange, to engage in spot and forward rate exchange contracts and any other foreign exchange hedging arrangements and to enter into derivative transactions and other financial instruments of any kind for trading, investment or any other purpose.
- 3.8** To draw, make, accept, endorse, discount, negotiate, execute, and issue, and to buy, sell and deal with bills of exchange, letters of credit, promissory notes, and other forms of credit, negotiable or transferable instruments or securities.
- 3.9** To invest and deal with the moneys of the Company or any subsidiary or holding company of the Company or subsidiary of any such holding company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made.
- 3.10** To open and maintain accounts of every kind, character or description whatsoever of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company and accounts with and for customers or other persons, including margin or collateral accounts with respect to financial futures, currencies and commodities and to do anything incidental to the maintaining of such accounts.
- 3.11** To acquire an interest in or amalgamate or enter into partnership or any joint venture or profit/loss-sharing arrangement or other association with, or make grants, donations or loans to any company, firm, person or body, where such acquisition, collaboration, grant,

donation or loan may seem to advance the interests or affairs of the Company or of any subsidiary or holding company of the Company or subsidiary of any such holding company.

- 3.12** To purchase or otherwise acquire and undertake all or any part of the business, property and liabilities of any company, firm, person, association or body carrying on or proposing to carry on any business which the Company or any subsidiary or holding company of the Company or subsidiary of any such holding company is authorised to carry on or possessed of any property suitable for the purposes of the Company or any subsidiary or holding company of the Company or subsidiary of any such holding company.
- 3.13** To establish, promote, or join in the promotion of, any company, fund or trust whether or not having or promoting, or carrying on activities falling within objects similar to those of the Company.
- 3.14** To make and carry into effect such agreements or arrangements with Governments, authorities and any other company, firm, person, association or body as may appear conducive to the furtherance of any of the objects of the Company or any subsidiary or holding company of the Company or subsidiary of any such holding company.
- 3.15** To borrow and raise money for the purposes of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company or any other company, firm, person, fund or trust and to secure or discharge any debt or obligation of or binding on the Company or any subsidiary or holding company of the Company or subsidiary of any such holding company in such manner as may be thought fit and in particular by mortgages, debentures and charges upon all or any part of the undertaking, property and assets (present and future) of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company or by the creation and issue of debentures, debenture stock or other securities of any description.
- 3.16** To advance, lend or deposit money or give credit to or with any company, firm, person, fund or trust on such terms as may be thought fit and with or without security.
- 3.17** ¹To guarantee or give indemnities or other assurance for the obligations of any person or provide security, with or without consideration and whether by personal covenant or by mortgage or charge upon all or any part of the undertaking, property and assets (present and future) of the Company, or by all or any such methods, for the performance of any contracts or obligations, and the payment of capital or principal (together with any premium) and dividends or interest on any shares, debentures or other securities, of any person, firm, company, fund or trust including (without limiting the generality of the foregoing) any company which is for the time being a holding company of the Company or another subsidiary of any such holding company, or is associated with the Company in business.
- 3.18** To issue any securities which the Company has power to issue for any other purpose by way of security or indemnity or in satisfaction of any liability undertaken or agreed to be undertaken by the Company.
- 3.19** To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks, securities, certificates or other documents based on or representing any shares, stocks or other assets appropriated for the purposes of any such trust and to settle and regulate and if thought fit to undertake and execute any such trusts, and to issue, hold

¹ Paragraph 3.17 was amended by Special Resolution dated 15 August 2002.

or dispose of any such preferred, deferred or other special stocks, securities, certificates or documents.

- 3.20** To sell, lease, grant licences, easements and other rights over, and in any other manner deal with or dispose of, the undertaking, property, assets, rights and effects of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company or any part thereof for such consideration as may be thought fit, and in particular for shares or other securities, whether fully or partly paid up.
- 3.21** To procure the registration, recognition or incorporation of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company in or under the laws of any territory outside England.
- 3.22** To pay and discharge all or any expenses, costs and disbursements, to pay commissions and to remunerate any person for services rendered or to be rendered in connection with the formation, promotion, and registration of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company and the underwriting or placing or issue at any time of any securities of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company or of any other person.
- 3.23** To apply for, promote and obtain any Act of Parliament, statutory instrument, order, right, privilege, franchise, concession, licence or authorisation of any government, state or municipality or other department or authority, and to carry out, exercise and comply with the same, or enter into arrangements with any such body for enabling the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company to carry out any of its or their objects or for extending any of the powers of the Company or any such other company or for effecting any modification of the constitution of the Company or any such other company or for any other purpose which may seem to the Company to be expedient and to carry out, exercise and comply with the same and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company or any such other company.
- 3.24** To apply for, acquire and hold membership in any trade, financial or other association or organisation membership of which will in any way facilitate the conduct of the Company's business or that of any subsidiary or holding company of the Company or any subsidiary of any such holding company.
- 3.25** To subscribe for or guarantee (in cash or in kind) any national, charitable, benevolent, public, general or useful object or for any purpose which may be considered likely directly or indirectly to further the interests of the Company or any subsidiary or holding company of the Company or any subsidiary of any such holding company, its employees or its members.
- 3.26** To establish and maintain or contribute to any pension or superannuation funds for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any individuals who are or were at any time in the employment or service of the Company or of any company which is its holding company or is a subsidiary of the Company or any such holding company or otherwise is allied to or associated with the Company or any of the predecessors of the Company or any other such company as aforesaid or any company which has been the holding company of a subsidiary of the Company or a subsidiary of any such holding company, or who are or were at any time directors or officers of the Company or of any such other company, and the wives, widows,

families and dependants of any such individuals; to establish and subsidise or subscribe to any institutions, associations, clubs or funds which may be considered likely to benefit any such persons or to further the interests of the Company or of any such other company; to make payments for or towards the insurance of any such persons; and, in particular, but without prejudice to the generality of the foregoing, to make arrangements for the continuance or transfer to the Company of any pension arrangements to which any predecessor of the Company or any subsidiary or holding company of such predecessor or subsidiary of such holding company or to which any subsidiary of the Company or any company which is or has been the holding company of any such subsidiary or other subsidiary of any such holding company is or has been party.

- 3.27** To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees or auditors of the Company, or of any other company which is its holding company or in which the Company or any such holding company or any of the predecessors of the Company or any such holding company has or had any interest (whether direct or indirect) or which is in any way allied to or associated with the Company or with any such other company, or of any subsidiary of the Company or of such other company, or who are or were at any time trustees of any pension fund or employees' share scheme in which any employees of the Company or of any such other company or subsidiary are or were at any time interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to the Company or any such other company, subsidiary or pension fund or employees' share scheme and to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from any such liability.
- 3.28** To have regard to the protection of buildings and other objects of historic, architectural or other significance when formulating and implementing proposals and more generally to participate in, manage and co-operate in projects or works designed to restore, preserve, improve or protect the environment.
- 3.29** To carry on any other business or activity of any nature whatsoever which may seem to the directors to be capable of being conveniently or advantageously carried on in connection or conjunction with any business of the Company hereinbefore authorised or that of any subsidiary or holding company of the Company or any subsidiary of any such holding company or to be expedient with a view directly or indirectly to enhancing the value of or to rendering profitable or more profitable any of the Company's or any such other company's assets or utilising its or their skills, know-how or expertise.
- 3.30** To do all or any of the above things and matters aforesaid in any part of the world and, either as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents, subsidiary companies or otherwise, and either alone or in conjunction with others.
- 3.31** To do all such other things as may be deemed, or as the Company considers to be, incidental or conducive to any of the above objects.

AND it is hereby declared that in this paragraph 3 that:

- (i) "company", except where used in reference to this Company, shall include any partnership or other body of persons, whether incorporated or not, incorporated, and whether formed, incorporated, domiciled or resident in the United Kingdom or elsewhere;

- (ii) “**person**” shall include any body corporate or unincorporated body of persons as well as any other legal or natural person;
- (iii) “**subsidiary**” and “**holding company**” shall include “**subsidiary undertaking**” and “**parent undertaking**”;
- (iv) “**securities**” shall include any fully, partly or nil paid or no par value share, stock, unit, debenture, debenture or loan stock, deposit receipt, bill, note, warrant, coupon, right to subscribe or convert, or similar right or obligation;
- (v) “**and**” and “**or**” shall mean “**and/or**” where the context so permits;
- (vi) “**other**” and “**otherwise**” shall not be construed *ejusdem generis* where a wider construction is possible;
- (vii) “**include**” and “**including**” shall be construed without limitation;
- (viii) words in the singular include the plural, and vice versa;
- (ix) words importing any gender include all genders;
- (x) a reference to any statute or a provision of a statute includes a reference to any statutory modification or re-enactment of it and to any subordinate legislation made under it in each case for the time being in force; and
- (xi) the words “**holding company**” and “**subsidiary**” (except in the next following paragraph of this sub-paragraph) shall have the same meanings as in Section 736 of the Companies Act 1985 or any statutory modification or re-enactment of it.

The objects specified in the different sub-paragraphs of this paragraph 3 shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from the terms of any other sub-paragraph or the name of the Company or the order in which the same occur, and none of the sub-paragraphs shall be deemed merely subsidiary or incidental to any other sub-paragraph but may be carried out in as full and ample a manner and shall be construed in as wide a sense as if each of the said sub-paragraphs defined the objects of a separate, distinct and independent company.

4 The income and property of the Company, whenever derived, shall at all times be applied solely towards the promotion of the objects of the Company as set out in paragraph 3 of this Memorandum of Association. Neither the whole nor any part of the income or property may be paid or transferred, directly or indirectly, to the members of the Company by way of dividend, bonus or in any other way that amounts to a distribution of profit, provided that nothing in this paragraph shall prevent the payment, in good faith, of:

- 4.1** reasonable and proper remuneration or expenses to any officer, employee or servant of the Company;
- 4.2** consideration to any members of the Company in return for any services actually rendered to the Company;
- 4.3** a reasonable and proper rate of interest on money lent to the Company;
- 4.4** reasonable and proper rent for premises demised or let by any member to the Company; or
- 4.5** premiums on the insurance referred to in paragraph 3.27 above.

- 5** If upon the winding up or dissolution of the Company there is any property remaining after the satisfaction of all its debts and liabilities, it shall not be paid to or distributed among the members of the Company, but shall be given or transferred to one or more institutions, having objects similar to the objects of the Company and which shall prohibit the distribution of their income and property amongst their members to the same or greater extent as is imposed on the Company under or by virtue of paragraph 4 above. Such institution or institutions shall be determined by the members of the Company at or before the time of dissolution, and if they cannot identify any institutions or institutions with similar objects to those of the Company then they may pay or transfer the surplus to any one or more charities as they shall determine.
- 6** No addition, alteration or amendment shall be made to paragraph 4 or paragraph 5 or to this paragraph 6.²
- 7** The liability of the members is limited.
- 8** Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year after he ceases to be a member for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributories among themselves such amount as may be required, not exceeding one pound.

² Paragraph 6 was amended by Special Resolution dated 15 August 2002.

We, the subscribers to this Memorandum of Association, wish to be formed into a company pursuant to this Memorandum.

Names and addresses of subscribers:

Iain Michael Coucher Yew Tree Cottage Pool Street Woodford Halse Daventry Northamptonshire NN11 3TS	Signature
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Adrian Alastair Montague Pegsdon Barns Pegsdon Hitchin Hertfordshire SG5 3JZ	Signature
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Dated 22 March 2002

Witness to the above signatures:

Signed:

Name: Eric Ho.....

Address: Linklaters

One Silk Street

EC2Y 8HQ.....

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