

14 September 1994

SECOND DIVISION, PACIFIC NORTHWEST REGION
NATIONAL MODEL RAILROAD ASSOCIATION, INC.

BY-LAWS

ARTICLE I. OFFICES

Section 1. Registered Agent. The Registered Agent shall be a resident of the State of Oregon as required by law. He or she, preferably, shall be someone who is thoroughly acquainted with the relationship between the Division and the Region and be a long-time active member.

Section 2. Principal Office. The principal office shall be the residency of the Superintendent. The Secretary of State, Corporation Division, shall be notified when the election of a Superintendent requires a change of address for the principal office. Correspondence from the Secretary of State, Corporation Division, may be directed to the principal office (home of the Superintendent) or to the home address of the Secretary at the option of the Board of Directors.

ARTICLE II. MEETINGS

Section 1. Place of Meetings. All meetings shall be held within the geographical area defined by the Pacific Northwest Region, National Model Railroad Association, Inc. as the Second Division of said organization; namely: the North boundary shall be the North boundaries of Wahkiakum, Cowlitz, Skamania and Klickitat Counties of the State of Washington; the South boundary shall be the South boundaries of Tillamook, Marion, Polk, Wasco, Sherman and Gilliam counties of the State of Oregon; the East boundary shall be the east boundaries of Gilliam and Wasco counties of Oregon; and the East boundaries of Klickitat and Skamania counties in Washington; and, the West boundary thereof shall be the Pacific Ocean.

Section 2. Annual Meetings. The annual meeting of the membership shall be held during the month of June of each year. The day, time and place shall be determined by the Board of Directors. Written notice shall be sent to all Regular members in good standing and to the Life members advising them of said meeting and such business as may properly be brought before the membership. At the annual meeting:

- A. The Superintendent, or any other officer of the Board of the Board of Directors as the Superintendent may designate, shall report on the activities and financial condition of the organization; and
- B. The voting members shall consider and act upon such other matters as may be raised consistent with the notice of such meeting.

Section 3. Regular Meetings. The Division shall schedule membership meetings on a monthly basis except for the months of July and August subject to the approval of the Board of Directors. Dates, times and sites for membership meetings shall be selected to best serve the Division's membership. Criteria shall include: program content, availability and accessibility of the meeting site; facility requirements and members' preferences. Dates, times and sites will be publicized in advance of each meeting.

Section 4. Majority Rule. The vote of a majority shall decide any question brought before such meeting, unless the question is upon amending, repealing or revoking a material and/or substantial portion of the By-Laws or Articles of Incorporation.

Section 5. Proxies and Voting Agreements. Proxies for general purposes and cumulative voting for members of the Board of Directors are hereby expressly prohibited. Voting agreements are lawful but are discouraged since attendance at all meetings is required for the purposes of exercising voting privileges.

ARTICLE III. NOTICES

Section 1. Notice of Regular Meetings. Written or printed notice stating the place, day and hour of each regular meeting shall be delivered not less than fifteen (15) or more than thirty (30) days prior to the date of such meeting, by mailing the same, with first class postage being prepaid thereon, to the last known address of all dues or assessment paying members of the Second Division, unless the requirement for such payment is waived by the Board of Directors due to the receipt of adequate funds from PNR as a rebate on their membership dues. Announcements of regular meetings as provided in the mailings of "The Semaphore" shall be regarded as satisfying the requirements of such notice.

Section 2. Notice of Special Meetings. Notice shall be upon the same terms and conditions for regular meetings except that the psurpose or purposes of the meeting shall be stated in the notice and delivery thereof shall not be less than twenty (20) nor more than forty-five (45) days before the date set for such meeting.

ARTICLE IV. DIRECTORS

Section 1. Directors and Election. The number of Directors shall be six, including an elected Superintendent and Vice-Superintendent. Directors shall be nominated by a committee chosen for the purpose or they may be nominated by the members at large. The ballot shall be a mail-in ballot. Every nominee shall consent to his/her nomination before his/her name is placed on the ballot. The results of the election shall be announced at the Annual Membership Meeting and subsequently published in the "Semaphore" newsletter. Two Directors and the Superintendent shall be elected every even year and two Directors and the Vice-Superintendent shall be elected every odd year. Each elected person shall serve for a term of two years commencing on the first days of September following the annual meetings wherein they were certified as office holders.

Section 2. Filling Vacancies. A vacancy occurring on the Board may be filled by the affirmative vote of the majority of the remaining members, though less than a quorum of the Board. A Director elected by the Board to fill a vacancy shall be elected only to fulfill the unexpired portion of the term of his/her predecessor in office. This rule also applies to officers who are serving as Directors.

Section 3. Power of the Board. The business and affairs of the association shall be managed by its Board of Directors which may exercise all the powers of the corporation in the furtherance of its stated purposes.

Section 4. Meetings. There shall be no annual or regularly scheduled meetings of the Board. All special meetings will be held at such time and place as the Superintendent shall direct. Two or more members of the Board may also request a special meeting if they believe there is just cause. The Secretary, with the consent of the Superintendent, may also call a special meeting.

Section 5. Quorum. A majority of the total number of Directors shall constitute a quorum for the transaction of business; however, the Superintendent, Vice-Superintendent and Secretary shall constitute the Executive Board and they may, under previous authority granted, transact a limited amount of business so long as they report their activities to the full Board and request confirmation.

ARTICLE V. OFFICERS AND DUTIES

Section 1. Officers. The principal officers of the association shall consist of a Superintendent, Vice-Superintendent, Secretary and Treasurer. The offices of Secretary and Treasurer may not be combined. The Secretary and Treasurer shall be appointed by the Superintendent with the advice and consent of the Board.

Section 2. Standing Committees. Permanent committees shall be appointed to carry out the following functions:

1. Achievement Program and Contest Coordinator
2. Clinics for regular meetings and meets
3. Membership to actively promote membership in the Division, Region and NMRA
4. Promotion, Publicity and Advertising
5. Publications to ensure timely publication of the Division's Newsletter
6. Special Events to manage Division mini-meets and serve as liaison to regional conventions, swap meets, train shows, etc.
7. Nominating Committee
8. Layout Tour Coordinator
9. Second Division Awards Program to include "Golden Semaphore" and "Brass Bell Award"
10. Special Committees may also be appointed to handle emergency or sporadic functions and be granted whatever powers the deems necessary to carry out their functions.

Section 3. Terms of Office. The officers and remaining Board members of the association shall hold office until their successors are chosen and qualified as replacements. Any committees, assistant officers or agents elected or appointed by the Board of Directors may be removed by the Board whenever, in its judgment, the best interests of the association will be served thereby. Any office created by the Board of Directors shall be filled by the Board whenever a vacancy occurs.

SUPERINTENDENT

Section 4. Duties. The Superintendent shall be the chief executive of the corporation. He/she shall preside at all meetings of the members and Directors. He/she shall have general and active management of the business of the association and shall see that all orders and resolutions of the Board are carried into effect.

Section 5. PNR Representative. The Superintendent shall represent the Second Division at all regular and special meetings of the PNR and fulfill whatever obligations are imposed upon him/her by PNR as an executive member of the Board of Trustees of PNR. He/she shall keep Second Division members informed of the activities of the Board of PNR.

Section 6. Authority. The Superintendent shall execute all legal documents requiring the signature of the person authorized to represent the membership except where the signing and execution thereof shall expressly be delegated to some other officer or agent by the Board of Directors.

VICE-SUPERINTENDENT

Section 7. Duties. In the temporary absence or disability of the Superintendent, the Vice-Superintendent shall perform all the duties and exercise the powers of the Superintendent until his/her return to office. He/she shall also perform whatever other duties the Board of Directors shall prescribe. In the event of the death, permanent disability or resignation of the Superintendent, the Vice-Superintendent shall automatically succeed to the office of Superintendent and hold the same until the expiration of the Superintendent's term, vacating his/her office simultaneously to his/her succession to the superintendency.

SECRETARY

Section 8. Duties. The Secretary shall attend all sessions of the Board of Directors and all meetings of the members. He/she shall record the minutes of all proceedings in a file kept for that purpose, secure accurate records of attendance of the members by requiring them to sign an attendance book, and perform such other duties for any committee when requested to do so. He/she shall give, or cause to be given, notice of all meetings and shall perform whatever other duties as may be prescribed by the Board of Directors or the Superintendent, under whose supervision he/she shall always remain.

Section 9. Authority. He/she shall have custody of the seal of the corporation (if one has been obtained) and, when authorized by the Board of Directors, to affix same to any instruments requiring it, and when affixed, it shall be attested to by his/her signature.

TREASURER

Section 10. Duties. The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the association. He/she shall deposit all money and other valuable effects in the name of and to the credit of the corporation in such depositories as may be designated by the Board of Directors.

Section 11. Control of Funds. He/she shall disburse funds of the association when proper to do so, making adequate vouchers for such disbursements. He/she shall render unto the Superintendent and Directors a complete, verified financial statement showing an accounting of all transactions as Treasurer and the condition of the corporation since the latest accounting, whenever requested.

Section 12. Bonding Requirements. No bonding or other undertaking shall be required of the Treasurer as long as the assets of the organization are less than \$10,000. In the event the assets exceed the amount stated, the Treasurer shall provide a corporate surety bond whenever Requested by the Board. The premium thereof shall be paid by the association. It shall be in an amount satisfactory to the Board for the faithful performance of the duties of the office of Treasurer and for the restoration to the corporation in the event of his/her death, resignation, retirement or removal from office of all books, papers, money, vouchers and other property of whatever kind in his/her possession and/or under his/her control belonging to the association.

ARTICLE VI. GENERAL PROVISIONS

Section 1. Limited Terms of Office. The membership may limit the term of office of any Director or Officer serving as Director to no more than two consecutive two-year terms by amending the Articles of Incorporation expressly for that purpose.

Section 2. Mutual Benefit Corporation. The Oregon Department of Justice has classified the organization as being one of mutual benefit for its members. No attempt shall be made to change this classification to "public benefit" until such time as the Pacific Northwest Region - National Model Railroad Association, Inc. its parent corporation, and also an Oregon non-profit corporation, shall have applied for and been granted a charitable tax exemption under Section 501 (c) (3) of the Internal Revenue code of 1986, or as amended.

Section 3. Dues and Assessments. All dues for the various classes of membership shall be determined by the PNR Board and the same shall be collected through the PNR Office Manager. The Second Division Board may provide for a publication assessment not to exceed \$2.50 per annum for each members, deducting therefrom any sums received from PNR as a rebate of dues. Failure to pay an assessment, if imposed, may result in a member being removed from the mailing list for publications, but not meeting notices.

Section 4. Voting Members. Voting rights shall be limited to those members who are designated as Life or Regular members by PNR. All family, subscripitive and/or honorary members are expressly excluded from voting.

Section 5. Bank Drafts. The corporation's checking account shall have deposits limited to the sum of \$500.00. All other funds, if any, shall be invested. All checks and demands for money and notes may be executed by the on a single signature account so long as the same is within specified limits set by the Board.

Section 6. Audit. An annual audit of Second Division accounts shall be conducted by an Audit Committee appointed by the Superintendent with the advice and consent of the Board of Directors.

Section 6. Construction. The term "association" whenever used herein shall be synonymous with the term "corporation." The term "PNR" is an abbreviation of Pacific Northwest Region - National Model Railroad Association, Inc.

Section 7. Format. "Roberts Rules of Order, as Revised" shall be followed in conducting all meetings. In all matters not contained in these By-Laws, the PNR By-Laws may be used for interpretation of any unwritten policies and procedures, and to that extent they are incorporated herein by reference.

ARTICLE VII. AMENDMENTS

Section 1. Articles. The Articles may be amended, altered or repealed with regard to any material and/or substantive matter by the affirmative vote of two-thirds of those members present at any regular or special meeting called for that purpose. The Board of Directors may amend, alter or repeal portions of the Articles; however, the same shall be limited to the following:

- A. Deletion of the name and address of the initial registered office or agent if a statement has been filed with the Oregon Corporation Commissioner's office;
- B. To delete the mailing address or change the same in connection with the Annual Report to the Oregon Secretary of State; and
- C. To make any changes expressly permitted by the Oregon Nonprofit Corporation Act of 1989, or as amended.

Section 2. By-Laws. These By-Laws may be amended, altered or repealed by the affirmative vote of two-thirds of those members present at any duly and regular meeting called for that purpose.

Section 3. By-Law Content. These By-Laws or future By-Laws, if modified, may not contain any provision for managing and regulating the affairs of the corporation that is not consistent with the Articles of Incorporation and/or the laws of the State of Oregon for non-profit corporations.