

NASHUA VALLEY RAILROAD ASSOCIATION, INC. -- BY-LAWS

ARTICLE 1 Name, Form & Purpose

Section 1. NAME;

The organization shall be corporate in form under the style, "NASHUA VALLEY RAILROAD ASSOCIATION, INCORPORATED".

Section 2. FORM;

The organization shall possess the corporate power and authority granted either by virtue of the Articles of Incorporation adopted previously or as hereafter applicable, as the case may be.

Section 3. PURPOSE;

The organization is formed for the purpose of establishing and maintaining places for holding meetings and to perform and encourage Educational, Social and Civic activities and for the benefit of its members, to develop an interest in Model Railroading.

ARTICLE 2 MEMBERSHIP

Section 1. CLASSES;

Membership in the Association shall be limited to those persons and organizations interested in the hobby of Model Railroading and its associated hobbies, and shall be available in the following classes;

A.) ACTIVE MEMBERSHIP;

Active Membership shall be divided into two (2) divisions, Senior and Junior. Persons between the ages of Eighteen (18) and Twenty (20) may select either an Active Senior or Active Junior membership with all the rights incumbent with the selected membership class;

1.) Active Senior Members shall be Eighteen (18) years of age or older and shall be entitled to one vote in all matters and affairs of the Association and may hold elective or non-elective office. An Active Senior member's membership is automatically renewed each year upon payment of dues except when a change of class is requested in accordance with Article 4 Section 1.B. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association. Access to the Association's Quarters for Active Senior members shall be governed by the Rules and Regulations.

2.) Active Junior Members shall be between the ages of Twelve (12) and Twenty (20) years and shall be entitled to hold non-elective (but not elective) office and, at the Active Junior Member's option, upon reaching their Eighteenth (18th) birthday but no later than upon reaching their Twenty-First (21st) birthday, automatically become an Active Senior Member upon payment of Active Senior Member dues prorated for the current fiscal year after crediting Active Junior Member dues already paid. Any person under the age of Sixteen (16) applying for Active Junior

Membership must be sponsored by a Parent, Guardian, or responsible Active member, who now is or who has applied for, an Active Senior membership in the Association and said membership must be maintained until the Active Junior Member reaches the age of Sixteen (16). An Active Junior member's membership is automatically renewed each year upon payment of dues, subject to the rules in this paragraph relating to age. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association. Access to the Association's Quarters for Active Junior members shall be governed by the Rules and Regulations.

B.) ALUMNI MEMBERSHIP;

A prior or current Active Senior member of the Association who wishes to continue to support the Association, may request in writing an Alumni Membership. The Board may review a member's status in this class at any time and make recommendations to the General Membership for their action. The Association may approve Alumni membership by majority vote of those members of the General Membership present and voting at any business meeting of the Association. Alumni members will be allowed limited membership privileges at a maximum of twenty-four (24) meetings a year. Alumni members shall not have voting rights and will not have the privilege of holding office. An Alumni member must renew their membership in this class annually. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association with Alumni Member dues set at one-fourth of the amount of Active Senior Member dues. Access to the Association's Quarters for Alumni members shall be governed by the Rules and Regulations.

C.) HONORARY MEMBERSHIP;

The Association may at any time, for a period of one (1) year, elect any deserving person of any age or any deserving organization to this class by majority vote of those members of the General Membership present and voting at any business meeting of the Association. Honorary Members shall not have voting rights and will not have the privilege of holding office. Renewal of Honorary membership shall be at the will of the General Membership as voted by majority vote of those members of the General Membership present and voting at a business meeting. There shall be no required dues for this class, however donations will be accepted. Access to the Association's Quarters for Honorary members shall be governed by the Rules and Regulations.

D.) ASSOCIATE MEMBERSHIP;

Individuals and organizations may apply for Associate membership to support the Association.

1.) Individual Associate members will be allowed limited membership privileges at a maximum of twenty-four (24) meetings a year. Individual Associate members shall be Eighteen (18) years of age or older and will not have voting rights, the privilege of holding office, or have unescorted access to the Association's Quarters. Each Associate Membership application must be approved by a majority vote of the Board. The Board will monitor Individual Associate membership and make

recommendations to the General Membership for their action. The Board will encourage all individual applicants to seek Active Membership prior to accepting Individual Associate Membership applications. Prior or current Active Members are not eligible for Individual Associate membership. Individual Associate Members must be elected at a business meeting in accordance with Article 3, Section 1, of these By-laws. An Individual Associate member must renew their membership in this class annually. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association with Associate Member dues set at one-third of the amount of Active Senior Member dues.

2.) Organizational Associate members will have limited membership privileges in the form of a maximum of twenty-four (24) escorted visits to the Association's meetings a year for their own members. Each Associate Membership application must be approved by a majority vote of the Board. Organizational Associate Members must be elected at a business meeting in accordance with Article 3, Section 1, of these By-laws. An Organizational Associate member must renew their membership in this class annually. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association with Associate Member dues set at one-third of the amount of Active Senior Member dues.

E.) LIFE MEMBERSHIP;

Any member having accumulated Eighty (80) units of membership (UOM) and having attained Sixty-Five (65) years of age and having at least Five (5) years of current continuous service in good standing, may request a change of membership class in accordance with Article 4 Section B and be granted Life Membership by a majority vote of the General Membership at any business meeting). The General Membership may vote to offer to grant Life Membership to any member if it is determined that the member is qualified for Life Membership, even if the member does not request a change of membership class. Such an offer may be refused by the qualified member at the time of the offer, but this shall not preclude the General Membership from repeating the offer at a later time nor prevent the member from requesting a change of membership class at a later time. Four (4) UOM's shall be issued for each year as an Active Senior Member, Two (2) UOM's for each year as an Active Junior Member and One (1) UOM for each year as an Alumni or Associate Member. A Life member shall be entitled to all rights and privileges of an Active Senior member. Life membership shall normally continue for the duration of the Life member's life, subject to any actions taken in accordance with Article 4 Section 2 of these By-Laws. There shall be no required dues for this class, however donations will be accepted. Access to the Association's Quarters for Life members shall be governed by the Rules and Regulations of the Association.

F.) SUBSCRIBING MEMBERSHIP;

Individuals and organizations may apply for Subscribing membership to support the Association by subscribing to the Association's newsletter.

1.) Individual Subscribing members shall be Eighteen (18) years of age or older and will not have voting rights, the privilege of holding office, or

have unescorted access to the Association's Quarters. Each Subscribing Membership application must be approved by a majority vote of the Board. The Board will monitor Individual Associate membership and make recommendations to the General Membership for their action. The Board will encourage all individual applicants to seek Active Membership or Individual Associate Membership prior to accepting Individual Subscribing Membership applications. Prior or current Active Members are not eligible for Individual Subscribing membership. Individual Subscribing Members must be elected at a business meeting in accordance with Article 3, Section 1, of these By-laws. An Individual Subscribing member must renew their membership in this class annually. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association with Subscribing Member dues set at one-sixth of the amount of Active Senior Member dues.

2.) Organizational Subscribing members will have no membership privileges for their own members. Each Organizational Subscribing Membership application must be approved by a majority vote of the Board. Organizational Subscribing Members must be elected at a business meeting in accordance with Article 3, Section 1, of these By-laws. An Organizational Subscribing member must renew their membership in this class annually. Dues for this class of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association with Subscribing Member dues set at one-sixth of the amount of Active Senior Member dues.

ARTICLE 3 APPLICATION FOR MEMBERSHIP, TRIAL PERIOD, DUES, ASSESSMENTS & DELINQUENCIES

Section 1. APPLICATION

Application for Membership (including the return of a former member who resigned while in good standing) shall be made in writing to the Membership Committee, on a form furnished by the Association, and shall be accompanied by an application fee determined by the Association at the first session of its Annual business meeting in the form of a change to the Rules and Regulations of the Association. Applications for Active Junior membership shall also be signed by the applicant's sponsor if the applicant is under the age of 16 years. Applicants for Active Membership shall be required to serve a Trial Period during which time they are expected to demonstrate their desire to belong to and ability to conform with the standards set forth by the Association. The length of the Trial Period shall be determined by the Association at the first session of its Annual business meeting in the form of a change to the Rules and Regulations of the Association. The trial period shall be waived for Alumni members and former Active Senior or Alumni members seeking to return to Active Senior member status. All applications must be screened by the Board. Upon approval of the Board, the application shall be submitted to the General Membership for their action at the next business meeting following the Board's approval. Election to membership must be by majority vote of those members present and voting including absentee ballots properly submitted with no more than two (2) dissenting votes.

Section 2. DUES;

Dues for all classes of membership shall be determined at a monthly business meeting at least three (3) months prior to the end of the previous fiscal year in the form of a change to the Rules and Regulations of the Association. Dues must be set such that as a minimum, expected payments from all members of record, as of the first session of the Annual business meeting, will cover actual costs for the current fiscal year or the projected costs for the upcoming fiscal year for renting, lighting, and maintaining the Association's Quarters, whichever is higher. Dues shall also be set such that annual dues for all classes are in whole dollar amounts.

Section 3. ASSESSMENTS;

Assessments may be established for extraordinary expenses when the Board feels that dues and other income for the current fiscal year cannot cover these expenses. Assessments must be for a specific time period and/or dollar amount, must be approved by the Board after consulting with the Treasurer, and must be approved by majority vote of those members of the General Membership present and voting at the next business meeting.

Section 4. DELINQUENT MEMBERS;

Members shall be required to pay their dues prior to the beginning of each new Fiscal Quarter. Members shall also be required to pay all assessments by the end of the month following the month in which the assessment was approved by the General Membership. The following procedure shall apply to all dues and assessment payments and delinquencies;

A.) DELINQUENCY

If a member has not paid their dues in full by the first day of the new Fiscal Quarter, they shall be considered delinquent. A member shall also be considered delinquent if an assessment has not been paid by the end of the month that follows the month in which the assessment was approved by the General Membership.

B.) GOOD STANDING

If a member becomes delinquent by reason of nonpayment of dues and/or assessments and does not offer a payment plan acceptable to the Board, they shall be dropped from the Association's roll of members in Good Standing and shall be so notified in writing. Such written notice shall also inform the member that if dues are not paid by the end of the third month of the fiscal quarter and/or if assessments are not paid by the end of the third month following the month in which the assessment was approved by the General Membership or if the member does not offer a payment plan acceptable to the Board, the member's membership may be terminated in accordance with Article 4, Section 2E. Any member who has been dropped from the rolls by reason of Delinquency shall be restored to the rolls of members in Good Standing upon payment of all unpaid dues and assessments. A delinquent member automatically loses voting privileges during their delinquency and may lose other privileges such as holding office or unlimited access to the Association's quarters as the Board may deem appropriate.

Section 5. LATE PAYMENT FEES;

The Board may recommend and the General Membership may approve the setting of fees such as interest or handling charges for late payment of dues or assessments. The terms and amounts of any fees shall be set by the Association in the form of changes to the Rules and Regulations of the Association. The imposition or changing of fees shall not be applied retroactively to dues or assessments which were delinquent as of the meeting at which the fees or changes were approved.

Section 6. REINSTATEMENT FEES;

The Board may recommend and the General Membership may approve the setting of reinstatement fees for members reapplying for membership following termination for non-payment of dues or assessments. The terms and amounts of any fees shall be set by the Association in the form of changes to the Rules and Regulations of the Association. The imposition or changing of fees shall not be applied retroactively to reinstatement requests which were submitted to the Board as of the meeting at which the fees or changes were approved.

ARTICLE 4. MEMBERSHIP RESTRICTIONS**Section 1. RESIGNATION & CHANGE OF CLASS****A.) RESIGNATION;**

Any Member may resign from the Association by giving written notice to the Membership Committee, providing that they are not in arrears in their prorated dues and any outstanding assessments.

B.) CHANGE OF CLASS;

Any member may change their class of membership upon written notification to the Membership Committee and the approval of said change by majority vote of those members of the General Membership present and voting at any business meeting, providing they are not in arrears in their prorated dues for the class they are leaving and meet any Trial Period requirements set forth by the Association. Dues for the new class shall be prorated based on the date of change.

Section 2. SUSPENSION & REVOCATION

Any member who fails to adhere to or abide by such By-Laws, Rules and Regulations, and House Rules set forth by the Association or who fails to show an interest in or an effort to conform to the goals or ambitions of the Association or who refuses to pay any and all dues and/or special assessments where such failure or refusal is not justified or for any other reason deemed sufficient by the Board, may have their membership suspended or revoked. Suspension may be considered for serious willful infractions of the By-Laws, Rules and Regulations, or House Rules and for serious willful offenses against other members or guests that would warrant suspension of membership privileges for up to One (1) year. There shall be no refund of dues already paid for the period of suspension. Revocation will normally be reserved for such extremely severe infractions or offenses that the member should be barred from the Association and its Quarters for life. All dues already paid shall be forfeited in the event

of revocation of membership. The procedure for Suspension or Revocation shall be as follows;

A.) The Board shall have the responsibility of conducting a hearing for the purpose of investigating such charges as would warrant suspension or revocation and shall notify the accused in writing of the nature of the charges and the time and place of the hearing. The accused shall have the right to attend said hearing and present such facts as are pertinent to their defense.

B.) After such hearing the Board shall make a finding based on all facts pertinent to the charge or charges, and vote to suspend or make recommendations to the General Membership for consideration of revocation at the next business meeting. A vote of three-fourths (3/4) of those members of the General Membership present and voting at the business meeting shall be required to revoke membership.

C.) Should the member be suspended, they shall be notified in writing at once with the reasons and the duration of the suspension properly noted. No suspension shall be for more than one (1) year and a member thus suspended shall not be eligible to hold elective office in the Association until two (2) years after the termination of the suspension. Any member suspended by the Board shall have the right to appeal the suspension to the General Membership at the business meeting of the Association following notice from the Board. Such appeal shall be initiated by written notice to the President or Membership Committee of the Association who shall ensure that the appeal is taken up during that business meeting. The suspended member shall be permitted to attend that portion of the business meeting which considers the member's appeal but shall not be permitted to vote. A majority vote of those members of the General Membership present and voting shall be required to sustain the Board's decision to suspend the member.

D.) If membership is revoked, the member shall be notified in writing with the reasons properly noted. Revocation shall normally be for life, however a former member may request reinstatement three (3) years after the date of their revocation. This request shall be acted upon by the Board, who if the facts warrant it, may recommend to the General Membership to reinstate the former member at the next business meeting following the Board's approval. Reinstatement to membership shall be by majority vote of those members of the General Membership present and voting with no more than two (2) dissenting votes. A member who has had their membership revoked and reinstated shall not be allowed to ever hold elective office in the Association.

E.) A membership may be terminated at the Board discretion if a member is in arrears in their dues and/or assessments for more than three (3) months. If membership is terminated, the member shall be notified in writing with the reasons properly noted. A member whose membership has been terminated by reason of delinquency of dues and/or assessments may request reinstatement at any time after their membership was terminated. This request shall be acted upon by the Board, who if the facts warrant it, may recommend to the General Membership to reinstate the former member at the next business meeting following the Board's approval. Reinstatement to membership shall be by a majority vote of those members of the General Membership present and voting at the business meeting of the Association following the Board's approval, providing any dues and/or assessments outstanding as of the date of

termination plus any reinstatement fees and the prorated dues for the remainder of the current fiscal quarter as of the date of the business meeting have been paid.

ARTICLE 5. MEETINGS

Section 1. MONTHLY BUSINESS MEETINGS;

The first Sunday of each month, except when that date shall fall during a National or State Holiday weekend, in which case that meeting shall be postponed one week, shall be designated as the Monthly business meeting at which the General Membership shall transact any business properly before it. A record of the minutes shall be kept by the Secretary or their duly authorized representative.

Section 2. ANNUAL BUSINESS MEETING;

The Annual business meeting shall be held in two (2) sessions replacing the Monthly business meetings held during the last month of the fiscal year and the first month of the next fiscal year. It shall be at the session held in the last month of the fiscal year that the Association may set application fees and trial periods for new members, set the size of the emergency fund, and elect officers for the forthcoming fiscal year. It shall be at the session held in the first month of the new fiscal year that the elected officers shall take office, review all annual reports and submit any proposals and budgets. A record of the minutes of the Annual business meeting sessions shall be taken by the Secretary or their duly authorized representative. In the event that the first session of the Annual business meeting is cancelled due to weather or other unusual circumstances, the President shall call a Special business meeting in accordance with Section 3 of this Article to cover all business items which are required to be covered at the first session of the Annual business meeting per these By-Laws plus any other pressing business that cannot wait until the second session of the Annual business meeting.

Section 3. SPECIAL BUSINESS MEETING

In the event of urgent business that cannot wait until the next regularly scheduled monthly business meeting, the President or Board of Directors can call a special business meeting. Written notice of the special business meeting to include the subject matter, date, time, and place, shall be posted publicly and sent to all members a minimum of seven (7) days in advance. Subject matter of the meeting shall be limited to those items listed in the written notice and no other matters may be considered. All By-Laws as well as Rules and Regulations covering the conduct of business meetings shall apply except as noted otherwise in this Section.

Section 4. NON-BUSINESS MEETINGS;

The Association's Board, officers, and/or General Membership may call other meetings not involving the transaction of business as defined in Sections 1, 2, and 3 of this Article. The purpose of such meetings may include but are not limited to activities such as entertainment and working on or operating the Association's layout(s). All aspects of such meetings shall be governed by the Association's Rules and Regulations as well as the House Rules.

Section 5. QUORUM;

The one greater than one-half (1/2) the General Membership of the Association, but not more than nine (9) nor less than five (5) Active Senior and/or Life members in good standing present at any regular or annual meeting shall constitute a quorum capable of transacting any and all business properly brought before it, by majority vote of those members of the General Membership present and voting with the exception of Article 11 Section 1.

Section 6. VOTING;

Only Active Senior and Life members in good standing shall be entitled to vote at any business meeting of the Association.

Section 7. PARLIAMENTARY PROCEDURE;

Business meetings, although conducted in an informal manner, shall be administered in accordance with "Robert's Rules of Order".

Section 8. RESCHEDULING MONTHLY OR ANNUAL BUSINESS MEETINGS;

If the President or Board of Directors determine that a substantial portion of the General Membership may be unable to attend a regularly scheduled monthly or annual business meeting due to a schedule conflict, they may ask the General Membership to vote to reschedule the meeting to another Sunday within the same month. Such a vote must be held at a regularly scheduled business meeting at least one month prior to the meeting which is to be rescheduled. Reschedule must be approved by at least two-thirds of those members of the General Membership present and voting at this prior meeting. Notice of the reschedule must be provided to all members in the form of written notice a minimum of seven (7) days prior to either the original meeting date or the rescheduled meeting date, whichever is first.

Section 9. CANCELLATION OF MONTHLY BUSINESS MEETING;

In the event that a business meeting cannot be rescheduled in accordance with the provisions of Section 8 of this Article due to weather or other unusual circumstances, the meeting shall be cancelled and not rescheduled. In the event of pressing business that cannot wait until the following month, a Special business meeting may be called as defined in Section 3 of this Article.

Section 10. SITE OF BUSINESS MEETINGS;

All business meetings shall be held at the Association's Quarters as defined in Rule 1 of the Association's Rules and Regulations, unless the Association's Quarters are unusable due to physical damage, legal action, or government action which prevents use of the Association's Quarters for a business meeting. In the event the Association's Quarters are unusable, the President or Board of Directors shall designate an alternate site as geographically close to the Association's Quarters as is reasonably possible and shall provide written notice of the alternate site to all members a minimum of seven (7) days prior to any relocated business meeting.

ARTICLE 6. FISCAL YEAR

Section 1. FISCAL YEAR;

The Fiscal Year of the Association shall run from June 1 through May 31 of the following year.

Section 2. FISCAL QUARTER;

The Fiscal Year of the Association shall be further broken into four Fiscal Quarters for purposes of dues payments. The Fiscal Quarters run from June 1 through August 31 of the Fiscal Year, September 1 through November 30 of the Fiscal Year, December 1 through the last day of February of the Fiscal Year, and March 1 through May 31 of the Fiscal year.

ARTICLE 7. BOARD OF DIRECTORS.**Section 1. NUMBER;**

The membership of the Board of shall consist of five (5) Regular Directors and one (1) Alternate Director. All Directors shall be Active Senior or Life members, in good standing, of the Association, elected by the General Membership. Each Regular Director shall have only one (1) vote. The Alternate Director shall have the rights of a Regular Director only when serving in the absence of a Regular Director.

Section 2. TERM OF OFFICE;

Four (4) Regular Directors shall serve for a term of two (2) years while the fifth Regular Director and the Alternate Directors shall serve for one (1) year. The terms shall be so arraigned such that three (3) Regular and the Alternate Director's terms shall expire at the first session of the Annual business meeting. There shall be no prohibition against any member holding both a seat on the Board and another elected office.

Section 3. MAXIMUM TERMS;

Each member of the Board shall be permitted to hold office for a maximum of two (2) terms in succession, but after one (1) term of absence, may run for election to the Board again with the same limitations of office as before.

Section 4. ELECTION;

Election to fill vacancies of outgoing members of the Board shall be held at the first session of the Annual business meeting by nomination by the Nominating Committee, open nominations from the General Membership, and election by plurality vote of those members of the General Membership present and voting. Those two (2) members receiving the greatest plurality shall be elected to two (2) year terms as Regular Directors, while the member receiving the third greatest plurality shall be elected to a one (1) year term as a Regular Director and the member receiving the fourth largest vote shall be elected the Alternate Director for a term of one (1) year.

Section 5. VACANCIES;

The following procedures shall be used to determine and fill vacancies that occur on the Board;

A.) DETERMINING VACANCIES;

Resignation or unexcused absence from three (3) consecutive scheduled monthly meetings of the Board shall constitute the vacating of the office.

B.) FILLING VACANCIES;

In the event a vacancy should occur in the membership of the Board of, said vacancy shall be filled from within the General Membership of the Association by majority vote of those members of the General Membership present and voting at any business meeting. The person(s) elected shall immediately take office and shall complete the unexpired term of the member who vacated said seat. The provisions of Article 7 Section 3 shall not apply in computing maximum terms unless said unexpired term exceeds one (1) year.

Section 6. MEETINGS;

The Board shall meet once per month, at a time and place designated by its chairman, and posted publicly a minimum of seven (7) days in advance. In the event of business that cannot wait until the next scheduled monthly meeting, the Chairman, or any other Board member in the absence of the Chairman, may call an emergency meeting of the Board at any scheduled meeting of the Association. Notice of the meeting may be verbal, and shall be made to all Association members present at the time. Minutes of the Board meetings shall be kept by the Secretary or their duly authorized representative.

Section 7. QUORUM;

The attendance of three (3) members of the Board shall constitute a quorum capable of transacting any and all business brought before it, by majority vote, with the exception of matters stipulated in Sections 8A and 8D of this Article. If at any meeting of the Board, less than a quorum be present, the members present may temporarily adjourn the meeting, without further notice, from time to time, until a quorum shall have been obtained.

Section 8. DUTIES;

The Board shall have the following duties and functions;

A.) The Board shall have the management and control of the Association and all of its property and affairs, and generally shall act for the Association on all matters. The decision of the entire Board, if unanimous, shall be final, in establishing limitations of proposed expenditures, contracts with other organizations or persons, or any activity by an individual member in the name of the Association. In the event that the decision of the entire Board is not unanimous, the final decision shall rest with the General membership of the Association at the next business meeting following the Board's action

B.) The Association will not accept liability for the expenditures or commitments made by any member until specific approval has been granted by the Board.

C.) The Board shall also function as the Corporate Directors to the end that their meeting shall, to the extent required by law, be meetings of the "Directors of the Corporation" is required by any Government or Private agency or person, their act may be proffered and certified as an act of a "Board of Directors".

D.) The entire Board shall each year immediately following the election of Directors, at the first session of the Annual business meeting, select a chairman, by majority vote, who shall serve for one year or until a successor be chosen. Should the President or the Treasurer be on the Board, they shall be prohibited from serving as Chairman of the Board.

E.) The Board shall prepare and submit at the second session of the Annual business meeting a budget for consideration by the General Membership for the new Fiscal year. Included in this budget must be an emergency fund in an amount specified in the Rules and Regulations to be maintained by the Association. The emergency fund shall be used only for expenses of dissolution of the Association or other emergency expenses required to maintain the viability or very existence of the Association. The emergency fund shall not be reduced from its existing level without establishing that a reduced level would still cover the projected expenses for dissolution of the Association.

F.) All financial commitments in excess of twenty-five dollars (\$25) must receive the unanimous approval of the Board and in addition, commitments in excess of fifty dollars (\$50) must also receive the approval of a majority of those members of the General Membership present and voting at any business meeting. These restrictions shall not apply to those expenses incurred for renting, heating, or routine maintenance of the Association's Quarters.

G.) The Board shall at its monthly meeting during the month preceding the first session of the the Annual business meeting, select a slate of officers it wishes to place into nomination at the first session of the Annual business meeting.

H.) The Board and its members shall also be granted those additional powers and duties as are normally incumbent with that office.

ARTICLE 8. CORPORATE OFFICERS.

Section 1. ELECTED OFFICERS;

The Elected Officers of the Association shall consist of a President, a Vice-President, a Treasurer, a Secretary (who shall also serve as Clerk of the Corporation and must be a resident of the Commonwealth of Massachusetts) and a Corresponding Secretary. There shall be no limitation on a combination of the positions of Vice-President, Treasurer, Secretary and/or Corresponding Secretary being held by the same person. All Elected Officers shall be Active Senior or Life members, in good standing, of the Association.

Section 2. NOMINATION AND ELECTION;

Nominations to the above offices shall be made in compliance with Article 7 Section 8G. Nominations shall also be accepted from the General Membership at the first session of the Annual business meeting. Elections shall be held at the first session of the Annual business meeting. Officers shall be elected by majority vote of those members of the General Membership present and voting at the first session of the Annual business meeting. Those elected shall take their respective offices at the second session of the Annual business meeting.

Section 3. TERM OF OFFICE;

The above named officers shall have a term of one (1) year commensurate with the Fiscal year.

Section 4. MAXIMUM TERM;

Members holding the office of Treasurer, Secretary and Corresponding Secretary may succeed themselves in office indefinitely. Members holding the offices of President and Vice-President shall be limited to holding the same office for a maximum of two (2) terms in succession, but after one (1) year's absence, may run for election to the same office with the same limitations of maximum terms.

Section 5. DUTIES OF THE PRESIDENT;

The President shall be the Chief Executive Officer of the Association and shall;

- A.) Preside at all business meetings of the General Membership of the Association.
- B.) Appoint such committees as are deemed necessary for the orderly operation of the Association. Such committees shall report to the President until their assignment has been completed and/or they are relieved of their duties and responsibilities.
- C.) Appoint any individual member to a special assignment to expedite the business of the Association.
- D.) Have the power to annul any appointment for just cause.
- E.) See that the orders of the Board are carried out.

Section 6. DUTIES OF THE VICE-PRESIDENT;

In the absence or disability of the President, the Vice-President shall assume all duties and responsibilities normally assigned to the President. The Vice-President shall also be the head of the Entertainment and Program Committee and shall also be responsible for the loan of Association materials other than library materials.

Section 7. DUTIES OF THE TREASURER;

The Treasurer's duties shall be as follows;

- A.) The Treasurer shall be responsible for the proper handling of all funds.
- B.) The Treasurer shall receive all moneys due the Association and make such disbursements as are required for the orderly conduct of the Association and which are consistent with these By-laws. The Treasurer will also establish such Bank accounts as necessary and said accounts should require the signatures of any two (2) of the following officers: Treasurer, President, Vice-President, or Chairman of the Board.
- C.) The Treasurer shall prepare a financial report for each business meeting and in addition shall prepare a detailed financial statement for the past Fiscal year to be submitted at the second session of the Annual business meeting. The Treasurer shall also prepare special reports for the monthly business meeting at which the Association sets its dues for the upcoming fiscal year in order to aid in setting dues. Special reports will also be prepared as needed for any assessments or any other financial matter the Board may be considering.
- D.) The Treasurer shall prepare and send dues invoices to members as soon as practical after the dues amount is set for the upcoming fiscal year at monthly business

meeting. The invoices shall be sent in a timely enough manner so as to provide members an opportunity to pay the amounts due prior to the start of the new fiscal year or each fiscal quarter if the member elects to pay dues on a quarterly basis. The first invoice for each fiscal year shall include any outstanding dues and assessment balances as well as the annual dues amount for the next fiscal year and the quarterly dues amount for each fiscal quarter. If a member's dues for the fiscal year are not paid in full, an invoice for each subsequent fiscal quarter shall include any outstanding dues and assessment balances as well as the dues amount for the next fiscal quarter and the remainder of the fiscal year. Although invoices shall be sent out after the dues amounts are set, members may pay their anticipated dues amounts to the Treasurer at any time prior to the first session of the Annual business meeting and settle under- or over-payments with the Treasurer once the dues amounts have been set.

Section 8. DUTIES OF THE SECRETARY;

The Secretary's duties are as follows;

A.) The Secretary shall take the minutes of all business meetings of the Association including, but not be limited to, the monthly business meetings, Annual business meeting sessions, and meetings of the Board. Should the Secretary be unable to attend, a member shall be appointed by the Secretary to act as a duly authorized representative. The Secretary shall also supervise the Membership Chairman appointed by the President and perform the Chairman's duties if that position is vacant or the Chairman is unable to perform those duties.

B.) The Secretary shall act as Clerk of the Corporation, and see that any duties as spelled out by the Commonwealth of Massachusetts are properly carried out. The Secretary must be a resident of the Commonwealth of Massachusetts in order to comply with state law which requires the Clerk of the Corporation to be a resident of Massachusetts.

Section 9. DUTIES OF THE CORRESPONDING SECRETARY;

The Corresponding Secretary's duties are as follows;

A.) The Corresponding Secretary shall cause to be printed in the Association's Newsletter the following;

- 1.) Time, Date and Place of forthcoming meetings.
- 2.) Notification of proposed amendments to these By-laws.
- 3.) Names and Communities of Applicants and new Members.
- 4.) Other such items as are germane to the running of the Association.

B.) The Corresponding Secretary will conduct any and all official Association correspondence as the Association's Elected Officers, Non-elected Officers and the Association's Board shall require.

C.) The Corresponding Secretary shall supervise the Association's Librarian(s), and Publications Department. The Corresponding Secretary shall also be responsible for the loan of Association library materials.

Section 10. VACANCIES;

A vacancy shall occur through resignation or unexcused absence of any officer from three (3) consecutive business meetings of the Association. Should vacancies occur in any office in any of the above offices, they shall be filled as follows;

A.) In the case of a vacancy in the office of the President, the Vice-President shall automatically become the President.

B.) In the case of a vacancy in the offices of Vice-President, Treasurer, Secretary, or Corresponding Secretary, the General Membership shall elect a member, by majority vote of those members of the General Membership present and voting at the next business meeting, to fill the unexpired term of the vacated office, subject to the limitations of Article 8 Section 4 for the office of Vice-President.

ARTICLE 9. PUBLICATION DEPARTMENT.

Section 1. APPOINTMENT;

The Publications Editor shall be appointed by the Board

Section 2. TERM;

The Publications Editor shall serve at the pleasure of the Board but may be removed from office only by a 4/5 vote of the entire Board

Section 3. DUTIES;

The duties of the Publications Editor shall be as follows;

A.) The Publications Editor shall be responsible for the production, quality and timely distribution of all Association publications and shall cause to be published the Association's Newsletter and such other publications as are approved by the Board.

B.) The Publications Editor shall determine the editorial policy and have the final authority over the content and composition of the publications.

C.) The Publications Editor shall appoint an Associate Editor who shall assume the Editor's duties in the absence of the Editor. The Publications Editor may also appoint such staff members as are deemed necessary to insure the proper and timely production and distribution of the various publications. The Publications Editor shall have the right to replace such staff members as are necessary

Section 4. BUDGET;

The Publications Editor shall submit a budget to the General Membership at the second session of the Annual business meeting for the new Fiscal year. This budget shall include, but not be limited to, general expenses for the Association's Newsletter and all expenses for planned publications. It shall not include expenses for printing of stationary and forms which are authorized by the Board as needed.

ARTICLE 10. COMMITTEES

Section 1. NOMINATING COMMITTEE;

The Association shall have a Nominating Committee consisting of three (3) members appointed by the President at the monthly business meeting prior to the first session of the Annual business meeting. They shall prepare a slate of nominees for any

pending vacancies on the Board to be presented at the first session of the Annual business meeting.

Section 2. ENTERTAINMENT AND PROGRAM COMMITTEE;

The Association shall have an Entertainment and Program Committee consisting of the Vice-President as its Chairman and such additional members as are deemed necessary. It shall be the duty of this committee to obtain and schedule entertainment, tours and programs for the benefit of members of the Association.

Section 3. MEMBERSHIP COMMITTEE;

The Association shall have a Membership Committee consisting of a Membership Chairman appointed by the President and such additional members as are deemed necessary. It shall be the duty of this committee to receive and process applications for new membership or changes in membership class or status. Processing shall include presenting applications to the Board for approval and to the General Membership for election as may be specified in these By-Laws.

Section 4. STANDING COMMITTEES;

The Association may have standing committees as necessary for managing the Association's Quarters and/or layout(s). The standing committees currently in existence are defined in the Association's Rules and Regulations. Appointments to standing committees may carry across fiscal years and remain in effect until revoked by the then-current President.

Section 5. LAYOUT COMMITTEE;

At any time the Association maintains a layout of any kind, the Association shall have a Layout Committee consisting of a Layout Chairman appointed by the President and such additional members as are deemed necessary. It is the duty of this committee to oversee the construction, operation, and maintenance of the Association's layout(s) in accordance with the Association's By-Laws, Rules and Regulations, and House Rules.

Section 6. STANDARDS COMMITTEE;

At any time the Association maintains a layout of any kind, the Association shall have a Standards Committee appointed by the President consisting of at least three (3) members who shall select a Chairman by majority vote at the first meeting after their appointment. It shall be the duty of this committee to establish standards for the Association's layout(s) and any equipment that will be placed and operated on the layout(s) in accordance with the Association's Rules and Regulations as well as the House Rules. All such standards should comply with the National Model Railroad Association's Standards and Recommended Practices insofar as possible, allowing for special conditions which may exist on the Association's layout(s).

Section 7. FINANCIAL ADVISORY COMMITTEE;

The Association shall have a Financial Advisory Committee appointed by the President consisting of the Treasurer and at least three (3) other members who shall select a Chairman other than the Treasurer by majority vote at the first meeting after their

appointment. It shall be the duty of this committee to provide financial and related advice to the Association including establishing investment policies for and overseeing the management of the Association's Endowment Fund. All decisions of the Financial Advisory Committee must be approved by majority vote of the committee.

ARTICLE 11. ENDOWMENT FUND

Section 1. PURPOSE;

The Association shall set up an Endowment Fund (the Endowment) for the purpose of providing an additional income source independent of member dues.

Section 2. FUND ACCUMULATION;

The Endowment shall consist of funds allocated from sources other than member dues. These sources may be as specified in the By-Laws and/or Rules and Regulations. The sources may also be as designated by vote of the Board of Directors and/or General Membership.

Section 3. MANAGEMENT;

The Endowment's funds shall be invested by the Association's Treasurer in accordance with the direction of the Board of Directors, the General Membership, and/or any committee(s) established for the purpose of advising the Treasurer and/or setting investment policy for the Endowment. The Endowment shall be managed based on a "base amount" defined in the Association's Rules and Regulations. This base amount may be increased but cannot be decreased except as directed by public law, a court, or a government agency.

Section 4. FUND DISBURSEMENTS;

Any time the principal balance of the Endowment matches or exceeds the base amount defined in the Association's Rules and Regulations, the investment income of the the Endowment may be allocated for purposes as authorized by majority vote of the Board and/or General Membership. The principal of the Endowment shall not be used except in extreme situations including but not limited to maintaining the very existence of the Association. Any such expenditures shall require a fourth-fifths (4/5) vote of the entire Board at a Board meeting followed by a two-thirds (2/3) vote of the General Membership present and voting at a business meeting.

ARTICLE 12. AMENDMENTS

Section 1. AMENDMENTS;

These By-laws may be amended by two-thirds (2/3) of the voting members present at two (2) consecutive business meetings of the Association. In order for an amendment to be considered it must first be approved by the Board and then the General Membership shall be notified in writing by the Association prior to the meetings when the amendment is to be considered. Approval of a proposed amendment in its final form must be by a two-thirds (2/3) affirmative vote of those members of the General Membership present and voting at each of the two (2) consecutive business meetings.

ARTICLE 13. ABSENTEE VOTES

Section 1. ABSENTEE VOTES;

Any member entitled to vote, may submit an absentee vote on any matter which is to be voted upon at a business meeting of the Association. Said vote shall be made in writing, over the members signature, and shall be placed in a sealed envelope. The envelope shall be titled "Absentee Vote" and shall indicate the subject matter of the vote. Each subject matter shall be contained in a separate envelope, which may be opened by the Presiding Officer only after the vote of the members present has been tallied. All absentee votes must be in the hands of the Presiding Officer of the meeting prior to the voting. Absentee votes received after the voting has been completed shall be considered as null and void.

ARTICLE 14. DISSOLUTION**Section 1. DISSOLUTION;**

In the event of voluntary or involuntary dissolution of the Association, all of the assets belonging to the Association necessary to meet the costs of dissolution, shall be sold in a manner selected by the membership or the dissolving authority, and all debts will be paid wherever possible. Thereafter, all items owned by the Association as well as all remaining assets shall be donated to a non-profit railroad club, museum or Non-profit Institution housing a railroad display of the dissolving authorities choice; subject to the General Laws of the Commonwealth of Massachusetts and the Federal Government.

ARTICLE 15. TERMS AND DEFINITIONS;**Section 1. ASSOCIATION;**

The organization shall be called herein the "Association" for brevity.

Section 2. BOARD;

The Board of Directors defined in Article 7 shall be called herein the "Board" for brevity.

Section 3. ELECTIVE OFFICE;

The term "elective office" shall refer to the elected members on the Board of Directors as defined in Article 7 and the elected Corporate Officers as defined in Article 8.

Section 4. GENERAL MEMBERSHIP;

The term "general membership" shall refer to all members of the Association who are entitled to vote at business meetings as specified in Articles 2, 3, and 12.

Section 5. HOUSE RULES;

"House rules" shall consist of those rules which govern activities of members within the Association's quarters. These rules may be enacted by elected and/or appointed officers of the Association as they deem appropriate. House rules do not require the approval of the General Membership but can be changed by majority vote of those members of the General Membership present and voting at any business meeting of the Association.

Section 6. NON-ELECTIVE OFFICE;

The term "non-elective office" shall refer to all positions that are not covered by Article 14 Section 3. These positions may include but are not limited to serving as a member or chairman of a committee. Any member holding a non-elective office may resign from that position at any time by notifying the current appointing authority for that office in writing.

Section 7. PRESIDING OFFICER;

The term "presiding officer" shall refer to the officer presiding at a business meeting of the Association or a Board meeting. The presiding officer at an Association business meeting will normally be the President, but in the absence of the President another elected corporate officer may preside in the following order of precedence: Vice-President, Treasurer, Secretary, or Corresponding Secretary. The presiding officer at a Board meeting will normally be the Chairman of the Board of Directors, but in the absence of the Chairman another member of the Board may preside in the following order of precedence: a director with less than 1 year remaining of a 2-year term, a director with more than 1 year remaining of a 2-year term.

Section 8. RULES AND REGULATIONS;

"Rules and regulations" shall consist of those rules enacted by the Board and/or the General Membership and approved by majority vote of those members of the General Membership present and voting at any business meeting of the Association. Rules and regulations may include but are not limited to those items which are not deemed worthy of inclusion in the By-Laws or which require greater flexibility to make changes than the By-Law amendment process provides.