

European Freight Licence

granted to

Colas Rail Limited

Reference Number: UK 01 2012 0002

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Part I - Scope

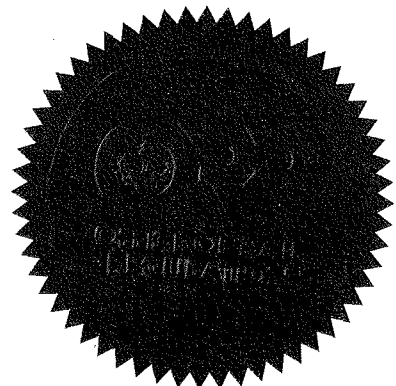
1. The Office of Rail Regulation (“ORR”), in exercise of the powers conferred by regulation 6 of the Railway (Licensing of Railway Undertakings) Regulations 2005 (“the Regulations”), hereby grants to Colas Rail Limited, company registration number 02995525, (“the licence holder”) a licence authorising the licence holder:
 - (a) to be the operator of trains being used on a network for the purpose of carrying goods by railway;
 - (b) to be the operator of trains being used on a network for a purpose preparatory to or incidental to or consequential on using a train as mentioned in (a) above; and
 - (c) to be the operator of trains being used on a network for the purpose of assisting other operators of railway assets.

2. This licence shall come into force on 25 May 2012 and shall continue in force unless and until revoked or suspended in accordance with the provisions of Part III or the Regulations.

Robert M. Plaskett

25 May 2012

Signed by authority of the
Office of Rail Regulation



Part II - Interpretation

1. In this licence:

“control”

(a) A person is taken to have control of the licence holder if he exercises, or is able to exercise or is entitled to acquire, direct or indirect control over the licence holder’s affairs, and in particular if he possesses or is entitled to acquire:

(i) 30% or more of any share capital or issued share capital of the licence holder or of the voting power in the licence holder; or

(ii) such part of any issued share capital of the licence holder as would, if the whole of the income of the licence holder were in fact distributed among the participators (without regard to any rights which he or any other person has as a loan creditor), entitle him to receive 30% or more of the amount so distributed; or

(iii) such rights as would, in the event of the winding-up of the licence holder or in any other circumstances, entitle him to receive 30% or more of the assets of the licence holder which would then be available for distribution among the participators.

(b) Subsections (4) to (6) of section 416 of the Income and Corporation Taxes Act 1988, and the legislative provisions referred to in those subsections, apply to the interpretation of paragraph (a) in the same way that they apply to the interpretation of subsection (2) of section 416 of that Act.

“licensed activities” means things authorised to be done by the licence holder in its capacity as operator of trains pursuant to this licence.

2. In interpreting this licence, headings shall be disregarded.
3. The Interpretation Act 1978 shall apply to this licence as if it were an Act.
4. The provisions of section 149 of the Railways Act 1993 (as amended) (“the Act”) shall apply for the purposes of the service of any document pursuant to this licence.
5. Unless the context otherwise requires, terms and expressions defined in the Act, the Railways Act 2005, or the Regulations shall have the same meanings in this licence.

Part III - Revocation

1. ORR may (after having consulted the appropriate franchising authority where the licence holder is a franchise operator) revoke this licence at any time if agreed in writing with the licence holder.
2. ORR may (after having consulted the appropriate franchising authority where the licence holder is a franchise operator), revoke this licence by not less than three months notice to the licence holder:
 - (a) if the licence holder has not commenced carrying on licensed activities within six months beginning with the day on which this licence comes into force or if the licence holder ceases to carry on licensed activities for a continuous period of at least six months;
 - (b) if the licence holder is convicted of an offence under section 146 of the Act or regulation 15 of the Regulations in making its application for this licence; or
 - (c) if a person obtains control of the licence holder and:
 - (i) ORR has not approved such obtaining of control;
 - (ii) within one month of that obtaining of control coming to the notice of ORR, ORR serves notice on the licence holder stating that ORR proposes to revoke this licence in pursuance of this paragraph unless the person who has obtained control of the licence holder ceases to have control of the licence holder within the period of three months beginning with the day of service of the notice; and
 - (iii) that cessation of control does not take place within that period.