

BY-LAWS OF
SAGINAW RIVER VALLEY RAILROAD, INC.

ARTICLE I

NAME - LOCATION

SECTION 1 Name - The name of this club is the Saginaw River Valley Railroad, Inc.

SECTION 2 Registered office - The registered office of the club is Carl R. Goodman, 2065 Sunset, Saginaw, MI. 48604. The registered office of the club may be changed from time to time by the Board of Directors.

ARTICLE II

PURPOSE - POWER

SECTION 1 Purpose - The purpose for which this club is formed is as follows:

- (a) To conduct a social and protective organization for all persons who are interested in promoting model railroading;
- (b) To provide for, sponsor, and regulate the conduct of events and exhibitions for model railroading;
- (c) To promote and encourage model railroading among the general public through events and programs, and through interrelationships with other model railroading clubs and enthusiasts; and
- (d) To do all things necessary or convenient to effect the purposes for which this club is organized, and to that end, to exercise all such powers as may from time to time be permissible under the laws of the State of Michigan.

SECTION 2 Power - The club shall have such powers in furtherance of its corporate purposes as are set forth in Section 261 of 1982 PA 162.

ARTICLE III

MEMBERSHIP

SECTION 1 Classes of Members - This club is organized upon a membership basis and shall have one class of members - active.

SECTION 2 Active Member - Active membership is open to any person who is interested in model railroading, etc.

SECTION 3 Members' Rights - Each member shall have equal rights with other members.

SECTION 4 Voting Rights - Each member of the club shall be entitled to one vote on each matter submitted to a vote of members. The members shall adopt, amend or repeal any By-Law denying, limiting or otherwise prescribing the voting rights of any members.

SECTION 5 Transfer of Membership - Membership shall not be transferable and shall be terminated by death, resignation, expulsion or expiration of a term of membership.

SECTION 6 Termination of Membership - Active membership shall continue and be in effect from date of membership fee is paid until the close of the annual meeting following the fiscal year in which the membership fee was paid, whereupon such membership shall automatically terminate unless a membership fee is paid for the subsequent fiscal year.

A. Types of Memberships

- 1 Regular Member - This class of membership is open to persons fourteen (14) years or older who desire all membership privileges and responsibilities. Only regular members may hold office and vote. They are expected to participate in the clubs activities.
- 2 Family Membership - A regular member's family (spouse and children) may participate in all club activities. The regular member's spouse and children are not considered regular members and may not vote or hold office. The spouse and children of a regular member may become a regular member when they have meet the requirements.
- 3 Honorary Member - Certain persons may be offered honorary membership in recognition for a special service to the model railroad hobby or our club. They will be welcome to participate in club activities under general supervision, but may not hold office or vote. Such recognition will be substituted for sustaining member to persons who wish to make contributions to the club.
- 4 Inactive Member - Inactive membership is available to regular members, who because of circumstances beyond their control, are unable to attend meeting or pay dues or otherwise maintain their membership. Inactive membership has no membership privileges, but allows a person to again become a regular member without initiation fee or acceptance procedures.
- 5 Senior Member - This class type of membership is available to regular members of five (5) years or more standing, who, because of illness or infirmity or advanced age or other legitimate reasons in the opinion of the membership, may request a senior membership status. It makes it possible for him/her to retain most membership privileges although he/she may not be able to assume all membership responsibilities.

ARTICLE IV

MEETING OF MEMBERS

SECTION 1 Annual Meeting - An annual meeting of members for election of such officers and directors whose terms are expiring and for such other business as may come before the meeting shall be held at a

time and place within the State of Michigan as the Board of Directors may annually designate. Notice of the time, place and purposes of the annual meeting shall be given by the Board of Directors in writing, either personally or by mail, to the members hereof, not less than ten (10) nor more than sixty (60) days before the date of the annual meeting.

SECTION 2 Special Meeting - A special meeting of members may be called by the President or by a majority of the Board of Directors. Written notice of the time, place and purposes of such meeting of members shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, to each member of record entitled to vote at the meeting.

SECTION 3 Quorum - A majority of the members present and eligible to vote at any annual or special meeting shall constitute a quorum for the transaction of business.

SECTION 4 Voting - Each member who shall have been a member for sixty (60) days prior to the date of any annual or special meeting shall be entitled to notice of and to vote on each proposition or matter presented for consideration or decision at any meeting of the club.

SECTION 5 Attendance at Meeting - A member must be present at any annual or special meeting in order to vote. There shall be no voting by proxy at any annual or special membership meetings.

SECTION 6 Waiver of Notice - Attendance of a member at any membership meeting constitutes a waiver of notice of the meeting, except when the member attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 7 Membership Records - The Secretary or such other officer having charge of the membership records of the club shall make and certify a complete list of the members entitled to vote at any membership meeting or any adjournment thereof. The list shall:

- (a) Be arranged alphabetically with the address of each member.
- (b) Be produced at the time and place of the meeting.
- (c) Be subject to inspection by any member during the whole time of the meeting.
- (d) Be prima facie evidence as to who are members entitled to examine the list or to vote at the meeting.

SECTION 8 Order of business - The order of business of a meeting of the club shall be as follows:

- (1) Call to order
- (2) Roll call
- (3) Reading of minutes of previous meeting
- (4) Reports of the officers
- (5) Reports of committees

- (6) Unfinished business
- (7) New business
- (8) Adjournment

ARTICLE V

BOARD OF DIRECTORS

SECTION 1 Powers and Duties - The business and affairs of the club shall be managed by the Board of Directors. The Board of Directors shall conduct the business affairs of the club and shall be charged with the responsibility for the determination and enactment of the policies of the club.

SECTION 2 Qualifications and Number of Directors - The business, property and affairs of this club shall be managed by the Board of Directors composed of a minimum of five (5) persons, and a maximum of seven (7) persons as determined by the Board of Directors from time to time.

SECTION 3 Election and Term of Directors - The general membership at the club's annual meeting will elect the officers of this club herein called the Board of Directors. Said officers shall remain in office until a successor is elected or appointed and qualified, or until the officer's resignation or removal.

SECTION 4 Vacancies - A vacancy on the Board of Directors caused by death, resignation, removal, or in any other manner, may be filled by a majority vote of the membership at any regular or special meeting at which a quorum is present. The person elected to the Board to fill a vacancy shall serve until the next annual meeting of members and until a successor is elected and qualified. The elected Director may succeed himself or herself if elected at the next annual meeting of members.

SECTION 5 Meetings - The Board of Directors shall meet at such times and places as may be called by the President. Any member of the Board may make a written request to the President for a special meeting. Notice of a special meeting shall be given by the Secretary in person, or by telephone, or by leaving or mailing a written notice at the residence of the Director. Attendance of a Director at a meeting constitutes a waiver of notice of the meeting. A member of the Board may participate in a meeting by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in such a meeting constitutes presence in person at the meeting.

SECTION 6 Quorum and Voting - A majority of the members of the Board then in office constitutes a quorum for the transaction of business. The vote of the majority of Board members present at a meeting at which a quorum is present constitutes the action of the Board, unless the vote of a larger number is required by the Articles of Incorporation, these By-Laws or by law.

SECTION 7 Action Without Meeting - Action required or permitted to be taken pursuant to authorization voted at a meeting of the Board may be taken without a meeting, if, before or after the action, all members of the Board consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board. The consent has the same effect as a vote of the Board for all purposes.

SECTION 8 Non Attendance - Any member of the Board failing to meet with said Board for three (3)

consecutive meetings duly called, without satisfactory excuse to the Board, shall be removed upon a majority vote of the remaining members of the Board present at a meeting where a quorum is present.

ARTICLE VI

OFFICERS

SECTION 1 Officers - The officers of the club shall consist of a President, Vice-President, Secretary, Treasurer, Director of Operations, and two members at large; and all officers shall serve on the Board of Directors.

SECTION 2 Qualifications, Election and Term of Office - All officers shall be members of the club and shall be elected by a majority vote of all of the members present and eligible to vote at the annual meeting of members. Each member's vote, shall count as one vote. All officers shall hold office for one year and/or until a successor is elected or appointed and qualified or until the resignation or removal of the officer.

SECTION 3 Duties and Authority -

(a) President - The President shall be the principal executive officer of the club and shall, in general, supervise and control all business and affairs of the club. The President shall preside at all meetings of the members and of the Board of Directors. The President shall call, through the Secretary or otherwise, all meetings of the club or Board of Directors. He/she may sign, with the Secretary of any other proper officer of the club authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws, or by statute, to some other officer or agent of the club; and, in general, he/she shall perform all duties as may be prescribed by the Board of Directors from time to time. The President shall be an ex-officio member of all committees.

(b) Vice-President - In the absence of the President or in the event of his/her inability or refusal to act, the Vice-President shall perform the duties of the President; and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

(c) Secretary - It shall be the duty of the Secretary to attend all meetings of the club and of the Board of Directors to keep an accurate record of all proceedings; to keep all records, documents, reports and minutes of the club. The Secretary shall further keep a register of the names and address of all members of the club and give all notices of the time and place of meetings of the club and Board of Directors. The Secretary shall, in general, perform all the duties incidental to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. The Secretary shall deliver to his/her successor in office all records, documents, minutes and other papers of the club.

(d) Treasurer - The treasurer shall be responsible for all monies, accounting and financial records of the club and settle all expenditures authorized by the Board. The Treasurer shall prepare and keep an annual budget of intended receipts and expenditures of the club. A detailed annual report shall be presented at the annual meeting of members. He/she shall collect all yearly dues; and if required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum

and with such surety or sureties as the Board of Directors shall determine. The premium for any bond required by the Board of Directors shall be paid by the club. The Treasurer shall, in general, perform all duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. The Treasurer shall deliver to his/her successor in office all records, documents and other papers of the club.

(e) Director of Operations - The Director of Operations shall be elected by the general membership at the club's annual meeting. The Director of Operations shall supervise the set up and tear down of the club's module H.O. railroad display at any or all public displays. The Director of Operations only official duty of this club, other than as a member of the Board, shall be only as stated above, unless so otherwise directed to do so by the Board or the President as delegated to him/her.

(f) Board Member At Large - Two Board Members at Large shall be elected by the general membership at the club's annual meeting. Both Board Members at Large are extra board members to be temporary replacements for the Vice-President, Secretary, or Treasurer if the need arises. These two board members may be used by the President to carry out special assignments or head any special committees created by the Board. One of these Board Members at Large may be appointed property chairman to store, distribute, etc. all club material, property (i.e., paint, stanchion, burlap, decals, etc.)

ARTICLE VII

COMMITTEES

SECTION 1 Standing Committees -

(a) Nominating Committee - The President shall annually appoint a Nominating Committee. It shall be the duty of the Nominating Committee to propose individuals for all the offices to be voted upon at the next annual meeting of members.

SECTION 2 Other Committees - Other committees may be appointed by the President or by a majority of the Board of Directors present at a meeting at which a quorum is present. Members of each such committee shall be members of the club and the President of the club shall appoint the members thereof. Any member thereof may be removed by the President whenever in his/her judgment the best interests of the club shall be served by such removal. Each member of a committee shall continue as such until the next annual meeting of the members of the club and until their successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof. One member of each committee shall be appointed chairman by the President of the club.

ARTICLE VIII

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1 Contracts - The membership may authorize any officer or officers, agent or agents, of the club, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the club, and such authority may be general or confined to specific instances.

SECTION 2 Checks, Drafts, etc. - All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness, issued in the name of the club, shall be signed by such officer or officers, agent or agents, of the club, and in such manner as shall from time to time be determined by resolution of the membership.

SECTION 3 Deposits - All funds of the club shall be deposited from time to time to the credit of the club in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4 Gifts - The Board of Directors may accept on behalf of the club any contribution, gift, bequest or devise for the general purposes or for any special purpose of the club.

ARTICLE IX

BOOKS AND RECORDS

SECTION 1 Books and Records - The club shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and Board of Directors and shall keep at the registered office a record giving the names and addresses of the members entitled to vote. All books and records of the club may be inspected by any member or his/her agent or attorney for any proper purpose at any reasonable time.

ARTICLE X

FISCAL YEAR

SECTION 1 Financial Year - The financial year of the club shall be from 12:01 a.m. of September 1st. to 12:00 midnight of August 31 st. of each calendar year.

ARTICLE XI

DUES

SECTION 1 Annual Dues - The membership may determine from time to time the amount of initiation fee, if any, and annual dues payable to the club for each type of membership.

SECTION 2 Payment of Dues - Dues shall be payable in advance before the start of the November meeting of each calendar year.

SECTION 3 Termination of Membership - The membership of any member, irrespective of type, shall be automatically terminated if the membership dues are not paid before the start of the November meeting of members.

ARTICLE XII

WAIVER OF NOTICE

SECTION 1 Waiver of Notice - Whenever any notice is required to be given under the provision of the Michigan Non Profit Corporation Act (1982 PA 162) or under the provisions of the Articles of Incorporation or by the By-Laws of the club, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII

INDEMNIFICATION

SECTION 1 Indemnification - Pursuant to and to the extent allowed by 1982 PA 162, each Director and Officer of the club, now or hereafter serving as such, shall be indemnified by the club against any and all claims and liabilities to which he/she has or shall become subject by reason of serving or having served as such Director or Officer, or by reason of any action alleged to have been taken, omitted, or neglected by him/her as such Director or Officer; and the club shall reimburse each such person for all legal expenses reasonably incurred by said person or persons in connection with any such claim or liability. The right of indemnification herein provided for shall not be exclusive of any rights to which any Director or Officer of the club may otherwise be entitled by law.

ARTICLE XIV

DISTRIBUTION OF ASSETS UPON DISSOLUTION

SECTION 1 Distribution of Assets Upon Dissolution - Upon the dissolution of the club, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the club, dispose of all the assets of the club in such manner as provided by law, or to such organization or organizations organized and operated for charitable, educational, religious, agricultural or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Directors shall determine. Any such assets not so disposed of by the Board of Directors shall be disposed of by the Circuit Court for the County in which the registered office of the club is then located.

ARTICLE XV

AMENDMENT

SECTION 1 Amendment of By-Laws - These By-Laws may be altered, amended or repealed, and new By-Laws may be adopted as follows:

- (1) By a majority vote of the members present and eligible to vote at any annual meeting.
 - (a) Notice of the meeting setting forth the proposed amendment, or a summary of the changes to be affected thereby, shall be given to each member entitled to vote thereon, not less than ten (10) nor more than sixty (60) days before said meeting.