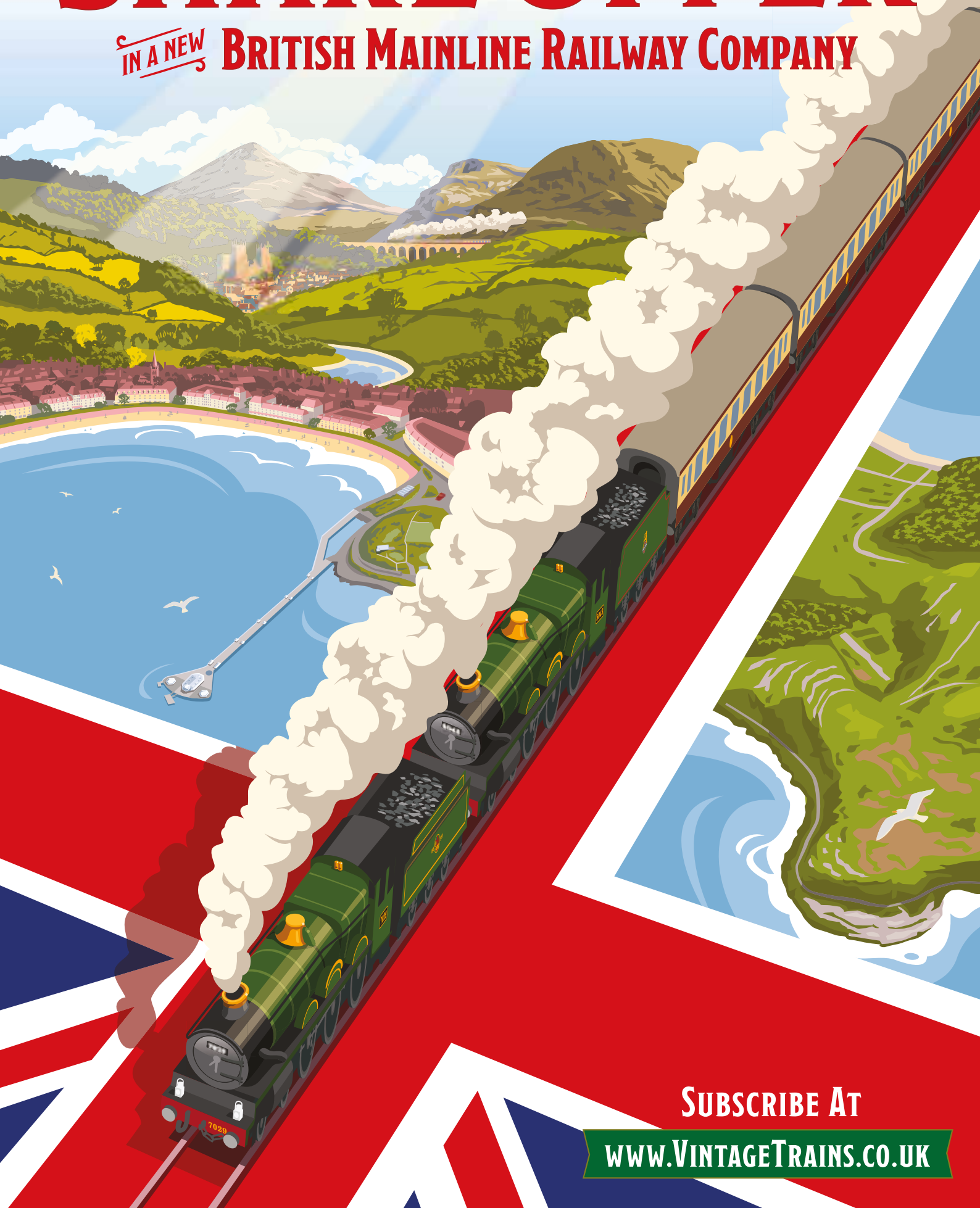


# VINTAGE TRAINS COMMUNITY BENEFIT SOCIETY

# SHARE OFFER

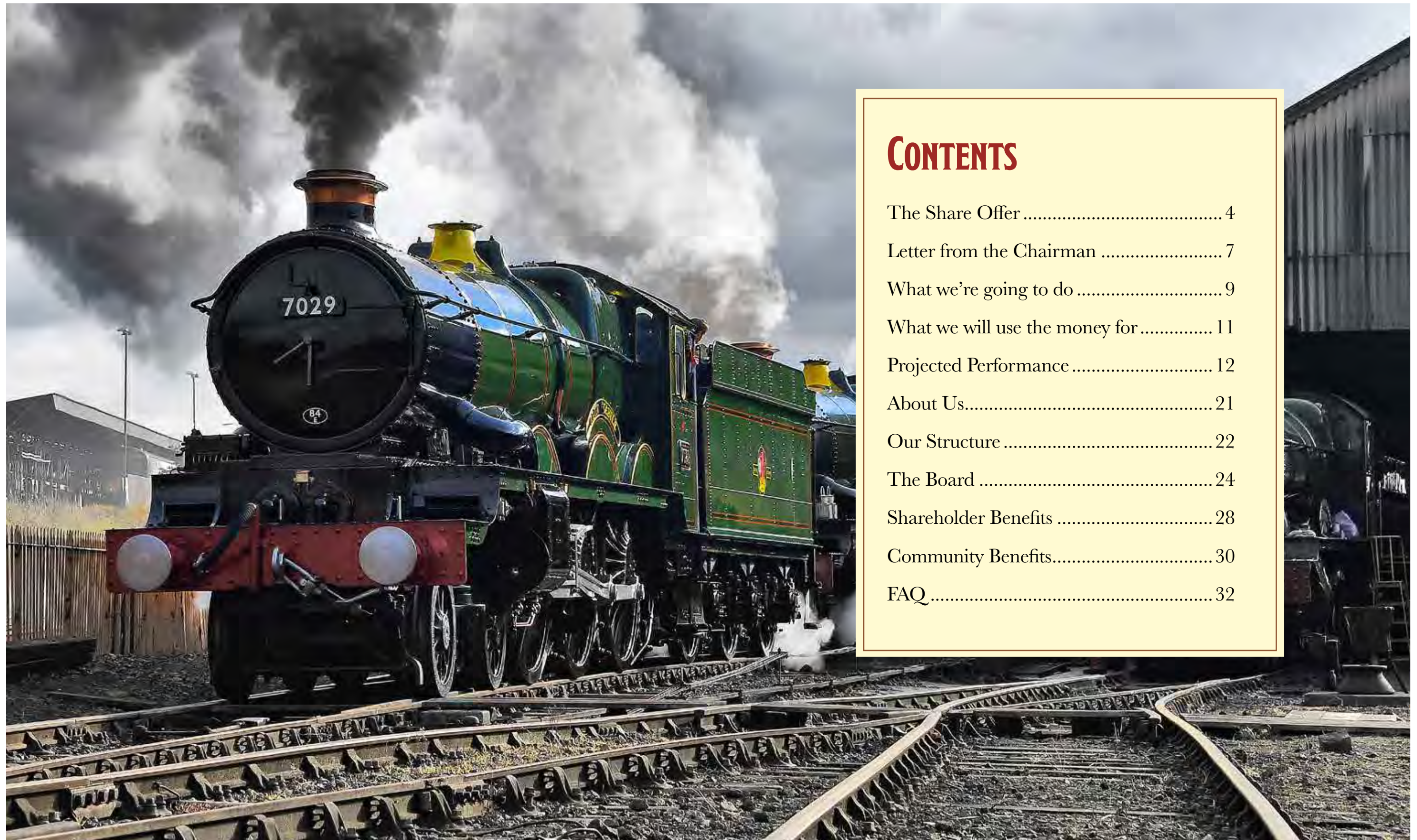
*IN A NEW* BRITISH MAINLINE RAILWAY COMPANY



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## THE SHARE OFFER:

**Opens: Friday 1st December 2017**

**Closing date: Thursday 31st May 2018**

The board of directors of Vintage Trains CBS may choose to extend the period of the share offer by up to 6 months if they believe that by doing so they increase the chances of reaching the maximum target.

**Minimum target to be raised: £800,000**

**Optimum (and maximum) target to be raised: £3,000,000**

**Minimum share subscription per person: 500 x £1 shares**

**Maximum share subscription per person: 100,000 x £1 shares**

## VINTAGE TRAINS CBS

Vintage Trains CBS (“the Society”) is a community benefit society registered in 2017 under the Co-operative and Community Benefit Societies Act with the Financial Conduct Authority (registration number: 7668).

The Society is a community-owned social enterprise and by subscribing for shares issued by the Society in this share offer you will become a Member of the Society.

The Society has exclusively charitable objects and a charitable asset lock, preventing Members from making a capital gain by selling or closing the business for a profit. Therefore, the Society will never be able to become privately owned and taken out of community ownership.

Vintage Trains Charitable Trust (charity registration number 1040904) will be the Parent of the Society, having powers to appoint the majority of the Society board and have a majority vote on all matters.

## WHAT ARE COMMUNITY SHARES?

Community shares are withdrawable shares that cannot be sold, traded or transferred between Members, unlike shares in a typical company.

All Members are entitled to one vote – regardless of how many shares they hold.

The trading subsidiary, Vintage Trains Limited, is expected to achieve a break-even position in the third year of operation (i.e. 2020) and move into positive net worth in 2023. We propose to offer Members non-compounding interest from the next year, 2024, at 2%. Such interest may be added to shareholder accounts or paid in vouchers for the services provided by the Society and its subsidiary.

Members can also withdraw their shareholding, along with any interest accrued subject to the approval of the board. We anticipate authorising share withdrawals after the business has moved into positive net worth.

## RISK STATEMENT

### Community shares are fully at risk!

You could lose some or all of the money you subscribe. You have no right to compensation from the Financial Services Compensation Scheme, nor any right of complaint to the Financial Ombudsman Service.

Our business plan and rules are available on our website [www.VintageTrains.co.uk/Shares](http://www.VintageTrains.co.uk/Shares)



## WHAT IS THE COMMUNITY SHARES STANDARD MARK?

The Community Shares Standard Mark is awarded by the Community Shares Unit to offers that meet national standards of good practice. These standards ensure that:

- The offer document and application form are easy to understand.
- You are provided with all the facts you need to make an informed decision.
- The facts are supported by the business plan for the Society.

- Nothing in the documents is purposely incorrect, confusing or misleading. Societies are asked to sign a Code of Practice requiring them, among other things, to give the public a right of complaint to the Community Shares Unit.

For more information about community shares, the Community Shares Standard Mark and the Community Shares Unit go to:

[www.communityshares.org.uk](http://www.communityshares.org.uk)







## THE FIRST INITIAL PUBLIC SHARE OFFER IN A NEW BRITISH MAIN LINE RAILWAY COMPANY FOR OVER 100 YEARS!

**We are recreating the time when it was a pleasure to travel on a comfortable and fast train for a wonderful day out. Better still, not only is there a dining car, with excellent food and traditional Pullman service, but the trains will be hauled by express steam locomotives.**

We know we can do this because we already run express steam trains and we have a great team in place and a well thought through financial plan. So, we will use money from the share issue to create a 21st-century British, publicly owned railway company, specifically to run express steam trains regularly on the main line as a leisure and tourist business.

We have a fleet of accomplished, reliable and powerful fully maintained and restored express steam locomotives. We have a train of comfortable carriages including luxury Pullman cars. With extra capital we shall offer to the public more comfortable, fast, restaurant express trains to interesting places: to the seaside; through the superb scenery of the Welsh Marches; to the Cotswolds, gliding past under a pennant of steam, whilst our patrons enjoy a delicious breakfast or a traditional Sunday Lunch. Let us take you to York, or to Oxford, to North Wales or West Wales, so that whilst enjoying a champagne dinner on the return trip, you will luxuriate in the splendid scenery that only a train can give you the chance to appreciate.

With this public share offer we invite you to own part of the magic of express steam train travel. We shall sustain local employment, encourage international tourism, and keep alive in immaculate working condition our beautifully decorated steam greyhounds that effortlessly work

express steam trains for mile after mile. People from far away already come to travel behind them and we have the expertise and the determination to run them in everyday service.

The neat part of this offer is that the money the public invests will allow us to expand. The increased profits generated will all be ploughed back into the business. Those who subscribe can expect to receive interest on their shares from year 6 and we will provide a fund for them to withdraw their money over time. This is additional to the benefits received as a shareholder.

We will sustain British values. We will encourage people to visit great British institutions by actually travelling in one, and to enjoy the experience, and by so doing to stimulate the local economy to everyone's benefit. It is a bold proposal to offer the public a share in preserving express steam trains for all to enjoy, rather than imprisoning them in museums.

So, please subscribe to this offer and indulge in the pride of owning a part of a successful British main line railway company that reinvests its profit as a reward for the community.

A handwritten signature in black ink that reads "Michael Whitehouse".

**MICHAEL WHITEHOUSE**

Chairman

Vintage Trains Community Benefit Society





# WHAT WE'RE GOING TO DO

**We offer a unique proposition. We will be the only publicly owned main line railway company in Britain operating express steam trains.**

Vintage Trains and our founders are world pioneers in promoting express steam trains and have been successful in doing so for over 50 years. We have our own express steam locomotives, our own train of carriages, a skilled workshop and running depot at Tyseley and a tour promotion business, but we do not have our own licence to operate on the national railway network, so we rely on others to help us out.

We now want to take control of our own destiny and run express steam trains ourselves. Alongside this we will maximise the amount of public benefit that we can deliver from our activities, both nationally and around our depot at Tyseley in the City of Birmingham.

We have applied for an operating licence, and to get this we need to demonstrate that we have the people and systems in place to run a safe railway service – which we believe we do – and also that we have the financial resources to run our trains sustainably, and this is where this share offer comes in.

Subscribing via this offer will allow us to create a train operating company and to maintain our fleet of locomotives and coaches to national railway standards.

By doing this we will build an exciting future, and act decisively to protect Britain's main line railway heritage before the skills disappear forever. To support these core activities we will run training courses, undertake route conducting, trialling of new trains and provide spot driver hire.

We are launching this share offer at an exciting time. There is renewed interest in British owned companies

**Our carriages will be branded in the famous 'chocolate and cream' livery used by both the Great Western Railway and British Railways (Western Region).**

We will run Pullman, restaurant car and family event trains, initially from the City of Birmingham. We will also continue and increase the popular Shakespeare Express summer steam train from Birmingham to Stratford upon Avon.

We will work closely with West Midlands Trains, the operator of the franchise services, which will provide connecting tickets from Midlands stations for all our trains.

We will improve our train of carriages so they continue to meet the standards required to run on the 21st-century national railway network.

We will improve our former Great Western Railway depot at Tyseley in the City of Birmingham and offer public participation and activities outlined in our Community Plan.

trading with British built equipment. We are planning to do just that! Also, the City of Birmingham has embraced tourism in its strategic economic growth plans. Greater Birmingham is experiencing a 15% increase in tourism per annum with 10.2 million trips to Shakespeare's England and 4.5 million visitors to Birmingham's Christmas market each year.

And, as a licensed train operating company, we will be up there at the top table with all the franchise and freight operating companies, able to have our say in how the railways in Britain are run.



## WHAT WE WILL USE THE MONEY FOR

We will use the money we raise from this share offer in two ways:

**Vintage Trains Limited, a trading subsidiary that will be owned by the Society, will operate our express steam and heritage diesel trains running to popular tourist destinations.**

We need to satisfy the Office of Rail and Road that we have (a) the resources required to run trains reliably and safely; (b) the qualified staff we need; and (c) the working capital needed for a seasonal business.

The primary use of the £800,000 is to provide cashflow support to the subsidiary train operating company that will incur costs and liabilities from February 2018. This company will start to receive trading income later, when we hold the licence to operate and start running services.

Whilst £800,000 is enough to get us started so we can run trains next year, the real target we want to reach is £3m, and the additional £2.2m will be spent on capital expenditure, which will enable us to:

- Create a new kitchen car to help us serve more Pullman and First Class meals to a much higher standard making every train we run more viable;
- Upgrade carriages to offer increased disabled facilities, providing Access for All;
- Upgrade the safety and environmental systems on our carriages to surpass the current requirements;
- Create an on-train café bar and shop for our passengers;
- Improve the ambience of our train to appeal to the broadest possible range of passengers;
- Make further improvements to our Tyseley depot including creating a training, education and heritage centre, as detailed in our Community Plan;
- Develop a variety of other projects, from an observation and bar car, further Pullman cars and adopt some of the stations on the Shakespeare Express route for community benefit.

You can find more about all this and a detailed breakdown of our costs in the business plan, available from our website:

[www.VintageTrains.co.uk/shares](http://www.VintageTrains.co.uk/shares)





## PROJECTED PERFORMANCE

**The funds this share offer raises will be loaned to our subsidiary train operating company, which will cautiously build its activity levels from a gentle start in 2018, when we will run our existing summer Shakespeare Express programme, a small number of charter trains and a programme of local Christmas trains.**

**2019 will see a return to our current level of operations with additional charter trains, and 2020 will see a further increase in the number of trains to a level we perceive to be comfortably sustainable through to 2023 and beyond.**

In parallel with this, additional non-passenger services will be offered to the railway industry, best utilising the additional staff resources the train operating company will take on. Most of our passenger services run at weekends, so significant weekday resources will be available, allowing a small new operator to take on tasks deemed non-core by the bigger players focused on their volume operations, such as testing new trains before they are commissioned and can carry passengers.

These activities will build at a sensible and manageable rate between 2018 and 2023. With developments planned for the mainline railway network over coming years, we believe that our train operating company will have an ample supply of profitable work.

Vintage Trains CBS will also fund upgrades to our train over the next six years. These will enable improved revenue generation by enhancing the customer experience, while achieving compliance with new legislation and environmental standards.

We expect to achieve a break-even position in the third year of operation (i.e. 2020) and move into positive net worth by 2023. If this is achieved, Vintage Trains Limited will begin to return funds to the Society in repayment of the loan to facilitate Members seeking to withdraw capital, though the Society board may decide to redeploy the funds elsewhere, depending on the success of any subsequent open offer.

There are no current plans to raise additional share capital beyond the £3m target, but new opportunities may well arise for Members to consider.

When we move into positive net worth and begin to pay interest to our Members, we may move to an open share offer to encourage new members who want to be part of the Vintage Trains community, and we would seek to make that new capital the primary source of capital for withdrawal by existing Members.

The main trading activity of Vintage Trains CBS will be to carry out the Community Plan. This will be developed to enable an expanded programme of activities, so we can offer a variety of activities to suit the Society members, our volunteers, and the local community. £90,000 will be donated from Vintage Trains Charitable Trust to help the society with staff costs in the first year of operations.







The Vintage Trains Limited forecast financial performance is as follows:

Vintage Trains Limited  
Forecast Income & Expenditure Account

	2018	2019	2020	2021	2022	2023
Income	£	£	£	£	£	£
Passenger services	966,792	1,922,432	2,935,682	2,935,682	2,935,682	2,935,682
Non-passenger services	97,500	182,310	215,910	317,510	317,510	417,510
Other income	47,986	52,348	52,348	52,348	52,348	52,348
Total	1,112,278	2,157,090	3,203,940	3,305,540	3,345,540	3,405,540
Direct Costs	1,104,216	1,913,715	2,590,329	2,590,329	2,590,329	2,590,329
Gross Profit	8,062	243,375	613,611	715,211	755,211	815,211
Overheads	393,186	481,046	544,635	551,522	555,427	559,353
Net Profit	(385,124)	(237,671)	68,976	163,690	199,784	255,858
Profit & Loss Brought Forward	-	(385,124)	(622,795)	(553,819)	(390,129)	(190,345)
Profit & Loss Carried Forward	(385,124)	(622,795)	(553,819)	(390,129)	(190,345)	65,313

The Vintage Trains CBS forecast financial performance is as follows:

Vintage Trains CBS  
Forecast Income & Expenditure Account

	2018	2019	2020	2021	2022	2023
Income	£	£	£	£	£	£
Donations received	80,055	9,945	-	-	-	-
Open Days	60,000	66,000	72,600	79,860	87,846	96,631
Total	140,055	75,945	72,600	79,860	87,846	96,631
Expenditure						
Staff Costs	65,435	68,280	68,280	68,280	68,280	68,280
Marketing	146,000	104,00	-	-	-	-
Open Day Costs	30,000	33,000	36,300	39,930	43,923	48,315
Other Costs	66,200	30,300	30,400	30,500	30,600	30,700
	307,635	235,580	134,980	138,710	142,803	147,295
Net Profit	(167,580)	(159,635)	(62,380)	(58,850)	(54,957)	(50,655)
Profit & Loss Brought Forward	(21,000)	(188,580)	(348,215)	(410,595)	(469,445)	(524,402)
Profit & Loss Carried Forward	(188,580)	(348,215)	(410,595)	(469,445)	(524,402)	(575,066)

Although Vintage Trains CBS is loss making, we anticipate gift aiding profits from Vintage Trains Limited once it is in positive net worth. This is possible due to the charitable status of Vintage Trains CBS, and will result in Vintage Trains CBS’ cumulative loss reducing from 2024 onwards.



# OUR PLANNING ASSUMPTIONS

- Licence to operate awarded by the Office of Rail and Road Regulation by April 2018;
- First steam passenger trains to be the *Shakespeare Express* in July 2018;
- Carriage renovation plan commencing immediately and finishing by February 2020;
- 33 passenger charter trains run in 2018, 58 in 2019 and 82 trains in 2020;
- Additional work carried out in non-passenger activities;
- All costs financed by funds derived from this share offer or gifts and also revenue;
- No borrowings or loans.

**Note:** Any financial return and/or recovery of your subscription is entirely contingent on the performance of our train operating company. We have included what we consider to be the key risks and mitigations for them in the business plan.

This offer is not protected by the Financial Services Compensation Scheme. Members have no recourse to an ombudsman and you could lose some or all of the money you subscribe.

In the event of the Society being dissolved or wound up, anyone owed money by the Society would be paid first from available cash. If, after paying all those debts, there was sufficient money left over, Members will get back their subscription (plus any interest). If there isn't enough to pay Members back in full, they will receive an amount of the remainder proportional to the size of their subscription.

Should there be any surplus after all Members have been repaid their share capital and any accrued interest in full, the Society will choose another charitable body to pay the surplus to (any surplus can't be paid to Members and nor can its assets be distributed to Members as we are a charitable community benefit society). Community Shares do not increase in value from their nominal amount of £1 and the Society's assets can only be distributed to another charitable body with the same or similar objects.











## ABOUT US

**Vintage Trains Charitable Trust is amongst the world pioneers promoting heritage express steam trains on the national railway network.**

Over the last fifty years we have preserved a number of important express steam locomotives, Pullman cars and other items, as well as managing the Tyseley Collection of heritage locomotives, carriages and workshop machinery based at our Tyseley Locomotive Works, on behalf of 7029 Clun Castle Limited (also a registered charity).

From time to time Vintage Trains Charitable Trust also manages heritage locomotives and carriages belonging to other organisations. Vintage Trains Charitable Trust carries out its objectives through its wholly owned subsidiary, Tyseley Locomotive Works Limited, which will also provide depot and maintenance services to our proposed licensed train operating company, Vintage Trains Limited.

In particular, we have preserved: *Clun Castle*, the last Great Western Railway-designed Castle class express locomotive to operate in regular service; *Earl of Mount Edgcumbe*, a second Great Western Railway Castle restored from scrap condition to become a 21st-century record breaker in its own right; and the mixed traffic *Road Ashton Hall*, restored to full running order by a team of young people in their 20s learning and putting into practice the skills of steam locomotive engineering.

We will shortly begin to restore a third Great Western Railway Castle class locomotive, *Defiant*, to create an enviable fleet of thoroughbred express steam locomotives available to Vintage Trains Limited for its train operations.

We have built a well-equipped workshop and operating depot at the original hundred-year-old Great Western Railway depot at Tyseley and gained an excellent

reputation for engineering skills. This continues the tradition of having working steam locomotives available for service at Tyseley every day in continuous unbroken service since 1908.

We have also promoted express steam trains which have run successfully on the main line for over twenty years. Additionally, we hold two public open weekends a year at our Tyseley depot when everyone is welcome to come and look at the Tyseley Collection at close quarters in the environment of a working steam depot. All this has been achieved through the prowess of Tyseley Locomotive Works and team skills, thanks to good communication and excellent relations with stakeholders in the railway community



**We work with a wide spectrum of train operators on our network and we support steam operations across the national network. We welcome your vision and support your overall strategy to promote heritage express**

**steam trains on the national railway network for tourists. We like what appear to be manageable plans, in partnership with franchise bidders. Your strategy fits well in the steam operations model we would like to move towards; that of high quality operations with reliable, gauge cleared locomotives, using as far as possible pre-reserved timetable paths and, as soon as possible, rolling stock with controlled emission toilets. We will continue to work with you in this process, following our Stakeholder Relations Code of Practice.**

**SIR PETER HENDY CBE**  
Chair,  
Network Rail



# OUR STRUCTURE

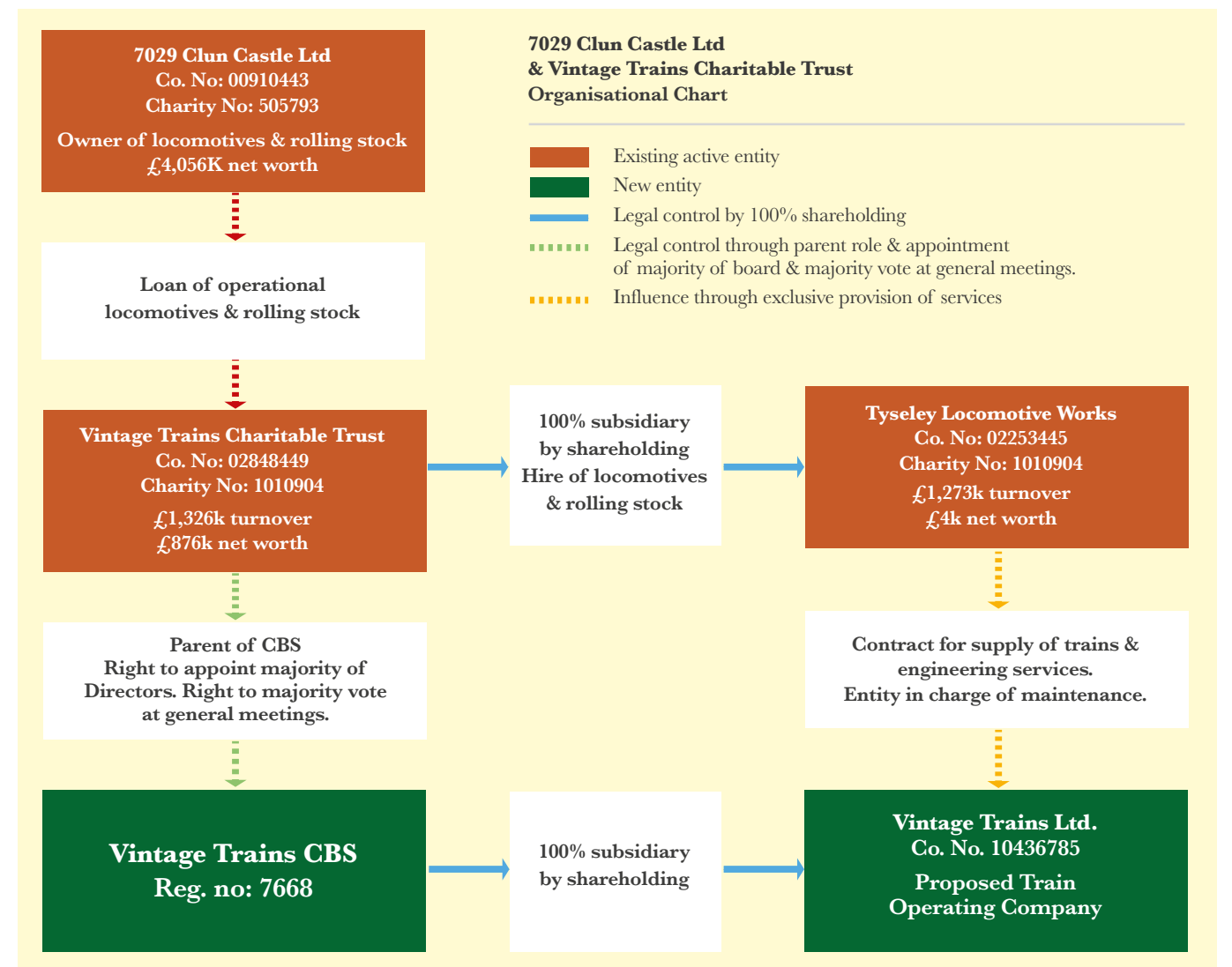
Vintage Trains CBS is a Community Benefit Society registered with the Financial Conduct Authority with charitable objects, and we are in the process of seeking recognition of our status as a charity with HMRC.

The Society is the 100% parent organisation of Vintage Trains Limited, which has applied to the Office of Rail and Road for a licence to run passenger charter trains.

To ensure continuity of these aspects with the proposed operation of express steam and other trains by Vintage Trains Limited and fulfillment of the its overall business

plan and Community Plan, Vintage Trains Charitable Trust will be the Parent of the Society, entitled to appoint a majority of the board of directors of the Society, to be joined by others elected by and from our Members. Whilst each Member will have one vote (regardless of the number of shares they hold), Vintage Trains Charitable Trust will be entitled to have a majority vote on all matters.

Members will be able to elect up to 3 members of the Board of the Society, with the first elections coming at the first AGM of the Society in the autumn of 2019.







**MICHAEL WHITEHOUSE**  
Chairman

Michael is a lawyer with over 40 years' experience of advising on and delivering major transport and Public Private Partnership projects in the railway, maritime and defence sectors, formerly a partner in Wragge & Co LLP and part of that firm's management team. He has considerable experience with the political, economic, regulatory and contractual matrix relating to the operation of railways in Britain and ensuring that heritage express steam trains are safe and viable within that matrix. Michael has been involved with heritage railways, nationally and internationally, for over 45 years.

He is also the controlling party within 7029 Clun Castle Ltd, a charitable company, which owns and leases the steam locomotives used by Vintage Trains. Michael is responsible for leading Vintage Trains' strategic development and will be Chairman of both Vintage Trains Charitable Trust and Vintage Trains CBS. He will also represent the Society on the board of Vintage Trains Limited.

## THE BOARD OF VINTAGE TRAINS CBS



**ADRIAN SHOOTER**

Adrian joined British Rail in the 1970s and headed up the M40 Trains Management buy-out consortium that became Chiltern Railways. Adrian was previously Chairman of Chiltern Railways, London Overground, Tyne & Wear Metro, DB Regio UK (Deutsch Bahn), Laing Rail and of the West Midlands CBI Council.

In the New Year Honours 2010 Adrian was also appointed a CBE for services to the rail industry. He is also a fellow of the Royal Academy of Engineering, the Institution of Mechanical Engineers and of the Chartered Institute of Transport.

Adrian is currently Chairman of Vivarail, which is developing modern trains for the rail industry.



**MICHAEL GILBERT**

Michael has been a director of Vintage Trains Charitable Trust and Tyseley Locomotive Works for over 25 years.

He is a Chartered Accountant and a retired PwC partner where he provided audit and advisory services to a cross section of entrepreneurial small and medium-sized businesses, including due diligence, business acquisition and disposal activity.

He has sat on the Council of The University of Birmingham as Treasurer and served as Trustee on a number of other charitable bodies.

He is currently a director of a small engineering group based in the Midlands and also a property management company.



## VINTAGE TRAINS LIMITED'S MANAGEMENT TEAM



Adrian Shooter will Chair the board of Vintage Trains Limited. We have secured a very senior manager with experience in British Rail, Network Rail and a Train Operating Company to become our Managing Director.

Our management team will also be augmented by an Operations Standards Manager from a Train Operating Company who has previous experience as a Railway Safety Inspector and who holds steam and diesel driver and guard qualifications on a heritage railway.

**JIM KIRKMAN**



Jim is the Company Secretary and Treasurer and a former Chartered Accountant, responsible for all our financial reporting, budgeting, compliance and accounts.

He is also the Secretary and Treasurer of the parent charity, Vintage Trains Charitable Trust. He will also serve on the board of Vintage Trains Limited.

**ROBIN COOMBS**

Robin is a retired Chartered Architect and Consultant, and was recently the Independent Chairman of the governance review of the West Somerset Railway Association. He was a Rail Manager for 8 years at Network SouthEast and partner with a national architectural practice for 25 years, the last ten years as Chairman, a founding partner of the environmental and economic consultancy ERES, and has served as a magistrate for 29 years.

He has a lifelong passion for steam railways, travelling over one million miles, and is perhaps best known for his innovative photography for which he has won several awards and been widely published.

Robin will be a representative for Members of the CBS.

**BEN MASON**



Ben is the Business and Catering Manager, responsible for the promotion and delivery and passenger experience on of all our charter trains, open weekends and public events. He was previously involved in the US telecoms sector and has brought his considerable experience to bear in developing our website and on line booking system. Ben manages our Pullman restaurant car and catering services and liaises with Vintage Trains Society's volunteers.



VINTAGE TRAINS COMMUNITY BENEFIT SOCIETY

*Engineering dreams into reality*

Imagine... *riding on the footplate of  
a Castle Class locomotive  
at 75mph*



... now you could\*  
*which Castle would you choose?*

\*subject to passing a medical and conditions. Photo digitally altered.



## BENEFITS TO SHAREHOLDER MEMBERS...

**In addition to becoming involved as owners of a licensed train operating company as part of our unique project, Members will be entitled to:**

- Exclusive Membership to the Founders Club for the first 2000 subscribers with lifelong complementary access to Tyseley Locomotive Works Open Days.
- Exclusive access to special Founders Club trains, ticket offers and advanced booking opportunities. The Founders Club is limited to 560 Premier Dining Seats, 300 Club Class Seats and 1,250 Standard Class seats.
- A say in the governance of the Society through voting at the Annual Members' Meeting and the ability to put forward items for discussion, as well as being consulted on important issues.
- Stand for and vote in election to the board of the Society.
- When the business is established, operating with a trading surplus and moved into positive net worth, we aim to pay Members interest on their shares and to begin returning capital to Members via share withdrawal.
- Opportunities to volunteer on our services which will keep the costs down, as well as providing enjoyable activities (which could also lead to new careers in the railway and hospitality industry).

For more details of Shareholder and Founders Club Benefits, please visit:

[www.VintageTrains.co.uk/Shares](http://www.VintageTrains.co.uk/Shares)



Share Certificate







## OUR COMMUNITY BENEFITS

**In buying shares in the Society, you will enable us to work with both Vintage Trains Charitable Trust and our licensed train operating company, Vintage Trains Limited, to create the following benefits:**

**We will develop** the Society so that it provides real participation opportunities for everyone, anywhere, who is interested in steam trains or railway transportation in the heritage railway community nationwide; and also for our local community in Tyseley, within the City of Birmingham, where our base of operations at the historic Great Western Railway locomotive depot is situated.

**We will develop** training schemes and apprenticeships to ensure the necessary skills are passed down and kept for the future.

**Additionally**, many areas of our Great Western Railway depot require refurbishment, such as the original coaling-stage building which is unique in retaining an electrically operated coal lifting hoist. We also need to expand our engineering and operating facilities, and engine shed and servicing facilities, and provide under cover secure protection for our trains.

**We will tell** the fascinating and important stories about steam locomotion, particularly how it fundamentally changed the world and sowed the seeds for modern civilisation.

**We will engage** with regional industry and heritage stakeholders to create a globally important heritage tourist operation, which builds on our successes and harnesses the iconic historical aspects of Birmingham's contribution to international railway development.

**We will perpetuate** the significant contribution made by Birmingham to the development of railways worldwide.

**Above all**, we will enable the steam locomotive to continue to fulfil its design purpose by continuing to haul express trains in the 21st century in regular timetabled service as a tourist business. This will also deliver economic and social improvements, public benefit and enjoyment through the development of a tourist business run by a publicly owned main line railway company for everyone. This will create a firm foundation for the next generation to continue to innovate and a continuing purpose for our collection.

**We can do this** because we have spent the past fifty years collecting, restoring and operating our collection on the national railway network. We have gained an enviable reputation for our engineering and operational skills. We have built good relationships with local, heritage and national railway network industry stakeholders and we have been able to deliver an annual revenue surplus to continue these endeavours year by year.





## FAQ

### How to buy our Community Shares

Please use our secure online payment platform at: [www.VintageTrains.co.uk/Shares](http://www.VintageTrains.co.uk/Shares) where you can use a credit or debit card to subscribe.

You can also subscribe by sending an electronic transfer or cheque drawn from any UK bank or building society with an application form (available from our website, [www.VintageTrains.co.uk](http://www.VintageTrains.co.uk)).

The minimum subscription is 500 x £1 of shares and the maximum is 100,000 x £1 of shares. Amounts must be purchased in blocks of 500 shares.

We are offering you the ability to split your share subscription in instalments, payable monthly. You will not own the shares until you pledged subscription is paid in full, and should you fail to finish paying for the shares, then your existing subscription will be converted into a donation. Further details are available at: [www.vintagetrains.co.uk](http://www.vintagetrains.co.uk).

Should the minimum target not be reached either by share subscriptions or donations, we would return funds to Members within 8 weeks of the offer closing unsuccessfully (less irrecoverable payment provider fees of 2% and administrative fees of 2%).

Our subscriber website is linked to Barclaycard who will hold sums raised in the share offer. If the offer is successful, these funds will be passed to the CBS for deployment, but if the offer fails to raise sufficient funds, money subscribed will be returned to everyone who has subscribed.

Should we reach our minimum target, but the Office of Rail and Road does not grant us an operating licence for any reason, all funds will be returned to Members less any operating expenditure that had been incurred to

that date, on a pro-rata basis in proportion to the funds subscribed by each Member.

### Who can buy our Community Shares?

We can accept applications from anyone over the age of 16, and also from companies and organisations or smaller groups of people who pool together to buy shares.

Anyone buying shares on behalf of a group of people or an organisation must specify a person over 16 to act as their nominee and be listed in the share register on behalf of that group. Organisations and groups should keep us updated of any change to their details.

### Can I buy shares as a gift?

Shares can also be bought as a gift, but someone who has been bought a gift must confirm they wish to join the Society. If they don't confirm that within reasonable time, we'll take the share subscription as a donation made by you to the charity.

Please note that as a charity to be recognised by HMRC, we will be able to claim gift aid on sums paid, but only if the subscriber relinquishes any right to benefits and interest or withdrawal. Please email us at: [ShareOffer@VintageTrains.co.uk](mailto:ShareOffer@VintageTrains.co.uk) so we can discuss the best approach.

We will also accept donations to Vintage Trains Charitable Trust which we will treat as part of the minimum subscription, although of course shares in the Society will not then be offered to donors. If you prefer this option, we will be happy to discuss it with you. Please contact us at: [ShareOffer@VintageTrains.co.uk](mailto:ShareOffer@VintageTrains.co.uk)

### How do I get my subscription back?

For Members to receive interest on their shares and/or get their money back, we must ensure that we have a sustainable business and can afford to pay.







We will lend the funds we raise to our subsidiary train operating company, and whilst the company can pay us money back - which in turn could be used to repay shares - we propose to start repaying the loan only when the subsidiary is in positive net worth (i.e. has made up its initial trading losses), which we expect to be around 2023.

In addition to potentially utilising some of the repaid loan funds from the subsidiary, we may seek to move to an open share offer once we are satisfied that the business is trading profitably and has moved into positive net worth. We will then be able to offer withdrawal terms for existing Members' share capital from the capital being subscribed by new Members.

The Board of Directors of the Society must assess at that time how much of the new capital can be made available for withdrawal by existing Members, in the light of the business's performance and capital needs. They will then advise Members how much will be made available for withdrawal to Members (and may decide to make none available) and how to apply for withdrawal, which will be on a first-come, first-served basis.

## WHAT ABOUT SHARE INTEREST?

We intend to pay a competitive rate of interest compared to current bank savings rates, though as with share withdrawal, the payment of interest is only possible in the light of trading performance. Whilst the subsidiary has the possibility of paying interest to the Society, which can then in turn pay it to Members, we propose to do so only once the subsidiary is in positive net worth.

Interest will not be compounded, and may be paid either in the form of crediting your share account at the Society, or in vouchers for Vintage Trains services.

## IS IT REALISTIC TO RAISE £3 MILLION FROM THE COMMUNITY?

We've set a minimum of £500 per Member, so we are looking at 6,000 Members or less, assuming all Members subscribe the same amount. We have over 16,000 people on our mailing list, and we take over 10,000 people a year on the trains we have run.

Additionally, we welcome over 5,000 visitors per year at our Tyseley events. We have every confidence that the time is right and our offer will be successful.

## CAN I SELL MY SHARES?

No. Community Shares cannot be traded in any way. From 2023 we may seek to move to an open offer and, if so, we will then be able to offer withdrawal of existing Members' share capital from the proceeds of such new offer.

## CAN I PASS MY SHARES ONTO MY FAMILY?

Yes. Members may nominate a beneficiary who can inherit their shares upon their death, but must notify us who that beneficiary is.

## WHAT IF SOMEONE DIES WITHOUT BENEFICIARY NOTIFICATION?

If it comes to our attention that a Member has died without nominating a beneficiary to us, and has not left any instructions in their Will, we will attempt to contact their next of kin to arrange the shares' transfer to their estate, but if we are unable to communicate with a Member's estate within the 18 months after the Member's death or 12 months after we are notified of that death, whichever is sooner, we reserve the right to cancel the shares.

## WHAT IF I MOVE HOUSE?

It is vital to keep us updated of any change to your address, as there are provisions in the Society's rules that enable us to cancel shares from untraceable Members.

## WILL I GET A SHARE CERTIFICATE?

Yes. Every Member will receive a share certificate.

## CAN THE VALUE OF THE SHARES INCREASE?

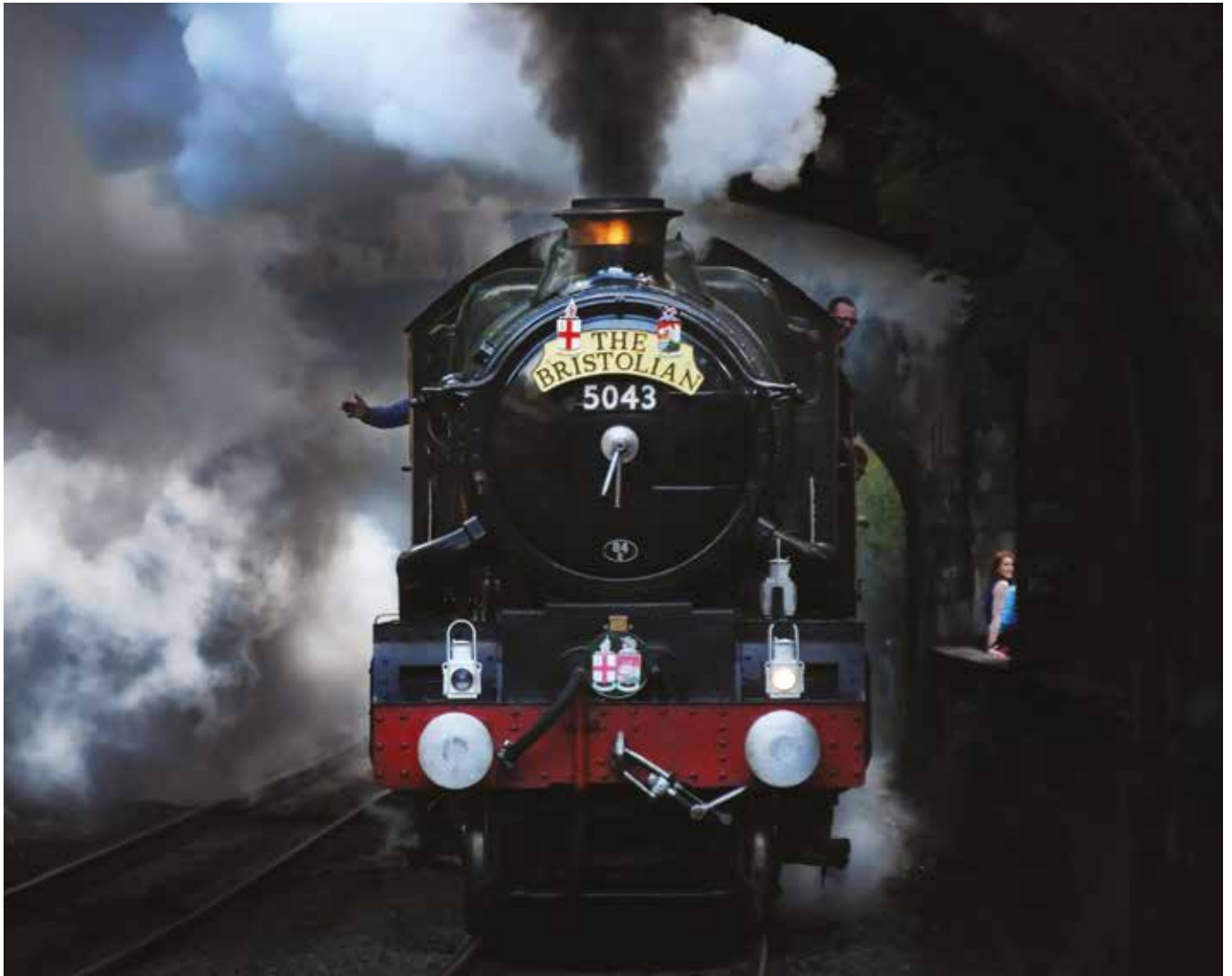
No. The shares will always remain £1 shares. The shares can only have interest paid on them, but cannot increase in value. They can be reduced in value on the advice of our auditors.

## WHAT IF YOU RAISE MORE THAN £3,000,000?

The share offer will close if we reach our maximum target. People who express an interest in subscribing for Community Shares in the Society but are unable to do so will be kept informed of our intentions with regard to future share offers.



# **PRESERVING OUR HERITAGE RUNNING MAIN LINE EXPRESS STEAM TRAINS CREATING AN ENDURING LEGACY TO INSPIRE FUTURE GENERATIONS**



## **OWNED BY THE PEOPLE OF GREAT BRITAIN**

## **[www.vintagetrains.co.uk/shares](http://www.vintagetrains.co.uk/shares)**

**Vintage Trains Community Benefit Society**

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